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中国神华能源股份有限公司

CHINA SHENHUA ENERGY COMPANY LIMITED

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 01088)

PROPOSED APPOINTMENTS OF DIRECTORS AND SUPERVISORS AND SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING

The Board recently received supplemental proposals from China Energy Investment Corporation Limited, the controlling shareholder of the Company, which proposed the Board to table the resolutions of proposed appointments of directors and supervisors for consideration at the AGM. In accordance with the relevant laws and regulations and the articles of association of the Company, the Board hereby submits the above mentioned supplemental proposals to the AGM for consideration and approval as ordinary resolutions, details of which are set forth in this circular.

This circular should be read together with the circular of the Company dated 9 April 2020 (the “**First Circular**”). The AGM will be held at Conference Room, 1st Floor, Block B, Shenhua Tower, 22 Andingmen Xibinhe Road, Dongcheng District, Beijing, the People's Republic of China at 9:30 a.m. on Friday, 29 May 2020. Notice of the meeting was despatched to Shareholders on 9 April 2020. A supplemental notice notifying the AGM to be held as originally scheduled and containing additional proposed resolutions is set out on pages 16 to 18 of this circular. A second proxy form (the “**Second Proxy Form**”) containing the originally proposed resolutions and additional proposed resolutions of appointments of directors and supervisors is also enclosed herewith.

Shareholders who intend to appoint a proxy to attend the meetings are requested to complete the Second Proxy Form in accordance with the instructions printed thereon. The proxy form shall be lodged with the registrar of H Shares of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 24 hours before the time appointed for the holding of the relevant meeting (i.e. 9:30 a.m. on 28 May 2020) or any adjournment thereof (as the case may be). Completion and return of the proxy form will not prevent you from attending and voting in person at the meeting(s) or any adjournment thereof should you so wish.

5 May 2020

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DEFINITIONS

The following expressions have the following meanings unless the context requires otherwise:

“AGM”	the 2019 annual general meeting of the Company to be convened and held by the Company;
“Board”	the board of Directors of the Company;
“Company”	China Shenhua Energy Company Limited (中國神華能源股份有限公司), a joint stock limited company incorporated in the PRC, the H shares of which are listed on the Hong Kong Stock Exchange and the A shares of which are listed on the Shanghai Stock Exchange;
“Company Law”	the Company Law of the PRC;
“Director(s)”	the director(s) of the Company;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Hong Kong Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“PRC”	the People’s Republic of China;
“Securities and Futures Ordinance”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time;
“Shareholder(s)”	the shareholder(s) of the Company;
“Supervisory Committee”	the supervisory committee of the Company.

LETTER FROM THE BOARD



中国神华能源股份有限公司

CHINA SHENHUA ENERGY COMPANY LIMITED

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 01088)

Executive Directors:

Wang Xiangxi

Gao Song

Mi Shuhua

Registered Office:

22 Andingmen Xibinhe Road

Dongcheng District

Beijing, PRC

Non-executive Director:

Zhao Jibin

Independent Non-executive Directors:

Tam Wai Chu, Maria

Peng Suping

Jiang Bo

Zhong Yingjie, Christina

5 May 2020

To the Shareholders

Dear Sir or Madam,

PROPOSED APPOINTMENTS OF DIRECTORS AND SUPERVISORS AND SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING

INTRODUCTION

Reference is made to the announcement made by the Company on 24 April 2020 on the proposed appointments of directors and supervisors. The purpose of this circular is to provide you with further details of the proposed appointments of directors and supervisors.

LETTER FROM THE BOARD

PROPOSED APPOINTMENTS OF DIRECTORS AND SUPERVISORS

According to the articles of association of the Company, the Company Law and applicable laws and regulations, the Board proposes the appointments of Mr. Wang Xiangxi, Mr. Yang Jiping and Mr. Xu Mingjun as executive directors of the fifth session of the Board of the Company, Mr. Jia Jinzhong and Mr. Zhao Yongfeng as non-executive directors of the fifth session of the Board of the Company, and Dr. Yuen Kwok Keung, Dr. Bai Chong-En and Dr. Chen Hanwen as independent non-executive directors of the fifth session of the Board of the Company. Mr. Gao Song and Mr. Mi Shuhua, current executive directors, Mr. Zhao Jibin, a current non-executive director, and Dr. Tam Wai Chu, Maria, Dr. Peng Suping, Dr. Jiang Bo and Ms. Zhong Yingjie, Christina, current independent non-executive directors, will cease to serve as directors of the fifth session of the Board of the Company.

According to the articles of association of the Company, the Company Law and applicable laws and regulations, the Supervisory Committee proposes the appointments of Mr. Luo Meijian and Mr. Zhou Dayu as shareholder representative supervisors of the fifth session of the Supervisory Committee of the Company. Mr. Zhai Richeng, a current shareholder representative supervisor, will cease to serve as shareholder representative supervisor of the fifth session of the Supervisory Committee of the Company.

The proposed appointments of directors and supervisors are subject to the approval of the shareholders of the Company by way of ordinary resolutions at the AGM.

BACKGROUND OF THE CANDIDATES FOR DIRECTORS

Mr. Wang Xiangxi

Wang Xiangxi, male, born in 1962, aged 57, Chinese, a member of the Communist Party and a senior engineer. Mr. Wang received a master's degree of Engineering in Mining Engineering from Department of Resources and Materials Engineering of Jiaozuo Institute of Technology in 2003. Mr. Wang has extensive experience in economic management, laws and regulations as well as management in coal industry.

Since June 2019, Mr. Wang has been serving as the chairman and executive director of the fourth session of the Board of the Company. Since March 2019, Mr. Wang has been serving as the secretary of the Leading Party Members' Group and chairman of China Energy Investment Corporation Limited. From July 2017 to March 2019, he served as a member of the standing committee of the Party Committee, secretary of the provincial committee of political and legal affairs of Hubei Province. From June 2017 to July 2017, he served as a member of the standing committee of the Party Committee, secretary general and member of the Leading Party Members' Group of the provincial government, secretary and director of the Leading Party Members' Group of the provincial government office of Hubei Province. From July 2012 to June 2017, he served as secretary general and member of the Leading Party Members' Group of the provincial government, secretary and director of the Leading Party Members' Group of the provincial government office of Hubei Province. From May 2010 to July 2012, he successively served as secretary of Municipal Party Committee, chairman of Standing Committee of Municipal People's Congress and secretary of the Leading Party Members' Group of Suizhou, Hubei Province.

LETTER FROM THE BOARD

Prior to the foregoing, Mr. Wang had also served in various positions, including the deputy secretary of Municipal Party Committee and mayor of Jingzhou, Hubei Province, director and secretary of the Leading Party Members' Group of Hubei Quality and Technical Supervision Bureau, deputy director and member of the Leading Party Members' Group of Hubei Provincial Economic and Trade Commission, director and secretary of the Leading Party Members' Group of the Coal Industry Management Office of Hubei Province, deputy director and member of the Leading Party Members' Group of Hubei Coal Industry Department.

Save as disclosed above, Mr. Wang has not held any directorship in any listed companies in the past three years.

Save as disclosed above, Mr. Wang has no relationship with any directors, members of the senior management or substantial or controlling shareholders of the Company. As at the date of this circular, Mr. Wang does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Upon approval of Mr. Wang's appointment by the shareholders of the Company, Mr. Wang will enter into a service contract with the Company for a term of three years till the expiry of the tenure of the fifth session of the Board of the Company commencing from the date of appointment. Pursuant to the articles of association of the Company, Mr. Wang will be elected and appointed at a general meeting of the Company and may be re-elected at a general meeting of the Company.

Mr. Wang's annual remuneration package will not be fixed in the service contract and will be determined by shareholders at a general meeting of the Company pursuant to the articles of association of the Company and with reference to recommendations of the Remuneration Committee of the Board in accordance with its terms of reference, taking into account, among other matters, his duties and responsibilities.

Save for disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51(2) of the Hong Kong Listing Rules, and the Company is not aware of any other matters that need to be brought to attention of shareholders of the Company.

LETTER FROM THE BOARD

Mr. Yang Jiping

Yang Jiping, male, born in 1970, aged 49, Chinese, a member of the Communist Party and a professor-level senior engineer. Mr. Yang graduated from the Department of Mining Engineering of China University of Mining and Technology, majoring in mining engineering in 1992. Mr. Yang has extensive experience in management of coal enterprises.

Since August 2019, Mr. Yang has been serving as the chief executive officer of the Company. From August 2019 to March 2020, Mr. Yang served as director of operating management centre of coal industry of China Energy Investment Corporation Limited. From December 2019 to March 2020, Mr. Yang served as director of operating management centre of transportation industry of China Energy Investment Corporation Limited. From October 2018 to August 2019, Mr. Yang served as secretary of the Party Committee and chairman (legal representative) of Shenhua Wuhai Energy Company Limited. From August 2011 to October 2018, he successively served as deputy general manager, director, deputy secretary of the Party Committee, general manager and chairman of Shenhua Wuhai Energy Company Limited. From November 2009 to August 2011, he served as deputy general manager and chief engineer of Shenhua Ningxia Coal Industry Co., Ltd..

Prior to that, Mr. Yang successively served as deputy head of first mine of former Bureau of Mine in Ningxia Shizuishan, first deputy head of pre-opening office of Zaoquan Mine of Shenhua Ningxia Coal Industry Co., Ltd., secretary and head of Party branch of pre-opening office of Meihuajin Coal Mine, as well as deputy secretary to the Party committee and manager of Shizuishan Jinneng Coal Industry Co., Ltd..

Save as disclosed above, Mr. Yang has not held any directorship in any listed companies in the past three years.

Save as disclosed above, Mr. Yang has no relationship with any directors, members of the senior management or substantial or controlling shareholders of the Company. As at the date of this circular, Mr. Yang does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Upon approval of Mr. Yang's appointment by the shareholders of the Company, Mr. Yang will enter into a service contract with the Company for a term of three years till the expiry of the tenure of the fifth session of the Board of the Company commencing from the date of appointment. Pursuant to the articles of association of the Company, Mr. Yang will be elected and appointed at a general meeting of the Company and may be re-elected at a general meeting of the Company.

LETTER FROM THE BOARD

Mr. Yang's annual remuneration package will not be fixed in the service contract and will be determined by shareholders at a general meeting of the Company pursuant to the articles of association of the Company and with reference to recommendations of the Remuneration Committee of the Board in accordance with its terms of reference, taking into account, among other matters, his duties and responsibilities.

Save for disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51(2) of the Hong Kong Listing Rules, and the Company is not aware of any other matters that need to be brought to attention of shareholders of the Company.

Mr. Xu Mingjun

Xu Mingjun, male, born in 1963, aged 56, Chinese, a member of the Communist Party, a graduate of postgraduate program and a senior political engineer. Mr. Xu has extensive experience in management of enterprises.

Since September 2018, Mr. Xu has been serving as the secretary of the Party Committee of the Company. Since November 2018, Mr. Xu has been serving as the executive vice president of the Company. He successively served as a teacher and a counsellor of Beijing Coal Industry School, an officer of Youth League Committee of Beijing Coal Management Leadership Academy, an officer, a deputy secretary and a secretary of Youth League Committee directly under the Ministry of Coal, the director of people work division of the Departmental Party Committee of the State Bureau of Coal Industry, the deputy director of labour union working division, deputy director of general division of people work department and a director-level investigator and researcher under the Central Enterprise Working Committee, the director of news division and assistant inspector of the bureau of publicity under the State-owned Assets Supervision and Administration Commission of the State Council, a deputy secretary of prefectural committee in Tacheng, Xinjiang, a deputy inspector of the bureau of publicity under the State-owned Assets Supervision and Administration Commission of the State Council, the chief of political work office, a member and a deputy secretary of the Party Committee directly under China Guodian Corporation and the head of general office of China Guodian Corporation, the assistant to the general manager and the head of general office of China Guodian Corporation, the secretary to the board of directors, the assistant to the general manager and the head of general office of China Guodian Corporation, the secretary of the Leading Party Members' Group and a deputy general manager of GD Power Development Co., Ltd., the assistant to the general manager of China Energy Investment Corporation Limited and the secretary of the Party Committee and a deputy general manager of GD Power Development Co., Ltd..

Save as disclosed above, Mr. Xu has not held any directorship in any listed companies in the past three years.

LETTER FROM THE BOARD

Save as disclosed above, Mr. Xu has no relationship with any directors, members of the senior management or substantial or controlling shareholders of the Company. As at the date of this circular, Mr. Xu does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Upon approval of Mr. Xu's appointment by the shareholders of the Company, Mr. Xu will enter into a service contract with the Company for a term of three years till the expiry of the tenure of the fifth session of the Board of the Company commencing from the date of appointment. Pursuant to the articles of association of the Company, Mr. Xu will be elected and appointed at a general meeting of the Company and may be re-elected at a general meeting of the Company.

Mr. Xu's annual remuneration package will not be fixed in the service contract and will be determined by shareholders at a general meeting of the Company pursuant to the articles of association of the Company and with reference to recommendations of the Remuneration Committee of the Board in accordance with its terms of reference, taking into account, among other matters, his duties and responsibilities.

Save for disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51(2) of the Hong Kong Listing Rules, and the Company is not aware of any other matters that need to be brought to attention of shareholders of the Company.

Mr. Jia Jinzhong

Jia Jinzhong, born in 1963, aged 56, Chinese, a professor-level senior engineer, a member of the Communist Party and received a master's degree of engineering. Mr. Jia has been engaged in railway transportation production management.

Mr. Jia currently serves as the chief economist of China Energy Investment Corporation Limited. From March 2017 to September 2019, Mr. Jia served as vice president of the Company. From June 2005 to March 2017, Mr. Jia served as the deputy general manager, standing deputy general manager, secretary of the Party Committee, chairman of the board of Shuohuang Railway Development Co., Ltd..

Prior to the foregoing, Mr. Jia successively served as deputy section head of Yuanping Train Depot of Taiyuan Railway Branch, deputy director of Taiyuan West Railway Station of Taiyuan Railway Branch, manager of Yuanping Branch of Shuohuang Railway Development Co., Ltd., secretary of the Party Committee and manager of Suning Branch of Shuohuang Railway Development Co., Ltd..

Save as disclosed above, Mr. Jia has not held any directorship in any listed companies in the past three years.

LETTER FROM THE BOARD

Save as disclosed above, Mr. Jia has no relationship with any directors, members of the senior management or substantial or controlling shareholders of the Company. As at the date of this circular, Mr. Jia does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Upon approval of Mr. Jia's appointment by the shareholders of the Company, Mr. Jia will enter into a service contract with the Company for a term of three years till the expiry of the tenure of the fifth session of the Board of the Company commencing from the date of appointment. Pursuant to the articles of association of the Company, Mr. Jia will be elected and appointed at a general meeting of the Company and may be re-elected at a general meeting of the Company.

Mr. Jia's annual remuneration package will not be fixed in the service contract and will be determined by shareholders at a general meeting of the Company pursuant to the articles of association of the Company and with reference to recommendations of the Remuneration Committee of the Board in accordance with its terms of reference, taking into account, among other matters, his duties and responsibilities.

Save for disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51(2) of the Hong Kong Listing Rules, and the Company is not aware of any other matters that need to be brought to attention of shareholders of the Company.

Mr. Zhao Yongfeng

Zhao Yongfeng, male, born in 1964, aged 55, Chinese, a professor-level senior engineer and a member of the Communist Party. He is an expert of "special government allowances" of the State Council. Mr. Zhao has long been engaged in coal production and management. He graduated from Shanxi Mining Institute, majoring in mine construction in 1988.

Since March 2020, Mr. Zhao has been serving as director of coal and transportation industry management department of China Energy Investment Corporation Limited. From August 2019 to March 2020, Mr. Zhao served as executive vice president of the Company. From May 2018 to August 2019, Mr. Zhao served as director and deputy secretary of operating management centre of coal industry of China Energy Investment Corporation Limited. From September 2013 to May 2018, he successively served as standing deputy head (departmental director) of administration of work safety and general manager of coal production department of Shenhua Group Corporation Limited and the Company. From May 2009 to September 2013, he successively served as member of Party Committee, deputy general manager, chief engineer and general manager of Shenhua Shendong Coal Group Co., Ltd.. From January 2005 to May 2009, he successively served as deputy chief engineer, head of general dispatch room, deputy general manager and chief engineer of Shendong Coal Branch of the Company.

LETTER FROM THE BOARD

Prior to that, Mr. Zhao successively served as chief engineer of Shangwan Coal Mine, deputy manager, manager of production and technology department of Shenhua Shenfu Dongsheng Coal Industry Co., Ltd., secretary of the Party Committee and head of Bulianta Mine, and deputy chief engineer of Shenhua Shenfu Dongsheng Coal Industry Co., Ltd..

Save as disclosed above, Mr. Zhao has not held any directorship in any listed companies in the past three years.

Save as disclosed above, Mr. Zhao has no relationship with any directors, members of the senior management or substantial or controlling shareholders of the Company. As at the date of this circular, Mr. Zhao does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Upon approval of Mr. Zhao's appointment by the shareholders of the Company, Mr. Zhao will enter into a service contract with the Company for a term of three years till the expiry of the tenure of the fifth session of the Board of the Company commencing from the date of appointment. Pursuant to the articles of association of the Company, Mr. Zhao will be elected and appointed at a general meeting of the Company and may be re-elected at a general meeting of the Company.

Mr. Zhao's annual remuneration package will not be fixed in the service contract and will be determined by shareholders at a general meeting of the Company pursuant to the articles of association of the Company and with reference to recommendations of the Remuneration Committee of the Board in accordance with its terms of reference, taking into account, among other matters, his duties and responsibilities.

Save for disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51(2) of the Hong Kong Listing Rules, and the Company is not aware of any other matters that need to be brought to attention of shareholders of the Company.

Dr. Yuen Kwok Keung

Yuen Kwok Keung, male, born in 1964, aged 55, Chinese, Senior Counsel, Hong Kong Grand Bauhinia Medal, and Justice of the Peace. Dr. Yuen received a master of laws degree from City University of Hong Kong in 1997 and an honorary doctor of laws degree from Hong Kong Shue Yan University in 2018. Dr. Yuen has extensive legal experience.

Dr. Yuen is a senior barrister with Temple Chambers. Dr. Yuen is also a committee member of the International Commercial Expert Committee of the International Commercial Court of the Supreme People's Court of the People's Republic of China, a council member of the Hong Kong International Arbitration Centre and a member of the Exchange Fund Advisory Committee.

LETTER FROM THE BOARD

Dr. Yuen served as Secretary for Justice of the HKSAR (2012–2018), Recorder of the High Court (2006–2012), a member of the Judicial Officers Recommendation Commission (2009–2018), chairman of the Hong Kong Bar Association (2007–2009), a non-official member of the Advisory Committee on Corruption of the Independent Commission Against Corruption (2009–2012), and a non-executive director of Mandatory Provident Fund Schemes Authority (2010–2012).

Save as disclosed above, Dr. Yuen has not held any directorship in any listed companies in the past three years.

Save as disclosed above, Dr. Yuen has no relationship with any directors, members of the senior management or substantial or controlling shareholders of the Company. As at the date of this circular, Dr. Yuen does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Upon approval of Dr. Yuen's appointment by the shareholders of the Company, Dr. Yuen will enter into a service contract with the Company for a term of three years till the expiry of the tenure of the fifth session of the Board of the Company commencing from the date of appointment. Pursuant to the articles of association of the Company, Dr. Yuen will be elected and appointed at a general meeting of the Company and may be re-elected at a general meeting of the Company.

Dr. Yuen's annual remuneration package will not be fixed in the service contract and will be determined by shareholders at a general meeting of the Company pursuant to the articles of association of the Company and with reference to recommendations of the Remuneration Committee of the Board in accordance with its terms of reference, taking into account, among other matters, his duties and responsibilities.

Save for disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51(2) of the Hong Kong Listing Rules, and the Company is not aware of any other matters that need to be brought to attention of shareholders of the Company.

Dr. Bai Chong-En

Bai Chong-En, male, born in 1963, aged 56, Chinese. Dr. Bai received a Ph.D. in Mathematics from the University of California, San Diego in 1988, and a Ph.D. in Economics from Harvard University in 1993. Dr. Bai has extensive experience in economic management, finance and corporate governance.

Dr. Bai has been dean of the School of Economics and Management of Tsinghua University since 2018 and Mansfield Freeman chair professor since 2004. Dr. Bai currently also serves as the vice president of the tenth session of Society of Public Finance of China and a member of the Academic Committee of the Council, vice president of China Association of Labour Economics, and member of the Executive Committee of the International Economic Association.

LETTER FROM THE BOARD

Dr. Bai has served as department chair of department of economics, associate dean and executive associate dean of School of Economics and Management of Tsinghua University, and associate professor at the School of Economics and Finance of the University of Hong Kong. He also served as an independent director of China CITIC Bank Corporation Limited.

Save as disclosed above, Dr. Bai has not held any directorship in any listed companies in the past three years.

Save as disclosed above, Dr. Bai has no relationship with any directors, members of the senior management or substantial or controlling shareholders of the Company. As at the date of this circular, Dr. Bai does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Upon approval of Dr. Bai's appointment by the shareholders of the Company, Dr. Bai will enter into a service contract with the Company for a term of three years till the expiry of the tenure of the fifth session of the Board of the Company commencing from the date of appointment. Pursuant to the articles of association of the Company, Dr. Bai will be elected and appointed at a general meeting of the Company and may be re-elected at a general meeting of the Company.

Dr. Bai's annual remuneration package will not be fixed in the service contract and will be determined by shareholders at a general meeting of the Company pursuant to the articles of association of the Company and with reference to recommendations of the Remuneration Committee of the Board in accordance with its terms of reference, taking into account, among other matters, his duties and responsibilities.

Save for disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51(2) of the Hong Kong Listing Rules, and the Company is not aware of any other matters that need to be brought to attention of shareholders of the Company.

Dr. Chen Hanwen

Chen Hanwen, male, born in 1968, aged 52, Chinese and a member of the Communist Party. Dr. Chen graduated from Accounting Department of School of Economics of Xiamen University in 1997 with a doctorate degree in economics. Dr. Chen has extensive experience in auditing, internal control, accounting theory and methods.

Dr. Chen is a distinguished professor of Huiyuan, University of International Business and Economics, a first-level professor at the International Business School, a professor and a doctoral tutor of the Accounting Department of the International Business School, and a national second-level professor. Dr. Chen also serves as chair professor at China Business Executives Academy, Dalian and executive director of the China Auditing Society.

LETTER FROM THE BOARD

Dr. Chen serves as an external supervisor of Bank of Communications Co., Ltd., an independent director of Yango Group Co., Ltd. and an independent director of Beijing Tri-Prime Gene Pharmaceutical Co., Ltd..

Prior to the foregoing, Dr. Chen had served as the deputy dean of the Graduate School, the deputy dean of the School of Management, the director, professor, and doctoral tutor of the Accounting Department of Xiamen University.

Save as disclosed above, Dr. Chen has not held any directorship in any listed companies in the past three years.

Save as disclosed above, Dr. Chen has no relationship with any directors, members of the senior management or substantial or controlling shareholders of the Company. As at the date of this circular, Dr. Chen does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Upon approval of Dr. Chen's appointment by the shareholders of the Company, Dr. Chen will enter into a service contract with the Company for a term of three years till the expiry of the tenure of the fifth session of the Board of the Company commencing from the date of appointment. Pursuant to the articles of association of the Company, Dr. Chen will be elected and appointed at a general meeting of the Company and may be re-elected at a general meeting of the Company.

Dr. Chen's annual remuneration package will not be fixed in the service contract and will be determined by shareholders at a general meeting of the Company pursuant to the articles of association of the Company and with reference to recommendations of the Remuneration Committee of the Board in accordance with its terms of reference, taking into account, among other matters, his duties and responsibilities.

Save for disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51(2) of the Hong Kong Listing Rules, and the Company is not aware of any other matters that need to be brought to attention of shareholders of the Company.

BACKGROUND OF THE CANDIDATES FOR SUPERVISORS

Mr. Luo Meijian

Luo Meijian, male, born in 1964, aged 55, Chinese, Ph.D in Management, senior economist and a member of the Communist Party. Since June 2018, he has been serving as director of the Organization and Personnel Department (Human Resources Department) of China Energy Investment Corporation Limited.

LETTER FROM THE BOARD

Mr. Luo served as the general manager of Human Resources Department at former Shenhua Group Corporation Limited and the Company from March 2017 to June 2018. From March 2015 to March 2017, he served as the secretary of the Party Committee and standing deputy president of former Shenhua Management College, the standing deputy president of former Shenhua Group Corporation Communist Party School and the deputy general manager of Human Resources Department of former Shenhua Group Corporation Limited and the Company. From May 2013 to March 2015, he served as director of human resources department, deputy president of the Party School and deputy secretary of the Party Committee of China Commercial Aircraft Corporation Limited. From April 2012 to May 2013, he served as secretary of the Party Committee and disciplinary committee secretary of Shenhua Science and Technology Development Co., Ltd.. From May 2010 to April 2012, he served as deputy general manager of Human Resources Department of former Shenhua Group Corporation Limited and the Company. From April 2008 to May 2010, he served as the deputy president and member of the Party Committee of China Shenhua Coal Liquefaction and Chemical Company Limited.

Prior to the foregoing, Mr. Luo had served as deputy director, director of Education Bureau of the Organisation Department of the Central Committee of the Communist Party, and director of the Personnel Management Bureau.

Save as disclosed above, Mr. Luo has not held any directorship in any listed companies in the past three years.

Save as disclosed above, Mr. Luo has no relationship with any directors, members of the senior management or substantial or controlling shareholders of the Company. As at the date of this circular, Mr. Luo does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Upon approval of Mr. Luo's appointment by the shareholders of the Company, Mr. Luo will enter into a service contract with the Company for a term of three years till the expiry of the tenure of the fifth session of the Supervisory Committee of the Company commencing from the date of appointment. Pursuant to the articles of association of the Company, Mr. Luo will be elected and appointed at a general meeting of the Company and may be re-elected at a general meeting of the Company.

Mr. Luo's annual remuneration package will not be fixed in the service contract and will be determined by shareholders at a general meeting of the Company pursuant to the articles of association of the Company and with reference to recommendations of the Remuneration Committee of the Board in accordance with its terms of reference, taking into account, among other matters, his duties and responsibilities.

Save for disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51(2) of the Hong Kong Listing Rules, and the Company is not aware of any other matters that need to be brought to the attention of shareholders.

LETTER FROM THE BOARD

Mr. Zhou Dayu

Zhou Dayu, male, born in 1965, aged 51, Chinese, Master of Science in economics, a researcher and a member of the Communist Party. Since March 2020, he has been the director of the materials and procurement supervision department of China Energy Investment Corporation Limited.

Mr. Zhou has served as a supervisor of the Company since June 2016. From May 2018 to March 2020, he served as director of industry coordination department of China Energy Investment Corporation Limited. From March 2016 to May 2018, he served as the general manager of the Capital Operation Department of former Shenhua Group Corporation Limited and the Company. Mr. Zhou had been the general manager of the Business Administration Department of former Shenhua Group Corporation Limited and the Company from November 2009 to March 2016.

Prior to the foregoing, Mr. Zhou had successively held the post of the deputy general manager and the general manager of the Planning Department and a deputy director of the Policy and Law Research Office of former Shenhua Group Corporation Limited.

Save as disclosed above, Mr. Zhou has not held any directorship in any listed companies in the past three years.

Save as disclosed above, Mr. Zhou has no relationship with any directors, members of the senior management or substantial or controlling shareholders of the Company. As at the date of this circular, Mr. Zhou does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Upon approval of Mr. Zhou's appointment by the shareholders of the Company, Mr. Zhou will enter into a service contract with the Company for a term of three years till the expiry of the tenure of the fifth session of the Supervisory Committee of the Company commencing from the date of appointment. Pursuant to the articles of association of the Company, Mr. Zhou will be elected and appointed at a general meeting of the Company and may be re-elected at a general meeting of the Company.

Mr. Zhou's annual remuneration package will not be fixed in the service contract and will be determined by shareholders at a general meeting of the Company pursuant to the articles of association of the Company and with reference to recommendations of the Remuneration Committee of the Board in accordance with its terms of reference, taking into account, among other matters, his duties and responsibilities.

Save for disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51(2) of the Hong Kong Listing Rules, and the Company is not aware of any other matters that need to be brought to the attention of shareholders.

LETTER FROM THE BOARD

THE AGM

An AGM will be convened and held at Conference Room, 1st Floor, Block B, Shenhua Tower, 22 Andingmen Xibinhe Road, Dongcheng District, Beijing, the People's Republic of China at 9:30 a.m. on Friday, 29 May 2020 for the purpose of, inter alia, considering and approving:

1. By the Shareholders, and by way of ordinary resolution(s) (by cumulative voting method), the election of executive directors and non-executive directors of the fifth session of the Board of the Company for a term of three years (from 29 May 2020 to 28 May 2023):
 - (i) to elect Mr. Wang Xiangxi as an executive director of the Company;
 - (ii) to elect Mr. Yang Jiping as an executive director of the Company;
 - (iii) to elect Mr. Xu Mingjun as an executive director of the Company;
 - (iv) to elect Mr. Jia Jinzhong as a non-executive director of the Company;
 - (v) to elect Mr. Zhao Yongfeng as a non-executive director of the Company;
2. By the Shareholders, and by way of ordinary resolution(s) (by cumulative voting method), the election of independent non-executive directors of the fifth session of the Board of the Company for a term of three years (from 29 May 2020 to 28 May 2023):
 - (i) to elect Dr. Yuen Kwok Keung as an independent non-executive director of the Company;
 - (ii) to elect Dr. Bai Chong-En as an independent non-executive director of the Company;
 - (iii) to elect Dr. Chen Hanwen as an independent non-executive director of the Company;
3. By the Shareholders, and by way of ordinary resolution(s) (by cumulative voting method), the election of supervisors of the fifth session of the Supervisory Committee of the Company for a term of three years (from 29 May 2020 to 28 May 2023):
 - (i) to elect Mr. Luo Meijian as a shareholder representative supervisor of the Company;
 - (ii) to elect Mr. Zhou Dayu as a shareholder representative supervisor of the Company.

Votes for all resolution(s) at the AGM shall be taken by way of poll.

LETTER FROM THE BOARD

There is no connected person of the Company, Shareholder and their respective associates with a material interest in the above matters to be proposed, considered and approved at the AGM required to be abstain from voting at the AGM.

Notice of the AGM was sent to Shareholders on 9 April 2020. A supplemental notice notifying the AGM to be held as originally scheduled and containing additional proposed resolutions is set out on pages 16 to 18 of this circular. The Second Proxy Form containing the originally proposed resolutions and additional proposed resolutions of appointments of directors and supervisors is also enclosed herewith.

Shareholders who intend to appoint a proxy to attend the meetings are requested to complete the Second Proxy Form in accordance with the instructions printed thereon. The proxy form shall be lodged with the registrar of H Shares of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 24 hours before the time appointed for the holding of the relevant meeting (i.e. 9:30 a.m. on 28 May 2020) or any adjournment thereof (as the case may be). Completion and return of the proxy form will not prevent you from attending and voting in person at the meeting(s) or any adjournment thereof should you so wish.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Hong Kong Listing Rules for the purpose of giving information with regard to the issuer. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this document is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this document misleading.

RECOMMENDATION

The Directors consider that the proposed appointments of directors and supervisors are in the best interests of the Company and its Shareholders as a whole. The Board therefore recommends that the Shareholders vote in favour of all resolution(s) to be proposed at the AGM on the appointments of directors and supervisors.

Yours faithfully,
By order of the Board
Huang Qing
Secretary to the Board of Directors

SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING



中国神华能源股份有限公司

CHINA SHENHUA ENERGY COMPANY LIMITED

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 01088)

SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING

Reference is made to the notice of annual general meeting for 2019 of China Shenhua Energy Company Limited (the “**Company**”) dated 9 April 2020.

SUPPLEMENTAL NOTICE IS HEREBY GIVEN that the annual general meeting for 2019 of the Company (“**Annual General Meeting**”) will be held at Conference Room, 1st Floor, Block B, Shenhua Tower, 22 Andingmen Xibinhe Road, Dongcheng District, Beijing, the People's Republic of China at 9:30 a.m. on Friday, 29 May 2020 as scheduled. In addition to the resolutions set out in the notice of Annual General Meeting dated 9 April 2020, the Annual General Meeting will also consider and, at its discretion, adopt the following supplemental proposals submitted by China Energy Investment Corporation Limited (a controlling shareholder of the Company):

AS ORDINARY RESOLUTIONS (By cumulative voting method):

15. To consider and, if thought fit, to approve the election of executive directors and non-executive directors of the fifth session of the board of directors of the Company for a term of three years (from 29 May 2020 to 28 May 2023):
 - 15.01 To elect Mr. Wang Xiangxi as an executive director of the Company;
 - 15.02 To elect Mr. Yang Jiping as an executive director of the Company;
 - 15.03 To elect Mr. Xu Mingjun as an executive director of the Company;
 - 15.04 To elect Mr. Jia Jinzhong as a non-executive director of the Company;
 - 15.05 To elect Mr. Zhao Yongfeng as a non-executive director of the Company;

SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING

16. To consider and, if thought fit, to approve the election of independent non-executive directors of the fifth session of the board of directors of the Company for a term of three years (from 29 May 2020 to 28 May 2023):

16.01 To elect Dr. Yuen Kwok Keung as an independent non-executive director of the Company;

16.02 To elect Dr. Bai Chong-En as an independent non-executive director of the Company;

16.03 To elect Dr. Chen Hanwen as an independent non-executive director of the Company;

17. To consider and, if thought fit, to approve the election of supervisors of the fifth session of the supervisory committee of the Company for a term of three years (from 29 May 2020 to 28 May 2023):

17.01 To elect Mr. Luo Meijian as a shareholder representative supervisor of the Company;

17.02 To elect Mr. Zhou Dayu as a shareholder representative supervisor of the Company.

By order of the Board
China Shenhua Energy Company Limited
Huang Qing
Secretary to the Board of Directors

Beijing, 5 May 2020

Notes:

1. Cumulative voting method

When adopting the cumulative voting method for electing directors/supervisors as proposed in resolutions 15, 16 and 17, each of the shares held by a shareholder shall carry the same number of votes corresponding to the number of directors/supervisors to be elected. A shareholder may exercise his voting rights by splitting his votes evenly for each of the candidates of directors/supervisors corresponding to the number of shares he holds; or by casting all his votes carried by each of his shares corresponding to the number of directors/supervisors to be elected for a particular candidate of directors/supervisors; or by casting a portion of his votes carried by each of his shares corresponding to the number of directors/supervisors to be elected for a certain number of candidates of directors/supervisors.

For example: under the cumulative voting method, the maximum valid votes that a shareholder is entitled to cast are calculated on the basis of the total number of shares held by such shareholder times the number of independent non-executive directors to be elected (3 persons). If such shareholder holds 100 shares, then the maximum valid votes he can cast = 100 (the number of shares held by him) x 3 = 300. The shareholder could use his discretion to cast 300 votes evenly among 3 candidates, or to place all his votes on one particular candidate, or to split his votes to several candidates.

SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING

Where the total number of votes cast by a shareholder for one or several of the candidate(s) of directors/supervisors is in excess of the number of votes carried by the total number of shares held by him, the votes cast by the shareholder shall be invalid, and the shareholder shall be deemed to have waived his voting rights. Where the total number of votes cast for one or several candidate(s) of directors/supervisors by a shareholder is less than the number of votes carried by the total number of shares held by such shareholder, the votes cast by the shareholder shall be valid, and the voting rights attached to the shortfall between the votes actually cast and the votes which the shareholder is entitled to cast shall be deemed to have been waived by the shareholder.

The resolution is passed when the votes obtained exceed half of the number of shares (on the basis of non-cumulative number of shares) held by the shareholders (including their proxies) attending this general meeting.

2. Other than the above mentioned supplemental proposal, there are no changes to other matters in connection with the Annual General Meeting. For details of the other resolutions to be considered at the Annual General Meeting and other related matters, please refer to the notice of the Annual General Meeting of the Company dated 9 April 2020.
3. Shareholder who intend to appoint a proxy to attend the Annual General Meeting, shall complete and return the enclosed second proxy form, containing the originally proposed resolutions and additional proposed resolutions, to the registrar of H shares of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 24 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof (as the case may be). Completion and return of the proxy form will not prevent you from attending and voting in person at the meeting(s) or any adjournment thereof should you so wish.
4. Please refer to the notice of the Annual General Meeting of the Company dated 9 April 2020 for details in respect of other resolutions to be passed at the Annual General Meeting, eligibility for attending the Annual General Meeting, registration procedures, closure of register of members, procedures for demanding a poll to vote on resolutions and other relevant matters.

As at the date of this notice, the Board comprises the following: Mr. Wang Xiangxi, Mr. Gao Song and Mr. Mi Shuhua as executive directors, Mr. Zhao Jibin as non-executive director, and Dr. Tam Wai Chu, Maria, Dr. Peng Suping, Dr. Jiang Bo and Ms. Zhong Yingjie, Christina as independent non-executive directors.