

Board Committees' Reports

Report of the Strategy Planning Committee

The Strategy Planning Committee consists of Mr. Chen Biting, Dr. Zhang Xiwu, Dr. Ling Wen (appointed in January 2007) and Mr. Wu Yuan (retired in August 2006). Chen Biting is the chairman of this committee.

The principal duties of the Strategy Planning Committee are to conduct research and submit proposals regarding the long-term development strategies and material investment decisions of the Company; conduct research and submit proposals regarding material investments and financing plans which require approval from the Board; conduct research and submit proposals regarding material capital operations and assets operation projects required to be approved by the Board; conduct research and submit proposals regarding other material matters that may affect the Company's development; carry out examination on the implementation of the above matters; and perform other matters authorised by the Board.

In 2006, the Strategy Planning Committee held four meetings in total.

Name of Committee	Strategy Planning Committee
Members	Chen Biting, Zhang Xiwu, Ling Wen (appointed in January 2007) and Wu Yuan (retired in August 2006)
Number of meetings held	4
Date of meetings	9 March 2006 7 July 2006 25 August 2006 9 December 2006
Reviewed and approved resolutions	<ol style="list-style-type: none"> 1. "A resolution on seeking approval from directors on acquisition of 70% equity interest in Jinjie Energy Corporation by China Shenhua Energy Company Limited"; 2. "A resolution on progress report of acquisition of 70% equity interest in Jinjie Energy Corporation by China Shenhua Energy Company Limited"; 3. "A resolution on eleventh five-year plan (2005~2010) of China Shenhua Energy Company Limited"; 4. "A resolution on report of acquisition of 70% equity interest in Jinjie Energy Corporation"; 5. "A resolution on acquisition of part of assets and equity interest of Shenhua Group's in 2007"; 6. "A resolution on adjustment to the capital expenditure plan for the year 2006"; 7. "A resolution on business indicator and capital expenditure plan of China Shenhua Energy Company Limited for the year 2007"

Report of the Audit Committee

The Audit Committee consists of Dr. Chen Xiaoyue, Mr. Huang Yicheng and Mr. Anthony Francis Neoh. Dr. Chen Xiaoyue is the chairman of this committee.

The principal duties of the Audit Committee are to examine the internal auditing schedule of the Company for the year; supervise the quality of internal audit and disclosure of financial information, and review the interim and annual financial statements before submission to the Board; supervise the appointment and removal of the person-in-charge of the Company's internal auditing organisation and provide any relevant advice; examine the effectiveness of the Company's internal control procedures and receive any complaints from relevant parties; review and consider whether the external auditors are independent and objective and the audit procedures are effective in accordance with the applicable criteria; formulate and implement policies for appointment of external auditors to provide non-auditing services; provide advice to the Board on appointment, re-appointment and removal of external auditors, approve the remuneration and terms of appointment of external auditors, and deal with any matter regarding the resignation or dismissal of those auditors; and monitor the completeness of the Company's financial statements, annual reports, interim reports and, if to be issued, quarterly reports, and review any significant opinion on financial reporting set out in the financial statements and reports.

In 2006, the Audit Committee held four meetings in total.

The Audit Committee has reviewed the audited report of the Group's results for the year 2006.

Name of Committee	Audit Committee
Members	Chen Xiaoyue, Huang Yicheng and Anthony Francis Neoh
Number of meetings held	4
Date of meetings	9 March 2006 7 July 2006 25 August 2006 9 December 2006
Reviewed and approved resolutions	<ol style="list-style-type: none"> 1. The "Audited Report of China Shenhua Energy Company Limited for the year 2005" (PRC, interantional); 2. "A resolution on audit fee of China Shenhua Energy Company Limited for the year 2005"; 3. "Report of the Audit Committee of China Shenhua Energy Company Limited"; 4. "Internal audit plan of Chian Shenhua Energy Company Limited for the year 2006"; 5. "A resolution on the authorisation of KPMG to review of interim financial report of the Company for the year 2006"; 6. "A resolution on the Financial Services Agreement entered into with Shenhua Finance Company Limited"; 7. "Opereational budget and explanation of China Shenhua Energy Company Limited for the year 2007"

Report of the Remuneration Committee

The Remuneration Committee consists of Mr. Anthony Francis Neoh, Dr. Ling Wen and Dr. Chen Xiaoyue. Mr. Anthony Francis Neoh is the chairman of this committee.

The principal duties of the Remuneration Committee are to formulate remuneration plans or proposals for the directors, supervisors, president and other senior management personnel and provide advice to the Board, including but not limited to standards, procedures and a system for performance appraisals as well as major plans and system for rewards and sanctions; examine the performance of the directors, supervisors, president and other senior management personnel of the Company, and conduct annual performance appraisals; supervise the implementation of the remuneration policy of the Company; assume duties assigned by the Board, namely, determining specific remuneration for all executive directors, supervisors, the president and other senior management personnel, including non-monetary benefits, pension and compensation (including compensation for loss or termination of positions or appointments); ensure that none of the directors or any of their respective associates determine their own remuneration; and carry out any other duties as authorised by the Board.

In 2006, the Remuneration Committee held four meetings in total.

Name of Committee	Remuneration Committee
Members	Anthony Francis Neoh, Ling Wen and Chen Xiaoyue
Number of meetings held	4
Date of meetings	9 March 2006 7 July 2006 25 August 2006 9 December 2006
Approved resolutions	<ol style="list-style-type: none"> 1. "A resolution on remuneration of directors and supervisors of the Company in 2005"; 2. "A resolution on remuneration of the President and other senior management of the Company in 2005"; 3. "A resolution on Share Appreciation Rights Scheme"; 4. "A resolution on Share Appreciation Rights Scheme granted by the Company in 2006"; 5. "A resolution on responsibilities for operation result of China Shenhua Energy Company Limited".

Report of the Safety, Health and Environmental Committee

The Safety, Health and Environmental Committee consists of Mr. Huang Yicheng, Dr. Zhang Yuzhuo, Dr. Ling Wen (appointed in March 2007) and Mr. Han Jianguo, Mr. Wu Yuan (retired in August 2007). Mr. Huang Yicheng is the chairman of this committee.

The principal duties of the Safety, Health and Environmental Committee are to supervise the implementation of health, safety and environmental protection plans of the Company. Its detailed duties include providing advice to the Board or the President on material issues of the Company in respect of the health, safety and environmental protection, inquiring into material incidents and liabilities regarding the Company's production, operations, properties, assets, staff or other facilities, as well as reviewing and expediting the resolution of incidents and dealing with any other issues authorised by the Board.

In 2006, the Safety, Health and Environmental Committee held two meetings in total.

Name of Committee	Safety, Health and Environmental Committee
Members	Huang Yicheng, Zhang Yuzhuo, Ling Wen (appointed in March 2007), Han Jianguo and Wu Yuan (retired in August 2006)
Numbers of meetings held	2
Date of meetings	9 March 2006 7 July 2006
Approved resolutions	<ol style="list-style-type: none"> 1. Report of focus of work in 2006 and safety and environmental protection in 2005 of China Shenhua Energy Company Limited; 2. Report of safety and environmental protection of China Shenhua Energy Company Limited

Nomination Committee

The Nomination Committee consists of Mr. Chen Biting, Mr. Huang Yicheng, Mr. Anthony Francis and Dr. Chen Xiaoyue. Mr. Chen Biting is the chairman of this committee.

The Nomination Committee is responsible for improving our corporate governance structure, standardising the nomination procedures of directors, the President and other senior management of the Company, selecting qualified directors, the President and other senior management, so as to increase our competitiveness.

In 2006, the Nomination Committee held one meeting in total.

Name of Committee	Nomination Committee
Members	Chen Biting, Huang Yicheng, Anthony Francis Neoh and Chen Xiaoyue
Number of meeting held	1
Date of meeting	25 August 2006
Approved resolutions	<ol style="list-style-type: none"> 1. "A resolution on Mr. Wu Yuan is the resignation as executive director and the President and the appointment of Mr. Ling Wen as president"; 2. "A resolution on appointment of Michael Ho Fai Leung as qualified accountant of the Company"