

# **China Longyuan Power Group Corporation Limited**

## **Management Procedures for Investor Relations**

### **Chapter 1 General Provisions**

**Article 1** China Longyuan Power Group Corporation Limited (hereafter referred to as the “Company”) has established these Management Procedures based on the actual conditions of the Company and in accordance with the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, other applicable laws, regulations, and normative documents as well as the Articles of Association, in order to promote its integrity, self-discipline and compliant operation, maintain a corporate image of honesty, equality and transparency, strengthen its investor communication, enhance investors’ understanding and recognition of the Company, maximize the interests of both the Company and its shareholders, and to provide an effective protection for the legitimate rights and interests of its investors.

**Article 2** Investor relations management means that the Company employs various media and methods and makes adequate information disclosures to interact and communicate with investors to make investors know its operating status and prospect in time, win the recognition from them, establish a public relation of mutual trust and common interest between both parties and enhance its corporate governance so as to maximize its overall interests, and safeguard the legitimate rights and interests of investors.

**Article 3** Investor relations management shall include the following basic principles:

1. Adequate information disclosure: Aside from the mandatory information disclosures, the Company shall take the initiative to disclose other relevant information that concern its investors, and fully guarantee their right to know and their legitimate rights and interests;
2. Compliant information disclosure: The Company shall abide by the laws and regulations of the State, the provisions of the securities regulatory authorities and the stock exchange, and the information disclosure procedure for listed companies, and shall ensure the authenticity, accuracy, integrity and timeliness of information disclosures;

3. Equal opportunity for investors: The Company shall treat all shareholders and potential investors in a fair, equitable, open and equal manner, and avoid selective information disclosures;

4. Truthfulness and trustworthiness: The Company shall observe the principles of objectivity, authenticity and accuracy, and avoid excessive promotion and misleading;

5. High efficiency and low cost: The Company shall guarantee the timeliness of information and also enhance efficiency of communication and control the communication cost;

6. Confidentiality: Any information communication with investors shall not affect the production or operation of the Company, or cause a divulgement of its trade secrets and information for nonpublic disclosure; and

7. Interactive communication: The Company shall actively listen to the opinions and suggestions of investors, establish two-way communication, and develop an amicable interaction with them.

**Article 4** Investor relations management serves the following purposes:

1. Promote communication between the Company and investors and let investors know, recognize, accept and support the development strategy and business philosophy of the Company, in order to maximize the overall interests of the Company and of the shareholders;

2. Establish the management philosophy of respecting investors and the investment market, and building a corporate culture of respecting investors and being accountable to investors;

3. Establish a stable and high-quality investor base, to project a good market image of the Company, and obtain an enduring market support;

4. Promote honesty, self-discipline and compliant operation of the Company; and

5. Enhance the transparency of the Company in terms of operations and management, and improve its corporate governance structure.

## **Chapter 2 Targets and Contents of Investor Relations Management**

**Article 5** The audiences of investor relations management include the shareholders and potential investors of the Company, funds and other investment institutions, securities analysts, financial media, supervisory authorities, and other related persons or institutions at home and abroad. The term “investors” for the purpose of these Management Procedures is a general term for the persons or institutions stated above, unless otherwise specified.

**Article 6** The major contents of the investor relations management include:

1. Development strategies of the Company, including its development direction, development planning, competitive strategy and operating policy;
2. Mandatory information disclosures and their statements, including regular reports and special announcements;
3. Operation and management information the Company can disclose according to the law, including its operating status, financial standing, research and development of new products or new technologies, operating results and dividend distribution;
4. Material affairs the Company can disclose according to the law, including its material investments and their changes, asset restructurings, acquisitions & mergers, external cooperation, external guarantees, material contracts, related transactions, material lawsuits or arbitrations, management restructurings, and changes in majority shareholders;
5. Development of corporate culture; and
6. Other related information of the Company.

## **Chapter 3 Organizational Structure and Roles of Investor Relations Management**

**Article 7** The Chairman assumes the primary responsibility for the investor relations

management of the Company, and leads and participates in major investor relations activities, including the Shareholder's General Meeting, operating income releases, press releases, roadshows, significant capital market conferences at home and abroad, and major interviews with financial media. When the Chairman is unable to perform his responsibilities as stated above, the President or the Board Secretary shall lead and participate in major investor relations activities, unless otherwise specified in the laws, regulations or the Articles of Association.

The Chairman shall attend the Annual General Meeting of Shareholders and assign the chairpersons of relevant special committees under the Board of Directors, leaders of the related departments and the Accountant or their authorized representatives to answer questions at the meeting.

**Article 8** The Board Secretary shall be responsible for the comprehensive planning, coordination and arrangement of the investor relations management of the Company, and shall play the following major roles:

1. Organize, design and implement the investor relations plan of the Company;
2. Coordinate and organize information disclosures of the Company;
3. Generally plan, arrange and participate in major investor relations activities of the Company;
4. Develop assessment and evaluation systems for the investor relations management of the Company;
5. Provide consulting and advising services for the Company when significant decisions are made;
6. Report the progress of information disclosures of the Company and capital market dynamics to the senior management of the Company;
7. Arrange trainings for senior executives and investor relations managers of the Company, when needed; and
8. Any other affairs as are the responsibility of the Board Secretary

**Article 9** From the perspective of information disclosure, the Chairman and other members of the Board of Directors, the President and other senior executives identified by the Company, and the investor relations management departments shall

solicit the opinions of the Board Secretary before accepting interviews from investors, securities analysts or media.

**Article 10** The Investor Relations Department is the department whereby the Board of Directors and its secretary handle the investor relations management and is a function of the Company in this respect.

The department is the primary liaison of the Company to communicate with investors. It is a comprehensive platform for the Company to collect and sort information for public disclosure. It is the only provider of Company information for public disclosure, and the only department of the Company that organizes investor activities and receives investors.

Supervised by the Board Secretary, the department maintains good daily communication and exchanges with investors, carries out various investor relations activities of the Company, regularly reviews and reports on capital market dynamics as well as on the opinions and suggestions of investors on the industry and the Company, attends important meetings of the Company, participates in important decision-making, and plays the role of advisor and consultant.

**Article 11** The Investor Relations Department shall prepare necessary communication equipment, computers, other office equipment and vehicles, and keep the network and phones of the Company for external liaison in good working condition.

**Article 12** In the daily work of investor relations management, the Investor Relations Department mainly performs the following responsibilities:

1. Collect the financial, business, legal and other related information of the Company, organize and coordinate the preparation of regular reports, special reports and other documents, and disclose the same timely and in accordance with the laws, regulations and listing rules of the region where the securities of the Company are listed as well as the policies of the Company concerning information disclosure and investor relations management;
2. Draft relevant procedures for investor relations management, and submit the same to the Board of Directors for approval and implementation;
3. Organize the meetings of the Shareholders' General Meeting and the Board of Directors, prepare documents for these meetings, and organize and implement the online voting for the Shareholders' General Meeting;

4. Lead the preparation, design, printing and delivery of annual reports, interim reports and quarterly reports;
5. Organize the functions of the Company to answer investors' queries through phone, email, fax, reception of visitors and other forms, and conduct surveys and researches on the status of the relations between the Company and its investors;
6. Organize analysis meetings of securities analysts and relevant intermediaries, online meetings, performance roadshows, investors' conferences and other activities at regular intervals or whenever necessary to communicate with investors;
7. Maintain an investor relations management column on the website of the Company, and disclose announcements, regular reports and other public information of the Company synchronically to facilitate investors' inquiries;
8. Open an investor relations hotline attended by special persons to facilitate investor consultations;
9. Keep in touch with institutional investors, securities analysts and minority investors to enhance the focus of the market on the Company;
10. Strengthen cooperation with media, track and guide their reports, arrange senior executives and other major persons to receive interviews, and arrange reports on these interviews;
11. Maintain good cooperation, exchange and communication with regulators, industry associations and exchanges, and arrange for representatives of the Company to attend relevant meetings to safeguard the corporate image and develop good communication and relations;
12. Assist the Enterprise Operation & Legal Affairs Department of the Company in handling lawsuits relating to investors and other securities affairs;
13. Know and actively participate in the major affairs of the Company that may trigger the obligation of information disclosure such as restructuring, mergers, acquisitions and material contracts or agreements, and give consultation opinion;
14. Maintain the archives for investor relations management, sum up changes in the investors of the Company on a monthly basis, report abnormal shareholding changes of investors in a timely manner to the Board of Directors, and perform the obligation

of information disclosure in accordance with relevant articles of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited; and

15. Sum up investors' consultations on a monthly basis, and report common issues attracting the attention of investors in a timely manner to the Board of Directors so that the Company would be able to analyze and research on these issues to further strengthen its management, maximize its values, and protect investor interests to the greatest extent.

**Article 13** Other departments of the Company shall provide data and information for the Investor Relations Department.

The Finance Department is responsible for providing relevant financial information for regular information disclosures and documents submitted to external stakeholders.

The Planning & Development Department, the Work Safety Department and the Engineering & Construction Department are responsible for providing relevant business information for regular information disclosures and documents submitted to external stakeholders.

The Enterprise Operation & Legal Affairs Department is responsible for providing relevant legal information for regular information disclosures and documents submitted to external stakeholders, and upon the request of the Investor Relations Department, shall verify specific documents of information disclosure and reporting to external stakeholders to prevent legal risks.

Other departments of the Company shall provide necessary assistance to the Investor Relations Department, including the collection and sorting of information, to satisfy its work requirements. **Article 14** All departments and branches of the Company, as well as the subsidiaries incorporated in the consolidated accounting statements, shall be obligated to assist the Investor Relations Department in its work, and shall provide the necessary assistance as required by the latter, including the collection and sorting of information.

**Article 15** Any department or subsidiary (branch) providing information for the Investor Relations Department shall be responsible for the contents of such information, and guarantee their authenticity, accuracy, integrity and timeliness.

## **Chapter 4 Methods and Work Procedures of Investor Relations Management**

**Article 16** The communication of the Company with investors includes, but is not limited to, the following methods:

1. Announcements, including regular reports, special reports and special releases (if applicable);
2. Shareholders' General Meeting;
3. Company website;
4. Phone consultations;
5. Email;
6. One-to-one communication;
7. Media interviews and coverage;
8. Posting of documents;
9. Field surveys and field visits;
10. Advertisements and other promotional materials;
11. Roadshows, analysts' meetings, and theme promotion; and
12. Visits to investors.

**Article 17** The procedure for receiving investors is as follows:

The Investor Relations Department shall first judge the intent of investors who ask questions through phone, letter, fax and Company website. If the question involves investment information available for public disclosure, the department shall answer such question accurately and completely. The department shall decline to answer questions involving any information not for public disclosure, and shall provide an explanation for such confidentiality. The department shall answer questions about sensitive information of the Company in a timely manner according to the official statement of the Company, if any; else, decline to answer such questions and explain



why, if the Company does not have such official statement. The department shall also report any material issue attracting much attention of investors in time to the Secretary of the Board of Directors.

The department shall receive an investor who visits the site of the Company in the following procedure: Collect visitor information → know and confirm the intent of the visit and persons visiting → arrange the reception method and receptionist → prepare for and register the reception → receive, talk and reply → record the visit. The department shall keep a record, recording or video recording of an important visit.

**Article 18** The Investor Relations Department shall coordinate the work to receive investors, and relevant departments or subsidiaries (branches) shall provide the necessary work conditions for the reception of investors.

**Article 19** The Investor Relations Department shall, based on the principle of reciprocity and importance, arrange for the senior executives of the Company to meet the investors. Upon the request of an investor to conduct a survey, the department shall first get the approval of the senior executives of the Company, determine the survey plan and the participants of the survey. The surveyed department shall actively cooperate in the survey.

**Article 20** Information disclosures to investors shall strictly comply with the Information Disclosure Policy of China Longyuan Power Group Corporation Limited to guarantee the consistency and uniformity of information disclosures.

**Article 21** The Company shall establish uniform logos, and use envelopes, letter pads, fax covers and name cards with uniform specifications and logos to build a good corporate image.

**Article 22** When receiving investors or securities analysts, all persons shall refuse to answer any question particularly or comprehensively tantamount to providing any undisclosed sensitive information on the stock price. All persons shall also refuse to give an answer when a securities analyst asks to provide or comment on any undisclosed sensitive information that may involve the stock price of the Company.

**Article 23** When a securities analyst or media journalist misunderstands any information provided by the Company and makes any material mistake in his analysis report or coverage, the Company shall require an immediate correction by such securities analyst or media journalist and publish an announcement to clarify the fact

in due course.

**Article 24** The Company shall not comment on any analysis report or forecast of any securities analyst. The Company shall refuse to comment on any regular or irregular analysis report sent by any securities analyst to the Company for comment. If such report contains any incorrect information that has entered the public domain or is not considered sensitive information on the stock price, the Company shall notify the securities analyst. If the Company believes the incorrect information contained in such report will involve undisclosed sensitive information on the stock price, the Company shall consider making a public disclosure of such information and simultaneously correcting the report.

## **Chapter 5 Code of Conduct for Employees of the Investor Relations Management Departments**

**Article 25** The Investor Relations Department is the main channel whereby investors can obtain information of the Company. Its employees, shall treat every investor passionately, patiently and equally, and shall strive to increase quality and skills:

1. Know the development strategy, production, management, R&D, marketing, financial, personnel and other information of the Company as well as the general conditions of the industry where the Company plays, and accurately master the extent of information disclosures during its communications with the investors;
2. Be familiar with relevant laws and regulations concerning corporate governance, finance, accounting, information disclosures and other areas;
3. Develop good communication skills to maintain relationships with investors, and have strong coordinating ability; and
4. Be honest and credible, maintain good occupational ethics, seek no private gains for themselves or others by taking advantage of their duties, and divulge no trade secrets of the Company or sensitive information relating to the stock price that has not been disclosed to the public.

## Chapter 6 Supplementary Provisions

**Article 26** Unless otherwise specified, the terms used in these Management Procedures have the same definition as such terms in the Articles of Association.

**Article 27** If these Management Procedures fail to cover any affair or are in conflict with any law, regulation or the Articles of Association published or revised after these Management Procedures take effect, the latter shall prevail.

**Article 28** These Management Procedures and their revisions shall come into force as of the date when the Board of Directors adopts the same through a common resolution.

**Article 29** These Working Rules shall be construed by the Board of Directors.

*Note: These Management Procedures for Investor Relations have both the Chinese and English versions. In case of any discrepancies between the Chinese version and the English one, the Chinese version shall prevail.*