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If you have sold or transferred all your shares in China Communications Construction Company Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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中國交通建設股份有限公司
CHINA COMMUNICATIONS CONSTRUCTION COMPANY LIMITED

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

(Stock Code: 1800)

- (1) AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022;**
- (2) DISTRIBUTION PLAN OF PROFIT AND FINAL DIVIDEND
FOR THE YEAR OF 2022;**
- (3) REPORT OF THE BOARD FOR THE YEAR OF 2022;**
- (4) REPORT OF DUTY PERFORMANCE OF THE INDEPENDENT
DIRECTORS FOR THE YEAR OF 2022;**
- (5) REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR OF 2022;**
- (6) REPORT OF THE COMPREHENSIVE BUDGET FOR 2023;**
- (7) RE-APPOINTMENT OF ERNST & YOUNG AS THE COMPANY'S
INTERNATIONAL AUDITOR AND ERNST & YOUNG HUA MING LLP AS
THE COMPANY'S DOMESTIC AUDITOR AND AUTHORISATION TO THE
BOARD TO DETERMINE THEIR RESPECTIVE REMUNERATION;**
- (8) INVESTMENT PLAN FOR 2023;**
- (9) ESTIMATED CAP FOR THE INTERNAL GUARANTEES
OF THE GROUP IN 2023;**
- (10) PROPOSED LAUNCH OF ASSET-BACKED SECURITIZATION; AND**
- (11) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the AGM of the Company to be held at CCCC Building, 85 De Sheng Men Wai Street, Xicheng District, Beijing, the PRC at 2:00 p.m. on Friday, 16 June 2023 is set out on pages 10 to 11 of this circular.

Whether or not you intend to attend the AGM, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon not less than 24 hours before the time appointed for holding the AGM or any adjournment thereof (i.e. before 2:00 p.m. on Thursday, 15 June 2023). Completion and return of the form of proxy will not preclude you as a Shareholder from attending and voting in person at the AGM or at any adjourned meeting should you so wish.

17 May 2023

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DEFINITIONS

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

“A Share(s)”	domestic share(s) in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are listed on the Shanghai Stock Exchange under the stock code 601800 and traded in Renminbi
“AGM”	the annual general meeting of the Company for the year ended 31 December 2022 to be held at CCCC Building, 85 De Sheng Men Wai Street, Xicheng District, Beijing, the PRC at 2:00 p.m. on Friday, 16 June 2023
“Articles of Association”	the articles of association of the Company (as amended from time to time)
“Board”	the board of directors of the Company
“CCCG”	China Communications Construction Group (Limited)* (中國交通建設集團有限公司), a state-owned enterprise established under the laws of the PRC and the controlling Shareholder of the Company
“Company” or “CCCC”	China Communications Construction Company Limited, a joint stock limited company duly incorporated in the PRC with limited liability, the H Shares of which are listed on the Main Board of the Hong Kong Stock Exchange under the stock code 1800 and the A Shares of which are listed on the Main Board of the Shanghai Stock Exchange under the stock code 601800
“Company Law”	the Company Law of the People’s Republic of China
“Director(s)”	the director(s) of the Company
“Group”	the Company itself and all of its subsidiaries
“H Share(s)”	overseas-listed foreign invested ordinary share(s) in the ordinary share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong dollars” or “HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Non-executive Director(s)” or “Independent Directors(s)”	the independent non-executive Director(s) of the Company
“Latest Practicable Date”	10 May 2023, being the latest practicable date for ascertaining certain information included herein before the printing of this circular
“One increase, two stabilizations and three improvements”	in 2023, the Company sets the target to ensure that the increase in total profit rate will complete the goal, proposed by the State-owned Assets Supervision and Administration Commission of the State Council in 2022, for state-owned enterprises to maintain A level, the asset-liability ratio will stay below 75%, the ratio of investment in R&D to operating revenue will be stable at around 3%, and the return on net assets, operating cash ratio and overall labour productivity will be further improved
“PBOC”	People’s Bank of China
“PRC”	the People’s Republic of China, but for the purposes of this circular only, excludes Hong Kong and Macau Special Administrative Regions of the PRC and Taiwan
“Renminbi” or “RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	A Share(s) and/or H Share(s)
“Shareholder(s)”	the shareholder(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company

LETTER FROM THE BOARD



中國交通建設股份有限公司
CHINA COMMUNICATIONS CONSTRUCTION COMPANY LIMITED

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

(Stock Code: 1800)

Executive Directors

WANG Tongzhou
WANG Haihui
LIU Xiang

Non-executive Director

MI Shuhua

Independent Non-executive Directors

LIU Hui
CHAN Wing Tak Kevin
WU Guangqi
ZHOU Xiaowen

Registered Office

85 De Sheng Men Wai Street
Xicheng District
Beijing 100088
the PRC

Principal Place of Business in Hong Kong

Room 2805, 28th Floor
Convention Plaza Office Tower
1 Harbour Road, Wanchai
Hong Kong

17 May 2023

To the Shareholders,

Dear Sir or Madam,

- (1) AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022;**
- (2) DISTRIBUTION PLAN OF PROFIT AND FINAL DIVIDEND FOR THE YEAR OF 2022;**
- (3) REPORT OF THE BOARD FOR THE YEAR OF 2022;**
- (4) REPORT OF DUTY PERFORMANCE OF THE INDEPENDENT DIRECTORS FOR THE YEAR OF 2022;**
- (5) REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR OF 2022;**
- (6) REPORT OF THE COMPREHENSIVE BUDGET FOR 2023;**
- (7) RE-APPOINTMENT OF ERNST & YOUNG AS THE COMPANY'S INTERNATIONAL AUDITOR AND ERNST & YOUNG HUA MING LLP AS THE COMPANY'S DOMESTIC AUDITOR AND AUTHORISATION TO THE BOARD TO DETERMINE THEIR RESPECTIVE REMUNERATION;**
- (8) INVESTMENT PLAN FOR 2023;**
- (9) ESTIMATED CAP FOR THE INTERNAL GUARANTEES OF THE GROUP IN 2023;**
- (10) PROPOSED LAUNCH OF ASSET-BACKED SECURITIZATION; AND**
- (11) NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to give you the notice of the AGM (as set out on pages 10 to 11 of this circular) and to provide you with information which is reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolutions to be proposed at the AGM as described below.

LETTER FROM THE BOARD

At the AGM, ordinary resolutions will be proposed to approve the following proposals:

1. the audited consolidated financial statements of the Company for the year ended 31 December 2022;
2. the distribution plan of profit and final dividend of the Company for the year of 2022;
3. the report of the Board for the year of 2022;
4. the report of duty performance of the Independent Directors for the year of 2022;
5. the report of the Supervisory Committee for the year of 2022;
6. the report of the comprehensive budget for 2023;
7. the re-appointment of Ernst & Young as the Company's international auditor and Ernst & Young Hua Ming LLP as the Company's domestic auditor for a term ending at the 2023 annual general meeting of the Company and the authorisation to the Board to determine their respective remuneration;
8. the Investment Plan for 2023;
9. the estimated cap for the internal guarantees of the Group in 2023; and
10. the proposed launch of asset-backed securitization.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED 31 DECEMBER 2022

An ordinary resolution will be proposed at the AGM to approve the audited consolidated financial statements of the Company for the year ended 31 December 2022. The audited consolidated financial statements are set out in the 2022 annual report of the Company, which was despatched to the Shareholders on 28 April 2023.

DISTRIBUTION PLAN OF PROFIT AND FINAL DIVIDEND FOR THE YEAR OF 2022

An ordinary resolution will be proposed at the AGM to approve the distribution plan of profit and final dividend of the Company for the year of 2022.

For the year of 2022, net distributable profit for the Shareholders was approximately RMB17,545 million which is determined based on the financial statements prepared in accordance with China Accounting Standards for Business Enterprises and International Financial Reporting Standards (whichever is lower). The Board has proposed a final dividend of RMB0.21707 (equivalent to approximately HKD0.24735, including tax) per Share (totaling approximately RMB3,509 million which represents approximately 20% of the abovementioned net distributable profit for the Shareholders). The proposed dividend distribution will be distributed to all Shareholders on the basis of the total issued share capital of 16,165,711,425 Shares.

LETTER FROM THE BOARD

The final dividends are expected to be paid to Shareholders whose names appear on the register of members of the Company on Tuesday, 27 June 2023. For purpose of ascertaining Shareholder's entitlement to the proposed final dividend, the register of members of the Company will be closed from Thursday, 22 June 2023 to Tuesday, 27 June 2023 (both days inclusive), during which time no share transfers will be registered. Instruments of transfer accompanied by share certificates and other appropriate documents must be lodged with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, no later than 4:30 p.m. on Wednesday, 21 June 2023. Shareholders whose names appear on the register of members of the Company on Tuesday, 27 June 2023 are entitled to the final dividends. The proposed final dividends will be denominated and declared in Renminbi and will be paid to holders of A Shares in Renminbi and to holders of H Shares in Hong Kong dollars. The relevant exchange rate is determined at RMB0.87758 equivalent to HKD1.00 as the middle rate of Renminbi to Hong Kong dollars as announced by the PBOC on the date when such dividends were declared. For more information, please refer to the 2022 annual report of the Company, which was despatched to the Shareholders on 28 April 2023.

REPORT OF THE BOARD FOR THE YEAR OF 2022

An ordinary resolution will be proposed at the AGM to approve the report of the Board for the year of 2022. The full text of the report of the Board is set out in the 2022 annual report of the Company, which was despatched to the Shareholders on 28 April 2023.

REPORT OF DUTY PERFORMANCE OF THE INDEPENDENT DIRECTORS FOR THE YEAR OF 2022

An ordinary resolution will be proposed at the AGM to approve the report of duty performance of the Independent Directors for the year of 2022. The full text of the report of duty performance of the Independent Directors is set out in Appendix I to this circular.

REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR OF 2022

An ordinary resolution will be proposed at the AGM to approve the report of the Supervisory Committee for the year of 2022. The full text of the report of the Supervisory Committee is set out in the 2022 annual report of the Company, which was despatched to the Shareholders on 28 April 2023.

REPORT OF THE COMPREHENSIVE BUDGET FOR 2023

Based on the comprehensive review of the work for 2022 comprehensive budget, the Company adhered to the principles of political guidance, strategic orientation, high-quality development, coordination and interaction, scientific preparation, closed goals, classified management and proper control in the preparation and management of the 2023 comprehensive budget.

Taking into account the overall objective of “one increase, two stabilizations and three improvements” and factors such as the Company's annual production and operation plans, and the actual situation of each unit, the Company expects that, in 2023, the revenue of the Company will achieve a year-on-year growth rate of not less than 7.0%.

LETTER FROM THE BOARD

Important notice: Report of the Comprehensive Budget for 2023 does not constitute a performance commitment or profit forecast made to investors. Achievement of this indicator is affected by factors such as macro-economy, industry development situations, market demand and other factors, and subject to uncertainty. Investors should pay special attention.

An ordinary resolution will be proposed at the AGM to approve the Report of the Comprehensive Budget for 2023.

RE-APPOINTMENT OF ERNST & YOUNG AS THE COMPANY'S INTERNATIONAL AUDITOR AND ERNST & YOUNG HUA MING LLP AS THE COMPANY'S DOMESTIC AUDITOR AND AUTHORISATION TO THE BOARD TO DETERMINE THEIR RESPECTIVE REMUNERATION

An ordinary resolution will be proposed at the AGM to approve the re-appointment of Ernst & Young as the Company's international auditor and Ernst & Young Hua Ming LLP as the Company's domestic auditor for a term ending at the 2023 annual general meeting of the Company and the authorisation to the Board to determine their respective remuneration.

INVESTMENT PLAN FOR 2023

According to statistics, the Company completed investments amounting to RMB159.1 billion in 2022. The investments completed for the whole year were within the planned scope, of which: the completed investments in fixed assets amounted to RMB30.2 billion and the completed equity investments amounted to RMB128.9 billion.

In 2023, the planned equity investments of the Company will be RMB186.7 billion, representing 87.4% of the total planned investments, of which: project investments will amount to RMB166.9 billion, representing 78.1% of the total investments; equity investments will amount to RMB18.8 billion, representing 8.8% of the total investments; financial investments will amount to RMB950 million, representing 0.4% of the total investments. The planned fix assets investments of the Company will be RMB27.0 billion, representing 12.6% of the total planned investment. The Company will take action immediately after the terms of the transaction have been agreed under each specific investment agreement to meet the requirements of the Hong Kong Listing Rules if necessary.

The Investment Plan for 2023 of the Company is in line with the strategic development needs of the Company and conducive to the implementation of the investment projects of the Company, and safeguards the sustainable development of the Company.

An ordinary resolution will be proposed at the AGM to approve the Investment Plan for 2023.

LETTER FROM THE BOARD

ESTIMATED CAP FOR THE INTERNAL GUARANTEES OF THE GROUP IN 2023

According to the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, a listed company, with the amount of guarantees aggregated over a period of twelve consecutive months exceeding 50% of its latest audited net assets and with the absolute amount exceeding RMB50 million, or when providing guarantees to enterprises with asset-to-liability ratio exceeding 70%, shall submit the transaction of granting guarantees to the shareholders' general meeting for consideration and approval, as well as make a timely disclosure.

The Company estimated that the cap for the internal guarantees of the Company in 2023 will amount to RMB37,323 million, among which, RMB7,160 million will be provided by the Company to its subsidiaries, RMB28,663 million will be provided by the Company's subsidiaries to their respective subsidiaries, and RMB1,500 million will be provided to the joint venture(s) by the subsidiary of the Company.

The estimated cap for above guarantees can be adjusted accordingly on the basis that: (i) except for the guarantee provided to joint venture, the guarantee amounts for subsidiaries for the same kind of matters shall be adjusted within their respective aggregate guarantee amount according to the actual business needs of the Company; and (ii) the unutilised guarantee amounts approved in the previous years within the validity period shall be counted into the guarantee amount in 2023.

The resolution in relation to the estimated cap for the internal guarantees of the Group in 2023 will be valid from the date of passing the resolution at the AGM until 31 December 2023. The guarantee amounts to be provided to joint venture is RMB1,500 million, which does not constitute a discloseable transaction under Chapter 14 of the Hong Kong Listing Rules.

The aforesaid resolution, which has been resolved at the eighteenth meeting of the fifth session of the Board held on 28 April 2023, will be subject to the Shareholders' approval by way of an ordinary resolution at the AGM.

LETTER FROM THE BOARD

PROPOSED LAUNCH OF ASSET-BACKED SECURITIZATION

The Company intends to launch asset-backed securitization in accordance with the following particulars:

- a. Category of asset-backed securitization: Including but not limited to securitization of accounts receivable, accounts payable in the supply chain, leased assets, partnership shares, government subsidies, infrastructure assets, commercial real estate, PPP projects and other underlying assets, which will be issued by the Group in one or more installments in light of the actual underlying assets of the Group subject to the requirements of relevant regulatory authorities in the PRC, and appropriate arrangement will be taken, including but not limited to the credit enhancement measures such as holding of certain subordinated products and deficiency payment
- b. Issuer: The Company
- c. Aggregate principal amount: Not exceeding RMB120,000 million which will be issued in one or more installments
- d. Validity period of the Shareholders' resolution: 12 months

The abovementioned proposed launch of asset-backed securitization requires approval of the Shareholders by way of an ordinary resolution. Accordingly, the Board proposed to seek the approval of the Shareholders by way of an ordinary resolution at the AGM to approve the abovementioned proposed launch of asset-backed securitization, and to authorise the chairman of the Board to deal with all relevant matters in relation to asset-backed securitization.

AGM

A notice convening the AGM of the Company to be held at CCCC Building, 85 De Sheng Men Wai Street, Xicheng District, Beijing, the PRC at 2:00 p.m. on Friday, 16 June 2023 is set out on pages 10 to 11 of this circular.

Whether or not you intend to attend the AGM, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon not less than 24 hours before the time appointed for holding the AGM or any adjournment thereof (i.e. before 2:00 p.m. on Thursday, 15 June 2023). Completion and return of the form of proxy will not preclude you as a Shareholder from attending and voting in person at the AGM or at any adjourned meeting should you so wish.

LETTER FROM THE BOARD

Any vote of the Shareholders at the AGM shall be taken by poll unless otherwise required by the Hong Kong Listing Rules. For purpose of ascertaining Shareholders' entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday 13 June 2023 to Friday, 16 June 2023 (both days inclusive), during which time no share transfers will be registered. Instruments of transfer accompanied by share certificates and other appropriate documents must be lodged with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong no later than 4:30 p.m. on Monday, 12 June 2023. Shareholders of the Company whose names appear on the register of members of the Company on Friday, 16 June 2023 are entitled to attend and vote at the AGM.

RECOMMENDATION

The Board believes that the aforementioned resolutions are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends that all Shareholders vote in favour of the relevant resolutions to be proposed at the AGM as set out in the notice of AGM set out on pages 10 to 11 of this circular.

By order of the Board
China Communications Construction Company Limited
Zhou Changjiang
Company Secretary

NOTICE OF ANNUAL GENERAL MEETING

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中國交通建設股份有限公司 CHINA COMMUNICATIONS CONSTRUCTION COMPANY LIMITED

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

(Stock Code: 1800)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2022 annual general meeting (the “AGM”) of China Communications Construction Company Limited (the “Company”) will be held at CCCC Building, 85 De Sheng Men Wai Street, Xicheng District, Beijing, the PRC at 2:00 p.m. on Friday, 16 June 2023 to consider and, if thought fit, to pass the following resolutions (unless otherwise indicated, capitalised terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 17 May 2023):

Ordinary Resolutions

1. To consider and approve the audited consolidated financial statements of the Company for the year ended 31 December 2022;
2. To consider and approve the distribution plan of profit and final dividend of the Company for the year of 2022;
3. To consider and approve the report of the Board for the year of 2022;
4. To consider and approve the report of duty performance of the Independent Directors for the year of 2022;
5. To consider and approve the report of the Supervisory Committee for the year of 2022;
6. To consider and approve the report of the comprehensive budget for 2023;
7. To consider and approve the re-appointment of Ernst & Young as the Company’s international auditor and Ernst & Young Hua Ming LLP as the Company’s domestic auditor for a term ending at the 2023 annual general meeting of the Company and the authorisation to the Board to determine their respective remuneration;

NOTICE OF ANNUAL GENERAL MEETING

8. To consider and approve the Investment Plan for 2023;
9. To consider and approve the estimated cap for the internal guarantees of the Group in 2023; and
10. To consider and approve the proposed launch of asset-backed securitization.

By order of the Board
China Communications Construction Company Limited
Zhou Changjiang
Company Secretary

Beijing, the PRC
17 May 2023

As at the date of this notice, the Directors of the Company are WANG Tongzhou, WANG Haihuai, LIU Xiang, MI Shuhua, LIU Hut[#], CHAN Wing Tak Kevin[#], WU Guangqi[#] and ZHOU Xiaowen[#].

[#] *Independent non-executive Director*

Notes:

1. CLOSURE OF REGISTER OF MEMBERS AND ELIGIBILITY FOR ATTENDING THE AGM

For purpose of ascertaining Shareholders' entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 13 June 2023 to Friday, 16 June 2023 (both days inclusive), during which time no share transfers will be registered. Instruments of transfer accompanied by share certificates and other appropriate documents must be lodged with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong no later than 4:30 p.m. on Monday, 12 June 2023. Shareholders of the Company whose names appear on the register of members of the Company on Friday, 16 June 2023 are entitled to attend the AGM.

2. PROXY

Every Shareholder who has the right to attend and vote at the AGM is entitled to appoint one or more proxies, whether or not they are members of the Company, to attend and vote on his behalf at the AGM.

A proxy shall be appointed by an instrument in writing. Such instrument shall be signed by the appointer or his attorney duly authorised in writing. If the appointer is a legal person, then the instrument shall be signed under a legal person's seal or signed by its director or an attorney duly authorised in writing. The instrument appointing the proxy shall be deposited at the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not less than 24 hours before the time appointed for the holding of the AGM (i.e. before 2:00 p.m. on Thursday, 15 June 2023). If the instrument appointing the proxy is signed by a person authorised by the appointer, the power of attorney or other document of authority under which the instrument is signed shall be notarised. The notarised power of attorney or other document of authority shall be deposited together and at the same time with the instrument appointing the proxy at the Company's H Share registrar. Return of a form of proxy will not preclude a Shareholder of the Company from attending in person and voting at the AGM if he so wishes.

If more than one proxy is appointed, such proxies shall only be entitled to vote by poll.

Shareholders or their proxies are required to produce their identification documents when attending the AGM.

3. OTHERS

The AGM is expected to last for around one hour. Shareholders and their proxies attending the meeting shall be responsible for their own travelling and accommodation expenses.

To safeguard the health and safety of Shareholders and to prevent the spreading of the COVID-19 pandemic, proxies and other attendees are required to comply with the latest epidemic prevention policy requirements of the PRC government and take necessary precautionary measures.

In 2022, the Independent Directors of China Communications Construction Company Limited (the “**Company**”) performed their duties with due diligence and in strict compliance with the requirements of the Company Law of the People’s Republic of China (the “**Company Law**”), the Code of Corporate Governance for Listed Companies, the Guidance Opinions regarding the Establishment of the System of Independent Directors by a Listed Company and other relevant laws, regulations and regulatory documents, as well as the Articles of Association, the Rules of Procedures for Board Meetings and the Working Manual of Independent Directors. During the year, the Independent Directors of the Company actively participated in various meetings, reviewed and discussed the proposals carefully, on which they expressed their independent and objective opinions; they conducted in-depth on-site investigation and research while maintaining close communications with the management to stay abreast of the development of the Company, so as to effectively safeguard the legitimate rights and interests of all Shareholders, especially the minority Shareholders. We hereby present the report of duty performance of the Independent Directors for the year of 2022 as follows.

I. BASIC INFORMATION OF THE INDEPENDENT DIRECTORS

The fourth session of the Board of the Company consisted of three Independent Directors, namely, Mr. HUANG Long, Mr. ZHENG Changhong and Mr. NGAI Wai Fung. The fifth session of the Board consisted of four Independent Directors, all of whom were elected at the first extraordinary general meeting of the Company for 2022 held on 25 February 2022, namely, Mr. LIU Hui, Mr. CHAN Wing Tak Kevin, Mr. WU Guangqi and Mr. ZHOU Xiaowen, all of whom are experts in the field of our industry or finance and their work experience, professional background and part-time engagements have been disclosed in details in the annual report and the relevant announcements of the Company.

The Independent Directors of the Company have complied strictly with the relevant provisions of the laws and regulations as well as the Articles of Association, and there is no such occurrence in which their independence is compromised.

II. DUTY PERFORMANCE OF THE INDEPENDENT DIRECTORS DURING THE YEAR

(I) Attendance at Board Meetings

In 2022, the Board of the Company held a total of 13 meetings (one meeting was held by the fourth session of the Board and 12 meetings by the fifth session of the Board), and the attendance records of the Independent Directors are set out in the table below:

Name of Independent Director	Number of Board Meetings Attended	Number of Physical Meetings Attended	Number of Meetings Attended by Electronic Means	Number of Pre-meeting Communication Meetings Attended	Number of Meetings Attended by Proxy	Number of Meetings Absent from	Objection Votes Cast
HUANG Long	1/13	0/3	1/10	1/8	0	0	0
ZHENG Changhong	1/13	0/3	1/10	1/8	0	0	0
NGAI Wai Fung	1/13	0/3	1/10	1/8	0	0	0
LIU Hui	12/13	3/3	9/10	7/8	0	0	0
CHAN Wing Tak Kevin	12/13	3/3	9/10	7/8	0	0	0
WU Guangqi	12/13	3/3	9/10	7/8	0	0	0
ZHOU Xiaowen	12/13	3/3	9/10	7/8	0	0	0

During the reporting period, the Independent Directors voted in favor of all the proposals considered at the Board meetings with no objections or abstentions.

(II) Attendance at the General Meeting

Name of Independent Director	First Extraordinary General Meeting in 2022	Annual General Meeting for 2021
HUANG Long	Absent	/
ZHENG Changhong	Absent	/
NGAI Wai Fung	Present and voting	/
LIU Hui	Present without voting	Present and voting
CHAN Wing Tak Kevin	Present without voting	Present and voting
WU Guangqi	Present without voting	Present and voting
ZHOU Xiaowen	Present without voting	Present and voting

Note: The term of office of the fifth session of the Board shall commence on the date of consideration and approval thereof at the first Extraordinary General Meeting in 2022.

During the reporting period, the Independent Directors did not raise any objection to the proposals at the general meetings of the Company.

(III) Duty Performance by Special Committees of the Board

During the reporting period, among the Independent Directors of the fourth session of the Board, Mr. HUANG Long served as the chairman of the Remuneration and Appraisal Committee and Mr. NGAI Wai Fung served as the chairman of the Audit and Internal Control Committee; among the Independent Directors of the fifth session of the Board, Mr. LIU Hui served as the chairman of the Remuneration and Appraisal Committee and Mr. CHAN Wing Tak Kevin served as the chairman of the Audit and Internal Control Committee. The Independent Directors actively participated in the duty performance of the special committees and gave full play to their roles.

In 2022, the special committees of the Board held a total of 15 meetings, during which 40 proposals were considered and approved, among which, the Remuneration and Appraisal Committee held 1 meeting with 5 proposals considered and approved; the Strategy and Investment Committee held 3 meetings with 4 proposals considered and approved; the Nomination Committee held 2 meetings with 4 proposals considered and approved; and the Audit and Internal Control Committee held 9 meetings with 27 proposals considered and approved. The attendance of the Independent Directors at the meetings of the special committees is shown in the table below:

Meeting of the Remuneration and Appraisal Committee:

Name	Attended in Person	Attended by Proxy
HUANG Long	0/1	0
ZHENG Changhong	0/1	0
NGAI Wai Fung	0/1	0
LIU Hui	1/1	0
WU Guangqi	1/1	0

Note: The Remuneration and Appraisal Committee of the fourth session of the Board did not convene any meeting in 2022.

Meetings of the Strategy and Investment Committee:

Name	Attended in Person	Attended by Proxy
LIU Hui	2/3	0
ZHOU Xiaowen	2/3	0

Note: The Strategy and Investment Committee of the fourth session of the Board convened one meeting in 2022.

Meetings of the Nomination Committee:

Name	Attended in Person	Attended by Proxy
HUANG Long	1/2	0
ZHENG Changhong	1/2	0
NGAI Wai Fung	1/2	0
CHAN Wing Tak Kevin	1/2	0
WU Guangqi	1/2	0
ZHOU Xiaowen	1/2	0

Note: The Nomination Committee of the fourth session of the Board convened one meeting in 2022.

Meetings of the Audit and Internal Control Committee:

Name	Attended in Person	Attended by Proxy
HUANG Long	1/9	0
ZHENG Changhong	1/9	0
NGAI Wai Fung	1/9	0
LIU Hui	8/9	0
CHAN Wing Tak Kevin	8/9	0
WU Guangqi	8/9	0

Note: The Audit and Internal Control Committee of the fourth session of the Board convened one meeting in 2022.

(IV) Obtaining Real-time Information of the Company's Operation and Management

During the reporting period, the Independent Directors of the Company paid close attention to the Company's operation and management and maintained close communication with the other Directors and management of the Company. They attended important meetings such as the annual work conference of the Company, held communication meetings with external Directors and listened to special reports; they communicated and exchanged opinions, on a regular basis, with the external auditors on issues identified during their audits, and maintained close supervision of the implementation of the matters considered and approved by the Board. In addition to attending various kinds of meetings, the Independent Directors regularly reviewed the Reference for the Directors and Supervisors delivered to them by the office of the Board as well as the newsletters containing various types of information about the Company to remain informed of the Company's latest operation and development, to provide a strong support for the efficient performance of their duties. The office of the Board provided necessary facilities and adequate support for the Independent Directors to perform their duties, and served their needs with their best efforts, and there are no such circumstances in which they are thought to be preventing the Independent Directors from performing their duties.

(V) Communications Before Making Decisions

The Independent Directors attach great importance to the communication and reporting mechanism before the Board makes decisions. For major matters to be submitted to the Board for consideration, especially major reform and restructuring proposals, domestic and overseas investment projects and major connected transaction matters, special communication and reporting meetings will be organised before such matters are formally submitted to the special committees and the Board for consideration. The Independent Directors will listen to special reports from the relevant departments, and fully discuss the feasibility, necessity and economics of the proposals (or projects) at such meetings to identify and reveal potential risks. The Independent Directors will make clear requests for any further discussion or additions that need to be made by the Company and ensure that the requests are implemented before the proposal is formally put to the meeting. In 2022, the Independent Directors totally conducted 8 pre-decisional communications and reporting sessions, listened to 83 reports from relevant departments, proposed a moratorium on one major project investment and one asset disposal matter and proposed significant adjustments to the content of one major project investment proposal through communication and reporting, thus laying a solid foundation for scientific, efficient and compliant decision-making by the Board.

(VI) Field Research and Investigation

During the reporting period, the Independent Directors visited a total of 7 secondary branches and 2 regional headquarters in Beijing, Wuhan and Xiong'an New Area and conducted investigation and research on the key projects there. During the investigation, the Independent Directors made in-depth inquiries about the achievement of their production and operation targets, their industrial positioning and development strategies, the outstanding problems they faced and their risk control measures, as well as their opinions and suggestions on the Company's future development. After the investigation, the Independent Directors came up with an investigation report based on their findings and made a number of well-targeted comments and suggestions, which were promptly submitted to the management of the Company.

(VII) Making Advice and Recommendations to the Management

During the reporting period, the Independent Directors put forward well-targeted opinions and recommendations focusing on the problems arising in the production and operation of and risks faced by the Company from the perspective of quality development of the Company and quickly growing into a world-class enterprise, which were passed to the management through various means such as the minutes of meetings, research reports, resolutions and on-site communication, and actively promoted the implementation of their opinions and recommendations using the supervision and follow-up mechanism of the office of the Board. We hereby summarize the relevant opinions and recommendations made by the Independent Directors during the reporting period as follows:

- 1. We should further consolidate our assets.** We should focus on solving the problem of high gearing ratio and low profit margin, so as to lift the burden from our shoulders as the Company grows up. We should continue to reduce the proportion of the “two reserves”, strengthen our efforts to collect receivables, accelerate the progress of de-inventory and project settlement, expedite the integration and disposal of inefficient, ineffective and negative assets, so as to optimize our asset structure, improve the quality and efficiency of our asset operation, and enhance the profitability of our net assets.
- 2. We should persist in making strong investments.** We should prioritize efficiency and ensure that the investment benefits are satisfied, so as to achieve the maximization of investment business benefits. Investments should be made according to our ability and the principle of balanced inflow and outflow, taking into account our own capacity to bear risk. We should strengthen feasibility studies, strictly follow decision-making procedures, conduct thorough due diligence, and scientifically analyze the economic viability of projects. We should strictly exercise shareholder rights, conduct post-project evaluations, and not only invest without managing. Investments should promote the development of the main business, non-main business investments should be strictly controlled, and we should focus on the approval of PPP projects.
- 3. We should pay close attention to the risk management and control of overseas business.** The risks currently faced by overseas business mainly include spill-over risks from the Russia-Ukraine conflict, political instability risks in certain countries, exchange rate fluctuations risks, overseas labor employment risks, commercial law risks, offshore jurisdiction risks, and risks from investment and mergers and acquisitions, etc. We should strengthen our assessment of the international situation and conduct thorough investigations of investment projects. In respect of overseas business, we should prioritize projects involving cash transactions, invest with caution, take measures to prevent risks, and focus on promoting the internationalization of the RMB in the use of financial instruments.

4. **We should strengthen the corporate internal control audit work.** The auditing process should form a closed-loop management system for risks, with clear classification and timely warnings about risks. We need to enhance the practicality and guidance value of the audit results, and the issues identified in the audit report should be intuitive and specific, indicating whether arising from the system or execution, and proposing targeted suggestions. Management should take the issues identified in the audit seriously, then rectify immediately, and also urge all units to accelerate the progress of rectification.

III. INDEPENDENT OPINIONS ON SIGNIFICANT ISSUES OF THE COMPANY

During the reporting period, the Independent Directors deliberated the following significant issues of the Company and expressed independent opinions in accordance with the requirements of related national laws and regulations and the provisions of relevant business rules of Shanghai Stock Exchange and Hong Kong Stock Exchange, which are summarized as follows:

(I) Related-Party/Connected Transactions

In strict compliance with the provisions of relevant laws and regulations such as the Rules Governing the Listing of Stocks on Shanghai Stock Exchange and the Implementation Guidelines for Related Party Transactions of Listed Companies on Shanghai Stock Exchange, the requirements of the Articles of Association and the Rules for the Management of Related-party/Connected Transactions of China Communications Construction Company Limited, the Independent Directors made judgments on the Company's daily related-party transactions and other related-party transactions from the perspective of necessity, objectivity, pricing fairness and reasonableness and the impact to the interests of the Company and the Shareholders according to relevant requirements, and reviewed the estimation for the daily related-party transactions in accordance with relevant procedures.

Independent Directors are of the view that the voting procedures of the Board in considering the above issues were in line with relevant laws and regulations such as the Company Law and the Securities Law as well as the relevant provisions of China Securities Regulatory Commission, the Shanghai Stock Exchange and the Company. The related Directors abstained from voting on the resolution regarding related-party/connected transactions. The transactions followed the principles of fairness, impartiality, voluntariness and good faith, and the transaction pricing was fair and reasonable, without any prejudice to the legitimate interests of the Company and the Shareholders, especially the interests of non-related minority Shareholders.

(II) Restricted Share Incentive Scheme

The eleventh meeting of the fifth session of the Board considered and approved the Resolution on the 2022 Restricted Share Incentive Scheme (draft) of China Communications Construction Company Limited and its Summary. During the review process, the Independent Directors expressed their independent opinions on the legality and compliance of the Restricted Share Incentive Scheme, the scientific and rationality of the Company's performance evaluation indicators, and other related matters, and also considered that there were no circumstances under which the Company was prohibited from implementing the Share Incentive Scheme, as stipulated in the Administrative Measures on Share Incentives of Listed Companies, (hereafter as the "Administrative Measures") and other relevant laws, regulations, and normative documents, therefore, the Company had the necessary qualifications to implement the Share Incentive Scheme; the basis for determining the participants and scope of the 2022 Restricted Share Incentive Scheme (draft) of China Communications Construction Company Limited complies with the provisions of relevant laws, regulations, and normative documents, and there are no circumstances under which individuals cannot be selected as participants, as stipulated in the Administrative Measures and other relevant laws, regulations, and normative documents; the content of the 2022 Restricted Share Incentive Scheme (draft) of China Communications Construction Company Limited, as well as its formulation and review procedures, comply with the provisions of relevant laws, regulations, and normative documents, including the Company Law, Securities Law, Administrative Measures, and the Guidelines for the Implementation of Share Incentive Schemes by the State-Owned Listed Companies (Guo Zi Kao Fen [2020] No. 178); the Company does not provide loans or any form of financial assistance, including guarantees for loans, to the participants in the Restricted Share Incentive Scheme; the implementation of the Restricted Share Incentive Scheme is beneficial to further improving the Company's corporate governance structure, enhancing the incentive mechanism, and strengthening the sense of responsibility and mission of the management team and business backbone for achieving the Company's sustainable and healthy development, which is conducive to the Company's continuous development and does not harm the interests of the Company and Shareholders as a whole; and the assessment system of the 2022 Restricted Share Incentive Scheme (draft) of China Communications Construction Company Limited is comprehensive, integrated, and operable, with scientific, forward-looking, and reasonable assessment indicators, and the performance assessment target values have been set with full consideration of the Company's operating environment, industry level, and future business development plans, which not only poses a high challenge to the Company but also facilitates its continuous growth.

(III) Major Asset Reorganization of the Company

The twelfth meeting of the fifth session of the Board of the Company considered and approved the Resolution on the Participation in the Major Asset Reorganization of Gansu Qilianshan Cement Group Co., Ltd. and the Spin-off and Listing of Subsidiaries by the Company, Resolutions in relation to the Spin-off and Listing, and Resolution on the Entering into of the Entrustment Agreement and Related-party Transactions by the Company. During the review process, the Independent Directors provided their independent opinions regarding the fairness and legality of the asset assessment, as well as its significance towards the Company's development, they believed that the shareholding ratio of the Company and China Urban-Rural in Qilianshan Cement was determined based on the transaction price of the Swapped-in Assets and Swapped-out Assets, which ensured the fairness of the related-party transactions and did not harm the interests of the Company and all Shareholders, especially minority Shareholders, nor affect the Company's independence; and the Company's Reorganization and Spin-off Proposal complies with relevant laws, regulations, and normative documents such as the Securities Law of the People's Republic of China and the Rules for the Spin-off of Listed Companies (Trial), follows the principles of openness, fairness, and impartiality, and the Spin-off Proposal is feasible and operable, which is conducive to highlighting the Company's main business and enhancing its independence; such Spin-off will have a positive impact on the interests of the Company's Shareholders (especially minority Shareholders), creditors, and other relevant stakeholders, thus, it is beneficial to safeguarding the legitimate rights and interests of the Company, Shareholders, and creditors.

IV. OVERALL EVALUATION

In 2022, the Independent Directors of the Company have deeply participated in corporate governance work, maintained close communication with the management, fully utilized their professional expertise, and strictly supervised and made prudent decisions on important matters such as the formulation of the Company's development strategy, related-party transactions management, internal control system establishment, and risk prevention and resolution, as well as making targeted recommendations in an independent, professional and objective manner, and fulfilled their duties conferred by laws and regulations with high quality, effectively safeguarded the overall interests of the Company, especially ensuring that the legitimate rights and interests of minority Shareholders were not harmed, therefore making significant contributions to the high-quality development of the Company.

Independent Directors of

China Communications Construction Company Limited

30 March 2023