

Chapter I General Provisions

Article 1 To ensure the smooth implementation of the Restricted Share Incentive Scheme (“Restricted Share Incentive Scheme” or the “Incentive Scheme” or the “Scheme”) of China Railway Group Limited (“China Railway” or the “Company”), and to specify the administrative bodies of the Incentive Scheme and its responsibilities, implementation procedures, handling of special circumstances, etc., the Administrative Measures on the 2021 Restricted Share Incentive Scheme of China Railway Group Limited (the “Measures”) is formulated in accordance with relevant laws, administrative regulations, departmental rules and normative documents issued by the State, the Articles of Association of the Company and relevant provisions of the Restricted Share Incentive Scheme, and in combination with the actual conditions of the Company. The Measures shall come into effect after being considered and approved by the Shareholders’ meeting and the A share and H share class meetings.

Article 2 The Restricted Share Incentive Scheme is a medium-and long-term incentive scheme, under which A Shares of the Company will be granted and issued to certain directors, senior management personnel, middle managerial personnel and the core personnel who have a direct impact on the Company’s business performance and future development as recognized by the board of directors (the “Board”) of the Company. The Restricted Share Incentive Scheme proposed by the remuneration committee of the Company shall come into effect after being considered by the Board, going through the relevant procedures of the State-owned Assets Supervision and Administration Commission of the State Council (the “SASAC”), and considered and approved by the Shareholders’ meeting and the A share and H share class meetings.

Article 3 The Board shall conduct strict management based on the Restricted Share Incentive Scheme (the revised and effective version shall prevail, if any) considered and approved by the Shareholders’ meeting and the A share and H share class meetings, and in accordance with the principles of lawfulness, standardization, openness and transparency.

Article 4 The administration of the Restricted Share Incentive Scheme includes the formulation and revision of the Restricted Share Incentive Scheme, the qualification examination of the Participant, the grant and unlocking of restricted shares, and information disclosure, etc.

Article 5 Unless otherwise specified, the meanings of the terms involved in the Measures shall be the same as those in the Restricted Share Incentive Scheme.

Chapter II Administrative Bodies and their Responsibilities

Article 6 The Shareholders' meeting, as the ultimate authority of the Company, shall be responsible for considering and approving the implementation, modification and termination of the Incentive Scheme. The Shareholders' meeting may, within its powers and authority, authorise the Board to handle certain matters relating to the Incentive Scheme.

Article 7 The Board shall act as the executive and administrative body for the Incentive Scheme. The remuneration committee under the Board shall be responsible for drafting and revising the Restricted Share Incentive Scheme, and submitting the Incentive Scheme to the Board for review and approval. Upon approval by the Board, the Incentive Scheme shall be further submitted to the Shareholders' meeting, and the A share and H share class meetings of the Company for consideration and approval. The Board may handle matters relating to the Scheme within its scope of authority as delegated by the Shareholders' meeting.

Article 8 The Supervisory Committee and independent Directors shall act as the supervisory authority for the Scheme, and shall issue opinions as to whether the Scheme is beneficial to the sustainable development of the Company or is significantly detrimental to the interests of the Company and the Shareholders as a whole. The Supervisory Committee shall supervise the implementation of the Scheme as to whether it is in compliance with the relevant laws, regulations, regulatory documents and operational rules of the Shanghai Stock Exchange (the "SSE"), and shall be responsible for verifying the list of Participants. The independent Directors shall solicit voting rights by proxy from all shareholders in respect of the Scheme.

Chapter III Procedures for the Scheme to Take Effect

Article 9 The remuneration committee of the Board shall be responsible for drafting the Restricted Share Incentive Scheme, and submitting the Restricted Share Incentive Scheme to the Board for consideration.

Article 10 When the Board considers the Scheme, any Director who is also a Participant or is a related party to a Participant shall abstain from voting. The Board shall submit the Incentive Scheme to the Shareholders' meeting, and the A share and H share class meetings for consideration after considering and approving the Incentive Scheme and performing the publicity and announcement procedures; at the same time, the Board shall apply for authorization from the Shareholders' meeting to be responsible for the grant, unlocking and repurchase of restricted shares.

Article 11 The independent Directors and the Supervisory Committee shall issue opinions in respect of whether the Scheme is beneficial to the sustainable development of the Company or whether it will be detrimental to the interests of the Company and all Shareholders.

Article 12 The independent Directors and the Supervisory Committee, if deem it necessary, may suggest that the Company engage an independent financial advisor to express professional opinions on the feasibility of the Scheme, whether the Scheme is beneficial to the sustainable development of the Company, whether it harms the interests of the Company and the impact on the interests of Shareholders.

Article 13 The Company shall engage legal advisers to issue legal opinions on the Scheme.

Article 14 Upon completion of relevant procedures of the Scheme, the Company shall convene the Shareholders' meeting, and the A share and H share class meetings to consider and approve the Scheme and its implementation. Before convening the Shareholders' meeting, the Company shall announce the name and position of the Participants internally via Company website for not less than 10 days. The Supervisory Committee shall review the list of the Participants and take sufficient consideration of the public opinions. The Company shall disclose the explanation of the Supervisory Committee regarding the review of the list of Participants under the Scheme and the status of announcement 5 days prior to the consideration of the Scheme at the Shareholders' meeting.

Article 15 When a Shareholders' meeting of the Company is convened to vote on the Scheme, the independent Directors shall solicit proxy voting rights from all Shareholders regarding the Scheme. The Scheme as prescribed in Article 9 of the Administrative Measures on Share Incentives of Listed Companies (《上市公司股權激勵管理辦法》) (the "Administrative Measures") shall be proposed and voted at a Shareholders' meeting, and the A share and H share class meetings, and be approved by more than 2/3 of the voting rights held by the attending Shareholders. Except for the Directors, Supervisors and Senior Management of the Company, as well as the Shareholders individually or collectively holding more than 5% of the Company's shares, the voting by other Shareholders shall be separately counted and disclosed.

The Shareholders as or related to the Participants shall abstain from voting when discussing the Scheme on the Shareholders' meeting of the Company.

Article 16 After the Scheme is considered and approved at the Shareholders' meeting and the A share and H share class meetings, and the conditions for the grant are satisfied, the Company shall grant restricted shares to the Participants within the specified time. With the authorization of the Shareholders' meeting, the Board shall be responsible for granting, unlocking and repurchase of the restricted shares.

Article 17 After the Scheme is considered and approved at the Shareholders' meeting and the A share and H share class meetings, the Company shall sign a Restricted Share Grant Agreement with the Participants to agree on their respective rights and obligations.

Article 18 Before any entitlements are granted to a Participant, the Board shall review on the conditions to be fulfilled for the Participant to receive such entitlements as set out in the Incentive Scheme and then issue an announcement.

The independent Directors and the Supervisory Committee shall simultaneously issue clear opinions thereon. The legal adviser shall issue legal opinions as to whether the Participants have satisfied the conditions of the grant.

The Supervisory Committee shall verify the list of Participants and issue its opinions.

Article 19 In the event of any discrepancy between the entitlements granted to a Participant and the arrangement under the Incentive Scheme, the independent Directors, the Supervisory Committee (where there are changes the Participants) and the legal adviser shall simultaneously issue clear opinions thereon.

Article 20 After the Scheme is considered and approved at the Shareholders' meeting and the A share and H share class meetings, the Company shall complete the grant, registration and announcement in accordance with the Administrative Measures.

Article 21 Where a Participant who is a member of the Senior Management of the Company reduces his/her shareholding in the Company within 6 months prior to the grant of the Restricted Shares, the grant of the Restricted Shares shall be postponed for six months from the date of the latest of such shareholding reduction in accordance with the short-swing trading provisions under the Securities Law.

Article 22 The Company shall file an application to the Stock Exchange prior to the grant of entitlements. Upon confirmation by the Stock Exchange, the Securities Depository and Clearing agency will deal with the matters of registration and settlement.

Chapter IV Unlocking of the Restricted Shares

Article 23 The restricted shares granted by the Restricted Share Incentive Scheme shall enter into 36 months' unlocking period after the expiration of 24 months from the date of completion of registration. The remuneration committee under the Board shall verify the fulfillment of conditions for unlocking. If the unlocking conditions as stipulated in the Restricted Share Incentive Scheme are met, the remuneration committee shall determine the unlocking coefficient for each Participant according to their performance evaluation results, draw up an unlocking scheme and submit it to the Board for approval.

Article 24 The Board shall consider whether the conditions for unlocking the Restricted Shares under the Incentive Scheme have been satisfied and the independent Directors and Supervisory Committee shall issue their relevant opinions. The Company's legal adviser shall issue legal opinions as to whether the conditions for unlocking the Restricted Shares have been satisfied.

Article 25 After the approval of the Board, as to the Participant who has satisfied the conditions for unlocking the Restricted Shares, the Company shall handle the unlocking matters in a unified manner. Restricted Shares held by Participants who have not satisfied the conditions for unlocking the Restricted Shares shall be repurchased by the Company and the repurchased shares shall be disposed in accordance with the Company Law and other laws and regulations.

Article 26 The Company shall file an application to the Stock Exchange prior to unlocking the Restricted Shares held by Participants. Upon confirmation by the Stock Exchange, the Securities Depository and Clearing agency will deal with the matters of registration and settlement.

Chapter V Amendments to the Scheme

Article 27 Any proposed amendment to the Scheme prior to approval of the Scheme by Shareholders at the Shareholders' meeting of the Company shall be subject to consideration and approval of the Board.

Article 28 Unless otherwise specified by the Scheme or authorized by the Shareholders' meeting, any proposed amendment to the Scheme after approval of the Scheme by the Shareholders at a Shareholders' meeting, the A share class meeting and the H share class meeting of the Company shall be subject to consideration and approval at a Shareholders' meeting, the A share class meeting and the H share class meeting of the Company, provided that such amendment shall not:

- (I) result in unlocking of restriction in advance; or
- (II) reduce the Grant Price.

Article 29 The independent Directors and the Supervisory Committee shall give clear opinions on whether the amended Scheme is beneficial for the sustainable development of the Company or will be detrimental to the interest of the Company and all Shareholders.

Article 30 The legal adviser shall give professional opinions on whether the amended Scheme complies with the requirements of relevant laws and regulations and the Scheme or will be detrimental to the interest of the Company and all Shareholders.

Chapter VI Termination of the Scheme

Article 31 Proposed termination of the Scheme by the Company prior to approval of the Scheme by Shareholders at the Shareholders' meeting of the Company shall be subject to consideration and approval of the Board.

Article 32 Proposed termination of the Scheme by the Company after approval of the Scheme by Shareholders at the Shareholders' meeting, the A share class meeting and the H share class meeting of the Company shall be subject to consideration and approval at the Shareholders' meeting, the A share class meeting and the H share class meeting of the Company.

Article 33 The legal adviser engaged by the Company shall issue legal opinions as to whether the termination of the Scheme is in compliance with the Administrative Measures, and relevant laws and regulations, and whether it would noticeably prejudice the interests of the Company and its Shareholders as a whole.

Article 34 In case of termination of the Scheme, the Company shall repurchase all Restricted Shares that are still locked up and deal with such repurchased shares in accordance with the Company Law.

Article 35 The Company shall file an application to the Stock Exchange prior to the repurchase of the Restricted Shares. Upon confirmation by the Stock Exchange, the Securities Depository and Clearing agency will deal with the matters of registration and settlement.

Chapter VII Handling of Special Circumstances

Article 36 Unusual changes to the Company

- (I) The Scheme shall be terminated immediately in the event that any of the following events occurs to the Company. The Restricted Shares of the Participants which are granted under the Scheme but not yet unlocked shall not be unlocked and shall be repurchased and cancelled by the Company at the lower of the Grant Price and the market price of the Shares at the time of repurchasing (i.e. the average trading price of the Company's underlying Shares in the one trading day immediately preceding the date of the announcement of the Board resolution for consideration of the repurchase):
1. The Scheme shall be terminated in case of any issue of an auditors' report with adverse opinion or a disclaimer opinion by a certified public accountant with respect to the financial report of the Company for its most recent accounting year;
 2. The Scheme shall be terminated in case of any issue of an auditors' report with adverse opinion or a disclaimer opinion by a certified public accountant with respect to the internal controls over the financial reporting of the Company for its most recent accounting year;

3. The Scheme shall be terminated in case of any failure to conduct profit distribution in accordance with laws and regulations, the Articles of Association and public undertakings during the past 36 months after listing;
 4. Other circumstances where the implementation of the Scheme is prohibited by laws and regulations;
 5. Other circumstances under which the Scheme shall be terminated as determined by the CSRC.
- (II) The Scheme shall remain unchanged and the Company shall proceed to implement the Scheme as stipulated in the event that any of the following events occurs to the Company:
1. Change of control of the Company;
 2. Merger or separation of the Company.
- (III) Where false statements or misleading statements in or material omissions from the information disclosure documents of the Company result in non-compliance with conditions of grant or arrangements for unlocking the restrictions, the Restricted Shares not unlocked shall be repurchased and cancelled by the Company on a uniform basis. In respect of the Restricted Shares granted to the Participants which have been unlocked, the Participants concerned shall return to the Company all interests granted. Participants, who are not responsible for the above matters, suffering losses due to the return of entitlements may claim compensation from the Company or the responsible party according to the relevant arrangements under the Scheme. The Board shall recover all the profits gained by the Participants in accordance with the provisions of the preceding paragraph and the relevant arrangements under the Scheme.

Article 37 Handling of changes in personal particulars of the Participants

- (I) Within six months from the date of occurrence of any of the following circumstances, the Restricted Shares of the Participants which have satisfied the unlock conditions within the year can be unlocked; Restricted Shares not satisfied with the unlock conditions shall be repurchased by the Company at the Grant Price plus the interests as calculated at the benchmark interest rate for deposits of the same period published by the People's Bank of China at the time of repurchasing:
1. A Participant is transferred from the Company and ceases to take office in the Company due to organizational arrangements;

2. A Participant is deceased (his/her legal successor shall unlock the restrictions as required instead);
 3. A Participant loses the capacity for civil conducts;
 4. A Participant is dismissed by the Company due to reasons other than incompetence to the position, disqualification in performance appraisal, negligence, violation of laws, non-compliance, etc.
- (II) When a Participant becomes an independent Director, Supervisor or a person who is prohibited from holding the Company's Restricted Shares, all Restricted Shares held by such Participant that are still locked up shall be repurchased and cancelled by the Company at the Grant Price plus the interests as calculated at the benchmark interest rate for deposits of the same period published by the People's Bank of China at the time of repurchasing.
- (III) All Restricted Shares held by a Participant that are still locked up shall be repurchased and cancelled by the Company at a repurchase price equal to the lower of the Grant Price and the market price of the Company's shares if any of the following circumstance occurs:
1. such Participant proposes to terminate his/her employment contract with the Company;
 2. such Participant opts not to renew his/her employment contract with the Company when the contract expires;
 3. such Participant becomes disqualified for the Scheme due to his/her incompetence to the position, disqualification in performance appraisal, negligence, violation of laws, noncompliance, etc.;
 4. such Participant is dismissed due to a breach of his/her fiduciary duties as required under the Company Law and the Articles of Association, violation of laws and regulations, breach of professional ethics, leakage of the Company's confidential information, dereliction of duty or malpractice or any other acts that are detrimental to the interests or reputation of the Company (the Board reserves the right to recover all or part of the gains from the sale of Restricted Shares which have been unlocked based on the severity of the case).

- (IV) Where a Participant retires upon reaching retirement age stipulated by law, all Restricted Shares held by such Participant that meet unlocking conditions in the year of such retirement can be unlocked within six months from the date of such retirement, and those not satisfied with the unlocking conditions shall be repurchased by the Company at the Grant Price plus the interests as calculated at the benchmark interest rate for deposits of the same period published by the People's Bank of China when repurchasing and cancelling.
- (V) Other circumstances that are not covered shall be determined by the Board and dealt with in such manner as the Board determines.

Chapter VIII Supplemental Provisions

Article 38 The Measures shall be formulated, interpreted and amended by the Board.

Article 39 The Measures shall come into effect as of the date of approval by the Shareholders' meeting and the A share and H share class meetings.