Terms of Reference of the Audit Committee of the Board of Directors of China International Capital Corporation Limited

Chapter I General Provisions

Article 1 In order to improve and standardize the meeting and decision-making procedures of the audit committee (the "**Audit Committee**") of the board of directors of China International Capital Corporation Limited (the "**Company**") and improve the work efficiency and decision-making capability of the Audit Committee, these terms of reference of the Audit Committee (these "**Rules**") are formulated pursuant to the *Company Law of the People's Republic of China* (hereinafter referred to as the "**Company Law**"), the *Securities Law of the People's Republic of China*, the *Regulation on the Supervision and Administration of Securities Firms*, the *Rules for Governance of Securities Firms,* the *Measures for the Administration of Independent Directors of the Listed Companies,* the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* (hereinafter referred to as the "**Hong Kong Listing Rules**") and other relevant laws, regulations, regulatory documents, and provisions of securities regulators and stock exchanges in the places where the Company's shares are listed (collectively, the "**Relevant Laws and Regulations**"), as well as the *Articles of Association of China International Capital Corporation Limited* (hereinafter referred to as the "**Articles of Association**") with reference to the Company's actual situation.

Article 2 The Audit Committee is a specialized working body under the board of directors. It shall perform its duties in accordance with the Relevant Laws and Regulations, the Articles of Association and the authorization of the board of directors, and shall report work to the board of directors.

Chapter II Composition

Article 3 Members of the Audit Committee shall be directors who do not serve as senior management of the Company. The Audit Committee shall comprise three (3) or more non-executive directors, more than half of whom shall be independent directors, and at least one of the independent directors shall have appropriate professional qualifications or accounting or related financial management expertise as required by the securities regulators and stock exchanges in the places where the Company's shares are listed.

The Audit Committee shall have one (1) chairman who shall be an independent director specializing in accounting. The main duties of the chairman are as follows:

(I) To convene regular and extraordinary meetings of the Audit Committee;

(II) To preside over the meetings of the Audit Committee;

(III) To supervise and inspect the implementation of resolutions of the Audit Committee;

(IV) Other duties authorized by the board of directors and the Audit Committee.

Article 4 The candidates for the chairman and other members of the Audit Committee shall be approved by the board of directors.

Article 5 Members of the Audit Committee shall be elected for a term of office equivalent to that of the directors. They may serve consecutive terms if re-elected. Any member of the Audit Committee who ceases to be a director or who acts as an independent director but ceases to have his/her independence as required by the Relevant Laws and Regulations or the Articles of Association shall automatically cease to be a member of the Audit Committee. The board of directors shall fill the vacancy according to the Articles of Association and these Rules if the number of the members of Audit Committee fails to meet the requirements specified in Article 3 herein.

Chapter III Duties and Functions

Article 6 The Audit Committee shall be responsible for reviewing the financial information of the Company and the disclosure thereof, supervising and assessing the internal and external audits and internal control. The specific functions of the Audit Committee are as follows:

(I) To make recommendations to the board of directors on the appointment, re-appointment, non-renewal, removal and change of the external auditor which provides statutory audit services for the periodic financial reports of the Company (the "**external auditor**"), and on the remuneration and terms of engagement of the external auditor;

(II) To review and monitor the external auditors' independence and objectivity and the effectiveness of the audit process in accordance with applicable standards; and to discuss with auditors the nature and scope of the audit and reporting obligations before the audit commences;

(III) To develop and implement policies on engaging the external auditors to supply non-audit services, and to review and monitor the provision of such non-audit services by the auditors. The Audit Committee shall report to the board of directors any matters where action or improvement is considered necessary, and make recommendations on steps that could be adopted in this regard. For this purpose, the "external auditor" shall include any entity that is under common control, ownership or management with the audit firm, or any entity that a reasonable and informed third party knowing all relevant information would reasonably conclude to be part of the audit firm nationally or internationally;

(IV) To consider the financial information in financial accounting reports and periodical reports of the Company and the disclosure thereof, and submit to the board of directors for consideration; to monitor the truthfulness, accuracy and integrity of the Company's financial statements, annual reports and accounts, half-year reports and quarterly reports, and to review significant financial reporting judgments contained in them. In reviewing these statements and reports before submission to the board of directors, the Audit Committee should focus particularly on:

1. any changes in accounting policies and practices;

2. major judgmental areas;

3. significant adjustments resulting from audit;

4. the going concern assumptions and any qualifications;

5. compliance with accounting standards; and

6. compliance with the listing rules of the place of listing and other legal requirements in relation to financial reporting;

(V) regarding (IV) above:

1. the Audit Committee should liaise with the board of directors and senior management of the Company, and must meet, at least twice a year, with the Company's auditors; and

2. the Audit Committee should consider any significant or unusual items that are, or may need to be, reflected in the report and accounts, it should give due consideration to any matters that have been raised by the Company's staff responsible for the accounting and financial function, internal auditors, compliance officers or external auditors;

(VI) To review the Company's financial controls and internal control systems;

(VII) To discuss the internal control system with management to ensure that management has performed its duty to establish an effective internal control system, the discussion of which should include the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function;

(VIII) To consider major investigation findings on internal control matters and the management's response to these findings, on its own initiative or as delegated by the board of directors;

(IX) To be responsible for communications between internal and external auditors, to ensure co-ordination between the internal and external auditors, and to ensure that the internal audit function is adequately resourced and has appropriate standing within the Company; to guide and supervise the Company's internal audit system, its implementation and the rectification of material issues identified through internal audits, review and oversee the effectiveness of the internal audit function, and participate in the performance evaluation of the head of the internal audit department; and to review the internal audit plan of the Company, the annual working report of the internal audit department, the internal control assessment reports and other key matters;

(X) To review the financial and accounting policies and practices of the Company;

(XI) To consider the modifications of accounting policies due to reasons other than changes in accounting standards, the modifications of accounting estimates, or correcting material accounting errors, and submit to the board of directors for consideration;

(XII) To review the external auditor's management letter, any material queries raised by the auditor to management about accounting records, financial accounts or systems of control and management's response;

(XIII) To ensure that the board of directors will provide a timely response to the issues raised in the external auditor's management letter;

(XIV) To review arrangements employees of the Company or other relevant parties can use to raise concerns in an anonymous way about possible improprieties in financial reporting, internal control or other matters. The Audit Committee should pay attention to the aforesaid matters and ensure that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up actions, and should act as the key representative body between the Company and the external auditor for overseeing the Company's relations with the external auditor;

(XV) To report to the board of directors on matters specified in code provision D.3.3 of Appendix C1 to the Hong Kong Listing Rules (as amended from time to time);

(XVI) To consider the engagement or dismissal of the Chief Financial Officer of the Company, and submit to the board of directors for consideration;

(XVII) To perform other duties stipulated in the Relevant Laws and Regulations and authorized by the board of directors.

Article 7 The Audit Committee shall be entitled to exercise the following supervisory functions and powers pursuant to the Company Law and other Relevant Laws and Regulations, as well as the Articles of Association:

(I) To examine the financial affairs of the Company;

(II) To supervise the acts of directors and Senior Management in their performance of duties, and propose the removal of directors or Senior Management who violate the Relevant Laws and Regulations, the Articles of Association or the resolutions of the shareholders' meetings;

(III) To request directors or Senior Management to rectify any act that jeopardizes the interests of the Company;

(IV) To propose to convene an extraordinary shareholders' meeting, convene and preside over the shareholders' meeting when the board of directors fails to convene and preside over such a meeting as stipulated by the Relevant Laws and Regulations and the Articles of Association;

(V) To submit proposals to the shareholders' meetings;

(VI) To initiate legal proceedings against any director or Senior Management in accordance with the Relevant Laws and Regulations and the Company Law;

(VII) To perform other supervisory functions and powers as required by Relevant Laws and Regulations and the Articles of Association.

Resolutions adopted by the Audit Committee in the independent exercise of the aforementioned supervisory functions and powers in accordance with the Relevant Laws and Regulations and the Articles of Association shall not require consideration or approval by the board of directors.

Article 8 The Audit Committee shall report its decisions or recommendations to the board of directors, unless such report is restricted due to legal or regulatory constraints.

Article 9 The Audit Committee may engage external professionals to provide services, and the reasonable expenses incurred shall be borne by the Company.

Chapter IV Convening and Notice of Meetings

Article 10 Meetings of the Audit Committee include regular meetings and extraordinary meetings. Regular meetings should be convened at least once quarterly, and extraordinary meetings may be convened at the decision of the chairman of the Audit Committee or request of two or more Audit Committee members. Meetings shall be convened and presided over by the chairman; if the chairman's position is vacant, or the chairman is unable or refuses to perform his/her duties, an independent director member jointly nominated by more than half of the members shall convene and preside over the meeting.

Article 11 The meeting shall be held by way of physical meeting, video, telephone or deliberation in writing, and may also be held in the form of a combination of physical meeting and other forms as set out above.

Article 12 In principle, a written notice together with relevant materials and information shall be given to each member three (3) days before the Audit Committee meeting is convened, but such notice period may be waived upon the consent of two-thirds or more of the members.

Article 13 Notice of the meeting shall include the following:

(I) venue, time and manner of the meeting;

(II) convener of the meeting;

(III) agenda and topics of the meeting;

(IV) date of dispatch of the notice;

(V) the name and contact information of the contact person of the meeting.

Article 14 Notice of the meeting shall be delivered by hand, registered mail, fax, email or by other means.

Chapter V Rules of Procedure and Voting Procedures

Article 15 The meeting shall only be held when two thirds or more of all members of the Audit Committee are present. Each committee member shall have one (1) vote. An effective resolution shall be approved by more than half of all members of the Audit Committee. Where equal numbers of votes are cast for and against a resolution, the chairman shall have right to cast one more vote.

Members of the Audit Committee shall attend the committee meetings in person and express clear opinions on proposals to be considered. If a member of the Audit Committee is unable to attend the meetings in person for any reasons, he/she shall review the meeting materials in advance, form a definite opinion, record his/her opinion in the power of attorney, and authorize another member in writing to attend on his/her behalf.

Each member of the Audit Committee may act as a proxy for no more than one (1) other member. The power of attorney shall clearly specify the scope and duration of the authorization. If an independent director member is unable to attend the meeting for any reasons, he/she shall authorize another independent director member of the Audit Committee to attend on his/her behalf.

Article 16 Any member who has an interest in the proposal(s) under discussion in the meeting shall abstain. If the number of members present at the meeting is less than the quorum after such interested member(s) abstain from the meeting, such proposal(s) shall be submitted to the board of directors of the Company for consideration.

Article 17 If the Audit Committee considers necessary, it can request other persons who are related to the topics of the meeting to attend the meeting, brief the committee or express their opinions, but the persons who are not members of the Audit Committee do not have rights to vote for the proposals.

Article 18 The voting methods at a meeting of the Audit Committee are as follows: vote by poll in writing or vote by a show of hands (or voice vote).

Article 19 In principle, the Audit Committee shall not consider any ad hoc proposals or matters which are not set out in the notice of meeting. If an ad hoc proposal or matter is added under special circumstances, it may only be considered and resolved with the consent of two-thirds or more of all the members.

Chapter VI Resolutions and Minutes of Meetings

Article 20 After the prescribed number of effective votes are obtained for a proposal, a motion shall be passed as an Audit Committee resolution upon announcement by the chairman of the meeting. Resolutions of the Audit Committee shall come into force after being signed by the members present at the meeting.

Article 21 Written minutes shall be made for the meetings of the Audit Committee as required. The meeting minutes shall be truthful, accurate, and complete, and shall fully reflect the opinions expressed by the attendees on the proposals considered during the meeting, and shall be signed by the members present at the meeting and by the recorder. Members present at the meeting are entitled to require explanatory records of their comments made during the meeting in the minutes.

Article 22 Written resolutions, meetings minutes, the powers of attorney and other relevant meeting materials of the Audit Committee shall be kept by the Company as corporate files for at least twenty (20) years during the existence of the Company.

Article 23 After a resolution of the Audit Committee is formed, if it is required to be submitted to the board of directors for consideration, the chairman of the committee shall be responsible for submitting such resolution to the board of directors in a timely manner.

Chapter VII Miscellaneous

Article 24 Unless otherwise specified, terms used in these Rules shall have the same meanings as those defined in the Articles of Association.

Article 25 These Rules are approved by the board of directors. Any amendments to the Rules shall be proposed by the Audit Committee and submitted to the board of directors for consideration, and shall become effective upon the approval of the board of directors.

Article 26 Where any matters are not covered by these Rules or are in conflict with any Relevant Laws and Regulations or the Articles of Association promulgated or amended after the Rules become effective, such Relevant Laws and Regulations and the Articles of Association shall prevail.

Article 27 The authority of interpretation of these Rules shall be vested with the board of directors.

(In the event of any discrepancy between the English version and the Chinese version, the Chinese version shall prevail.)