

Shanghai Dazhong Public Utilities (Group) Co., Ltd.*

Rules of Procedures of the Strategic Development Committee

(Considered and approved at the 15th meeting of
the tenth session of the Board of Directors on 29 March 2019)

Chapter I General Provisions

Article 1 Strategic Development Committee of the board of directors (the “**Board**”) of Shanghai Dazhong Public Utilities (Group) Co., Ltd.* (the “**Company**”) is formulated under the provisions of Company Law of the People’s Republic of China, the Code of Corporate Governance for Listed Companies, the Articles of Association of Shanghai Dazhong Public Utilities (Group) Co., Ltd. (hereinafter referred to as the “Articles of Association”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Listing Rules”), as well as the provisions of other relevant laws, administrative regulations, departmental rules and regulatory documents to cater for the Company’s strategic development needs, enhance the Company’s core competitiveness, determine the Company’s development plan, improve the investment decision-making process, strengthen scientific decision-making and improve the effectiveness and quality of major investment decision-making, and the Company also developed this Rules of Procedures of the Strategic Development Committee.

Article 2 The Strategic Development Committee is a specialized working body established by the Board, and is mainly responsible for studying and making recommendations on the Company’s long-term development strategy and plan.

Chapter II Composition

Article 3 The Strategic Development Committee shall consist of three directors.

Article 4 The members of the Strategic Development Committee shall be nominated by the chairman of the Board, a majority of the independent non-executive directors or one-third of all directors, and shall be elected by the Board.

Article 5 The Strategic Development Committee shall have a chairman, who shall be the chairman of the Board and be responsible for convening the meeting and presiding over the work of the Strategic Development Committee.

* For identification purpose only

Article 6 The term of office of the member under the Strategic Development Committee shall be the same as that of the Board, and a member shall be eligible for re-election upon expiration of his term of office. In the event that a member of the Committee ceases to act as a director of the Company, his membership under the Strategic Development Committee shall lapse automatically, and the vacancy shall be filled in accordance with the provisions of Articles 3 to 5 above.

Article 7 Where the number of members is less than the required number of members of the Strategic Development Committee due to the resignation or removal of members or other reasons, the Board shall fill the vacancies in a timely manner. Before such, the Strategic Development Committee shall temporarily stop exercising the duties specified in the rules of procedures, and the Board shall exercise such functions and power thereafter.

Article 8 The investment and development department of the Company, which is responsible for daily work and liaison, is a daily institution established under the Strategic Development Committee. The Secretary Office of the Board shall assist the Strategic Development Committee in organizing meetings and other work. Temporary working groups can be formed by the Strategic Development Committee as needed to complete special work.

Chapter III Duties and Authorities

Article 9 The major duties of the Strategic Development Committee include:

- (I) Studying the Company's long-term development strategy plans and making recommendations;
- (II) Following up and supervising the approved strategic development matters;
- (III) Handling other matters delegated by the Board.

Article 10 The Strategic Development Committee is accountable to the Board and shall submit its proposals to the Board for consideration and decision. The Strategic Development Committee shall provide all research discussions, materials and information to the Board in the form of reports, recommendations or summaries for the research and decision.

Chapter IV Working Procedures

Article 11 The investment and development department or strategy work group shall take charge of the preparatory work of decision-making for the Strategic Development Committee and provide the following relevant information:

- (I) Significant investment and financing, capital operation, the intention to participate in asset management projects, pre-feasibility report and the basic information of cooperating parties reported by the head of the relevant departments of the Company or officers of the subsidiaries of the Company or companies in which the Company has interests;

(II) The investment and development department of the Company shall review the investment projects, issue a written opinion and submit a formal proposal to the Committee.

Article 12 The relevant proposals mentioned in Article 9 shall be submitted to the Strategic Development Committee for consideration before being submitted to the Board of Directors for consideration. The meeting shall be held by the Strategic Development Committee on the basis of proposals from the Company's functional departments for discussion. Results of the review shall be submitted to the Board and shall be fed back to the Company's management.

Chapter V Rules of Procedure

Article 13 Strategic Development Committee shall convene and hold such meetings at least once a year and notify all members seven days prior to the meeting, The meeting shall be convened and presided over by the chairman, and if the Chairman is unable to attend the meeting, he or she shall authorise another member to convene and preside over the meeting. An extraordinary meeting of the Strategic Development Committee can be convened if proposed by the chairman of the Strategic Development Committee or the majority of the members of the Committee of the Company.

Article 14 Meetings of the Strategic Development Committee shall only be held when more than two-thirds of the members are present; each member shall have one vote; voting at the meeting shall be by ballot. Decisions made in the meetings shall be subject to the approval by the majority of all members.

Article 15 Members of the Strategic Development Committee shall attend the meeting in person. If a member is unable to attend the meeting for some reason, he or she may entrust another member to attend the meeting in writing. The power of attorney shall specify the scope of authorization.

Article 16 Members of the Strategic Development Committee who failed to attend meetings in person or entrust other members to attend meetings for two consecutive times shall be deemed to have failed to properly perform their powers, and the Board may dismiss their duties as members.

Article 17 Strategic Development Committee meetings may be held in the form of on-site meeting or off-site meeting by way of communication. In the case of communication voting, members shall sign the resolution of the meeting and indicate their agreement, disagreement or abstention; those who only sign but do not indicate their agreement, disagreement or abstention are deemed to attend the meeting and agree to the resolution of the meeting.

Article 18 The responsible person of the investment and development department of the Company may attend Strategic Development Committee meetings and invite other relevant departments and persons of the Company to attend such meetings if necessary. But persons who are not members of the Strategic Development Committee shall not have voting rights on the proposals.

Article 19 The Strategic Development Committee may engage an intermediary institution to provide professional advice for its decision if necessary. Relevant fees shall be paid by the Company.

Article 20 The procedures for convening of a Strategic Development Committee meeting, its voting methods and the proposals to be passed at such meeting shall comply with the provisions of relevant laws, regulations, the Articles of Association and the Rules of Procedures.

Article 21 Minutes shall be kept for the meetings of Strategic Development Committee, and the members who attend such meeting shall sign on relevant minutes; the office of the secretary of the Board of the Company shall be responsible for keeping the minutes.

Article 22 Any resolution passed at a Strategic Development Committee meeting and the voting results shall be reported to the Board of the Company in written.

Article 23 Members attending such meeting are obliged to keep all matters discussed at such meeting confidential, and shall not disclose any relevant information without authorization.

Chapter VI Supplementary Provisions

Article 24 Any matters not covered by these Rules shall be implemented in accordance with relevant laws and regulations of the State, the Code of Corporate Governance for Listed Companies, the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange and other regulatory documents and the Articles of Association. In case of any conflict between these rules and the above regulations, the above regulations shall prevail, and the Rules of Procedures shall be amended immediately and reported to the Board for consideration.

Article 25 These Rules shall be amended and interpreted by the Board .

Article 26 These Rules shall come into force on the date of consideration and approval by the Board.