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中國中鐵股份有限公司
CHINA RAILWAY GROUP LIMITED

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 390)

This overseas regulatory announcement is made pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Please refer to the attached “Salary (Remuneration, Work Subsidy) Management Measures of Directors and Supervisors of China Railway Group Limited” published by China Railway Group Limited on the Shanghai Stock Exchange website on 28 June 2017 for your information.

By Order of the Board
China Railway Group Limited
LI Changjin
Chairman

28 June 2017

As at the date of this announcement, the executive directors of the Company are LI Changjin (Chairman), ZHANG Zongyan, ZHOU Mengbo and ZHANG Xian; the independent non-executive directors are GUO Peizhang, WEN Baoman, ZHENG Qingzhi and CHUNG Shui Ming Timpson; and the non-executive director is MA Zonglin.

China Railway Group Limited

Salary (Remuneration, Work Subsidy) Management Measures of Directors and Supervisors

(Amended in June 2017)

Article 1 These measures are formulated in order to improve the corporate governance system of China Railway Group Limited (the “**Company**”), reinforce and regulate the salary (remuneration) management of directors and supervisors of the Company pursuant to the PRC Company Law, the Code of Corporate Governance for Listed Companies and relevant regulations, and the Articles of Association of the Company in light of the actual circumstances of the Company.

Article 2 Directors and supervisors as referred to in these measures shall include executive directors, non-executive directors and independent non-executive directors of the Company, shareholder representative supervisors and employee representative supervisors of the Company.

Article 3 The salary standard of an executive director who is not concurrently senior management of the Company shall be determined in accordance with relevant provisions on salary management of principals of the centrally-controlled enterprises required by the State-owned Assets Supervision and Administration Commission of the State Council (“**SASAC**”). The salary of an executive director who is concurrently senior management of the Company, and a non-executive director who does not receive salary as a director shall be determined based on one’s position and assessment in the senior management in accordance with relevant provisions of the salary management of principals of the centrally-controlled enterprises required by SASAC and the Measures for Remuneration and Assessment Management for Senior Management of China Railway Group Limited.

Article 4 The remuneration of an independent non-executive director shall be determined with reference to provisions on the board of directors’ pilot scheme of remuneration and treatment of external directors of central enterprises issued by SASAC, and it shall be submitted to the general meeting of shareholders for consideration and resolution after being discussed and approved by the board of directors.

1. The remuneration of an independent non-executive director is mainly comprised of two parts including the annual basic remuneration and the meeting allowance. The annual basic remuneration is the basic remuneration for independent non-executive directors to participate in the work of the board of directors, which is monthly paid based on regulated standards. The meeting allowance is the subsidy for independent non-executive directors to participate in board meetings and meetings of special committees under the board of directors.

Except for the annual basic remuneration and the meeting allowance, independent non-executive directors shall not be entitled to any other income or benefits in any forms.

2. For the head of central enterprises who has left the current office and serves as an independent non-executive director, the remuneration shall be determined with reference to the requirements of the SASAC on the relevant matters regarding the payment of work subsidies for the head of central enterprises who has left the current office and serves as an external director.

Article 5 The remuneration of a non-executive director who does not work in the Company shall be determined with reference to the standard of independent non-executive directors.

Article 6 The salary of supervisors of the Company adopts a classified management mechanism.

1. The salary of a full-time chairman of the supervisory committee who is within the leading group sequence management shall be determined in accordance with relevant provisions in relation to salary management of principals of centrally-controlled enterprises required by SASAC. The salary of a full-time chairman of the supervisory committee who is not within the leading group sequence management shall be determined pursuant to 80% of the salary standard of the chief official of senior management of the Company.
2. The salary of a full-time supervisor who is not the chairman of the supervisory committee shall be determined based on the salary standard of the chief official of the departments of the headquarters in accordance with the salary management measures of the institutions of the headquarters.
3. The salary of an employee representative supervisor shall be determined in accordance with the salary management measures of the institutions of the headquarters and the salary standard of one's position.

Article 7 These measures shall take effect after being considered and approved by the general meeting of shareholders.