Shanghai Dazhong Public Utilities (Group) Co., Ltd.

Work Rules of the Audit Committee of the Board of Directors (Revised)

Article 4 The Company shall provide the Audit Committee with necessary working conditions and make available dedicated staff or organizations undertaking day-to-day activities of the Audit Committee such as work liaison, meeting organization, material preparation and file management. The Company's management and relevant departments shall provide cooperation when the Audit Committee performs its duties.

Article 5 The related parties and related-party transaction as referred to herein shall be determined according to the scope set forth in the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Listing Rules and the Related-Party Transaction Management Policy of the Company.

Chapter 2 Composition of the Audit Committee

Article 6 The Audit Committee shall comprise 3 directors, all of whom shall be independent non-executive directors.

Article 7 The Audit Committee shall have one Chairperson, responsible for directing the work of the Audit Committee. The Chairperson of the Audit Committee shall be an accounting professional, who shall have appropriate professional qualification or appropriate accounting or relevant financial management expertise. The Chairperson shall be directly elected by the Board of

The Audit Committee shall issue written evaluation opinions on the effectiveness of internal controls of the Company and report to the Board of Directors based on the internal audit reports and relevant data submitted by the internal audit department.

Article 19 The Audit Committee shall issue annual internal control evaluation report based on evaluation reports and relevant data issued by the internal audit department. The internal control evaluation report shall include the following:

(I) Statement of the Board of Directors on the authenticity of the internal control evaluation report;

(II) Overview of the internal control evaluation work;

(III) Basis, scope, procedure and method of internal control evaluation;

(IV) Defects found in internal control and their determinations;

(V) Correction of internal control defects from the previous year;

(VI) Corrective measures to be taken against internal control defects in the current year;

(VII) Conclusion on the effectiveness of internal control.

Article 20 The Audit Committee shall evaluate the establishment and implementation of the Company's internal control and form an

Article 23 The Audit Committee shall assess the existing or potential risks to the Company and raise suggestions for perfecting the risk management practice of the Company.

Article 24 The Audit Committee shall review internal control check and supervision reports, internal control system self-assessment reports and reports of the accounting firm on annual audit, special audit, management proposal and internal control audit of the Company; assess the results of internal control evaluation and audit, and supervise and urge the correction of internal control defects.

Article 25 The Audit Committee shall supervise the integrity of financial statements, annual reports and accounts, semiannual reports and quarterly reports of the Company, and review significant opinions contained in statements and reports regarding financial reporting. The Audit Committee shall pay special attention to the following matters prior to submission of relevant statements and reports to the Board of Directors:

(I) Any change to accounting policy and practice;

(II) Areas involving important judgment;

(III) Significant adjustments arising due to audit;

(IV) Assumption about going concern and any reservations;

(V) Whether accounting standards are complied with;

(VI) Whether the Listing Rules and legal provisions are complied with respect to financial reporting.

Article 26 The Audit Committee shall review the financial monitoring, risk management and internal monitoring systems of the Company.

Article 27 The Audit Committee shall discuss risk management and internal monitoring system with the management to ensure the management has performed their duties to establish an effective system. The discussions shall include whether the resources, staff qualification and experience of the Company are sufficient in terms of accounting and financial reporting functions, and whether the training courses received by employees and relevant budget are adequate.

Article 28 The Audit Committee shall, proactively or upon the request of the Board of Directors, study the important investigation results regarding risk management and internal monitoring matters and the management's response to investigation results.

Article 29 If the Company has internal audit function, the Audit Committee shall ensure the work of internal auditors and that of externally engaged accounting firm are coordinated, as well as that the internal audit function has sufficient resources within the Company to operate an appropriate position; and shall review and supervise its effectiveness.

Article 30 The Audit Committee shall review the financial and accounting policies and practices of the Company.

Article 31 The Audit Committee shall examine the Audit Note Letter given by externally engaged accounting firmr the mana

Article 36 In addition to the aforesaid duties, the Audit Committee shall be responsible for other matters authorized by the Board of Directors and other matters involved in relevant laws and regulations.

Article 37 Proposals of the Audit Committee shall be submitted to the Board of Directors for deliberation and decision.

Article 38 The Audit Committee shall provide any and all studies and discussions, materials and information to the Board of Directors in the form of report, suggestion or summary for study and decision.

Chapter 4 Work Procedure of the Audit Committee

Article 39 The working group under the Audit Committee shall be responsible for making sufficient preparations for decision making of the Audit Committee, and provide written information on the following relevant aspects of the Company:

(I) Financial reports of the Company;

(II) Work reports of internal and external auditing bodies;

(III) External audit contract and relevant work reports;

(IV) Relevant work reports on internal control system of the Company and its implementation;

(V) Related-party transaction agreements of the Company;

(VI) Feedback on investigation into related parties of the Company;

(VII) Audit report on significant related-party transactions of the Company;

(VIII) Other relevant matters.

Article 40 The Audit Committee shall evaluate and comment on reports provided by the working group and submit relevant written resolution materials to the Board of Directors for discussion:

(I) Whether the financial reports of the Company are true;

(II) Evaluation of external audit firm, and engagement and replacement of external audit firm;

(III) Evaluation of the risk management and internal control system of the Company and its implementation;

(IV) Other relevant matters.

Article 41 The Audit Department of the Company shall report to the Audit Committee. Various audit reports, audit issue correction plans and correction results submitted by the Audit Department to the management shall be submitted to the Audit Committee at the same time.

Article 42 In case of appointment or replacement of an externally engaged accounting firm by the Company, the Board of Directors may not deliberate relevant resolutions until after the Audit Committee forms deliberation opinions and raises suggestions to the Board of Directors.

Article 43 If necessary, the Audit Committee may engage intermediaries to provide professional input into their decisions at the sole expense of the Company.

Chapter 5 Rules of Procedure

Article 44 The Audit Committee meetings are divided into periodic meeting and interim meeting, which shall be notified to all members 3 days prior to the meeting and convened and chaired by the Chairman. Meetings shall be convened and chaired by another member (independent non-executive director) if the Chai

Article 49 When an Audit Committee meeting discusses a topic related to the Committee members, the interested members shall excuse themselves from the discussion. Where valid deliberation opinions cannot be formed due to recusal of members, relevant matters shall be deliberated directly by the Board of Directors.

Article 50 The Audit Committee's meetings shall be held onsite in principle. Meetings may be held via video conference, teleconference or online conference or in other manners according to the procedure when necessary, provided that it is ensured that all participating members can sufficiently communicate and express their opinions. Meetings of the Audit Committee shall vote by means of open ballot.

Article 51 The members of the working group may attend Audit Committee meetings as nonvoting attendees, while directors and officers of the Company, the externally engaged accounting firm, internal auditors, finance personnel, legal advisor and other relevant individuals may be invited to attend the meetings and provide necessary information as nonvoting attendees when necessary.

Article 52 The convening procedure and voting mode of the Audit Committee meetings and resolutions adopted thereat must comply with relevant laws, regulations, other normative documents, the Articles, the Listing Rules and these work rules.

Article 53 Meetings of the Audit Committee shall have full and complete meeting minutes in place, which shall be signed by participating members; full and complete meeting minutes shall be kept by the Board Secretary of the Company. The Company shall keep meeting materials for at least ten years.

Article 54 Resolutions and voting results passed by Audit Committee meetings shall be submitted in writing to the Board of Directors of the Company.

Article 55 Members present at a meeting and nonvoting attendees thereat shall all have the obligation to keep matters discussed by the meeting confidential and may not disclose relevant information without prior authorization.

Article 56 Whenever the Board of Directors disagrees with any opinions of the Audit Committee on selection, appointment, resignation or dismissal of the externally engaged accounting firm, the issuer shall include the statement of the Audit Committee elaborating its suggestions in the Corporate Governance Report, as well as reasons for the Board of Directors' disagreement.

Chapter 6 Supplementary Provisions

Article 57 Unless as otherwise specifically indicated, terms used therein shall have the same meanings as set forth in the Articles.

Article 58 The terms "above" and "below" as referred to herein shall include the figure per se; the terms "lower than", "less than" and "more than" shall exclude the figure per se.

Article 59 Any matters not set forth herein shall be dealt with according to relevant national laws, regulations, other normative documents and the Articles. When these work rules conflict with the aforesaid provisions, the aforesaid provisions shall prevail and these work rules shall be amended promptly and submitted to the Board of Directors for deliberation.

Article 60 These work rules shall be interpreted by the Board of Directors of the Company.

Article 61 These work rules shall take effect upon being deliberated and adopted by the Board of Directors of the Company.