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If you have sold or transferred all your shares in **Tianjin Capital Environmental Protection Group Company Limited**, you should at once hand this circular to the purchaser(s) or the transferee(s), or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or the transfer was effected for transmission to the purchaser(s) or transferee(s).

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Tianjin Capital Environmental Protection Group Company Limited
天津創業環保集團股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1065)

- (1) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;**
- (2) PROPOSED AMENDMENTS TO THE BOARD MEETING RULES;**
- (3) PROPOSED AMENDMENTS TO THE SUPERVISORY COMMITTEE MEETING RULES;**
- (4) RE-ELECTION OF DIRECTORS AND SUPERVISORS;**
- AND**
- (5) DIRECTORS' AND SUPERVISORS' REMUNERATIONS**

The EGM of the Company will be convened and held at 2:00 p.m. on 8 September 2022 at the conference room of the Company on 5/F, TCEP Building, 76 Weijin South Road, Nankai District, Tianjin, the PRC. A notice of the EGM is set out on pages EGM-1 to EGM-4 of this circular. Whether or not you intend to attend the EGM, you are requested to complete and return the proxy form in accordance with the instructions printed thereon to the Company's H share registrar and transfer office, Hong Kong Registrars Limited, address at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, or the Company's principal office address at TCEP Building, 76 Weijin South Road, Nankai District, Tianjin, the PRC, as soon as possible and in any event not less than 24 hours before the time for holding of the EGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

19 August 2022

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DEFINITIONS

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

“Articles of Association”	the articles of association of the Company, as amended, supplemented or otherwise modified from time to time;
“Board” or “Board of Directors”	the board of directors of the Company;
“Company”	Tianjin Capital Environmental Protection Group Company Limited, a limited company established in the PRC whose A Shares and H Shares are listed on the Shanghai Stock Exchange and the Stock Exchange, respectively;
“Director(s)”	the director(s) of the Company, including the independent non-executive Director(s);
“EGM”	the 2022 second extraordinary general meeting of the Company to be convened and held at 2:00 p.m. on 8 September 2022 for the Shareholders to consider and approve, among other things, the amendments to the Articles of Association, the amendments to the Board Meeting Rules, the amendments to the Supervisory Committee Meeting Rules, the re-election of Directors and Supervisors, and Directors’ and Supervisors’ remunerations;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Latest Practicable Date”	18 August 2022, that is the latest practicable date to confirm certain information contained in this circular before printing;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	the People’s Republic of China, excluding, for the purpose of this circular, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;
“RMB”	Renminbi, the lawful currency of the PRC;

DEFINITIONS

“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Shareholder(s)”	the shareholders of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Supervisors”	the supervisors of the Company;
“Supervisory Committee”	the supervisory committee of the Company;
“Tianjin Investment Group”	Tianjin City Infrastructure Construction and Investment Group Company Limited* (天津城市基礎設施建設投資集團有限公司), the ultimate holding company of the Company and the sole shareholder of TMICL, holding 100% equity interest in TMICL;
“TMICL”	Tianjin Municipal Investment Company Limited* (天津市政投資有限公司), the controlling shareholder of the Company, holding approximately 50.14% equity interest in the Company;
“%”	Per cent.

LETTER FROM THE BOARD



Tianjin Capital Environmental Protection Group Company Limited
天津創業環保集團股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1065)

Executive Directors:

Mr. Liu Yujun (*Chairman*)
Ms. Wang Jin
Mr. Niu Bo

Registered address:

12/F, TCEP Building,
No. 76 Weijin South Road,
Nankai District
Tianjin
The PRC
Postal code: 300381

Non-executive Directors:

Mr. Gu Wenhui
Mr. Si Xiaolong
Mr. Liu Tao

Independent Non-executive Directors

Mr. Xu Zhiming
Mr. Guo Yongqing
Ms. Lu Yingying

19 August 2022

To the Shareholders:

- (1) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;
(2) PROPOSED AMENDMENTS TO THE BOARD MEETING RULES;
(3) PROPOSED AMENDMENTS TO THE SUPERVISORY COMMITTEE
MEETING RULES;
(4) RE-ELECTION OF DIRECTORS AND SUPERVISORS;
AND
(5) DIRECTORS' AND SUPERVISORS' REMUNERATIONS**

I. INTRODUCTION

References are made to the announcements of the Company dated 31 May 2022 and 19 August 2022 in relation to the proposed amendments to the Articles of Association; the announcement dated 8 July 2022 in relation to the proposed amendments to the Board Meeting Rules, and the announcements dated 19 August 2022 in relation to the proposed amendments to the Supervisory Committee Meeting Rules, the re-election of Directors and Supervisors, as well as Directors' and Supervisors' remunerations.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with further information relating to (1) the proposed amendments to the Articles of Association; (2) the proposed amendments to the Board Meeting Rules; (3) the proposed amendments to the Supervisory Committee Meeting Rules; (4) the re-election of Directors and Supervisors; and (5) Directors' and Supervisors' remunerations; and to give you a notice of the EGM to be convened to consider and if thought fit, approve, among other things, the resolutions in relation to the above matters.

II. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

In order to thoroughly implement the opinion on strengthening Party leadership in improving corporate governance and the incorporation of the key requirements of the "Three-Year Action of State-owned Enterprise Reform" (「國企改革三年行動」) into the Company's Articles of Association and other relevant requirements, while taking into account the Guidelines on the Bylaws of Listed Companies (《上市公司章程指引》) and the Rules for the Independent Directors of Listed Companies (《上市公司獨立董事規則》), which were amended by the China Securities Regulatory Commission at the beginning of 2022, as well as the actual situation of the Company, the Board has proposed the amendments to the existing Articles of Association of the Company. The proposed amendments to the Articles of Association shall be subject to the approval of the Shareholders at the EGM by way of a special resolution.

Details of the proposed amendments to the Articles of Association are set out in Appendix I to this circular.

The original subsequent chapters, articles, serial numbers and cross-references will be renumbered and adjusted accordingly upon the addition or consolidation of the articles of the proposed amendments. The English version of the proposed amendments to the Articles of Association is an unofficial translation of its Chinese version. In the event of any inconsistency, the Chinese version shall prevail.

III. PROPOSED AMENDMENTS TO THE BOARD MEETING RULES

In accordance with relevant requirements and based on the actual situation of the Company, the Board has proposed to amend the existing Board Meeting Rules. The proposed amendments to the Board Meeting Rules shall be subject to the approval of the Shareholders at the EGM by way of an ordinary resolution.

Details of the proposed amendments to the Board Meeting Rules are set out in Appendix II to this circular.

LETTER FROM THE BOARD

The English version of the proposed amendments to the Board Meeting Rules is an unofficial translation of its Chinese version. In the event of any inconsistency, the Chinese version shall prevail.

IV. PROPOSED AMENDMENTS TO THE SUPERVISORY COMMITTEE MEETING RULES

In view of the intended adjustments to the number and composition of the members of the Supervisory Committee and the corresponding proposed amendments to the Articles of Association, the Supervisory Committee has proposed to amend the existing Supervisory Committee Meeting Rules. The proposed amendments to the Supervisory Committee Meeting Rules shall be subject to the approval of the Shareholders at the EGM by way of an ordinary resolution.

Details of the proposed amendments to the Supervisory Committee Meeting Rules are set out in Appendix III to this circular.

The English version of the proposed amendments to the Supervisory Committee Meeting Rules is an unofficial translation of its Chinese version. In the event of any inconsistency, the Chinese version shall prevail.

V. RE-ELECTION OF DIRECTORS AND SUPERVISORS

The terms of the eighth session of the Board of Directors and the eighth session of the Supervisory Committee of the Company expired on 17 December 2021. However, the Company needs time to complete the nomination work of candidates of directors and supervisors for the new sessions of the Board and Supervisory Committee, respectively. According to the requirements of the Company Law of the PRC and other provisions of the Articles of Association, and after considering various factors, the Company has recommended the nominations of (1) Mr. Ji Guanglin, Mr. Li Yang and Ms. Jing Wanying as executive directors candidates for the ninth session of the Board; (2) Ms. Peng Yilin, Mr. An Pindong and Mr. Liu Tao as non-executive directors candidates for the ninth session of the Board; (3) Mr. Xue Tao, Mr. Wang Shanggan and Mr. Tian Liang as independent non-executive directors candidates of for the ninth session of the Board; and (4) Ms. Shi Zhenjuan and Mr. Sun Shubin as shareholder's representative supervisors candidates for the ninth session of the Supervisory Committee. The appointments of the aforementioned proposed directors and supervisors candidates will take effect upon the approval by the shareholders at the EGM, the term of service will be three years from 8 September 2022 to 7 September 2025.

LETTER FROM THE BOARD

Details of the aforementioned proposed Directors are set out as follows:

Mr. Ji Guanglin, aged 48, held a Postgraduate's Degree and a Doctorate in philosophy. He is currently the Deputy General Manager of Tianjin City Infrastructure Construction and Investment Group Company Limited (天津城市基礎設施建設投資集團有限公司), and has previously served as the Deputy Chief Economist, the General Manager of both the Strategic Planning Department and Asset Management Department of Shanghai Chengtou Group (上海城投集團), as well as the Deputy Secretary of the Party Committee, the Chairman and the President of Shanghai Chengtou Holding Co., Ltd (上海城投控股股份有限公司).

Mr. Li Yang, aged 52, is currently the general manager of the Company and the chairman of Hangzhou Tianchuang Capital Water Co., Ltd (杭州天創水務有限公司) ("Hangzhou Company"). From November 2005 to April 2009, he was the general manager of Fuyang Capital Water Co. Ltd. (阜陽創業水務有限公司), a wholly-owned subsidiary of the Company. From April 2009 to December 2009, he was the general manager of the 2nd water operation branch of the Company. He was the general manager of the eastern region of the Company's water business division from January 2010 to February 2011 and was the general manager of Xi'an Capital Water Co. Ltd. (西安創業水務有限公司) ("Xi'an Company") since February 2011 to May 2017. Mr. Li was appointed as the assistant to general manager of the Company since January 2012, and as the Chairman of Xi'an Company since September 2015. Mr. Li Yang was a Supervisor of the Company from 8 September 2009 to 15 March 2017. Since 15 March 2017, Mr. Li has served as the deputy general manager of the Company and since September 2020, he has concurrently served as the chairman of Hangzhou Company. Mr. Li has been the general manager of the Company since February 2021.

Ms. Jing Wanying, aged 45, is currently the chief accountant of the Company. She has a master degree in business administration and the qualifications of chief senior accountant and certified public accountant. She graduated from the faculty of accounting of the Tianjin Institute of Finance and Economics (天津財經學院) with major in certified public accountancy. Ms. Jing joined TMICL in November 2003; she served as deputy manager of finance department, manager of finance department and deputy chief accountant in TMICL from January 2005 to September 2015. Ms. Jing served as chief accountant in TMICL from September 2015 to 16 November 2021. Ms. Jing has been the chief accountant of the Company since November 2021.

LETTER FROM THE BOARD

Ms. Peng Yilin, aged 42, is currently the general manager of the asset investment department of Tianjin Investment Group. From March 2008 to September 2015, she successively acted as the assistant to the department head of the financing development department and the manager of the financial centre, of Tianjin Investment Group. Ms. Peng has been the assistant general manager of the Company since 29 October 2015, the chief accountant of the Company from 29 January 2016 to 19 November 2021, a Director of the Company from 16 March 2016 to 17 December 2018 and concurrently a director of TMICL (市政投資) since 28 December 2020.

Mr. An Pindong, aged 54, is currently the operation director of Tianjin Investment Group, and concurrently serves as the secretary and chairman of the party general branch of TMICL. He started his career in July 1991. Mr. An graduated from Nankai University with a major in business administration. He held a full-time undergraduate degree and a master degree in business administration. He is an economist. Mr. An successively served as the deputy chief economist and head of the asset operation department of Tianjin Investment Group.

Mr. Liu Tao, aged 38, graduated from the University of Hull in the United Kingdom with a master degree in financial management. He has been engaged in investment, management and other related work for many years and has extensive experience in investment and group operation and management. Mr. Liu is currently the deputy manager (in charge of the overall work) of the investment management department of Ningbo Energy Group Co., Ltd. (寧波能源集團股份有限公司) (“Ningbo Energy”), a director of Ningbo Hangwan Lvzhe New Energy Co., Ltd. (寧波杭灣綠捷新能源有限公司) and a director of Ningbo Langchen New Energy Co., Ltd. (寧波朗辰新能源有限公司). Mr. Liu worked for Blue Source Capital Investment Management Co., Ltd. (浙江藍源投資管理有限公司) in 2011, engaging in investment management of government-guided funds. He served in the investment management department of Ningbo Energy in 2014. He successively served as deputy manager and manager of the investment department of Ningneng Investment Management Co., Ltd. (寧能投資管理有限公司) and deputy manager of the investment management department of Ningbo Energy. Since August 2021, he has been working as deputy manager of the investment management department of Ningbo Energy. Mr. Liu Tao has been a director of the Company since 11 November 2021.

LETTER FROM THE BOARD

Mr. Xue Tao, aged 49, is currently studying for a Doctorate in the Research Center for Eco-Environmental Sciences, Chinese Academy of Sciences. He held a bachelor degree in science from Wuhan University and a master degree in business administration from the Guanghua School of Management, Peking University. He has previously served as the Deputy Director of the Center for Industrial Development and Environmental Governance, Tsinghua University, and is currently served as the Executive Partner of E20 Environment Platform and the Executive Dean of E20 Institute of Environment Industry, an adjunct professor of the School of Public Administration, Hunan University, a visiting professor of School of Management and Economics, North China University of Water Resources and Electric Power, as well as an independent Director of listed companies such as Shanghai Chengtou Holding and SCIMEE. He concurrently acted as the Deputy Dean of the E20 Joint Research Institute of the College of Urban and Environmental Sciences, Peking University, a PPP double-bank expert of oriented invitations of the National Development and Reform Commission and the Ministry of Finance, a registered expert of World Bank and Asian Development Bank (Infrastructure and PPP), an expert member of the Investment and Financing Committee of Center for Public-Private Partnership at School of Public Policy and Management, Tsinghua University, the Secretary General of the PPP Committee at China Environment Chamber of Commerce, an expert for the expert database in the Specialist Advisory Committee of National Green Development Fund Co., Ltd., an expert of the Chemical and Waste Environmental Management Think Tank of the Basel Convention Regional Centre for Asia and the Pacific, a member of the Waste Incineration Specialist Committee of the China Association of Urban Environmental Sanitation, a distinguished consultant of the “National Strategic Alliance for Technological Innovation of Sludge Treatment and Disposal Industry” of the Ministry of Ecology and Environment, a think tank member of the Academy For Governmental Credit at Central University of Finance and Economics, and a distinguished expert of CCIG Holding’s website. He is also an editorial board member of the “Urban-Rural Development” magazine guided by the Ministry of Housing and Urban-Rural Development, “Environmental Health Engineering” magazine and “Comments on Government Procurement and PPP” magazine guided by the Ministry of Finance, respectively. In addition, he is an off-campus mentor of master students of the Eco-Environmental Research Center of the Chinese Academy of Sciences. He is the author of “Xue Tao’s Analysis of Chinese-style Environmental Protection PPP Projects” (《濤似連山噴雪來—薛濤解析中國式環保PPP》), and the editor in charge of the environmental protection section in the China PPP Development Report for 2017-2021 (by Tsinghua University) and China PPP Annual Development Report (by Central University of Finance and Economics) included in the “Blue Book” series by the Social Science Literature Publishing House.

LETTER FROM THE BOARD

Mr. Wang Shanggan, aged 58, held a master degree in EMPAcc from the Chinese University of Hong Kong and is a senior accountant. He started his career from August 1984, and has worked in the Financial Division of Xinyu Iron & Steel Co.,Ltd (新餘鋼鐵公司), and served in various positions such as an accountant in the Financial Division of Jiangxi Metallurgy Industry Co., Ltd., (江西省冶金工業總公司)the Chief Financial Officer of Shanghai Environment Group (上海環境集團), the Chief Financial Officer of Shanghai Chengtou Holding (上海城投控股), and a Director and the Chairman of the Supervisory Committee of Western Securities (西部證券). He is currently the special assistant to the Chairman of Shanghai SUS Environment Co., Ltd (上海康恒環境股份有限公司). and an independent Director of Shanghai Mandao Financial Information Service Co., Ltd (上海漫道數字信息技術股份有限公司).

Mr. Tian Liang, aged 41, is a practicing lawyer in the Hong Kong Special Administrative Region of the PRC, a practicing lawyer in the State of New York, and a holder of the Chinese legal professional qualification certificate. Mr. Tian has served in the China representative offices and Hong Kong offices of several international law firms. He has many years of legal practice experience in Mainland China and Hong Kong, and has provided compliance, mergers and acquisitions, and restructuring and other legal services for various Chinese state-owned enterprises and multinational companies. Mr. Tian held a bachelor degree in laws from Renmin University of China, a master degree in civil law and commercial law from Tsinghua University and a master degree in laws from Southern Methodist University in the United States.

Save as disclosed above, each of the above proposed Directors does not hold any position in the Company or any other members of the Company, nor did he/she hold any directorship in any other listed companies in the last three years.

Length of service and emolument

If each of the above proposed Directors is appointed as a Director of the Company, he/she will enter into a service agreement with the Company for a term of office from 8 September 2022 to 7 September 2025. The proposed Directors will receive a remuneration in accordance with the policy of remuneration for Directors of the ninth Board of the Company to be approved at the EGM. Such remuneration was determined with reference to the duties and responsibilities of the Directors in the Company and market rates of the position.

LETTER FROM THE BOARD

Relationships

Save as disclosed above, each of the above proposed Directors has no relationship with any Directors, Supervisors or senior management or with any management Shareholders, substantial Shareholders or controlling Shareholders of the Company.

Interests in shares

So far as the Directors are aware, as at the Latest Practicable Date, each of the above proposed Directors does not have any interest in the shares of the Company (within the meaning of Part XV of the SFO).

Matters that need to be brought to the attention of the Shareholders

In relation to the appointment of each of the above proposed Directors, there is no information which is discloseable nor is/was he/she involved in any of the matters required to be disclosed pursuant to any of the requirements under rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no matter which needs to be brought to the attention of the Shareholders.

The qualification and independence of the abovementioned candidates for independent non-executive Directors shall be subject to review and approval by the Shanghai Stock Exchange before being proposed for approval by Shareholders at the EGM.

Details of the above proposed Supervisors are set out as follows:

Ms. Shi Zhenjuan, aged 52, started her career in July 1993. Ms. Shi graduated from Nankai University with a major in business administration of senior management. She held a full-time undergraduate degree and a master degree in business administration. She is an accountant. Ms. Shi successively served as the chief accountant, a Director and a member of the disciplinary committee of the Company, as well as a member of the party committee, the chief accountant and a director of Tianjin Haihe Construction Development and Investment Co., Ltd (天津市海河建設發展投資有限公司). She is currently a member of the party branch and chief accountant of TMICL.

LETTER FROM THE BOARD

Mr. Sun Shubin, aged 48, started his career in September 1997. Mr. Sun graduated from Nankai University-Flinders University, Australia with a major in international economic and trade relations. He held an on-the-job postgraduate degree and a master degree in Arts. He is a level-3 legal consultant of state-owned enterprises. Mr. Sun successively served as the deputy general legal counsel, the deputy general manager of the compliance management department (the audit department, and the legal affairs department), and the deputy general manager (in charge of the overall work) of the legal compliance department of Tianjin Investment Group. He is currently the deputy general manager (in charge of the overall work) of the legal compliance department and the deputy general manager of its the asset management company.

Save as disclosed above, each of the above proposed Supervisors does not hold any position in the Company or any other members of the Company, nor did he/she hold any directorship in any other listed companies in the last three years.

Length of service and emolument

If each of the above proposed Supervisors is appointed as a Supervisor of the Company, he/she will enter into a service agreement with the Company for a term of office from 8 September 2022 to 7 September 2025. All the appointed Supervisors will not receive remuneration for being Supervisors.

Relationships

Saved as disclosed above, each of the above proposed Supervisors has no relationship with any Directors, Supervisors or senior management or with any management Shareholders, substantial Shareholders or controlling Shareholders of the Company.

Interests in shares

So far as the Directors are aware, as at the Latest Practicable Date, each of the above proposed Supervisors does not have any interest in the shares of the Company (within the meaning of Part XV of the SFO).

LETTER FROM THE BOARD

Matters that need to be brought to the attention of the Shareholders

In relation to the appointment of each of the above proposed Supervisors, there is no information which is discloseable nor is/was he/she involved in any of the matters required to be disclosed pursuant to any of the requirements under rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no matter which needs to be brought to the attention of the Shareholders.

The appointment of the above proposed Directors and Supervisors is subject to the approval by the Shareholders by adopting cumulative voting at the EGM. Ordinary resolutions in relation to the above proposed appointment of Mr. Ji Guanglin, Mr. Li Yang and Ms. Jing Wanying as executive Directors; Ms. Peng Yilin, Mr. An Pindong and Mr. Liu Tao as non-executive Directors; Mr. Xue Tao, Mr. Wang Shanggan and Mr. Tian Liang as independent non-executive Directors; and Ms. Shi Zhenjuan and Mr. Sun Shubin as Supervisors, will be proposed to be approved by the Shareholders at the EGM.

Retirement of Directors and Supervisors

Upon approval of appointment of the above proposed Directors and Supervisors at the EGM, Mr. Liu Yujun, Ms. Wang Jing, Mr. Niu Bo, Mr. Gu Wenhui, Mr. Si Xiaolong, Mr. Xu Zhiming, Mr. Guo Yongqing and Ms. Lu Yingying will retire from the position of Director, and Ms. Lu Hongyan, Ms. Niu Jing, Ms. Shen Yue and Mr. Li Zongqiang will retire from the position of Supervisor, effective from 8 September 2022. All the aforesaid Directors and Supervisors have confirmed that he has no disagreement with the Board and there is no matter with respect to their retirement that needs to be brought to the attention of the Shareholders.

VI. DIRECTORS' AND SUPERVISORS' REMUNERATIONS

Directors' Remuneration

Upon consideration by the Board, the proposed remuneration for the Directors of the ninth Board of the Company is as follows:

LETTER FROM THE BOARD

Independent non-executive Director's remuneration: RMB120,000 per annum

Other Directors will not receive remuneration for being Directors.

The remuneration of the aforesaid independent non-executive Directors is tax inclusive, and their personal income tax will be deducted and paid by the Company.

If the above Directors are also appointed as the senior management officers or other positions of the Company, the remuneration for these positions will be determined pursuant to the relevant policy of the Company.

Supervisors' Remuneration

The Supervisors of the ninth Supervisory Committee will not receive remuneration for being Supervisors. However, the Supervisors working at the Company will receive remuneration according to their work positions and the relevant remuneration regulations of the Company.

The above proposed Directors' and Supervisors' remunerations are subject to the approval by the Shareholders at the EGM.

VII. EXTRAORDINARY GENERAL MEETING

The EGM of the Company will be convened and held at 2:00 p.m. on 8 September 2022 at the conference room of the Company on 5/F, TCEP Building, 76 Weijin South Road, Nankai District, Tianjin, the PRC. A notice of the EGM is set out on pages EGM-1 to EGM-4 of this circular. At the EGM, voting by the Shareholders will be conducted by way of poll.

Whether or not you intend to attend the EGM, you are requested to complete and return the proxy form in accordance with the instructions printed thereon to the Company's H share registrar and transfer office, Hong Kong Registrars Limited, address at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, or the Company's principal office address at TCEP Building, 76 Weijin South Road, Nankai District, Tianjin, the PRC, as soon as possible and in any event not less than 24 hours before the time for holding of the EGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

LETTER FROM THE BOARD

VIII. RECOMMENDATIONS

The Directors consider that (1) the proposed amendments to the Articles of Association; (2) the proposed amendments to the Board Meeting Rules; (3) the proposed amendments to the Supervisory Committee Meeting Rules; (4) the re-election of Directors and Supervisors; and the proposed (5) Directors' and Supervisors' remunerations are in the interests of the Company and its shareholders as a whole.

In view of the above, the Board recommends that the Shareholders shall vote in favour of the resolutions to be proposed at the EGM.

IX. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein misleading.

By order of the Board of
**TIANJIN CAPITAL ENVIRONMENTAL
PROTECTION GROUP COMPANY LIMITED**
Liu Yujun
Chairman

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The details of the proposed amendment to the Articles of Association are set out as below:

Adding one article after the Original Article 2 under CHAPTER 1 GENERAL (see note 1):

Article 3 after the addition: In accordance with the relevant provisions under the Constitution of the Communist Party of China, the Company shall establish an organisation of the Communist Party of China, carry out the activities of the Party, set up working organs for the Party, allocate sufficient competent staff to deal with Party affairs and guarantee sufficient funds to operate the Party organisation.

Article 10

Original Article 10: The other senior management members referred in the Articles of Association shall mean the deputy general manager, the secretary to the Board of Directors and the chief accountant (the one who is in charge of finance).

Article 11 after amendment: The other senior management members referred in the Articles of Association shall mean the deputy general manager, the secretary to the Board of Directors, the chief accountant (the one who is in charge of finance) and general legal counsel.

Article 12

Original Article 12: The business scope of the Company is based on the projects approved by the registration authority.

The business scope of the Company: It includes the construction, design, management, operation, technical consultation and related services of sewage treatment facilities; the construction, design, charge, maintenance, operation and technical consultation and related services of the southeast road in Tianjin middle ring, tolls of road construction loans and the related supporting facilities.

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

According to the needs of business management, the Company may amend the Articles of Association and the business scope in accordance with the relevant provisions. However, the amendment shall be registered. As to projects within the business scope of the Company which have to be approved under the laws and administrative rules and regulations, they shall be approved according to the law.

Article 13 after amendment: The business scope of the Company is based on the projects approved by the registration authority.

The business scope of the Company: investment, construction, design, management, operation, technical consultation and supporting services for sewage water, tap water, reclaimed water, industrial wastewater and other water treatment facilities; investment, construction, design, management, operation, technical consultation and supporting services for the collection, transportation, treatment and resource utilization of various types of solid waste and related infrastructure; investment, construction, design, management, operation, technical consultation and supporting services for energy supply services and energy conservation and environmental protection-related facilities; development and operation of environmental protection technology and environmental protection products and equipment; urban integrated environmental services and ecological management services; design, construction, management, construction and operation and management of municipal infrastructure facilities; urban road franchised operation, technical consultation and supporting services for the southeast half of the Central Ring Road in Tianjin municipality; rental of self-owned houses.

According to the needs of business management, the Company may amend the Articles of Association and the business scope in accordance with the relevant provisions. However, the amendment shall be registered. As to projects within the business scope of the Company which have to be approved under the laws and administrative rules and regulations, they shall be approved according to the law.

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article 111

Original Article 111: The Board of Directors shall be responsible for the general meeting and shall exercise the following powers:

- (1) responsible for convening general meeting and reporting its work to the general meeting;
- (2) to implement resolutions approved at the general meeting;
- (3) to decide on the Company's business plans and investment plans;
- (4) to formulate the Company's annual financial budget and final accounts;
- (5) to formulate the Company's plans of profit distribution and loss recovery;
- (6) to formulate the plans of increasing or reducing the registered capital of the Company, issue of bonds or other securities and listing;
- (7) to work out plans of substantial acquisition, repurchase of the Company's shares or merger, division, dissolution or change of the form the Company;
- (8) to decide on the establishment of the Company's internal management structure;
- (9) to appoint or dismiss the Company's general managers, secretary to the Board; according to the nomination by the general manager, appoint or dismiss deputy general managers, chief accountants, and other senior management member of the Company and to decide on their remuneration and punishment;
- (10) to formulate the Company's basic management system;

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

- (11) to formulate proposals for the amendments to the Company's Articles of Association;
- (12) to propose to the general meeting for appointment or replacement of accountant firm as the Company's auditor;
- (13) within the scope authorized by the general meeting, to decide on the Company's external investment, acquisition and disposal of assets, charge of assets, external guarantee, entrusted financial management and connected transactions;
- (14) to manage the disclosure of the Company's information;
- (15) to listen to the work report by the general manager of the Company and check on the work on the general manager;
- (16) to make resolutions on matters which are beyond the scope of general meeting pursuant to relevant laws and regulations and the Articles of Associations;
- (17) other powers conferred by the general meeting, laws, regulations and the Articles of Association.

Except for the resolution of the Board of Directors in items (6), (7), (11) of this article which shall be passed by more than two-third of all the Directors, resolutions of the Board of Directors in respect of all other matters may be passed by a majority of Directors.

Article 112 after
amendment:

The Board of Directors is the decision-making body of the Company, which formulates strategies, makes decisions and prevents risks, and shall be responsible for the general meeting and exercise the following powers:

- (1) responsible for convening general meeting and reporting its work to the general meeting;

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

- (2) to implement resolutions approved at the general meeting;
- (3) to formulate medium-and long-term development plans for the Company, and decide on the Company's business plans and investment plans;
- (4) to formulate the Company's annual financial budget and final accounts;
- (5) to formulate the Company's plans of profit distribution and loss recovery;
- (6) to formulate the plans of increasing or reducing the registered capital of the Company, issue of bonds or other securities and listing;
- (7) to work out plans of substantial acquisition, repurchase of the Company's shares or merger, division, dissolution or change of the form the Company;
- (8) to decide on the establishment of the Company's internal management structure, as well as the establishment and dissolution of subsidiaries and other branches;
- (9) to appoint or dismiss the Company's general managers and secretary to the Board; to appoint or dismiss deputy general managers, chief accountants, chief legal advisors and other senior management member of the Company according to the nomination of the general manager; to decide on the remuneration, appraisal, reward and punishment of the senior management of the Company; to decide the Company's remuneration management policy and performance appraisal policy;
- (10) to formulate major income distribution plans of the Company;
- (11) to formulate the Company's basic management system;

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

- (12) to determine the risk management system, the internal control system, the system for accountability for non-compliant operation and investment, and legal compliance management system of the Company, and to monitor and assess operation thereof; to direct, inspect and assess the Company's internal audit work, determine the person in charge of the Company's internal audit department, establish a mechanism under which the audit department is accountable to the Board of Directors, and approve the annual audit plan and important audit reports in accordance with the law; to determine the upper limit of the Company's gearing ratio;
- (13) to formulate proposals for the amendments to the Company's Articles of Association;
- (14) to propose to the general meeting for appointment or replacement of accountant firm as the Company's auditor;
- (15) within the scope authorized by the general meeting, to decide on the Company's external investment, acquisition and disposal of assets, charge of assets, external guarantee, entrusted financial management, connected transactions, external donation, etc.;
- (16) to manage the disclosure of the Company's information;
- (17) to establish a management system for the authorization to the senior management, to receive reports of the general manager of the Company on his/her work, to inspect the implementation of the resolutions and authorizations of the Board of Directors by the general manager and other senior management members, and to establish and perfect the accountability mechanism for the general manager and other senior management members;

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

- (18) to determine the matters related to the exercise of the Company's rights as a shareholder of its invested enterprises;
- (19) to make resolutions on matters which are beyond the scope of general meeting pursuant to relevant laws and regulations and the Articles of Associations;
- (20) other powers conferred by the general meeting, laws, regulations and the Articles of Association.

Except for the resolution of the Board of Directors in items (6), (7), (13) of this article which shall be passed by more than two-third of all the Directors, resolutions of the Board of Directors in respect of all other matters may be passed by a majority of Directors.

Article 121

Original Article 121:

The manner and time limit of notice of regular and special Board meeting:

- (I) If the time and venue of regular Board meeting has been determined by the Board of Directors in advance, notice of meeting is not required.
- (II) Where the time and venue of regular Board meetings have not been specified in advance by the Board of Directors, the chairman of the Board shall give notice of the time and venue of Board meeting to all Directors and supervisors not less than 14 days but not more than 30 days before the date of proposed meeting; the chairman of the Board shall give notice of the time and venue of special Board meeting to all Directors and supervisors 10 days before the date of proposed meeting, in case of emergency, it shall not be subject to the limitation of the time; the aforesaid notice of the Board meeting shall be given to all Directors and supervisors by means of telex, telegram, facsimile, e-mail, registered post or by hand.

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

- (III) The notice shall be in Chinese with English translation if necessary, including the duration of meeting, agenda, reasons and topics as well as the date of giving such notice. Any Director has the right of to waive to request for receiving the notice of Board meeting.
- (IV) Where a Director, who is present at the meeting, has not raised any objection that he/she has not been notified of the meeting before or at the meeting, such Director shall be deemed to have notified of the meeting.
- (V) The regular Board meeting or special meeting may be held in the form of telephone conference or by means of similar communication facilities. So long as the Directors attending the meeting are able to hear the speech of other Directors clearly and communicate, all the Directors attending the meeting shall be deemed to have attended the meeting in person. If the meeting is held by such mean, the way of participation shall be clearly specified on the notice of meeting.
- (VI) The Board of Directors may accept Board meetings in the form of written communications over the resolutions to replace meetings on site. However, draft motions of the meeting must be delivered to all Directors by hand, mail, e-mail, telegraph or fax. After the Board of Directors has delivered the motion to all Directors and that the number of Directors giving consent and signature to the motion has reached the quorum, such motion, if delivered to the secretary to the Board of Directors by means of methods referred to above, shall become a Board resolution and no convening of a Board meeting shall be required.

Article 122 after
amendment:

The manner and time limit of notice of regular and special Board meeting:

- (I) If the time and venue of regular Board meeting has been determined by the Board of Directors in advance, notice of meeting is not required.

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

- (II) Where the time and venue of regular Board meetings have not been specified in advance by the Board of Directors, the chairman of the Board shall give notice of the time and venue of Board meeting to all Directors and supervisors not less than 14 days but not more than 30 days before the date of proposed meeting; the Corporate Governance Center shall give notice of the time and venue of special Board meeting to all Directors and supervisors 5 days before the date of proposed meeting, in case of emergency, it shall not be subject to the limitation of the time; the aforesaid notice of the Board meeting shall be given to all Directors and supervisors by means of telex, telegram, facsimile, e-mail, registered post or by hand.
- (III) The notice shall be in Chinese with English translation if necessary, including the duration of meeting, agenda, reasons and topics as well as the date of giving such notice. Any Director has the right of to waive to request for receiving the notice of Board meeting.
- (IV) Where a Director, who is present at the meeting, has not raised any objection that he/she has not been notified of the meeting before or at the meeting, such Director shall be deemed to have notified of the meeting.
- (V) The regular Board meeting or special meeting may be held in the form of telephone conference or by means of similar communication facilities. So long as the Directors attending the meeting are able to hear the speech of other Directors clearly and communicate, all the Directors attending the meeting shall be deemed to have attended the meeting in person. If the meeting is held by such mean, the way of participation shall be clearly specified on the notice of meeting.

- (VI) The Board of Directors may accept Board meetings in the form of written communications over the resolutions to replace meetings on site. However, draft motions of the meeting must be delivered to all Directors by hand, mail, e-mail, telegraph or fax. After the Board of Directors has delivered the motion to all Directors and that the number of Directors giving consent and signature to the motion has reached the quorum, such motion, if delivered to the secretary to the Board of Directors by means of methods referred to above, shall become a Board resolution and no convening of a Board meeting shall be required.

Article 130

Original Article 130: The nomination, election and replacement of the Independent Directors shall be carried out lawfully and formally.

- (I) The Board of Directors, Board of Supervisors or shareholders holding 1% of more of issued share capital may nominate the candidates for Independent Directors and be elected at the general meeting.
- (II) The nominator of Independent Directors shall obtain the nominee's consent before the nomination. The nominator shall fully understand the occupation, education background, professional title and detailed work experiences as well as all the parttime position of the nominee, and express his/her opinion on the qualification and independence of the nominee as an Independent Director. The nominee shall make a public declaration that no relationship between himself/herself and the Company would impact on his/her independence. Before the convening of the general meeting for electing the Independent Directors, the Board of Directors of the Company shall announce the abovementioned content as required.

- (III) Before the convening of the general meeting for electing the Independent Directors, the Company shall send all the relevant information of all nominees to the CSRC, the local agent of CSRC of the domicile of the Company and the stock exchange where the shares of the Company are listed. Shall there are any objections to the nominees from the Board of Directors of the Company, such written opinions of the Board shall also be sent.

The nominee who is disagreed by the CSRC may be the candidate for Directors of the Company, but not the candidate of the Independent Directors.

During the general meeting for electing the Independent Directors, the Board of Directors of the Company shall make statement as to whether CSRC has any objections to the candidate for Independent Directors.

- (IV) The terms of office for each Independent Director shall be the same as the other Directors of the Board. Upon the expiry of the term of office, the Independent Directors may be re-elected or reappointed; however, the period of reappointment shall not exceed six years.
- (V) If the Independent Directors fail to attend the Board meeting in person for three consecutive times, the Board of Directors may propose to the general meeting to remove such Independent Director.

Except the abovementioned situation and the situation as stipulated in the Company Law that he/she is not allowed to be the Directors, the Independent Directors shall not be removed before the expiry of his terms of office without good cause. For any pre-mature removal, the Company shall disclose special matter for disclosure. If the Independent Director being removed is of the view that the reason for removal is inappropriate, he shall make public declaration.

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

- (VI) The Independent Director may resign before the expiry of his/her term of office. The Independent Director shall submit the written resignation letter to the Board of Directors state any matter which is relevant to his/her resignation or he/she consider that it would be necessary to draw the attention of the shareholder and creditor of the Company.

If the resignation of the Independent Directors makes the number of Independent Directors or the Board of Directors fall below than the statutory quorum or minimum quorum as required by the Articles of Association, such resignation of the Independent Director shall only come into force when the next Independent Director has been appointed to fill the vacancy.

Article 131 after
amendment:

The nomination, election and replacement of the Independent Directors shall be carried out lawfully and formally.

- (I) The Board of Directors, Board of Supervisors or shareholders holding 1% of more of issued share capital may nominate the candidates for Independent Directors and be elected at the general meeting.
- (II) The nominator of Independent Directors shall obtain the nominee's consent before the nomination. The nominator shall fully understand the occupation, education background, professional title and detailed work experiences as well as all the parttime position of the nominee, and express his/her opinion on the qualification and independence of the nominee as an Independent Director. The nominee shall make a public declaration that no relationship between himself/herself and the Company would impact on his/her independence.

Before the convening of the general meeting for electing the Independent Directors, the Board of Directors of the Company shall announce the abovementioned content as required.

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

- (III) Before the convening of the general meeting for electing the Independent Directors, the Company shall concurrently send the relevant information of the nominees as is stipulated in section (II) of this article to the stock exchange. Should there be any objections to the nominees from the Board of Directors of the Company, such written opinions of the Board shall also be sent.
- (IV) The terms of office for each Independent Director shall be the same as the other Directors of the Board. Upon the expiry of the term of office, the Independent Directors may be re-elected or reappointed; however, the period of reappointment shall not exceed six years.
- (V) If the Independent Directors fail to attend the Board meeting in person for three consecutive times, the Board of Directors may propose to the general meeting to remove such Independent Director.

Prior to the expiration of the term of office of an Independent Director, the Company may remove him/her from the office through procedures prescribed by the law. For any pre-mature removal, the Company shall disclose the removal as a special matter.

- (VI) The Independent Director may resign before the expiry of his/her term of office. The Independent Director shall submit the written resignation letter to the Board of Directors state any matter which is relevant to his/her resignation or he/she consider that it would be necessary to draw the attention of the shareholder and creditor of the Company.

If the resignation of the Independent Directors makes the number of Independent Directors or the Board of Directors fall below than the statutory quorum or minimum quorum as required by the Articles of Association, such resignation of the Independent Director shall only come into force when the next Independent Director has been appointed to fill the vacancy.

Article 131

Original Article 131:

Apart from the powers conferred to by the Company Law and other relevant laws, regulations as a Director, the Company also confers to the Independent Director the following special powers:

- (I) Major connected transactions (means connection transactions between the Company and connected parties required to be disclosed according to the Rules Governing the Listing of Securities on the SEHK and the Rules Governing the Listing of Stocks on Shanghai Stock Exchange (including the amended version from time to time)) shall be approved by the Independent Directors before it is submitted to the Board meeting for discussion.

Before making decision, the Independent Directors may engage the intermediaries to issue the independent financial consultation report as the basis of decision.

- (II) To propose to the Board of Directors in appointing or removing the accounting firm;
- (III) To propose to the Board of Directors for convening the extraordinary general meeting;
- (IV) To propose the convening of a Board meeting;

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

- (V) To independently engage external audit firm and consultancy firm.

Upon unanimous consent by all Independent Directors, the Independent Directors may engage independently the external audit firm and consultancy firm to carry out the auditing and consultation of the specific matters of the Company and the related expenses shall be paid by the Company.

- (VI) To solicit the voting rights from the shareholders in public before the convening of general meeting.

The Independent Directors shall obtain the consent from a majority of all Independent Directors in exercising the above powers. If the abovementioned proposals are not adopted or the abovementioned powers cannot be properly exercised, the Company shall disclose the relevant situation.

The Independent Directors shall form more than half of the members of the audit committee, the nomination committee, the remuneration and assessment committee of the Board.

Article 132 after amendment:

Apart from the powers conferred to by the Company Law and other relevant laws, regulations as a Director, the Company also confers to the Independent Director the following special powers:

- (I) Major connected transactions (means connection transactions between the Company and connected parties required to be disclosed according to the Rules Governing the Listing of Securities on the SEHK and the Rules Governing the Listing of Stocks on Shanghai Stock Exchange (including the amended version from time to time)) shall be approved by the Independent Directors before it is submitted to the Board meeting for discussion.

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Before making decision, the Independent Directors may engage the intermediaries to issue the independent financial consultation report as the basis of decision.

- (II) To propose to the Board of Directors in appointing or removing the accounting firm;
- (III) To propose to the Board of Directors for convening the extraordinary general meeting;
- (IV) To propose the convening of a Board meeting;
- (V) To independently engage external audit firm and consultancy firm.

Upon unanimous consent by all Independent Directors, the Independent Directors may engage independently the external audit firm and consultancy firm to carry out the auditing and consultation of the specific matters of the Company and the related expenses shall be paid by the Company.

- (VI) To solicit the voting rights from the shareholders in public before the convening of general meeting.

The Independent Directors shall obtain the consent from a majority of all Independent Directors in exercising the above powers. If the abovementioned proposals are not adopted or the abovementioned powers cannot be properly exercised, the Company shall disclose the relevant situation.

The Independent Directors shall account for the majority of the members of the audit committee, the nomination committee, the remuneration and assessment committee, and serve as the convener.

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article 140

Original Article 140:

The Company shall have one general manager, who shall be appointed or removed by the Board of Directors; the terms of office shall be three years which can be reappointed.

The Company may have several deputy general managers and one chief accountant to assist the work of the general manager, who shall be nominated by the general manager and appointed upon resolved by the Board of Directors.

The general manager, deputy general manager, chief accountant and secretary of the Board are the members of senior management of the Company.

The persons who undertake the administrative post other than Directors of the controlling shareholder of the Company shall not be appointed as the senior management member of the Company.

Article 141 after
amendment:

The Company shall have one general manager and a number of deputy general managers to form the management, which shall be accountable to the Board of Directors, report to the Board of Directors and be subject to the supervision and management of the Board of Directors.

The Company shall implement a market-based system for selecting and hiring professional managers and introduce a system to manage members of management with tenure and contract. The management shall be appointed, supervised and managed by the Board of Directors, have a tenure of three years, have annual and tenure targets as determined by the Board of Directors, and strictly assess their performance and pay their remuneration as specified in the contract. Professional managers shall strictly be recruited according to principles of market-based selection and recruitment, be managed by contract, differentiated remuneration and market-oriented exit, and the Board of Directors shall negotiate with the professional managers to determine the level of remuneration reasonably, and the conditions of termination of the employment relationship.

The Company may have one chief accountant and one chief legal advisor to assist the general manager in his/her work, who shall be nominated by the general manager and appointed upon resolution by the Board of Directors.

The general manager, deputy general manager, chief accountant, secretary of the Board and chief legal advisor are the members of senior management of the Company. The persons who undertake administrative posts other than Directors of the controlling shareholder and actual controller of the Company shall not be appointed as the senior management member of the Company.

Article 141

Original Article 141:

The Company shall establish a general manager office, the attendees of its meeting comprise of management members which are senior management members and general legal counsel. The general manager office shall be accountable to the Board of Directors. The general manager of the Company shall be the convener and chairman of such meetings and perform the following duties:

- (I) to be in charge of the Company's production, operation and management and to organize the implementation of the resolutions of the Board of Directors and report to the Board of Directors;
- (II) to organize the implementation of the Company's annual business plan and investment plan;
- (III) to draw up the planning of internal management organs setup of the Company;
- (IV) to formulate plans for the establishment of the Company's basic management systems;
- (V) to formulate the Company's basic management systems;
- (VI) to propose the appointment or dismissal of the Company's deputy general manager and chief accountant to the Board of Directors;

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

(VII) to appoint or dismiss management personnel other than those required to be appointed or dismissed by the Board of Directors;

(VIII) other powers conferred by the Articles of Association and the Board of Directors.

Article 142 after amendment:

The Company shall establish a general manager office, the attendees of its meeting comprise of management members which are managerial staffs. The general manager of the Company shall be the convener and chairman of such meetings and perform the following duties:

(I) to be in charge of the Company's production, operation and management and to organize the implementation of the resolutions of the Board of Directors and report to the Board of Directors;

(II) to organize the implementation of the Company's annual business plan and investment plan;

(III) to draw up the planning of internal management organs setup of the Company;

(IV) to formulate plans for the establishment of the Company's basic management systems;

(V) to formulate the Company's basic management systems;

(VI) to propose the appointment or dismissal of the Company's deputy general manager, chief accountant and general legal counsel to the Board of Directors;

(VII) to appoint or dismiss management personnel other than those required to be appointed or dismissed by the Board of Directors;

(VIII) other powers conferred by the Articles of Association and the Board of Directors.

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article 142

Original Article 142:

The Company shall formulate the rules of procedure of the general manager office meeting, to be executed upon approval by the Board of Directors. The rules of procedure of the general manager office meeting shall include the following:

- (I) the condition, procedure and attendees of the general manager meeting;
- (II) the respective job description and division of labor of general manager and other senior management members;
- (III) the application of Company's funds and assets; authority to sign the significant contracts and report to the Board of Directors and Board of supervisors;
- (IV) other matters that the Board of Directors deems necessary.

Article 143 after amendment:

The management is the executive body of the Company, which is responsible for operations management, implementation and strong leadership. The management shall formulate the rules and regulations for the work of the general manager office meeting, to be executed upon approval by the Board of Directors. The general manager shall, through the general manager office meeting and other forms of meetings, exercise the authorization of the Board of Directors. The Board of Directors shall authorize the power of decision making to the general manager. Prior to any decision making, the general manager office shall generally listen to the views of the party secretary and the chairman of the Board of Directors, in case a consensus has not be reached, the proposal shall not be proposed in the meeting. On other important issues, the general manager office shall also value and listen to the views of the Party secretary and the chairman of the Board of Directors. The working rules of the general manager office meeting shall include the following:

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

- (I) the condition, procedure and attendees of the general manager meeting;
- (II) the respective job description and division of labor of general manager and other senior management members;
- (III) the application of Company's funds and assets; authority to sign the significant contracts and report to the Board of Directors and Board of supervisors;
- (IV) other matters that the Board of Directors deems necessary.

Article 149

Original Article 149:

The Board of Supervisors shall consist of 6 persons, including one chairman and several vice-chairmen. The term of the office of supervisors is three years, which can be re-elected and reappointed.

The appointment and dismissal of the Supervisor Chairman shall be voted two-thirds of supervisors.

Where a supervisor has not been timely re-elected at the expiry of the term of office or a supervisor has resigned during the term of office as a result of which the number of the members in the supervisory committee falls below the quorum, the original supervisor shall perform his/her duties as a supervisor, prior to the assumption by the re-elected supervisor, in accordance with the laws, administrative regulations and rules as well as the provisions of the Articles.

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article 150 after
amendment:

The Board of Supervisors shall consist of 3 persons, including one chairman, and may include a vice-chairman/vice-chairmen. The term of the office of supervisors is three years, which can be re-elected and reappointed.

The chairman and vice-chairman/vice-chairmen of the supervisory committee shall be elected by more than half of all supervisors.

Where a supervisor has not been timely re-elected at the expiry of the term of office or a supervisor has resigned during the term of office as a result of which the number of the members in the supervisory committee falls below the quorum, the original supervisor shall perform his/her duties as a supervisor, prior to the assumption by the re-elected supervisor, in accordance with the laws, administrative regulations and rules as well as the provisions of the Articles.

Article 150

Original Article 150:

The Board of Supervisors shall consist of 6 supervisors, in which two of them are the staff representatives of the Company. The staff representative supervisors must be appointed and dismissed by the employees of the Company democratically. Other supervisors of the Company shall be appointed and dismissed at the general meeting.

Unless otherwise specified in applicable laws, regulations, stipulations, and normative documents as well as this Articles of Association, non-staff-representative supervisors shall be nominated by the preceding Board of supervisors or the shareholders holding 3% or more of the shares of the Company, individually or jointly.

The statement to the nominated supervisors candidate and the resume of candidate as well as the statement confirming the consent of the candidate to be nominated shall be sent to the Company ten business days before general meeting.

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article 151 after
amendment:

The Board of Supervisors shall consist of 3 supervisors, in which one of them is the staff representative of the Company. The staff representative supervisors must be appointed and dismissed by the employees of the Company democratically. Other supervisors of the Company shall be appointed and dismissed at the general meeting.

Unless otherwise specified in applicable laws, regulations, stipulations, and normative documents as well as this Articles of Association, non-staff-representative supervisors shall be nominated by the preceding Board of supervisors or the shareholders holding 3% or more of the shares of the Company, individually or jointly.

The statement to the nominated supervisors candidate and the resume of candidate as well as the statement confirming the consent of the candidate to be nominated shall be sent to the Company ten business days before general meeting.

Article 157

Original Article 157:

The meeting of Board of Supervisors only could be held with the attendance of more than two thirds of supervisors. Each supervisor has one voting right. When there is an equality of vote, the Supervisor Chairman or other convener shall have the casting vote.

Resolutions of the supervisory committee shall be passed by the affirmative vote of more than two-thirds of all of its members.

Article 158 after
amendment:

The meeting of Board of Supervisors only could be held with the attendance of more than half of supervisors. Each supervisor has one voting right. When there is an equality of vote, the Supervisor Chairman or other convener shall have the casting vote.

Resolutions of the supervisory committee shall be passed by the affirmative vote of more than half of all of its members.

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article 159

Original Article 159:

The Company shall establish a party committee which consists of 1 party committee secretary, 2 deputy secretaries and several members elected or appointed in accordance with the regulations of the Constitution of the Communist Party of China. Eligible members of party committee shall enter the Board of Directors, the Board of Supervisors and the management through statutory procedures and fully express the opinion of the party committee in policy making. The Company shall establish a commission for discipline inspection which consists of 1 secretary and several members to perform the duties of supervision, disciplinary enforcement and accountability.

Article 160 after
amendment:

In accordance with the provisions of the Constitution of the Communist Party of China and with the approval of the higher Party organizations, the Committee of the Communist Party of China of Tianjin Capital Environmental Protection Group Company Limited (hereinafter referred to as the Company Party Committee or Party Committee) was established. At the same time, in accordance with relevant regulations, the Disciplinary Inspection Committee of the Company Party Committee (hereinafter referred to as the Company Disciplinary Committee or Disciplinary Committee) was established.

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article 160

Original Article 160: In line with the principle of being efficient and effective, the party committee sets up party affairs departments separately, such as discipline inspection institutions, organizations, offices, etc., allocates and strengthens full-time party officials at a rate not less than 1% of the total number of employees, and implements equal remuneration for party members and administrative staff at the same level. The work and activity expenses of the party committee shall be no less than 1% of the total salaries of the employees in the previous year, incorporated into the annual financial budget of the Company, and included in the pre-tax expenditure from the management fee of the Company.

Article 161 after amendment: The Company Party Committee is elected by the Party members' meeting or the Party members' representative meeting, and the term of office is generally five years. The expiration of the term of office shall be subject to a general election. The term of office of the Company Disciplinary Committee is the same as that of the Party Committee.

Article 161

Original Article 161: The party committee shall conduct research and discussion, and provide recommendations before the Board of Directors and the management making any significant decisions.

Article 162 after amendment: The secretary, deputy secretary and members of the Company Party Committee and the Disciplinary Committee are set up in accordance with the approval of the higher Party organizations and are elected or appointed in accordance with the relevant provisions of the Constitution of the Communist Party of China.

Article 162

Original Article 162: The party committee shall perform its duties pursuant to the Constitution of the Communist Party of China and other regulations of the Party.

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

- (I) To convey and implement the party's and the state's route, principles and policies, as well as the important decisions, instructions, deployment, and spirit of the meeting of higher party organizations; to study and formulate implementation opinions and concrete measures for implementation;
- (II) The party committee shall take the lead and check the process of selection and appointment of personnel, and insist on the principle of management of cadres by the Communist Party and a combination of the selection of operations management by the Board and the right of the operations management to utilize talents in accordance with law;
- (III) To study and discuss the reform, development and stability and substantial matters on operation and management of the Company as well as material issues relating to the interests of the staff, and provide advices and recommendations in this regard; to support the general meeting, Board meeting, meetings of the Board of Supervisors, and general manager office to perform their duties in accordance with laws and regulations and support the work of employee representative congress;
- (IV) To take responsibility to comprehensively strengthen party self-discipline, to lead the Company's ideological and political work, united front work, building of spiritual civilization, building of corporate culture and mass organization work such as Labor Union and the Communist Youth League, and to lead the construction of the Party's honest administration and support the disciplinary inspection committee to earnestly perform its supervision duties;
- (V) To handle other material matters that fall within the duty of the party committee.

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article 163 after
amendment:

The Company shall insist on and improve the leadership system of mutual entry and cross appointment, and qualified members of the Party Committee may enter the Board of Directors and the management through legal procedures, and qualified Party members of the Board of Directors and the management can enter the Party Committee in accordance with relevant regulations and procedures.

Party secretary and chairman of the Board of Directors are generally served by one person, Party members of the general manager as deputy secretary of the party committee. The Party Committee can be equipped with full-time deputy secretary responsible for the Party building works. The full-time deputy secretary shall serve as a member of the Board of Directors, rather than serving at the managerial level. Members of the Party Committee on the Board of Directors and the managerial level shall fully express the views of the Party Committee when making decisions on the Board of Directors and the managerial level, embody the intentions of the Party Committee, and report the relevant situation to the Party Committee in a timely manner.

Article 163

Original Article 163:

The consideration on matters by the party committee is generally conducted in the manner of party committee meetings, the notice, convention and voting procedures thereof, should be executed in accordance with relevant regulations of the Party.

Article 164 after
amendment:

The Party Committee of the Company shall play a leading role, supervising the Company's direction of development, monitoring the whole picture and promoting implementation, discussing and making decisions on significant matters of the Company in accordance with the regulations. The main responsibilities are:

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

- (I) to enhance the political construction of the Party in the Company, adhere to and implement the fundamental system, basic system and important system of socialism with Chinese characteristics as well as educate and guide all the Party members to maintain a high degree of consistency with the Party Central Committee with Comrade Xi Jinping as the core in the political stance, political direction, political principles and political path;
- (II) to thoroughly study and implement Xi Jinping's Socialism Ideology with Chinese characteristics in the new era, learn and propagate the Party's theory, thoroughly implement the Party's line, principles and policies as well as supervise and guarantee the implementation of major strategy deployments of the Party Central Committee as well as the resolutions of the Party organization at a higher level in the Company;
- (III) to investigate and discuss the significant operation and management matters of the Company and support the Board of Directors and the management to exercise their rights and perform their duties in accordance with the laws;
- (IV) to strengthen the leadership and gatekeeping role in the process of selection and appointment of personnel of the Company, and the building of the leading team, cadre and talents team of the Company;
- (V) to undertake the main responsibility in improving the Party's conduct and upholding integrity, lead and support discipline inspection institutions to fulfil their supervisory and disciplining responsibilities as well as exercise strict administrative discipline and political rules and promote the Party's self-governance fully and with rigor into the grassroots level;

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

(VI) to strengthen the building of grassroot Party organizations and teams of Party members, unite and lead officials and employees to devote themselves into the reform and development of the Company;

(VII) to lead the Company's ideological and political work, the spirit and civilization progress, the united front work and lead mass organizations such as the Labour Union, Communist Youth League and Women's Organization of the Company.

Adding five articles after Original Article 164 under CHAPTER 16 PARTY COMMITTEE (see note 1):

Article 165 after the addition:

The Company's major operation and management matters must be studied and discussed by the Party Committee before decisions are made by the Board of Directors in accordance with the terms of reference and prescribed procedures. For the Board of Directors to authorize the decision-making proposal, the party committee shall maintain strict control to prevent undue and excessive authorization. For the Board of Directors to authorize the chairman and general manager to make decisions, the party committee generally shall not carry out any prior examination and discussion, but shall play an effective role through appropriate means. The matters to be studied and discussed mainly include:

- (I) the implementation of the Party Central Committee's decisions and major measures to implement the national development strategy;
- (II) The Company's development strategies, medium and long-term development plans, and important reform programs;
- (III) the reorganization of the Company's assets, transfer of property rights, capital operations and large investments in principle and directional issues;

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

- (IV) the Company's organizational structure settings and adjustments, the development and modification of important rules and regulations;
- (V) major issues related to the Company's safety production, stability maintenance, employee rights and interests, social responsibility, etc.;
- (VI) other important matters that should be studied and discussed by the Party Committee.

The Party Committee shall formulate a list of matters to be studied and discussed in the light of the actual situation of the Company and clarify the rights and responsibilities of the Party Committee and other governance bodies such as the Board of Directors and the management.

Article 166 after the
addition:

The Company Party Committee shall strictly examine and discuss major operation and management issues, focusing on whether the decisions are in line with the Party's theories and policies, whether they are in line with the decisions of the Party Central Committee and the implementation of national development strategies, whether they are in line with the requirements of the municipal committee and the municipal government, whether they adhere to the reform principles of the manufacturing industry and "Tianjin+", whether they are conducive to promoting the high-quality development of enterprises, enhancing their competitive strength and realizing the value of state-owned assets, and whether they are conducive to safeguarding the public interest and the legitimate rights and interests of employees.

Article 167 after the
addition:

The Party Committee of the Company shall study and discuss major business management matters in advance and insist on consistency in decision making quality and efficiency, and generally go through the procedures of proposing motions, formulating proposed plans, studying and discussing by the Party Committee, communicating before the Board of Directors' meetings, and implementing the intention of the Party organization during the general meeting.

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article 168 after the
addition:

In accordance with the principles of strengthening the work of the Party and lean and efficient coordination, the Company Party Committee has set up the Party and Group Work Department, the Organization Department of the Party Committee and other working organizations, and the Organization Department of the Party Committee is responsible for the management of leaders and the construction of grass-roots Party organizations. A certain number of party affairs staff will be allocated, and same rank and treatment policy shall be strictly implemented, and two-way exchange between party affairs staff and other operation and management staff will be promoted.

Article 169 after the
addition:

Through channels such as the inclusion of management fees and retention of party expenses, the Company's Party organization work funds are guaranteed and tilted to the front line of production and operation. The part included in the management fee is generally arranged in accordance with the ratio of 1% of the total staff salary of the Company in the previous year and included in the annual budget by the Company. The Company shall integrate the use of various resources to well arrange the Party organization activities.

Consolidating and amending the Original Article 207 and the Original Article 208 into Article 212 (see note 1):

Original Article 207:

The Company shall implement an internal audit system, and assigns full-time auditors to audit and monitor the internal revenue and expenditure and economic activities.

Original Article 208:

The Company's internal audit system and the responsibilities of auditors shall be approved by the Board before implementation. Person in charge of audit shall report to the Board.

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article 212 after the
consolidation
and amendment:

The internal audit department of the Company shall be accountable to the Board of Directors in accordance with the relevant regulations of the State and the city, and shall implement internal audit work, audit and supervise the operation and management activities of the Company, its invested enterprises and branches, and seek to strengthen the audit supervision of its shareholding enterprises, foreign enterprises and overseas enterprises, so as to prevent the management mode of “investment without supervision”, “equity participation without supervision” and “no control and supervision”.

The internal audit department of the Company shall be under the guidance and supervision of the audit committee of the Board of Directors.

Consolidating and amending the Original Article 219 to the Original Article 222 into Article 223 (see note 1):

Original Article 219:

The Company formulates its systems regarding labour management, personnel affairs, wages and welfare and social insurance in accordance with the laws, rules and relevant administrative regulations of the PRC.

Original Article 220:

The Company shall adopt the system of appointment for all levels of management personnel and a contract system for ordinary employees. The Company may decide by itself on its staffing, and has the right to employ or dismiss employees in accordance with the relevant regulations and contracts.

Original Article 221:

The Company shall have the right to, based on its own economic efficiency, decide by itself the levels of wages and welfare benefits of all levels of management personnel and other employees to the extent as provided for in the relevant administrative regulations.

Original Article 222:

The Company shall protect the lawful rights and interests of its employees and in accordance with law, enter into labor contracts with the employees provide social insurance and labor protection and realize safety in production.

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Company shall strengthen occupational education and job training by various means to improve the quality of the employees.

Article 223 after the consolidation and amendment:

The Company shall comply with national laws and administrative regulations on labor protection and safe production, implement relevant national policies, and protect the legitimate rights and interests of workers. In accordance with national laws, administrative regulations and policies on labor and personnel affairs, and based on the demand for production and operation, the Company shall formulate its systems regarding labour management, personnel affairs and wages.

The Company shall continue to improve its market-oriented employment and remuneration structure, implement open recruitment of employees, competition for management promotion, performance appraisal for all staff, position adjustment and exit mechanism for incompetent employees, establish a market competitive market-rate remuneration structure for key and core talents, and flexibly carry out various forms of medium and long-term incentives.

Note 1: The original subsequent chapters, articles, serial numbers and cross-references will be renumbered and adjusted accordingly upon the addition or consolidation of the relevant articles.

Comparison of the Amendments to the Board Meeting Rules

Original articles of the Board Meeting Rules	Revised articles of the Board Meeting Rules
<p>Article 2</p> <p>A Board Office has been established under the Board to deal with daily affairs of the Board.</p> <p>The Secretary of the Board or securities affair representative shall serve concurrently as the officer in charge of the Board Office and keep the seals of the Board and the Board Office.</p>	<p>Article 2</p> <p>A Corporate Governance Centre has been established under the Board to deal with daily affairs of the Board.</p> <p>The Secretary of the Board or securities affair representative shall serve concurrently as the officer in charge of the Corporate Governance Centre and keep the seals of the Board and the Corporate Governance Centre.</p>
<p>Article 4</p> <p>The Board shall be responsible for the general meeting and shall exercise the following powers:</p> <p>(I) to be responsible for convening general meetings and report on its work to the general meetings;</p> <p>(II) to implement the resolutions passed at the general meetings;</p> <p>(III) to determine the Company's business plans and investment plans;</p> <p>(IV) to formulate the Company's annual budgets and final accounts;</p> <p>(V) to formulate the Company's profit distribution proposals and loss recovery proposals;</p>	<p>Article 4</p> <p>The Board is the decision-making body of the Company, which formulates strategies, makes decisions and prevents risks, and shall be responsible for the general meeting and exercise the following powers:</p> <p>(I) to be responsible for convening general meetings and report on its work to the general meetings;</p> <p>(II) to implement the resolutions passed at the general meetings;</p> <p>(III) to formulate medium-and long-term development plans for the Company, and determine the Company's business plans and investment plans;</p> <p>(IV) to formulate the Company's annual budgets and final accounts;</p> <p>(V) to formulate the Company's profit distribution proposals and loss recovery proposals;</p>

APPENDIX II**PROPOSED AMENDMENTS
TO THE BOARD MEETING RULES**

Original articles of the Board Meeting Rules	Revised articles of the Board Meeting Rules
(VI) to formulate the proposals for increase or reduction of the Company's registered capital, and proposals for issue of bonds, other securities and listing;	(VI) to formulate the proposals for increase or reduction of the Company's registered capital, and proposals for issue of bonds, other securities and listing;
(VII) to formulate proposals for material acquisitions, purchase of shares of the Company, merger, division, dissolution or transformation of the Company;	(VII) to formulate proposals for material acquisitions, purchase of shares of the Company, merger, division, dissolution or transformation of the Company;
(VIII) to decide on the establishment of the Company's internal management bodies;	(VIII) to decide on the establishment of the Company's internal management bodies, as well as the establishment and dissolution of subsidiaries and other branches;
(IX) to appoint or remove the Company's general manager, secretary of the Board; to appoint or remove the Company's senior executives such as deputy general manager and chief financial officer (chief accountant) as nominated by the general manager, and determine their remunerations, rewards and punishment;	(IX) to appoint or remove the Company's general manager, secretary of the Board; to appoint or remove the Company's senior executives such as deputy general manager, chief accountant, chief legal advisor as nominated by the general manager; and to decide the Company's remuneration management policy and performance appraisal policy;
(X) to formulate the Company's fundamental management system;	(X) to formulate major income distribution plans of the Company;
(XI) to formulate the proposals for any amendment to the Articles of Association;	(XI) to formulate the proposals for any amendment to the Articles of Association;
(XII) to manage matters relating to information disclosure of the Company;	
(XIII) to propose to the general meeting to appoint or replace the accounting firm which audits the Company's accounts;	
(XIV) to listen to the work report of the general manager of the Company and examine the work of the general manager and the team thereof; and	

APPENDIX II

**PROPOSED AMENDMENTS
TO THE BOARD MEETING RULES**

Original articles of the Board Meeting Rules	Revised articles of the Board Meeting Rules
(XV) within the scope authorized by the general meeting, to decide on the Company's external investment, acquisition and disposal of assets, charge of assets, external guarantee, entrusted financial management and connected transactions;	(XII) to determine the risk management system, the internal control system, the system for accountability for non-compliant operation and investment, and legal compliance management system of the Company, and to monitor and assess operation thereof; to direct, inspect and assess the Company's internal audit work, determine the person in charge of the Company's internal audit department, establish a mechanism under which the audit department is accountable to the Board of Directors, and approve the annual audit plan and important audit reports in accordance with the law; to determine the upper limit of the Company's gearing ratio;
(XVI) to make resolutions on matters which are beyond the scope of general meeting pursuant to relevant laws and regulations and the Articles of Associations;	(XIII) to formulate the Company's fundamental management system;
(XVII) to exercise other functions and powers as granted by laws, regulations, the Articles of Association, these Rules, and general meetings.	(XIV) to manage matters relating to information disclosure of the Company;
	(XV) to propose to the general meeting to appoint or replace the accounting firm which audits the Company's accounts;
	(XVI) to establish a management system for the authorization to the senior management, to receive reports of the general manager of the Company on his/her work, to inspect the implementation of the resolutions and authorizations of the Board by the general manager and other senior management members, and to establish and perfect the accountability mechanism for the general manager and other senior management members;

APPENDIX II**PROPOSED AMENDMENTS
TO THE BOARD MEETING RULES**

Original articles of the Board Meeting Rules	Revised articles of the Board Meeting Rules
	(XVII) within the scope authorized by the general meeting, to decide on the Company's external investment, acquisition and disposal of assets, charge of assets, external guarantee, entrusted financial management, connected transactions, external donations , etc.;
	(XVIII) to decide on the matters related to the exercise of the Company's rights as a shareholder of its invested enterprises;
	(XIX) to make resolutions on matters which are beyond the scope of general meeting pursuant to relevant laws and regulations and the Articles of Associations;
	(XX) to exercise other functions and powers as granted by laws, regulations, the Articles of Association, these Rules, and general meetings.

APPENDIX II

PROPOSED AMENDMENTS TO THE BOARD MEETING RULES

Original articles of the Board Meeting Rules	Revised articles of the Board Meeting Rules
<p>Article 5</p> <p>Other rights and authorization of the Board include:</p> <p>(I) Consideration and approval of transaction activities with standards above those of disclosable transactions according to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and the Rules of Shanghai Stock Exchange for the Listing of Stocks (including their revised versions from time to time) (determined on the principles of strictly complying with both of the above-mentioned listing rules); consideration and approval of external guarantees other than those requiring the approval of Shareholders' General Meeting according to Article 64 of the Company's Articles of Association shall be subject to approval by resolutions of more than a half of all the directors and two third of the directors attending the meeting, while those of other matters shall be subject to approval by resolutions of half of the attending directors.</p>	<p>Article 5</p> <p>Other rights and authorization of the Board include:</p> <p>(I) Consideration and approval of transaction activities with standards above those of disclosable transactions according to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and the Rules of Shanghai Stock Exchange for the Listing of Stocks (including their revised versions from time to time) (determined on the principles of strictly complying with both of the above-mentioned listing rules); consideration and approval of external guarantees other than those requiring the approval of Shareholders' General Meeting according to Article 65 of the Company's Articles of Association shall be subject to approval by resolutions of more than a half of all the directors and two third of the directors attending the meeting, while those of other matters shall be subject to approval by resolutions of half of the attending directors.</p>
<p>Article 12</p> <p>When the Company intends to convene regular board meeting or special board meeting, the secretary to the Board of Directors shall send notice of Board meeting to all the directors, supervisors and the general manager by hand, fax, telegram, email or other means 14 days and 10 days respectively before the proposed date of a regular board meeting and a special board meeting.</p>	<p>Article 12</p> <p>When the Company intends to convene regular board meeting or special board meeting, the secretary to the Board of Directors shall send notice of Board meeting to all the directors, supervisors and the general manager by hand, fax, telegram, email or other means 14 days and 5 days respectively before the proposed date of a regular board meeting and a special board meeting.</p>
<p>All the words "Board Office" in the original Article 9, Article 10, Article 26, Article 32, Article 37, Article 38 and Article 44 of the Board Meeting Rules shall be changed to "Corporate Governance Centre".</p>	

APPENDIX III**PROPOSED AMENDMENTS TO THE
SUPERVISORY COMMITTEE MEETING RULES**

Original articles of the Supervisory Committee Meeting Rules	Revised articles of the Supervisory Committee Meeting Rules
<p>Article 2 Composition of the Supervisory Committee</p> <p>The supervisory committee shall comprise six supervisors, in which of them are two employee representatives of the Company. The employee representatives supervisors shall be elected and dismissed democratically by the employees of the Company, and other supervisors shall be elected and dismissed at general meetings.</p> <p>There shall be one chairman and may be several vice chairmen on the supervisory committee. The chairman and vice chairmen shall be appointed or removed by the votes of more than two-thirds of the supervisors.</p> <p>Supervisors shall have relevant knowledge of or work experience in law, accounting etc., and at least one of them shall be an accountant with senior title.</p>	<p>Article 2 Composition of the Supervisory Committee</p> <p>The Supervisory Committee shall consist of 3 supervisors, in which one of them is the employee representative of the Company. The employee representatives supervisors shall be elected and dismissed democratically by the employees of the Company, and other supervisors shall be elected and dismissed at general meetings.</p> <p>There shall be one chairman and may be a vice chairman/vice chairmen on the supervisory committee. The chairman and vice-chairman/vice-chairmen of the supervisory committee shall be elected by more than half of all supervisors.</p>

Original articles of the Supervisory Committee Meeting Rules	Revised articles of the Supervisory Committee Meeting Rules
<p>Article 3 Functions and Powers of the Supervisory Committee</p> <p>The supervisory committee shall be responsible to the general meeting and exercise the following functions and powers:</p> <p>(I) to examine the Company’s financial affairs;</p> <p>(II) to supervise the directors, general managers, senior officers in their performance of duties and to propose the removal of directors, general managers and senior officers who have contravened any law, administrative regulations, these Articles of Association or resolutions of general meetings;</p> <p>(III) if any act of the Company’s directors, general manager and other senior executives damages the interests of the Company, to require them to rectify such act accordingly, and where necessary, to report to the general meeting or the regulatory department;</p> <p>(IV) to inspect financial information such as financial reports, business reports and profit distribution plans and, in case doubt, professionals such as registered accountants and certified auditors may be hired to provide assistance in the name of the Company;</p> <p>(V) to examine the regular reports of the Company prepared by the board of directors and produce written opinions thereon;</p>	<p>Article 3 Functions and Powers of the Supervisory Committee</p> <p>The supervisory committee shall be responsible to the general meeting and exercise the following functions and powers:</p> <p>(I) to examine the Company’s financial affairs;</p> <p>(II) to supervise the directors, general managers, senior officers in their performance of duties and to propose the removal of directors, general managers and senior officers who have contravened any law, administrative regulations, these Articles of Association or resolutions of general meetings;</p> <p>(III) to demand any director, general managers and other senior officer of the Company who acts in a manner which is harmful to the Company’s interests to rectify such behavior;</p> <p>(IV) to inspect financial information such as financial reports, business reports and profit distribution plans and, in case doubt, professionals such as registered accountants and certified auditors may be hired to provide assistance in the name of the Company;</p> <p>(V) to examine the regular reports of the Company prepared by the board of directors and produce written opinions thereon;</p>

APPENDIX III**PROPOSED AMENDMENTS TO THE
SUPERVISORY COMMITTEE MEETING RULES**

Original articles of the Supervisory Committee Meeting Rules	Revised articles of the Supervisory Committee Meeting Rules
(VI) to propose to convene a shareholders' extraordinary general meeting, and to convene and preside over shareholders' general meetings when the Board fails to perform the duty of convening and presiding over the general meeting;	(VI) to propose to convene a shareholders' extraordinary general meeting, and to convene and preside over shareholders' general meetings when the Board fails to perform the duty of convening and presiding over the general meeting;
(VII) to lodge legal proceedings against the Company's directors, general manager and other senior executives in accordance with the Company Law and the Articles of Association;	(VII) to lodge legal proceedings against the Company's directors, general manager and other senior executives in accordance with the Company Law and the Articles of Association;
(VIII) If there are any unusual circumstances in the Company's operations, to conduct investigation, and if necessary, to engage an accounting firm, law firm or other professionals to assist in their work at the expenses of the Company; and	(VIII) If there are any unusual circumstances in the Company's operations, to conduct investigation, and if necessary, to engage an accounting firm, law firm or other professionals to assist in their work at the expenses of the Company; and
(IX) to exercise other functions and powers stipulated by laws, regulations and the Articles of Association.	(IX) to exercise other functions and powers stipulated by laws, regulations and the Articles of Association.

APPENDIX III**PROPOSED AMENDMENTS TO THE
SUPERVISORY COMMITTEE MEETING RULES**

Original articles of the Supervisory Committee Meeting Rules	Revised articles of the Supervisory Committee Meeting Rules
<p>Article 12 Holding of Meeting</p> <p>A meeting of the supervisory committee shall be attended by more than two thirds of the supervisors. Where any relevant supervisory refuses or fails to attend the meeting so that the number of attendees falls short of the quorum required for convening the meeting, other supervisors shall responsively report to the regulatory department.</p> <p>Supervisors shall attend meetings of the supervisory committee in person. Where any supervisor cannot attend the meeting for any reason, he may appoint another supervisor to attend the meeting and vote on his behalf in writing, with the proxy form specifying the scope of authorization. The proxy supervisor attending the meeting shall exercise rights within the scope of authorization. Should a supervisor neither attend a meeting nor appoint a proxy supervisor to attend the meeting on his behalf, the said supervisor shall be deemed to have waived his right to vote at the meeting. A supervisor who fails to attend in person two consecutive meetings of the Supervisory Committee is deemed failure to perform his/her duties and is subject to removal at general meetings or employee representatives' meetings.</p> <p>The secretary of the board and the securities affair representative shall be present at meetings of the supervisory committee.</p>	<p>Article 12 Holding of Meeting</p> <p>The meeting of supervisory committee shall be held with the attendance of more than half of the supervisors. Where any relevant supervisory refuses or fails to attend the meeting so that the number of attendees falls short of the quorum required for convening the meeting, other supervisors shall responsively report to the regulatory department.</p> <p>Supervisors shall attend meetings of the supervisory committee in person. Where any supervisor cannot attend the meeting for any reason, he may appoint another supervisor to attend the meeting and vote on his behalf in writing, with the proxy form specifying the scope of authorization. The proxy supervisor attending the meeting shall exercise rights within the scope of authorization. Should a supervisor neither attend a meeting nor appoint a proxy supervisor to attend the meeting on his behalf, the said supervisor shall be deemed to have waived his right to vote at the meeting. A supervisor who fails to attend in person two consecutive meetings of the Supervisory Committee is deemed failure to perform his/her duties and is subject to removal at general meetings or employee representatives' meetings.</p> <p>The secretary of the board of directors and the securities affair representatives shall be present at meetings of the supervisory committee.</p>

APPENDIX III**PROPOSED AMENDMENTS TO THE
SUPERVISORY COMMITTEE MEETING RULES**

Original articles of the Supervisory Committee Meeting Rules	Revised articles of the Supervisory Committee Meeting Rules
<p>Article 14 Resolutions of the Supervisory Committee</p> <p>At meetings of the supervisory committee, each attendees shall cast one vote, by open ballot or in writing or otherwise.</p> <p>The voting intent of a supervisor may be pro, con or abstention. Every attending supervisor shall choose one out of the aforesaid intents. Where any supervisor does not make any option or makes two or more options, the presider shall require the said supervisor to make an option again, otherwise the said supervisor shall be deemed as having abstained from voting; any supervisor who has left the meeting midway without coming back and has not made any option shall be deemed as having abstained from voting.</p> <p>If pros and cons are equal, the chairman of the supervisory committee shall be entitled to an additional vote.</p> <p>Resolutions of the meeting of the supervisory committee shall be approved by more than two thirds of the members of the supervisory committee.</p>	<p>Article 14 Resolutions of the Supervisory Committee</p> <p>At meetings of the supervisory committee, each attendees shall cast one vote, by open ballot or in writing or otherwise.</p> <p>The voting intent of a supervisor may be pro, con or abstention. Every attending supervisor shall choose one out of the aforesaid intents. Where any supervisor does not make any option or makes two or more options, the presider shall require the said supervisor to make an option again, otherwise the said supervisor shall be deemed as having abstained from voting; any supervisor who has left the meeting midway without coming back and has not made any option shall be deemed as having abstained from voting.</p> <p>If pros and cons are equal, the chairman of the supervisory committee shall be entitled to an additional vote.</p> <p>Resolutions of the meeting of the supervisory committee shall be approved by more than half of the members of the supervisory committee.</p>

2022 SECOND EXTRAORDINARY GENERAL MEETING

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Tianjin Capital Environmental Protection Group Company Limited
天津創業環保集團股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1065)

NOTICE OF 2022 SECOND EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2022 second extraordinary general meeting (the “EGM”) of Tianjin Capital Environmental Protection Group Company Limited (the “Company”) will be held at the conference room of the Company on 5/F, TCEP Building, 76 Weijin South Road, Nankai District, Tianjin, the People's Republic of China (the “PRC”) on 8 September 2022 at 2:00 p.m. for the purpose of considering the resolution as listed below:

Unless otherwise indicated, capitalized terms used herein shall have the same meanings as those defined in the announcements of the Company dated 31 May 2022, 8 July 2022 and 19 August 2022 (the “Announcements”).

I. AS ORDINARY RESOLUTIONS:

1. To consider and approve the amendments to the Board Meeting Rules of the Company.
2. To consider and approve the amendments to the Supervisory Committee Meeting Rules of the Company.
3. Resolutions on the election of directors:
 - 3.1 To consider and approve the appointment of Mr. Ji Guanglin as an executive director of the ninth Board of the Company.
 - 3.2 To consider and approve the appointment of Mr. Li Yang as an executive director of the ninth Board of the Company.
 - 3.3 To consider and approve the appointment of Ms. Jing Wanying as an executive director of the ninth Board of the Company.
 - 3.4 To consider and approve the appointment of Ms. Peng Yilin as a non-executive director of the ninth Board of the Company.

2022 SECOND EXTRAORDINARY GENERAL MEETING

- 3.5 To consider and approve the appointment of Mr. An Pindong as a non-executive director of the ninth Board of the Company.
- 3.6 To consider and approve the appointment of Mr. Liu Tao as a non-executive director of the ninth Board of the Company.
- 4. Resolutions on the election of independent non-executive directors:
 - 4.1 To consider and approve the appointment of Mr. Xue Tao as an independent non-executive director of the ninth Board of the Company.
 - 4.2 To consider and approve the appointment of Mr. Wang Shanggan as an independent non-executive director of the ninth Board of the Company.
 - 4.3 To consider and approve the appointment Mr. Tian Liang of as an independent non-executive director of the ninth Board of the Company.
- 5. Resolutions on the election of supervisors:
 - 5.1 To consider and approve the appointment of Ms. Shi Zhenjuan as a supervisor of the ninth Supervisory Committee of the Company.
 - 5.2 To consider and approve the appointment of Mr. Sun Shubin as a supervisor of the ninth Supervisory Committee of the Company.
- 6. To consider and approve the resolution in relation to the remuneration for the directors of the ninth Board of the Company.
- 7. To consider and approve the resolution in relation to the remuneration for the supervisors of the ninth Supervisory Committee of the Company.

2022 SECOND EXTRAORDINARY GENERAL MEETING

II. AS A SPECIAL RESOLUTION:

1. To consider and approve the amendments to the Articles of Association of the Company.

(For details of the above resolutions, please refer to the Announcements of the Company.)

By order of the Board

Liu Yujun

Chairman

Tianjin, the PRC

19 August 2022

As at the date of this notice, the Board comprises three executive Directors: Mr. Liu Yujun, Ms. Wang Jing and Mr. Niu Bo; three non-executive Directors: Mr. Gu Wenhui, Mr. Si Xiaolong and Mr. Liu Tao; and three independent non-executive Directors: Mr. Xu Zhiming, Mr. Guo Yongqing and Ms. Lu Yingying.

2022 SECOND EXTRAORDINARY GENERAL MEETING

Notes:

- (1) The holders of shares (the “**Shareholders**”) whose names appear on the register of members at 4:30 p.m. on 5 September 2022 will be entitled to attend the EGM. The holders of H shares of the Company (“**H Shares**”) are reminded that the register of members of the Company’s H Shares will be closed from 6 September 2022 to 8 September 2022, both days inclusive, during the period no transfer of H Shares will be effected. All transfers, accompanied by the relevant share certificates, must be lodged for registration with the Company’s H Share registrar and transfer office, Hong Kong Registrars Limited at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on 5 September 2022. The holder of H Shares and whose name appears on the register of members of the Company’s H Shares at 4:30 p.m. on 5 September 2022 or his/her proxy may attend the EGM by bringing his/her own identity card or passport.
- (2) Each Shareholder having the rights to attend and vote at the EGM is entitled to appoint in written form one or more than one proxies (whether a Shareholder or not) as his/her proxy to attend and vote on his behalf at the EGM. If more than one proxies is appointed by a Shareholder, such proxies shall only exercise his/her voting rights on a poll.
- (3) Shareholders can appoint a proxy by an instrument in writing (i.e. by using the enclosed proxy form). In order to be valid, the proxy form and, if such proxy form is signed by a person under a power of attorney or authority on behalf of the appointer, a notarially certified power of attorney (if any) or other authority (if any) under which it is signed, must be deposited at the Company’s H Share registrar and transfer office, Hong Kong Registrars Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, or the Company’s principal office address at TCEP Building, 76 Weijin South Road, Nankai District, Tianjin, the PRC as soon as possible but in any event not less than 24 hours before the time scheduled for the holding of the EGM.
- (4) Shareholders or their proxies shall present proofs of their identities upon attending the EGM. Should a proxy be appointed, the proxy shall also present the proxy form.
- (5) The EGM is expected to last for about half a day. The Shareholders and their proxies attending the EGM shall be responsible for their own travelling and accommodation expenses.

Principal office address of the Company: TCEP Building, 76 Weijin South Road, Nankai District, Tianjin, the PRC

Postal Code: 300381

Telephone: 86-22-23930128

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