

**CITIC LIMITED**  
**(the “Company”)**

**TERMS OF REFERENCE**  
**FOR**  
**REMUNERATION COMMITTEE**

**Constitution**

1. The board (the “Board”) of directors of the Company (the "Directors") has resolved to establish a committee of the Board to be known as the Remuneration Committee (the "Committee") with the membership, authority and duties described below.

**Membership**

2. The members of the Committee shall be appointed by the Board from amongst the Directors and shall consist of not less than three members, the majority of whom should be independent non-executive Directors.
3. The Board shall appoint and remove the chairman of the Committee who should be an independent non-executive Director. In the absence of the chairman of the Committee and an appointed deputy, the remaining members present shall elect one of themselves, who should be an independent non-executive Director, to chair the meeting.

**Frequency of meetings**

4. The Committee shall meet not less than once a year.

**Quorum**

5. The quorum necessary for physical meetings and meetings held through electronic means shall be two members of the Committee.

**Authority**

6. The Committee reports directly to the Board.
7. The Committee is authorised to seek any information it requires from any employee or Director of the Company in order to perform its duties.

8. In connection with its duties, the Committee is authorised to obtain independent professional advice from any person, if necessary, including professional consultants, whom it regards as competent to give such advice.

### **Powers and duties**

9. The Committee shall make recommendations to the Board on the Company's policy and structure for all Directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy.
10. The Committee is delegated the powers of the Board to determine the remuneration packages of individual executive Directors and senior management (including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of office or appointment).
11. The Committee should consider salaries paid by comparable companies, time commitment and responsibilities; and employment conditions elsewhere in the Group.
12. The Committee should also consult the chairman and/or chief executive about their remuneration proposals for other executive directors.
13. The Committee shall review and approve:
  - (a) the management's remuneration proposals with reference to the Board's corporate goals and objectives;
  - (b) compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate; and
  - (c) compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive.
14. The Committee shall make recommendations to the Board on the remuneration of non-executive Directors.
15. The Committee should ensure that no Director or any of his associates is involved in deciding his own remuneration;
16. The Committee shall report to the Directors its activities as the Directors may require from time to time.

17. The Committee shall exercise such other powers, authorities, and discretions, and perform such other duties, of the Directors in relation to the remuneration of the executive Directors and senior management as the Directors may from time to time delegate to it, having regard to the Corporate Governance Code (the "Code") of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").
18. In exercising its power, authorities and discretions and performing its duties, the Committee shall take full account of the Code and the Listing Rules.

### **Reporting Procedure**

19. A Joint Company Secretary shall be the secretary of the Committee (the "Committee Secretary").
20. Full minutes of the meetings of the Committee should be kept by the Committee Secretary. The Committee Secretary should send draft and final versions of minutes of the Committee meetings to all members of the Committee for their comment and records respectively within a reasonable time after each meeting.

### **Annual General Meeting**

21. The chairman of the Committee or in his absence, another member of the Committee or failing that a duly appointed delegate of the chairman of the Committee shall attend the annual general meeting of the Company so as to be available to answer questions from the shareholders of the Company on matters within the scope of duties of the Committee.

### **Publication of These Terms of Reference**

22. A copy of these Terms of Reference will be posted on the websites of the Company and The Stock Exchange of Hong Kong Limited.