

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

**REMUNERATION COMMITTEE**

**Terms of Reference**

**1. Establishment**

The board of directors of the Company (the “**Board**”) has established a committee of the Board known as the Remuneration Committee (the “**Committee**”).

**2. Approval of Terms of Reference**

These terms of reference were approved by a resolution of the Board on 1 February 2012.

**3. Membership**

The Committee shall comprise at least three directors of the Company (the “**Directors**”), the majority of whom shall be independent non-executive Directors.

The chairman of the Committee (the “**Committee Chairman**”) shall be appointed by the Board from amongst the independent non-executive Directors. The Committee Chairman may appoint a deputy, who shall be an independent non-executive Director, to act in his absence.

The Board may from time to time appoint additional members to the Committee subject to the bye-laws of the Company (the “**Bye-laws**”) and subject to the requirement that the majority of members of the Committee are independent non-executive Directors.

The Committee may invite any Director, executive or otherwise, or other person to attend meeting(s) of the Committee as it may from time to time consider desirable to assist the Committee in the attainment of its objective.

The Committee shall be supported by the chief financial officer and human resources manager and such other persons from the Company’s personnel as the Committee Chairman shall request.

**4. Application of the Bye-laws**

The Bye-laws governing proceedings at meetings of the Board shall apply to proceedings at meetings of the Committee.

## **5. Independent Professional Advice**

The Committee is authorised by the Board to obtain such legal, remuneration or other independent professional advice as it shall deem appropriate and shall be responsible for establishing the selection criteria, selecting, appointing and settling the terms of engagement of remuneration consultants to assist and advise it in the performance of its duties.

## **6. Meetings and Quorum**

The Committee shall meet at least once in each financial year of the Company. Any member of the Committee may call additional meetings of the Committee as necessary. Any member of the Board may call additional meetings of the Committee in the event any matter which requires the consideration of the Committee occurs.

The quorum for a meeting of the Committee shall be two or more members and a majority of whom are independent non-executive Directors.

The Committee Chairman shall chair meetings of the Committee. In the absence of the Committee Chairman and an appointed deputy at any meeting, the remaining members of the Committee present shall elect a member from amongst themselves to act as chairman of that meeting provided such member is an independent non-executive Director.

## **7. Conflicts of Interests**

Each member of the Committee shall disclose to the Committee:

- (a) any personal financial interest (other than as a shareholder of the Company) in any matter to be decided by the Committee;
- (b) any potential conflict of interest arising from a cross-directorship; and
- (c) any other matter that he considers to be relevant in respect of any matter to be discussed at meetings of the Committee.

Any member of the Committee who is the subject of a conflict of interest shall abstain from voting on resolutions of the Committee in relation to which such conflict of interest exists and from participating in the discussions concerning such resolutions.

Where a conflict of interest is material and affects the ability of a member of the Committee to act as a member of the Committee as determined by the Committee Chairman or, where the Committee Chairman is himself unable to act, as determined by another member of the Committee, then such member shall resign from the Committee.

No member or other Director or person shall be present during discussions or participate in any vote as to his or her remuneration.

## 8. **Objective**

The purpose of the Committee is to make recommendations to the Board on the remuneration policy and structure for all Directors and senior management of the Company and its subsidiaries (the “**Group**”) and the remuneration of all directors of each member of the Group.

## 9. **Authority**

The Committee shall have the authority of the Board to do such matters as shall be reasonably necessary to achieve its objective. The Committee shall consult the chairman and/or the chief executive officer of the Company about their remuneration proposals for other executive Directors. Subject to the foregoing, the Committee is authorised by the Board to undertake any activity within its terms of reference.

## 10. **Responsibilities**

Without limiting the generality of the Committee’s objective, the Committee shall have the following responsibilities:

- (a) to make recommendations to the Board on the Group’s policy and structure for all Directors’ and senior management’s remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- (b) to review and approve the management’s remuneration proposals with reference to the Board’s corporate goals and objectives;
- (c) either:
  - (i) to determine, with delegated responsibility, the remuneration packages of individual executive Directors and senior management;  
or
  - (ii) to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management.

This should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;

- (d) to make recommendations to the Board on the remuneration of non-executive Directors;
- (e) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;
- (f) to review and approve 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;

- (g) to review and approve 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
- (h) to ensure that no Director or any of his associates is involved in deciding his own remuneration.

**11. Reporting Procedures**

The Committee Chairman shall arrange for the circulation of minutes of meetings of the Committee to all members of the Board unless a conflict of interest arises.

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