

## 1. Directors, Supervisors and Senior Management of the Company

### Directors:

**Mr. Luo Fu Qin**, aged 58, is the Chairman of the Board, Chairman of the Strategic Committee of the Company, a Director and deputy general manager of the Holding Company. Mr. Luo graduated from Chongqing Construction School in 1982 with a bachelor's degree specialising in water drainage, and he is a senior engineer. Mr. Luo served as the deputy general manager of the Holding Company in September 2000, a Director of the Holding Company in April 2004. He had been the head of the Power Division and Design Management Division of the Design Department of the Holding Company, the deputy department head of the Holding Company's Safety and Environment Protection Office, head of the Holding Company's Coking Plant, head of the Holding Company's Iron Smelting Plant, head of the Holding Company's Technology Office, head of the Holding Company's Development Liaison Office Economic Liaison Division and the deputy general manager of the Company. Mr. Luo was appointed as Director of the fourth Board of the Company at the Annual General Meeting held on 9th June 2006 until his term expires on 8th June 2009.

**Mr. Tang Min Wei**, aged 64, is the Chairman of the Company and the Chairman of the Strategic Committee of the Company. He is also the Chairman of the Holding Company. Mr. Tang graduated from the Faculty of Metallurgy of Chongqing University specializing in pressure processing with a bachelor degree in engineering. He holds the title of professor-grade senior engineer. Mr. Tang joined the Holding Company in 1964 and had been the chief engineer, managing deputy manager and chief engineer of the Holding Company, deputy head of the Metallurgical Department and Secretary to the Communist Party (in charge of overall management work) of Sichuan Province and the general manager of the Company. Mr. Tang left the position of Director of the Company in April 2006.

**Mr. Yuan Jin Fu**, aged 44, is the Director and member of the Salary and Remuneration Review Committee of the Company and the Chief Accountant of the Holding Company. Mr. Yuan obtained a bachelor degree from Economics and Management Professional University and holds the title of senior accountant. Mr. Yuan joined the Holding Company in 1981 and had been the deputy head and the head of the Finance Office, the deputy chief accountant of the Holding Company and the Chairman of Duoli Co. Ltd. Mr. Yuan was appointed as Director of the fourth Board of the Company at the Annual General Meeting held on 9th June 2006 until his term expires on 8th June 2009.

**Mr. Chen Shan**, aged 53, is the Director, member of the Salary and Remuneration Review Committee. Mr. Chen graduated from Chongqing University specializing in metal heating processing with a bachelor degree in engineering. He graduated from the Business Administration Faculty of Chongqing University with a MBA degree. He holds the title of senior engineer. Mr. Chen joined the Holding Company in 1982 and has been the deputy factory manager of No. 5 Factory and the head of the Operation Planning Department of the Holding Company and deputy head of Chongqing Da Du Kou District and deputy general manager, the Secretary to the Communist Party Committee and the Chairman of the Labour Union of the Company. Mr. Chen was appointed as Director of the fourth Board of the Company at the Annual General Meeting held on 9th June 2006 until his term expires on 8th June 2009.

**Mr. Sun Yi Jie**, aged 52, is the Director, member of the Strategic Committee and the deputy general manager and chief engineer of the Company. Mr. Sun graduated from the Metallurgy Faculty of Jiangxi Metallurgy College with major in steel smelting. He has a bachelor degree in engineering and holds the title of senior engineer. Mr. Sun joined the Holding Company in 1982 and had worked as the deputy factory manager of No. 1 Steel Smelting Plant and deputy general manager and general manager of Hengda Company. Mr. Sun was appointed as Director of the fourth Board of the Company at the Annual General Meeting held on 9th June 2006 until his term expires on 8th June 2009.

**Mr. Tu De Ling**, aged 44, is the Director, member of the Strategic Committee and the chief accountant of the Company. Mr. Tu graduated from Sichuan Finance and Economics College with major in accounting. He has a bachelor degree in economics and is a senior accountant. Mr. Tu joined the Holding Company in 1988 and had worked as assistant to the head and deputy head of the Finance Office of the Holding Company and the deputy head and the head of the Finance Office of the Company. Mr. Tu was appointed as Director of the fourth Board of the Company at the Annual General Meeting held on 9th June 2006 until his term expires on 8th June 2009.

## 1. Directors, Supervisors and Senior Management of the Company (Continued)

### Directors: (Continued)

**Mr. Chen Hong**, aged 51, is a Director, the deputy general manager and head of Sales Department of the Company. Mr. Chen graduated from Wuhan Iron & Steel University with a bachelor's degree in coking engineering and attended the postgraduate course in management engineering of Tsinghua University with a postgraduate diploma, and he is a senior engineer. Mr. Chen joined the Holding Company in 1982, and had been the deputy head of Chemical Workshop of Coking Plant, deputy head of Recycle Workshop, deputy head of Coking Workshop, deputy plant head, plant head of the Holding Company, head of Raw Material Department of the Company, deputy chief engineer of the Holding Company, Chairman of the Board of the Chongqing Iron & Steel Group Industries Co., Ltd, and Chairman of the Board of Chongqing Iron & Steel Group Doorlead Realty Co., Ltd. Mr. Chen was appointed as Director of the fourth Board of the Company at the Extraordinary General Meeting held on 20th September 2006 until his term expires on 19th September 2009.

**Mr. Yang Zhi Wei**, aged 47, is the Director and member of the Strategic Committee and the general manager of the Company. Mr. Yang graduated from the Xian Metallurgical and Architectural College with a bachelor degree in engineering and from the Research Faculty of China Social Science College. He has the qualification of research education and holds the title of senior engineer. Mr. Yang joined the Holding Company in 1988 and had worked as the deputy factory manager and the factory manager of fire resistance factory of the Holding Company, the manager of Hot Pottery Company and the head of the business industry department, the general manager of Business Industry Company and the managing deputy general manager of Chongqing Special Steel Company Limited. He had been deputy general manager and the head of the raw materials office of the Company. Mr. Yang resigned from the position of Director of the Company on 25th July 2006.

### Independent Director:

**Mr. Wang Xiang Fei**, aged 55, is the Independent Non-executive Director and the Chairman of the Audit Committee and a member the Salary and Remuneration Review Committee of the Company, assistant general manager and the Director of the Assets Management Commission Office of China Everbright Holdings Co., Ltd. and an Independent Non-executive Director of Tianjin Capital Environmental Co., Ltd.. Mr. Wang graduated from the Faculty of Finance of the People's University of China in 1982 with major in finance. He has a bachelor degree in Economics and is a senior accountant. Mr. Wang was appointed as Director of the fourth Board of the Company at the Annual General Meeting held on 9th June 2006 until his term expires on 8th June 2009.

**Mr. Sun Yu**, aged 45, is the Independent Non-executive Director, the Chairman of the Salary and Remuneration Review Committee, and a member of the Audit Committee of the Company. He is currently a partner and a solicitor of (重慶百君律師事務所) (Chongqing Bai Jun Law Firm) and a standing committee member of Chongqing Industrial and Commercial Union, a standing executive committee member of Chongqing Law Society and an executive member of Chongqing Overseas Union. Mr. Sun graduated from the Postgraduate College of Law of Xinan Zhengfa University in 1983 and obtained a master degree in law. Mr. Sun was appointed as Director of the fourth Board of the Company at the Annual General Meeting held on 9th June 2006 until his term expires on 8th June 2009.

**Mr. Liu Xing**, aged 51, is an independent director, a member of the Strategic Committee, the Audit Committee and the Salary and Remuneration Review Committee of the Company. Mr. Liu has a doctor's degree in management, and is the professor and doctor tutor and the head of Economy, Industry and Business Management Institute of Chongqing University. Mr. Liu engaged in teaching and research in management and engineering department of Chongqing University in 1983, and had been a researcher of accounting department of City University of Hong Kong and the visiting scholar and professor of accounting college of the Chinese University of Hong Kong. Mr. Liu had released a number of academic theses in domestic and foreign academic periodicals and obtained numerous provincial-grade awards for research achievements, constituting a substantial influence in the finance, accounting and banking field of the PRC. Mr. Liu has also been appointed as Independent Director of Dongfeng Electronic Technology Co., Ltd. from July 2003, Independent Director of Chongqing Three Gorges Water Conservancy And Electric Power Co. Ltd. and Independent Director of Chongqing Titanium Industry Co. Ltd of Pangang Group from May 2005. Mr. Liu was appointed as Director of the fourth Board of the Company at the Annual General Meeting held on 9th June 2006 until his term expires on 8th June 2009.

## 1. Directors, Supervisors and Senior Management of the Company (Continued)

### Independent Director: (Continued)

**Mr. Wu Zhong Fu**, aged 68, is the Independent Non-executive Director, a member of the Audit Committee, the Strategic Committee and the Salary and Remuneration Review Committee of the Company. He is a professor in computer science and technology and a tutor to doctoral candidates. Mr. Wu is also the president of Chongqing University. Mr. Wu left office at expiration of his term at the general meeting held on 9th June 2006.

### Supervisors:

**Mr. Zhu Jian Pai**, aged 49, is the Chairman of the Supervisory Committee, the secretary to the Communist Party Committee, the Chairman of the Labour's Union of the Company, and a Director and the deputy secretary to the Communist Party Committee of the Holding Company. Mr. Zhu graduated from the Faculty of Metallurgy of Chongqing University with major in pressure processing. He has a bachelor degree in engineering and holds the title of senior engineer. Mr. Zhu joined the Holding Company in 1982 and served as the deputy secretary to the Communist Party Committee of the Holding Company in January 2000, a Director of the Holding Company in February 2002, the head of the workers personnel office and the head of the personnel department of the Holding Company of the Holding Company. Mr. Zhu was appointed as Supervisor of the fourth Supervisory Committee of the Company at the Annual General Meeting held on 9th June 2006 until his term expires on 8th June 2009.

**Mr. Huang You He**, aged 54, is the Supervisor of the Company and the head of the legal affairs office of the Holding Company. Mr. Huang obtained a professional diploma from the Economics Management Professional University and holds the title of senior economist. Mr. Huang joined the Holding Company in 1983, served as the head of the legal affairs office of the Holding Company in May 1999 and worked as deputy head of the Cadre Office, deputy head of the Workers Personnel Office and the head of the Assets Operation and Management Office and the head of Legal Regulation Office, and a Director of the Holding Company. Mr. Huang was appointed as Supervisor of the fourth Supervisory Committee of the Company at the Annual General Meeting held on 9th June 2006 until his term expires on 8th June 2009.

**Ms. Yuan Xue Bing**, aged 52, is the Supervisor of the Company and the head of the Audit Office of the Holding Company. Ms. Yuan graduated from Jiangxi Finance and Economics College by distance learning with major in accounting. She has a bachelor degree and holds the title of senior accountant. Ms. Yuan joined the Holding Company in 1979, served as the head of the Auditing Office of the Holding Company and worked as the head of the capital section of the Finance Office, the head of the assets section, the head of the accounting section and deputy head of the Auditing Office of the Holding Company. Ms. Yuan was appointed as Supervisor of the fourth Supervisory Committee of the Company at the Annual General Meeting held on 9th June 2006 until her term expires on 8th June 2009.

**Ms. Chen Hong**, aged 43, is a Director and the deputy head of the managerial office of the Company. Ms. Chen holds a university diploma in the Logistics and Engineering College of the China People's Liberation Army. Ms. Chen joined the Holding Company in 1984. Ms. Chen had been the deputy head and then the head of Design Office of Chongqing Steel and Iron Design Institute, and chief officer of Production and Operation Department. Ms. Chen was elected as the staff representative supervisor of the fourth Supervisory Committee of the Company at the staff representative meeting held on 21st March 2006 until her term expires on 8th June 2009.

**Ms. Lu Kang Mei**, aged 53, is the secretary to the Chief Party Committee of the Equipment Department and the Chairman of the Labour Union of the Company. Ms. Lu Yue has received higher education and is a political engineer. Ms. Lu joined the Holding Company in 1972 and has been Deputy Director of the medium and small steel rolling plant and the Chairman of the Labour Union of the Holding Company and deputy secretary to the Communist Party Committee of the Holding Company, the Chairman of the Labour Union and secretary to the Administrative Division of Chongqing Employees' University, Vice Chairman of the Labour Union of the Staff Training Centre of the Holding Company and the Secretary to the Chief Party Committee and the Chairman of the Labour Union of the High Rod Plant of the Company. Ms. Lu was elected as the staff representative supervisor of the fourth Supervisory Committee of the Company at the staff representative meeting held on 21st March 2006 until her term expires on 8th June 2009.

## 1. Directors, Supervisors and Senior Management of the Company (Continued)

### Senior Management:

**Mr. Xu Gang**, aged 45, is the deputy general manager of the Company. Mr. Xu graduated from the Faculty of Metallurgy of Chongqing University with major in iron smelting with a bachelor degree in engineering. He is currently a postgraduate student of metallurgic engineering in Chongqing University on part-time basis. He holds the title of senior engineer. Mr. Xu joined the Holding Company in 1982 and had served as deputy head and head of the Iron Smelting Plant and monitor of the Deployment Office of the Holding Company and assistant to the head and deputy head, head, and chief engineer of the Iron Smelting Plant of the Company. Mr. Xu was employed by the Board as the deputy general manager of the Company on 8th January 2004.

**Mr. Wu Zi Sheng**, aged 42, is the deputy general manager of the Company. Mr. Wu obtained a bachelor's degree from Economics and Management Professional University and is currently a postgraduate student of business administration of Chongqing University on part-time basis and is a senior economist. Mr. Wu joined the Holding Company in 1981 and had served as the head of factory, the secretary to the Party Committee, head of the promotion department, the head of the labour training section, the assistant to the head and the assistant to the head of the labour and corporate affairs department of the industrial office of the Coking Plant of the Holding Company, the secretary to the Communist Party Committee, the Chairman of the Labour Union of the Steel Casting Company, deputy head of the personnel department and head of the human resources department of the Company. Mr. Wu was employed by the Board as the deputy general manager of the Company on 8th January 2004.

**Mr. Li Ren Sheng**, aged 43, is a senior engineer, holding a university diploma. Mr. Li is the deputy general manager of the Company and former head of Raw Material Department. He joined the Holding Company in 1987, and had been the deputy head of No. 4 Blast Furnace Workshop of Smelting Plant, the assistant to plant director and deputy plant director of the Holding Company, and the manager and Chairman of Chongqing Iron & Steel Group Iron Company Limited. On 12 May 2006, he was employed by the Board of Directors as the deputy general manager of the Company.

**Mr. Qiang Bai Qian**, aged 46, is the deputy general manager of the Company. Mr. Qiang graduated from Northeast Engineering College majoring in pressure processing with a bachelor degree in engineering. He holds the title of senior engineer. Mr. Qiang joined the Holding Company in 1982 and had worked as deputy head and the head of No. 5 Factory of the Holding Company and the secretary to the Head Office of the Communist Party and Chairman of the Labour Union, head of MIS subject group and head of Administration in Network of the Sales Office and head of the Secretary Section of the Managerial Office, deputy general manager and general manager of the Import and Export Company, Director of the Import and Export Department and Director of the Raw Materials Department of the Company. Mr. Qiang left office on 26 April 2006.

**Mr. You Xiao An**, aged 43, is the Secretary to the Board, and the head of manager's office of the Company. Mr. You graduated from the Metallurgy and Materials Engineering Faculty of Chongqing University with major in chemistry and metallurgy. He has a bachelor degree in engineering and is now studying a part-time master degree course in business management in Chongqing University. He holds the title of engineer. Mr. You joined the Holding Company in 1985 and had worked as the head of the production section and the head of the General Office of Hengda and assistant to the head and the deputy head of the General Office of the Company. Mr. You was employed as the secretary to the Board by the Board of the Company on 23 January 2001.

There is no specified date for expiration of term for positions of such senior management as the deputy general manager and secretary to the Board.

## 2. Directors' and Supervisors' Interests in the Shares of the Company or any Associated Corporation

As at 31st December 2006, the interests and short positions of the Directors and Supervisors in the shares or underlying shares or debentures of the Company and its connected corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, were as follows:

Interests in Chongqing Iron & Steel Group Doorlead Realty Co., Ltd. (originally named Hengda):

Name (Note 1)	Number of shares
Yuan Jin fu	2,400 shares
Chen Shan	800 shares
Yang Zhi Wei	800 shares
Sun Yi Jie	800 shares
Tu De Ling	800 shares
Yuang Xue Bing	800 shares
Chen Hong	1,600 shares

*Note 1: This represents interests of the Directors and Supervisors in Hengda which was transferred from the Company to the Holding Company in December 2002.*

Save as disclosed above, as at 31st December 2006, none of the Directors, Supervisors or their respective associates had any interest in the shares of the Company or its connected corporations.

For the year ended 31st December 2006, none of the Directors or Supervisors or their spouses or children under 18 years of age has been granted by the Company the rights to subscribe for the Company's shares.

At no time during the year was the Company, its fellow subsidiaries or its Holding Company a party to any contract of significance in relation to the Company's business in which a Director or Supervisor of the Company had material interest, either directly or indirectly.

At no time during the year was the Company, its fellow subsidiaries or its Holding Company a party to any arrangements to enable the Directors or Supervisors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

During 2006, the directors, supervisors or other senior management of the Company did not hold any of the Company's shares personally.

## 3. Independent Non-executive Directors

The Company received confirmation from independent non-executive directors, including Mr. Wang Xiang Fei, Mr. Sun Yu and Mr. Liu Xing, confirmed their compliance with the requirements as set out in Rules 3.13 to the Listing Rules. The Company considers that the independent non-executive directors are still independent as at the announcement of this annual report.

## DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND EMPLOYEES (CONTINUED)

### 4. Remuneration of Directors, Supervisors and Senior Management

The annual remunerations of executive directors and senior management were proposed by the Salary and Remuneration Review Committee to the Board within the total amount of remunerations approved by the general meeting after appraising the said persons, and then approved by the Board as authorised by the general meeting. According to the resolution of the 2005 annual general meeting, the annual average remuneration of directors of the fourth Board of the Company was paid at 4 to 10 times the annual average remuneration of all the employees of the Company, and the annual average remuneration of supervisors of the fourth Supervisory Committee of the company was paid at 3 to 8 times the annual average remuneration of all the employees of the Company. Remunerations of directors, supervisors and senior Management of the Company for 2006 (Rmb'000) are set out below:

Name	Position	Remuneration (Tax included)	Where to receive remunerations
Luo Fu Qin	Chairman	149	Holding Company
Yuan Jin Fu	Director	220	Holding Company
Chen Shan	Director, General manager	218	the Company
Sun Yi Jie	Director, General manager, Chief engineer	187	the Company
Tu De Ling	Director, Chief accountant	186	the Company
Chen Hong	Director, General manager	93	the Company
Wan Xiang Fei	Independent director	60	the Company
Sun Yu	Independent director	40	the Company
Liu Xing	Independent director	40	the Company
Zhu Jian Pai	Chairman of the Supervisory Committee	223	Holding Company
Huang You He	Supervisor	122	Holding Company
Yuan Xue Bing	Supervisor	109	Holding Company
Chen Hong	Supervisor	107	the Company
Lu Kang Mei	Supervisor	133	the Company
Xu Gang	Deputy general manager	157	the Company
Wu Zi Sheng	Deputy general manager	157	the Company
Li Ren Sheng	Deputy general manager	72	the Company
You Xiao An	Secretary to the Board	106	the Company

The Company and the Holding Company had respectively made provision for pension and unemployment insurance for directors, supervisors and senior management receiving remunerations from the companies in certain proportion of their total salary.

In 2006, the independent directors of the fourth Board, Mr. Wang Xiang Fei, Mr. Sun Yu and Mr. Liu Xing, received the independent director allowances of Rmb60,000, Rmb40,000, Rmb40,000 respectively.

In 2006, the total remunerations for directors, supervisors and other senior management receiving remunerations from the Company amounted to Rmb1,556,000. All remunerations were amount before tax.

## 5. Changes in Directors, Supervisors and Senior Management

- (1) The resignation of Mr. Qiang Bai Qian as deputy general manager of the Company was approved at the Board meeting held on 17th April 2006. He resigned from office due to personal reasons.
- (2) The resignation of Mr. Tang Min Wei as director of the Company and the appointment of Mr. Luo Fu Qin as director of the Company were approved at the extraordinary general meeting held on 26th April 2006. Mr. Luo Fu Qin was appointed as Chairman of the Board at the 12th meeting of the third Board of Directors held on the same day.
- (3) The resignation of Mr. Yang Zhi Wei as general manager of the Company and the appointment of Mr. Chen Shan as general manager of the Company were approved at the Board meeting held on 10th May 2006. Mr. Yang left the position of general manager due to job transfer.
- (4) The appointment of Mr. Chen Hong and Mr. Lu Ren Sheng as general managers of the Company was approved at the Board meeting held on 12th May 2006.
- (5) At the 2005 annual general meeting of the Company held on 9th June 2006, nine members, namely Mr. Luo Fu Qin, Mr. Yuan Jin Fu, Mr. Yang Zhi Wei, Mr. Chen Shan, Mr. Sun Yi Jie, Mr. Tu De Ling, Mr. Wang Xiang Fei, Mr. Sun Yu, Mr. Liu Xing, were elected to constitute the fourth Board of Directors, and five members, namely Mr. Zhu Jian Pai, Mr. Huang You He, Ms. Yuan Xue Bing, and the staff representative supervisors Ms. Chen Hong and Ms. Lu Kang Mei, were elected to constitute the fourth Supervisory Committee, with a term of three years. On such day, Mr. Luo Fu Qin was appointed as Chairman of the Board of Directors of the Company at the first meeting of the fourth Board, and Mr. Zhu Jian Pai was appointed as Chairman of the Supervisory Committee at the first meeting of the fourth Supervisory Committee.
- (6) The resignation of Mr. Yang Zhi Wei as director of the Company from 25th July 2006, and the appointment of Mr. Chen Hong as a director of the Company were approved at the extraordinary general meeting held on 20th September 2006. Mr. Yang left the position of director due to job transfer.

## 6. Details of Staff

As at the end of 2006, the Company had 11,723 staff, including 9,835 production staff, 193 sales staff, 844 technical and engineering staff, 115 finance staff, and 736 administrative staff. The staff with an undergraduate university diploma or above accounted for 6.86% of the total staff. The Company did not bear any pension payments for retired staff.

Education	Staff number
Master's degree	67
Undergraduate	737
Associate degree	1,506
Secondary technical graduates and others	9,413