

CITIC LIMITED
(the “Company”)

TERMS OF REFERENCE
FOR
NOMINATION COMMITTEE

Constitution

1. The board (the “Board”) of directors of the Company (the “Directors”) has resolved to establish a committee of the Board for the nomination of directors, such committee to be known as the Nomination 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 (the “Committee Chairman”) who should be the chairman of the Board or an independent non-executive Director. In the absence of the Committee Chairman and an appointed deputy, the remaining members present shall elect one of themselves, who should be an independent non-executive Director or the chairman of the Board, to chair the meeting.

Frequency of meetings

4. The Committee shall meet at least annually and at such other times as the Committee shall require. The Committee Chairman or any other member may convene a meeting of the Committee whenever he considers it necessary.

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 by the Board to determine the policy for the nomination of directors, to set out the nomination procedures and the process and criteria adopted to select and recommend candidates for directorship which shall take into consideration the principle of diversity as it can strengthen the performance of the Board and promote effective decision-making.

8. The Company shall provide the Committee with sufficient resources to perform its duties and the Director of Group Human Resources Department shall provide advice to the Committee if required. In addition, if the Committee considers necessary, it should seek independent professional advice, at the Company's expense, to perform its responsibilities.

Duties

9. The duties of the Committee are:

- (a) to formulate the nomination policy for the Board's consideration and approval and to implement accordingly;
- (b) to review the structure, size, composition and diversity (including but not limited to skills, experience and background, geographical and industry experience, ethnicity, gender, knowledge and length of service) of the Board at least annually, assist the Board in maintaining a Board skills matrix and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- (c) to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships based on merit against objective criteria and with due regard for the benefits of diversity on the Board. Sufficient biographical details of nominated candidates shall be provided to the Board to enable them to make informed decisions;
- (d) to identify and nominate candidates to fill casual vacancies (as and when they arise) for the approval of the Board;
- (e) to assess the independence of independent non-executive Directors;
- (f) to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the chairman and the chief executive;
- (g) to review and assess the time commitment and contribution to the Board by each Director as well as the Director's ability to discharge his or her responsibilities effectively;
- (h) to support the Company's regular evaluation of the Board's performance;
- (i) to review the Board Diversity Policy annually and make recommendations on any required changes for the Board's consideration and approval; to review the measurable objectives that the Board has set for implementing the Board Diversity Policy; to monitor the progress on achieving the objectives; and to make the relevant disclosure in the Corporate Governance Report;
- (j) do any such things to enable the Committee to discharge its powers and functions conferred on it by the Board; and

- (k) conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board or contained in the Company's constitution or imposed by legislation.

Reporting Procedure

- 10. A Joint Company Secretary of the Company shall be the secretary of the Committee.
- 11. Full minutes of the meetings of the Committee should be kept by the secretary. The 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.
- 12. The secretary shall circulate the minutes of meetings and resolutions of the Committee to all members of the Board.
- 13. The Committee shall, unless there are legal or regulatory restrictions from doing so, report its decisions or recommendations to the Board on a regular basis, normally at the next meeting of the Board following a meeting of the Committee.

Annual General Meeting

- 14. The Committee Chairman or in his absence, another member of the Committee or failing that a duly appointed delegate of the Committee Chairman 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

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