human resources management

As of 31st December, 2003, the Company has employed 2,460 employees, 75 of whom are management staff of the Company, 101 of whom are engineering technical staff and 2,385 are production staff. There are 259 employees with professional qualifications, accounting for approximately 11% of the total number of employees, while approximately 23% of our employees possess diploma qualifications or above.

Total salaries paid to employees of the Company amounted to RMB93,500,000 for the year 2003 (2002: RMB85,000,000)

Human resources management has always been an important area in the Company's work toward building a modern enterprise system. The Company expects that through studying the strategies of human resources development, the human resources management system will be standardized and improved to a more systematic, rational and forward-looking system. Through studying the information management system on human resources development, we expect to upgrade the accuracy and timeliness of our database and raise work efficiency. Through effective deployment and utilization of human resources, we expect to maximize our staff's pro-activeness, initiatives and creativity, thereby helping the Company achieve its long-term development strategies and goals.

The Company has devoted more efforts in building our education and training system, so as to provide, in a specific manner, more training to our staff. The management had received comprehensive quality training so as to increase their strategizing and forward looking abilities. Training was provided to production staff with a focus on enhancing their technical skills in their own positions, so as to help raising the overall management level of the Company. During the year, the Company commenced to organize training programs in different formats and for different levels, for example, technical skills training to different positions, as well as training programs on international standardization system, project management and company competitiveness. Participation of our staff in training reached 100%.

In order to encourage our staff to actively participating in the process of building our corporate culture, the Company organized a discussion forum on "the Spirit of Jiangsu Expressway" for all staff of the Company, allowing them to contribute their innovative ideas on the design and positioning of the Company's corporate identity. This helped to build good interactive communication between the Company and our staff, and generated good effects on establishing positive corporate values and enhancing cohesiveness within the Company.