

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



中石化炼化工程(集團)股份有限公司
SINOPEC Engineering (Group) Co., Ltd.*

(a joint stock limited liability company incorporated in the People's Republic of China)
(Stock Code: 2386)

Proposed Amendments to the Articles of Association and the Rules and Procedures for the Meetings of the Board

In order to further enhance corporate governance, improve the corporate governance level to promote the long-term development of the Company, and taking into account the actual circumstances of the Company, the board of directors (the “**Board**”) of SINOPEC Engineering (Group) Co., Ltd. (the “**Company**”) proposes to amend relevant articles in the Articles of Association of SINOPEC Engineering (Group) Co., Ltd. (the “**Articles**”) and the Rules and Procedures for the Meetings of the Board of Directors of SINOPEC Engineering (Group) Co., Ltd. (the “**Rules and Procedures for the Meetings of the Board**”) (the “**Amendments**”).

The ninth meeting of the Second Session of the Board was held recently, where the Board considered and approved the resolutions in relation to the Amendments, and proposed to amend the Articles and the Rules and Procedures for the Meetings of the Board as follows:

1. Proposed amendments to paragraph 3 of Article 1 of the Articles

The current paragraph 3 of Article 1:

The Company is a joint stock limited liability company which was converted from the former SINOPEC Engineering (Group) Co., Ltd. (中石化炼化工程(集團)股份有限公司). The Company was established by way of promotion. It is registered with and has obtained a business license from China’s State Administration for Industry and Commerce on 28 August 2012 in China. The Company’s business license number is: 100000000041054.

* *For identification purpose only*

is proposed to be amended as follows:

The Company is a joint stock limited liability company which was converted from the former SINOPEC Engineering (Group) Co., Ltd. (中石化炼化工程(集團)股份有限公司). The Company was established by way of promotion. It is registered with and has obtained a business license from China's State Administration for Industry and Commerce on 28 August 2012 in China. The Company's uniform social credit code is: 911100007109349087.

2. Proposed inclusion of a new article as Article 8 in Chapter 1 (General) of the Articles

Article 8 In accordance with the Company Law and the Constitution of the Communist Party of China (the "**Party**"), the Company hereby set up Party organizations and related working organs, and maintain an adequate level of staffing to handle Party affairs as well as sufficient funding necessary for the activities of the Party organizations. The Party organizations play the role of the leadership core and political core in the Company.

The current Article 8 and the subsequent existing articles of the Articles will be renumbered accordingly.

3. Proposed amendments to Article 93 of the Articles

The current Article 93:

The board of directors shall consist of nine directors, including three independent non-executive directors. There shall be a chairman and a vice chairman of the board of directors. An independent non-executive director refers to a director who does not hold any position other than directorship in the Company and who has no other relationship with the Company or its substantial shareholders.

is proposed to be amended as follows:

The board of directors shall consist of nine directors, including three independent non-executive directors. There shall be a chairman and a vice chairman of the board of directors. An independent non-executive director refers to a director who does not hold any position other than directorship in the Company and who has no relationship with the Company or its major shareholder(s) (i.e. a shareholder who alone holds or shareholders who together hold 5% or more of the total voting shares of the Company) that could hinder such shareholder(s) from making independent and objective judgments, and who is in compliance with the independence requirements under the stock exchange rules in the place where shares of the Company are listed.

4. Proposed amendments to paragraph 2 of Article 94 of the Articles

The current paragraph 2 of Article 94:

Directors shall be elected at the shareholders' general meeting and each has a term of three years. Upon the expiry of the term of office of a director, the term is renewable upon re-election. The term of office of any independent non-executive director may not be renewed for more than six years.

is proposed to be amended as follows:

Directors shall be elected at the shareholders' general meeting and each has a term of three years. Upon the expiry of the term of office of a director, the term is renewable upon re-election. However, the term of office (excluding the first tenure) of any independent non-executive director may not be renewed for more than six years. If an independent non-executive director has already served nine years, his further appointment shall be subject to a separate resolution to be approved at the shareholders' general meeting.

5. Proposed inclusion of a new article as Article 103 in Chapter 10 (Board of Directors) of the Articles

Article 103 When making decisions on significant matters such as direction of reform and development, key objectives, and priority operational arrangements of the Company, the board of directors shall seek advice from the Party organization. When the board of directors appoints the management personnel of the Company, the Party organization shall consider and provide comments on the candidates for management positions nominated by the board of directors or the president, or recommend candidates to the board of directors and/or the president.

The current Article 103 and the subsequent existing articles of the Articles will be renumbered accordingly.

6. Proposed inclusion of a new article as Article 2 in Chapter 2 (The Authority and Authorisation of the Board of Directors) of the Rules and Procedures for the Meetings of the Board

Article 2 When making decisions on significant matters such as direction of reform and development, key objectives, and priority operational arrangements of the Company, the board of directors shall seek advice from the Party organization. When the board of directors appoints the management personnel of the Company, the Party organization shall consider and provide comments on the candidates for management positions nominated by the board of directors or the president, or recommend candidates to the board of directors and/or the president.

The current Article 2 and the subsequent existing articles of the Rules and Procedures for the Meetings of the Board will be renumbered accordingly.

General

The Amendments are subject to approval at the second extraordinary general meeting for the year 2017 of the Company (the “EGM”). A circular containing, among others, details of the Amendments and a notice of the EGM will be despatched to the shareholders of the Company in due course.

By Order of the Board
SINOPEC Engineering (Group) Co., Ltd.
SANG Jinghua
Vice President, Secretary to the Board

Beijing, PRC
28 June 2017

As at the date of this announcement, the Company’s executive directors are LU Dong, XIANG Wenwu, SUN Lili (employee representative director) and WU Derong (employee representative director); the non-executive directors are LING Yiqun and LI Guoqing; and the independent non-executive directors are HUI Chiu Chung, Stephen, JIN Yong and YE Zheng.

This announcement will be available on the website of Hong Kong Exchanges and Clearing Limited (www.hkex.com.hk) and on the website of the Company (www.segroup.cn).