

Chengdu Expressway Co., Ltd.
成都高速公路股份有限公司

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

(Stock Code: 01785)

TERMS OF REFERENCE OF THE STRATEGY AND DEVELOPMENT COMMITTEE UNDER THE BOARD OF DIRECTORS OF CHENGDU EXPRESSWAY CO., LTD.

CHAPTER 1 GENERAL PROVISIONS

Article 1 In order to cope with the needs of development of Chengdu Expressway Co., Ltd. (the "Company"), enhance scientific planning and decision-making, promote the effectiveness of major investment decision-makings and improve the corporate governance structure of the Company, the Board of Directors of the Company has established the Strategy and Development Committee (the "Committee") and promulgated these terms of references in accordance with the PRC Company Law (the "Company Law"), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "HK Listing Rules"), and the Articles of Association of Chengdu Expressway Co., Ltd. (the "Articles") and other relevant rules.

Article 2 The Strategy and Development Committee is a special working body set up by the Board of Directors pursuant to the Articles. It reports to the Board of Directors and its principal functions and responsibilities are to study on the development strategies and planning and make recommendation to the Board on the decision-makings on material investments and capital operation of the Company.

CHAPTER 2 COMPOSITION

Article 3 The Strategy and Development Committee shall comprise three directors, members of which shall be recommended by the chairman of the Board of Directors after discussion with relevant directors subject to consideration and approval by the Board of Directors.

Article 4 The Strategy and Development Committee shall have one chairman who shall be in charge of the work of the Committee. The chairman shall be nominated by the chairman of the Board of Directors and appointed by the Board of Directors. The main powers and duties of the chairman are as below:

(i) convening and presiding over regular and ad-hoc meetings of the Committee;

(ii) determining the procedures of each meeting of the Committee;

(iii) signing material documentation of the Committee;

(iv) ensuring that the Committee reaches a clear conclusion to each proposal which includes passed, rejected or discussed after the materials are supplemented;

(v) other authorities and duties provided in these terms of reference.

Article 5 The terms of office of the members of the Strategy and Development Committee shall be in conformity with that of their directorship. Members of the Committee may be reelected or re-appointed at the expiry of their terms of office.

No members shall, before the expiration of their terms of office, be removed from office without reason except for the circumstances that require dismissal as stipulated in the laws and regulations, regulatory requirements, the Articles or these terms of reference.

If any member ceases to be a director of the Company or cannot continue to be a director due to other reasons during his/her terms of office, he/she shall be automatically disqualified from acting as a member, and such vacancy shall be filled by the Board of Directors pursuant to Article 3 of these terms of reference.

Any change in the membership of the Strategy and Development Committee shall be announced in accordance with the regulatory requirements at the place where the Company's shares are listed.

CHAPTER 3 DUTIES AND RESPONSIBILITIES

Article 6 The primary duties of the Strategy and Development Committee are as below:

(i) establishing the basic framework for the Company's strategy-making procedures, studying and advising on the Company's medium and long-term strategic development plan, and considering the medium and long-term strategic development plan;

(ii) studying and advising on major financing decisions and significant investment plans, and considering major investment decisions subject to approval by the Board or the general meeting according to the Articles;

(iii) auditing and advising on the Company's investment project proposal, annual investment plan, annual financing plan and annual business plan;

(iv) studying and advising on major capital operation and asset management projects which are required to be approved by the Board of Directors or at the general meetings according to the Articles;

(v) studying and advising on the plans for corporate reorganization, mergers and acquisitions, equity transfer, restructuring, organizational restructuring which, according to the Articles, should be approved by the Board of Directors or at the general meetings;

(vi) studying and advising on other major events which may have influence in the Company's development;

(vii) supervising and inspecting the implementation of the above matters;

(viii) other duties and responsibilities authorized by the Board of Directors.

Article 7 The Company's strategy planning and management department and investment management department are the supporting and coordination departments of the Strategy and Development Committee, and are responsible for the issuance of meeting notices, preparation and issuance of meeting documents, day-to-day work liaison with the chairman of the Strategy and Development Committee, production and submission of meeting minutes and meeting resolutions. The Committee may source supports from the Company's relevant departments or personnel upon a temporary designation according to work requirements. The secretary of the Board of Directors is responsible for coordinating work among the Strategy and Development Committee, the supporting and coordination departments of the Strategy and Development Committee and the Board of Directors' office and shall attend the meetings of the Strategy and Development Committee.

Article 8 The Strategy and Development Committee shall be accountable to the Board of Directors. Any proposal of the Strategy and Development Committee shall be submitted to the Board of Directors for consideration and approval unless otherwise authorized by the Board of Directors.

Article 9 The Strategy and Development Committee shall be provided with sufficient resources to perform its duties and responsibilities and, if necessary, may engage intermediate agencies to provide independent professional opinions on its decisions. The reasonable expenses arising therefrom shall be borne by the Company.

Article 10 At the invitation of the chairman of the Board of Directors, the chairman of the Strategy and Development Committee, or in his/her absence, another member or his/her authorized representative, shall attend and answer questions at the Company's annual general meetings.

Article 11 The Strategy and Development Committee shall make its terms of reference available on the websites of the Company or the stock exchange on which the Company's shares are listed to explain its role and powers delegated to it by the Board of Directors in accordance with the relevant requirements under the regulatory rules in the place where the Company's shares are listed.

CHAPTER 4 RULES OF PROCEDURES

Article 12 Meetings of the Strategy and Development Committee can be classified into regular meetings and ad-hoc meetings. The Strategy and Development Committee shall hold at least one regular meeting a year.

Article 13 The Strategy and Development Committee shall hold an ad-hoc meeting if proposed by the chairman of the Committee, two or more members of the Committee, or the Board of Directors or the chairman of the Board of Directors.

Article 14 A notice and relevant information shall be delivered to all members of the Strategy and Development Committee by the supporting and coordination departments three days prior to the convening of a meeting. In case of emergency that requires the Committee to convene a meeting as soon as possible, the Committee may give a notice of the meeting on that day by phone, fax, or e-mail, but the chairman of the Committee must give an explanation at the meeting.

Article 15 Meetings of the Strategy and Development Committee shall be presided over by the chairman, or if he/she is unable to attend, another member of the Committee designated by him/her.

Article 16 Meetings of the Strategy and Development Committee shall not be held unless attended by more than two-thirds of its members. Members of Strategy and Development Committee shall attend the meeting in person or in a manner of teleconference or by aid of similar communication equipment. If the member is unable to attend the meeting for certain reason, he/she may authorize another committee member in writing to attend the meeting on his/her behalf. The written power of attorney shall set forth the scope of authorization.

Article 17 If a meeting of the Strategy and Development Committee is held, the relevant personnel of the Company may be invited to attend the meeting when necessary.

Article 18 The voting of the Strategy and Development Committee shall be taken by show of hands. Each member shall have one vote. Resolutions passed at the meeting must be approved by more than half of all members of the Committee.

Article 19 A meeting of the Strategy and Development Committee may be held by way of written resolutions. Written resolutions shall be dispatched by facsimile, courier or by hand or other methods to all members, and shall be returned in original copies to the Company for filing after deliberation by the members. A proposal signed by consenting members satisfying the threshold hereunder shall become an effective resolution of the Committee.

Article 20 The procedures for convening the Strategy and Development Committee, the voting methods and the resolutions passed at such meetings shall be in compliance with the provisions of the relevant laws, regulations, regulatory requirements, the Articles and these terms of reference.

Article 21 Resolutions passed at the meetings of the Strategy and Development Committee and any vote results shall be reported to the Board of Directors of the Company in writing.

Article 22 Persons participating in the meetings of the Strategy and Development Committee shall undertake confidentiality obligations for all items discussed at the meetings and shall not disclose any information in relation to the meetings unless authorized by the chairman of the Board of Directors or the Board of Directors of the Company.

Article 23 The supporting and coordination departments of the Strategy and Development Committee shall record complete meeting minutes. Members of the Committee who attend the meeting shall sign on the meeting minutes. The supporting and coordination departments shall keep the meeting minutes according to the file management rules of the Company and submit the minutes to the Board of Directors office for backup and inspection of directors at any time.

CHAPTER 5 SUPPLEMENTARY PROVISIONS

Article 24 Unless otherwise specified, the terms used herein shall have the same meanings ascribed thereto under the Articles.

Article 25 Any matters not covered by these terms of reference or in the event that these terms of reference are inconsistent with the laws, regulations, regulatory requirements, the HK Listing Rules as amended from time to time, or the Articles which are formulated or revised by lawful procedures, after these terms of reference become effective, such laws, regulations, regulatory requirements, the HK Listing Rules and the Articles shall prevail and these term of reference shall be amended forthwith and submitted to the Board of Directors of the Company for approval.

Article 26 Interpretation of these terms of reference shall be vested in the Board of Directors of the Company.

Article 27 These terms of reference shall become effective on the date of consideration and approval by the Board of Directors of the Company, and the original terms of reference shall be repealed simultaneously.