

Jiangsu Expressway Company Limited Rules for Shareholders Nominating Directors

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Revision History:

Mar. 23, 2012

Approved by 23rd Meeting of the 6th Session
of Board of Directors

Chapter I General Provisions

- Article 1 In accordance with the Company Law of the People's Republic of China, Articles of Association and Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Hong Kong Listing Rules"), the shareholders of Jiangsu Expressway Company Limited (the "Company") have the right to nominate the proper candidates to act as the directors of the Company.
- Article 2 The Rules for Shareholders Nominating Directors (the "Rules") has made the expressive explanation and definition on the procedure of nominating Directors by the relevant shareholders.
- Article 3 Shareholders shall exercise their rights with reference to these Rules so as to make sure relevant information is provided for the making of informed decision at the general meeting.

Chapter II Nominating Procedures

- Article 4 The Company's Articles of Association stipulates that:
- (1) When the Company convenes an annual general meeting, shareholders holding five per cent or more of total voting shares have right to propose the new proposal to the Company in writing. Written notice of the intention to nominate director candidates and their consent to accept the nomination shall be lodged with the Company no later than **seven days before holding of the general meeting** for election of director(s).
 - (2) The Board of directors, Supervisory Committee or shareholders individually or jointly holding 1% or more of issued shares of the Company are entitled to nominate candidates for independent directors to be elected at the general meetings.
 - (3) Two or more shareholders holding in aggregate 10% or more of voting shares may request the Board to convene an extraordinary general meeting.
 - (4) Shareholders' general meetings have the functions and powers to elect and replace directors and decide on matters relating to their remuneration, to elect and replace the directors who are not staff representatives and to decide on matters relating to the remuneration of such directors.
- Please refer to Article 9.2, 9.8, 9.40, 9.41, 11.3(2) and 12.2 of the Articles of Association for above.
- Article 5 Other than 4(1), the other new proposals of the shareholders in 4 above shall **be delivered to the Company within thirty days from the dispatch date of the notice of such meeting**. Save as mentioned above, the convener of a general meeting shall not amend the proposals as set out in the notice of the meeting or add any new proposals subsequent to the issue of the notice of the general meeting.
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- Article 6 Article 11.1 of the Company's Articles of Association stipulates that: the Company shall establish a Board of Directors. The Board of Directors comprises of 11 directors, of which 4 shall be independent directors. The Board of Directors shall have one chairman . Such provision is subject to Mandatory Provision 86 , any alteration of such provision will only become effective with the special resolution of shareholders and the approval of relevant authorities. Therefore, the shareholders shall exercise the rights to elect and replace the director candidate subject to the provision.
- Article 7 (a) Shareholders holding 5% or more of total voting shares (or shareholders individually or jointly holding 1% or more of issued shares of the Company who are entitled to nominate independent directors) who submit new proposals to the Company in writing at the annual general meeting, or (b) two or more shareholders holding in aggregate 10 % or more of total voting shares who request to convene an extraordinary general meeting, shall deliver the following documents while submitting the new proposals or convening the extraordinary general meeting:
- (1) information of the shareholders (to verify the shares they hold) and one or more written requisitions with the same format and contents signed by shareholders;
 - (2) a written notice executed by the nominated candidate expressing his willing to accept the nomination as director of the Company;
 - (3) information of the nominated candidate to be disclosed under Article 9.13 of Articles of Association and Rule 13.51(2) of Hong Kong Listing Rules (including but not limited to identification certificates; the letter of appointment and announcement of the other directors of the Company; academic qualification; professional certification and other documents as reasonably requested by the Company); in case of independent directors, save for the aforesaid documents, the information to be disclosed under the Rule 3.13 of the Hong Kong Listing Rules (including but not limited to interests in the Company's securities, assets and contracts, as well as relationship with the Company's shareholders, directors, management and counterparties of contracts) and the certification documents by the third party; and
 - (4) Confirmation from the nominated candidate that all the information provided is complete, true and accurate, and letter of consent that the Board of Directors of the Company can publish the provided information.
- Article 8 An extraordinary general meeting shall be convened by the Board as soon as practicable upon receipt of the aforesaid written requisition. The aforesaid proportion of shareholding shall be calculated as at the date on which the relevant shareholders submit the written requisition. If the Board fails to dispatch a notice convening such meeting within thirty days upon receipt of the aforesaid written requisition, the shareholders submitting such request may convene such meeting by themselves within four months of the receipt of such requisition by the Board. The procedures for
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convening such meeting should follow those for convening a general meeting of shareholders by the Board as similar as practicable. All reasonable expenses incurred by shareholders arising from convening and holding the aforesaid meeting by shareholders due to the Board's failure to hold such meeting in response to the aforesaid requisition shall be borne by the Company. Such expenses shall be deducted from the amounts due by the Company to the director(s) who have neglected their duties.

Article 9 The Board shall, in accordance with laws, administrative regulations and the Articles of Association, make a written response as to whether or not it agrees to convene an extraordinary general meeting, within ten days upon receipt of such proposal. If the Board agrees to convene an extraordinary general meeting, a notice of such meeting shall be dispatched within five days after the resolution has been adopted by the Board. Changes made to the original proposal in the notice shall be approved by the relevant shareholders.

Article 10 If the Board refuses to convene an extraordinary general meeting, or gives no response within ten days upon receipt of such proposal, shareholders holding in aggregate more than 10% of the Company's shares shall be entitled to propose to the Supervisory Committee for convening such meeting, provided that such proposal shall be made in writing. If the Supervisory Committee agrees to hold an extraordinary general meeting, a notice of such meeting shall be dispatched within five days upon receipt of such request. Changes made to the original proposal in the notice shall be approved by the relevant shareholders.

Article 11 If the Supervisory Committee fails to give notice of such meeting within the specified time limit, it shall be deemed to have failed to convene and preside over such meeting, in which case, shareholders holding in aggregate more than 10% of the Company's shares for not less than 90 consecutive days shall have the right to convene and preside over such meeting by themselves. The procedures for convening such meeting should follow those for convening a general meeting of shareholders by the Board as similar as practicable.

Article 12 Where the Supervisory Committee or shareholders decide(s) to convene the extraordinary general meeting by itself/themselves, it/they shall send out a written notice to the Board, and inform the regional office of CSRC at the locality of the Company and the stock exchange of such meeting. The convening shareholder shall submit relevant evidence to the regional office of CSRC at the place where the Company is located and the stock exchange(s) upon the issuance of the notice of general meeting and the announcement of the resolutions of the general meeting.

Article 13 The shareholding of the convening shareholders shall not be lower than 10% prior to the announcement of the resolutions of the general meeting.

Article 14 The Board of directors and the secretary to the Board of directors shall

cooperate with respect to matters relating to a general meeting convened by the Supervisory Committee or shareholders. The Board shall provide the register of shareholders as of the date of record date. Necessary expenses arising from convening of a general meeting by the Supervisory Committee or shareholders shall be borne by the Company.

- Article 15 The proposal in Article 7 (1) shall be submitted to the Office of Secretary of the Company addressed to the following:
Address: No. 6 Maqun Road, Xixia District, Nanjing Jiangsu Province, China
Fax: (8625) 84466643
(if first served by fax, please provide professional courier's information and reference number for tracing the originals)

Chapter III Supplementary Provisions

- Article 16 Any matters not covered by these Rules shall be implemented in accordance with relevant laws and regulations of the State and the Company's Articles of Association. Where there is a conflict between these Rules and laws and regulations to be promulgated by the State or the Company's Articles of Association as amended in accordance with legitimate procedures time to time, these Rules shall be implemented in accordance with relevant laws and regulations of the State and the Company's Articles of Association, and these Rules shall be amended immediately and the amended Rules shall be submitted to the Board for consideration and approval.
- Article 17 The right to interpret and amend these Rules shall rest on the Board.
- Article 16 The Company must publish these Rules on its website. (*Hong Kong Listing Rules 13.51D*)
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