

## Directors, Supervisors, Senior Management and Staff

### 1. Appointment and dismissal of directors, supervisors and senior management during the Reporting Period

During the Reporting Period, there was a change of directors and supervisors of the Company. In the 2003 shareholders' annual general meeting of the Company held on 12 May 2004, whereby Messrs Guo Wensan, Li Shunan, Yu Biao, Zhu Dejin and Guo Jingbin were elected as executive directors of the third session of the Board; Ms Xue Tongzu, Mr Kuang Bingwen and Mr Ding Zhiming were elected as independent non-executive directors of the third session of the Board; and Mr Ji Qinying, Mr Wang Yanmou and Mr Kang Woon were elected as supervisors of the third session of the supervisory committee of the Company. The appointment of the directors and supervisors commenced from 1 June 2004 for a term of three years.

During the Reporting Period, the Board elected Mr Guo Wensan as the chairman of the Board for its third term while Mr Wang Jianchao and Mr Wu Likang were appointed as assistants to the general manager of the Company at the first meeting of the third session of the Board held on 31 May 2004; the supervisory committee of the Company elected Mr Ji Qinying as the third chairman of supervisory committee of the Company for its third term in the first meeting of the third session of the supervisory committee.

### 2. Service contracts, interest in share capital and contracts of the directors and supervisors

For the six months ended 30 June 2004, none of the directors or supervisors of the Company, nor their respective associates were recorded to have any interests in the share capital, debt securities or other securities of the Company or any of its associated corporations, nor have they been granted or exercised any rights to subscribe for the share capital or debt securities of the Company or any of its associated corporations, which are required to be recorded in the register established and maintained in accordance with section 352 of the Securities and Futures Ordinance of Hong Kong, which came into effect on 1 April 2003.

During the Reporting Period, none of the directors or supervisors of the Company had any material interest in any contracts entered into by the Company or its subsidiaries.

### 3. Code of Best Practice and Model Code for directors

For the six months ended 30 June 2004, the directors of the Company were not aware of any non-compliance on the part of the Company with the Code of Best Practice as set out in the Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Company has adopted a code of practice with standards not lower than those prescribed in Appendix 10 Model Code of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited for securities transactions by directors. All directors have complied with the Model Code and its code of practices in relation to securities transaction by directors.

### 4. Employees and remuneration

As at 30 June 2004, the Group had a total of 11,632 employees whose aggregate remuneration amounted to 92,751,253, being the total emoluments of employees for the Reporting Period.