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If you have sold or transferred all your shares in BAIC Motor Corporation Limited, you should at once hand this circular and the accompanying proxy form and the reply slip to the purchaser(s) or transferee(s) or to the bank, stockbroker or other agent through whom the sale or the transfer was effected for transmission to the purchaser(s) or transferee(s).



北京汽车
BAIC MOTOR

北京汽車股份有限公司

BAIC MOTOR CORPORATION LIMITED*

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1958)

**PROPOSED AMENDMENTS TO THE RULES OF
PROCEDURES FOR THE BOARD
AND**

NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING FOR 2015

A letter from the Board is set out on pages 2 to 9 of this circular.

A notice convening the EGM to be held at 2:00 p.m. on Tuesday, 22 December 2015 at Multi-purpose Hall, 1st Floor, the South Tower of Beijing Automotive Industry R&D Base, No.99 Shuanghe Road, Shunyi District, Beijing, the PRC is set out on pages 10 to 11 of this circular. A form of proxy and a reply slip for use at the EGM are also enclosed. Such form of proxy and the reply slip are also published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.baicmotor.com).

Whether or not you propose to attend the EGM, holders of H Shares of the Company are requested to complete the enclosed form of proxy in accordance with the instruction printed thereon and return it to the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 24 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude the Shareholders from attending and voting in person at the EGM or any adjournment thereof if they so wish. Shareholders who intend to attend the EGM in person or by proxy should complete the reply slip in accordance with the instructions printed thereon and return it to the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, on or before Wednesday, 2 December 2015.

* *For identification purpose only*

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“Board”	the board of directors of the Company
“Company”	BAIC Motor Corporation Limited, a joint stock company incorporated in the PRC with limited liability
“Director(s)”	the director(s) of the Company
“EGM”	the first extraordinary general meeting for 2015 to be convened and held by the Company
“H Share(s)”	overseas listed foreign shares in the ordinary share capital of the Company with a nominal value of RMB1.00 each, to be subscribed for and traded in Hong Kong dollars and listed and traded on The Stock Exchange of Hong Kong Limited
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China, which for the purposes of this circular excludes Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan
“Shareholder(s)”	the shareholder(s) of the Company
“the Rules of Procedures for the Board”	the Rules of Procedures for the Board of BAIC Motor Corporation Limited

LETTER FROM THE BOARD



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Directors:

Name	Position
Mr. Xu Heyi	Chairman of the Board and non-executive Director
Mr. Zhang Xiyong	Non-executive Director
Mr. Li Zhili	Non-executive Director
Mr. Li Feng	Executive Director and president
Mr. Ma Chuanqi	Non-executive Director
Mr. Qiu Yinfu	Non-executive Director
Mr. Hubertus Troska	Non-executive Director
Mr. Bodo Uebber	Non-executive Director
Ms. Wang Jing	Non-executive Director
Mr. Yang Shi	Non-executive Director
Mr. Fu Yuwu	Independent non-executive Director
Mr. Wong Lung Tak Patrick	Independent non-executive Director
Mr. Bao Robert Xiaochen	Independent non-executive Director
Mr. Zhao Fuquan	Independent non-executive Director
Mr. Liu Kaixiang	Independent non-executive Director

Registered address:

The fifth building
Block 25 Shuntong Road
Shunyi District
Beijing 101300, China

Principal place of business

in Hong Kong:
36/F, Tower Two
Times Square
1 Matheson Street
Causeway Bay
Hong Kong

6 November 2015

To the Shareholders

Dear Sir or Madam,

**PROPOSED AMENDMENTS TO THE RULES OF
PROCEDURES FOR THE BOARD**

I. INTRODUCTION

The Company intends to hold the EGM at 2:00 p.m. on Tuesday, 22 December 2015 at Multi-purpose Hall, 1st Floor, the South Tower of Beijing Automotive Industry R&D Base, No.99 Shuanghe Road, Shunyi District, Beijing, the PRC. The notice to convene the EGM has been dispatched on 6 November 2015, and is set out on pages 10 to 11 of this circular.

* *For identification purpose only*

LETTER FROM THE BOARD

The purpose of this circular is to provide you with details of the resolution to be proposed by the Board and the Shareholders for them to consider and approve as ordinary resolution at the EGM and provide relevant information to enable you to make an informed decision on whether to vote for or against or abstain from voting at the resolution. The resolution and details are set out in the letter from the Board.

II. MATTERS TO BE RESOLVED AT THE EGM

ORDINARY RESOLUTION

1. PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES FOR THE BOARD

The specific articles to be amended to the Rules of Procedures for the Board are as follows:

Articles	Original	Revised
Article 8	The Strategy Committee, Nomination Committee, Remuneration Committee and Audit Committee are established under the Board. All members of each of the special committee shall be comprised of directors (the specific number of members shall be stipulated by the terms of reference of each special committee).	(deleted)
Article 9	Principal duties of the Strategy Committee are as follows: (1) to review and make suggestions for the medium-to-long-term development strategies (including overall-strategies, human resources strategies and operation strategies) and development plans and proposals of the Company, and to evaluate and monitor the implementation of such plans; (2) to review the annual operation plans and investment proposals of the Company; (3) to review and make suggestions for plans regarding the increase or reduction of the registered capital, and proposals of corporate merger, division, and dissolution or change of the form of the Company; (4) to review and make suggestions for matters such as major investment, financing, guarantee, capital operation and asset operation which are subject to the approval of the Board or the chairman of the Board as authorized by the Board;	(deleted)

LETTER FROM THE BOARD

Articles	Original	Revised
	<p>(5) to review and make suggestions for matters such as major business reorganization, acquisition, merger and asset transfer which are subject to the approval of the Board or the chairman of the Board as authorized by the Board;</p> <p>(6) to review and make suggestions for the expansion to new markets, new business and new products of the Company;</p> <p>(7) to review and make suggestions for any major reorganization and restructuring proposal of the Company;</p> <p>(8) to guide and supervise the implementation of relevant Board resolutions;</p> <p>(9) other duties as conferred by the Board.</p>	
Article 10	<p>Principal duties of the Nomination Committee are as follows:</p> <p>(1) to review the structure, size and composition (including the skills, knowledge and experience of directors) of the Board at least once a year, and make suggestions to the Board in respect of any proposed changes to the Board according to the corporate strategies of the Company, and the Committee shall formulate the Board diversity policy;</p> <p>(2) to examine the qualifications of candidates for directors, presidents and secretary to the Board and make suggestions to the Board in respect of the appointment or reappointment of directors and the succession plans of directors, particularly the chairman and president;</p> <p>(3) to assess the candidates for the secretary to the Board proposed by the chairman, and the candidates for vice presidents and financial officers proposed by the president and provide opinions to the Board;</p> <p>(4) to identify potential candidates from external talent markets within and outside China and within the Company;</p> <p>(5) to evaluate the independence of independent non-executive directors; and</p> <p>(6) other duties as conferred by the Board.</p>	(deleted)

LETTER FROM THE BOARD

Articles	Original	Revised
Article 11	<p>Principal duties of the Remuneration Committee are as follows:</p> <ol style="list-style-type: none"> (1) to make suggestions for the general remuneration policies and structure for directors and senior management, and the establishment of formal and transparent procedures for the formulation of such remuneration policies, and to review the performance appraisal standards and conduct appraisal for directors and senior management, and to provide corresponding suggestions; (2) to review and approve the proposed remuneration of the management according to the corporate operating objectives, and to make suggestions to the Board for the specific remuneration treatment for directors and senior management, including the performance-based remuneration plans. The Remuneration Committee shall consider the factors including the remuneration paid by comparable companies, time commitment and duties of the directors, employment conditions of other positions of the Company, and whether the remuneration shall be based on the results performance; (3) to make suggestions to the Board for the specific remuneration for individual executive director and senior management members, including non-monetary benefits, pension rights and compensation (including compensation for the loss or termination of office or cease of appointment); (4) to make suggestions to the Board for the remuneration of the non-executive directors; (5) to make suggestions to the Board for the relevant compensation paid to executive director and senior management for their loss or termination of office or the end of their appointment, and the compensation arrangement regarding the removal or dismissal of directors due to misconduct (and to ensure the arrangements conform to the terms of contracts, or otherwise, the compensation shall be reasonable and appropriate); (6) to ensure a director shall not participate in determining his/her own remuneration; (7) other duties as conferred by the Board. 	(deleted)

LETTER FROM THE BOARD

Articles	Original	Revised
Article 12	<p>Principal duties of the Audit Committee are as follows:</p> <p>(1) to make suggestions for the appointment, reappointment and change of external auditors, handle issues relating to the resignation or removal of such external auditors and make suggestions for the appointment contracts and audit fees of relevant external auditors; to evaluate the work of the external auditors, and supervise the independence, objectivity, and the effectiveness, quality and results of work procedures of the external auditors.</p> <p>The Audit Committee shall discuss with the external auditor regarding the nature and scope of the audit and the relevant reporting obligations before the auditing work commences.</p> <p>The Audit Committee shall develop and implement policies on the engagement of an external auditor for non-audit services. For this purpose, any entity that is under common control, ownership or management with the audit firm, or any entity that is reasonably deemed as part of the domestic or international business of the audit firm by a reasonable and informed third party having knowledge of all relevant information shall be regarded as an external auditor. The Audit Committee shall report to the Board on any matters in respect of which it considers that action or improvement is needed and making recommendations as to the measures to be taken.</p> <p>(2) to supervise the internal audit system and its implementation.</p> <p>(3) to guide and evaluate the work of the internal auditing department, and to make suggestions as to the appointment and removal of the head of internal auditing department.</p> <p>(4) to review the financial information of the Company and its disclosure:</p> <p>The Audit Committee shall monitor the legitimacy and integrity of the financial statements, annual reports and accounts, interim reports and quarterly reports (if to be issued), and to review significant judgments relating to financial reporting contained therein. For this purpose, when reviewing the financial statements and reports of the annual reports and accounts, interim reports and quarterly reports (if to be issued) of the Company to be submitted to the Board, the Committee shall focus particularly on:</p> <p>1. any changes in the accounting policies and practices;</p>	(deleted)

LETTER FROM THE BOARD

Articles	Original	Revised
	<p>2. areas which involve significant judgments;</p> <p>3. significant adjustments according to the results of audit;</p> <p>4. assumptions on the ongoing operations of the Company and any qualified opinions;</p> <p>5. compliance with accounting standards;</p> <p>6. compliance with the applicable listing rules and other legal requirements in relation to financial reporting at the place of listing;</p> <p>In respect of the above, members of the Committee shall communicate with the Board, senior management and qualified accountant of the Company. The Committee shall meet, at least twice a year, with the Company’s auditors. The Committee shall consider any significant or unusual items that are, or may need to be, reflected in such reports and accounts and shall give due consideration to any matters that have been raised by the Company’s qualified accountant, compliance officer or auditors.</p> <p>(5) to review and supervise the effective implementation of the financial reporting system, internal control system and risk management system of the Company, including:</p> <p>1. to review and examine the financial control, internal control and risk management system of the Company;</p> <p>2. to discuss the internal control system with the management about the adequacy of resources, qualifications and experience of staff, training programs and budget of the accounting and financial reporting function of the Company so as to ensure the management has performed its duty to establish an effective internal control system;</p> <p>3. to review major findings on internal control matters and the responses of management on its own initiative or as delegated by the Board;</p>	

LETTER FROM THE BOARD

Articles	Original	Revised
	<p>4. where an internal audit function exists, to ensure co-ordination between the internal and external auditors; to ensure the internal audit function is provided with adequate resources and has appropriate standing within the Company; and to review and monitor its effectiveness;</p> <p>5. to review the financial and accounting policies of the Company and its implementation;</p> <p>6. to review the auditing report from external auditor to the management, queries raised by the audit or to the management about accounting records, financial accounts or control systems and the responses from the management;</p> <p>7. to ensure the timely responses of Board to the issues raised in the auditing report from the external auditor;</p> <p>8. to report to the Board in respect of the issues set out in this article;</p> <p>9. to consider other issues raised by the Board.</p> <p>(6) to evaluate and discuss the following arrangements formulated by the Company: whistle blowing system for employees of the Company to report on any potential misconducts regarding the financial reporting, internal control and other aspects of the Company; to ensure that the Company has put in place appropriate arrangements to carry out fair and independent investigation and follow-up actions for such issues; to serve as the major channel between the Company and the external auditor and to supervise their relationship.</p> <p>(7) other duties as conferred by the Board.</p>	

The Rules of Procedures for the Board are written in Chinese without an official English version. Therefore, any English translation is for reference only. In case of inconsistency, the Chinese version shall prevail.

POLL PROCEDURE

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at the EGM must be taken by poll. Therefore, the resolution set out in the notice of the EGM shall be voted by poll. Votes may be given either in person or by proxy.

LETTER FROM THE BOARD

RECOMMENDATION

Pursuant to the relevant information disclosed in this circular, the Directors (including all independent non-executive Directors) believe that the amendments to the Rules of Procedures for the Board are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the resolution to approve the proposed amendments to the Rules of Procedures of the Board at the EGM.

EGM

A notice convening the EGM to be held at 2:00 p.m. on Tuesday, 22 December 2015 at Multi-purpose Hall, 1st Floor, the South Tower of Beijing Automotive Industry R&D Base, No.99 Shuanghe Road, Shunyi District, Beijing, the PRC is set out on pages 10 to 11 of this circular. A form of proxy and a reply slip for use at the EGM are also enclosed. Such form of proxy and the reply slip are also published on the websites of The Stock Exchange of Hong Kong Limited and the Company.

Whether or not you propose to attend the EGM, you are requested to complete the enclosed form of proxy in accordance with the instruction printed thereon and return it to the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 24 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude the Shareholders from attending and voting in person at the EGM or any adjournment thereof if they so wish. Shareholders who intend to attend the EGM in person or by proxy should complete the reply slip in accordance with the instructions printed thereon and return it to the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, on or before Wednesday, 2 December 2015.

CLOSURE OF REGISTER OF MEMBERS

In order to ascertain the entitlements of the Shareholders to attend the EGM, the register of members of the Company will be closed from Saturday, 21 November 2015 to Tuesday, 22 December 2015 (both days inclusive), during which period no transfer of Shares of the Company will be effected. To be eligible to attend and vote at the EGM, all transfer documents must be lodged with the H Share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Friday, 20 November 2015.

By order of the Board
BAIC Motor Corporation Limited
Xu Heyi
Chairman



北京汽车
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北京汽车股份有限公司
BAIC MOTOR CORPORATION LIMITED*

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1958)

NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING FOR 2015

NOTICE IS HEREBY GIVEN that the first extraordinary general meeting for 2015 of BAIC Motor Corporation Limited (the “**Company**”) will be held at 2:00 p.m. on Tuesday, 22 December 2015 at Multi-purpose Hall, 1st Floor, the South Tower of Beijing Automotive Industry R&D Base, No.99 Shuanghe Road, Shunyi District, Beijing, the PRC for the purpose of considering, and if thought fit, passing the following resolution. Unless included otherwise, capitalised terms used wherein shall have the same meanings as those defined in the circular of the Company dated 6 November 2015:

Ordinary Resolution

1. Proposed amendments to the Rules of Procedures for the Board

By order of the Board
BAIC Motor Corporation Limited
Xu Heyi
Chairman

Beijing, the PRC, 6 November 2015

* *For identification purpose only*

NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING FOR 2015

Notes:

- (A) The register of members will be closed from Saturday, 21 November 2015 to Tuesday, 22 December 2015 (both days inclusive), during which period no transfer of the H Shares will be effected. Holders of H Shares of the Company whose names appear on the register of H Shares of the Company kept at Computershare Hong Kong Investor Services Limited on Tuesday, 22 December 2015 are entitled to attend and vote at the EGM following completion of the registration procedures. To qualify for attending and voting at the EGM, documents on transfers of H Shares of the Company, accompanied by the relevant share certificates, must be lodged with the Company's H Share registrar, not later than 4:30 p.m. on Friday, 20 November 2015. The address of the Company's H Share registrar is as follows: Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (B) Holders of H Shares who intend to attend the EGM should complete and return the reply slip for attending the EGM by hand, by facsimile or by post to Computershare Hong Kong Investor Services Limited, the H Share registrar of the Company in Hong Kong, whose address is at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong on or before Wednesday, 2 December 2015.
- (C) Each Shareholder entitled to attend and vote at the EGM may, by completing the form of proxy of the Company, appoint one or more proxies to attend and vote at the EGM on its behalf. A proxy need not be a Shareholder of the Company. With respect to any Shareholder who has appointed more than one proxy, the proxy holders may only vote on a poll.
- (D) A proxy shall be appointed by a Shareholder by a written instrument signed by the appointor or his attorney duly authorized in writing. In case of a corporation, the same must be either under its common seal or under hand of its legal representative or duly authorized attorney(s). If the written instrument is signed by an attorney of the appointor, the power of attorney or other documents of authorization of such attorney shall be notarized.
- (E) To be valid, the form of proxy and the relevant notarized power of attorney (if any) and other relevant documents of authorization (if any) as mentioned in Note (D) above must be delivered to the Company's H Share registrar, Computershare Hong Kong Investor Services Limited (address: 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong), not less than 24 hours before the time appointed for the EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude a Shareholder from attending and voting in person at the meeting if he so desires.
- (F) A Shareholder or his proxy should produce proof of identity when attending the EGM. Where a Shareholder is a legal person, the legal representative of that Shareholder or the person authorized by its board of directors or other governing body shall produce a copy of the authorization documents of the board of directors or other governing body of such Shareholder appointing such person to attend the meeting.
- (G) The EGM is expected to last for not more than half a day. Shareholders who attend the EGM shall bear their own travelling and accommodation expenses.