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Sinopec Shanghai Petrochemical Company Limited

中國石化上海石油化工股份有限公司

(A joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 00338)

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND ITS APPENDIX

The board of directors (the “Board”) of Sinopec Shanghai Petrochemical Company Limited (the “Company”) announces that in light of the production and operation needs of the Company and the advices of the Company shareholders, the Board proposed to make the following amendments to the articles of association (the “Articles of Association”) of the Company and its appendix. The amendments are set forth as follows:

1. Proposed Amendments to Articles of Association

Current Article in Articles of Association	Proposed Amendment to the Article
<p>Article 13 The Company’s scope of business include: crude oil processing, oil products, petrochemical products, synthetic fibres and monomers, plastic and plastic products, raw materials and products for knitting, catalyst preparation and spent solvent reclamation, supply of electricity, heat energy, water and gas, water processing, loading and unloading on railways, river transport, terminals, storage, design, research and development, “Four Technologies” services, property management, leasing of self-owned property, training of employee in the system, design, production of different types of advertisement, to conduct advertising by making use of the Company’s own media platform (in case of franchise operation, to operate the same by virtue of the relevant licence), quality technology services.</p>	<p>Article 13 The Company’s scope of business include: crude oil processing, oil products, petrochemical products, synthetic fibres and monomers, plastic and plastic products, raw materials and products for knitting, import and export of goods or technology, catalyst preparation and spent solvent reclamation, supply of electricity, heat energy, water and gas, water processing, loading and unloading on railways, river transport, terminals, storage, design, research and development, “Four Technologies” services, property management, leasing of self-owned property, training of employee in the system, design, production of different types of advertisement, to conduct advertising by making use of the Company’s own media platform (in case of franchise operation, to operate the same by virtue of the relevant licence), quality technology services.</p>
<p>Article 82 Directors other than independent directors and shareholders complying with the relevant legal requirements may solicit voting rights at shareholders’ meetings from shareholders. Such soliciting must be without compensation, and information must be fully disclosed to the person being solicited.</p>	<p>Article 82 Directors other than independent directors and shareholders complying with the relevant legal requirements may solicit voting rights at shareholders’ meetings from shareholders. Such soliciting must be without compensation, and information must be fully disclosed to the person being solicited. There is no minimum shareholding limit for the person being solicited.</p>

2. Proposed Amendments to Rules of Procedures for the Board of Directors' Meetings

Current Article in the Rules of Procedures	Proposed Amendment to the Article
<p>Article 3</p> <p>Any of these special committees shall comprise directors only and the majority of their members shall be independent directors. The members of the audit committee shall be selected from non-executive directors and the majority of them shall be independent directors, at least one of which shall be an accounting professional.</p>	<p>Article 3</p> <p>Any of these special committees shall comprise directors only and the majority of the remuneration and appraisal committee, and the nomination committee members shall be independent directors. The members of the audit committee shall be selected from non-executive directors and the majority of them shall be independent directors, at least one of which shall be an accounting professional.</p>

The above proposed amendments to the Articles of Association and its appendix are subject to shareholders' approval by way of a special resolution at the 2017 first extraordinary general meeting of the Company.

A circular containing more details of the proposed amendments to the Articles of Association and its appendix will be despatched to the shareholders of the Company in due course.

By Order of the Board
Sinopec Shanghai Petrochemical Company Limited
Guo Xiaojun
Joint Company Secretary

Shanghai, the PRC, 15 June 2017

As at the date of this announcement, the executive directors of the Company are Wang Zhiqing, Wu Haijun, Gao Jinping, Jin Qiang, Guo Xiaojun and Zhou Meiyun; the non-executive directors of the Company are Lei Dianwu and Mo Zhenglin; and the independent non-executive directors of the Company are Zhang Yimin, Liu Yunhong, Du Weifeng and Pan Fei.