

CITIC Securities Company Limited

Rules of Procedure of the Risk Management Committee of the Board of Directors

Chapter 1 General Provisions

Article 1 To improve and regulate the proceedings and the decision making procedure of the Risk Management Committee (the “Risk Management Committee”) of the Board of Directors of CITIC Securities Company Limited (the “Company”), increase the working efficiency and the standard of scientific decision making of the Risk Management Committee and guarantee the smooth progress of the work of the Risk Management Committee, these rules are formulated in accordance with the relevant provisions of the relevant laws, regulations and regulatory documents of the state, the “Rules Governing the Listing of Stocks on Shanghai Stock Exchange” (the “SSE Listing Rules”), the “Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited” (the “SEHK Listing Rules”) (collectively the “Listing Rules of the Listing Places”) and the Articles of Association of CITIC Securities Company Limited (the “Articles of Association”), taking into account the actual situation of the Company.

Article 2 The Risk Management Committee is a specialized organization under the Board of Directors established in accordance with the Articles of Association and its major function is to supervise the overall risk management of the Company and control it within a reasonable range to ensure that the Company can implement effective risk management plans and systems for various risks associated with the operating activities of the Company.

Article 3 The Risk Management Committee convenes one regular meeting semi-annually. Pursuant to the relevant provisions of the relevant laws, regulations and regulatory documents of the state, the Articles of Association and these rules of procedure, extraordinary meetings of the Risk Management Committee may also be

convened.

Chapter 2 Composition of the Risk Management Committee

Article 4 The Risk Management Committee shall comprise not less than three directors.

Article 5 The members of the Risk Management Committee shall be determined by the Board of Directors.

Article 6 The Chairman of the Risk Management Committee shall be elected by more than two-thirds of all members of the Risk Management Committee.

Article 7 The Risk Management Committee has the same term of office as the Board of Directors. Upon expiry of his/her term of office, a member can be re-elected through re-election. During this period, if a member no longer serves as a director of the Company, he/she will lose his/her membership automatically and the Board of Directors will make up the number of members in accordance with the aforesaid Articles 4 to 6.

Chapter 3 Duties of the Risk Management Committee

Article 8 Pursuant to the relevant provisions of the relevant laws, regulations, regulatory documents, the Listing Rules of the Listing Places and the Articles of Association, the Risk Management Committee shall be accountable to the Board of Directors and report to the Board of Directors and shall have the following duties:

(1) to formulate the overall risk management policy of the Company and the overall risk tolerance of the Company, and evaluate the nature and extent of risks that can be accepted by the Company to achieve business objectives;

(2) to specify the strategic structure and resources used for risk management of the Company and make them compatible with the internal risk management policy of the Company;

(3) to supervise the design and implementation of the risk management system by the management and discuss the risk management system with the management to

ensure that the management has performed its duty of establishing and maintaining an effective system;

(4) to continuously review and supervise the risk management system of the Company and make relevant recommendations to the Board of Directors, and ensure that the effectiveness of the risk management system of the Company (including its subsidiaries) is reviewed at least annually;

(5) to ensure that the Company has adequate internal audit resources to conduct independent evaluations on the effectiveness of risk management;

(6) to take the initiative or as delegated by the Board of Directors to examine and consider the major investigation findings on risk management and the management's response to these findings;

(7) other duties delegated by the Board of Directors.

Article 9 When the Risk Management Committee conducts a review on risk management, it shall pay special attention to:

(1) any change in the nature and extent of significant risks since last annual review, and the ability of the Company to respond to changes in its business and the external environment;

(2) considering the report formulated by the management to the Board of Directors on the effectiveness of the risk management system, and reviewing the work scope and quality of the management's continuous monitoring of the risk management system, as well as internal audit function and the work of departments responsible for providing other assurances;

(3) the extent and frequency of communication of the monitoring results to the Board of Directors to assist the Board of Directors in assessing the effectiveness of risk management of the Company;

(4) significant monitoring mistakes occurred or significant risk management weaknesses identified during the period, and the extent to which they have resulted in unforeseen consequences or contingencies that have had, may have had or will have a material impact on the financial performance or condition of the Company; and

(5) reviewing the financial reporting procedures and compliance with the requirements of the Listing Rules of the Listing Places by the Company, including whether procedures and measures such as the processing and publication of inside information are effective.

Article 10 The Risk Management Committee shall be provided with adequate resources to perform its duties. The Risk Management Committee may engage an external intermediary to conduct a review on the risks of the Company at the expenses of the Company. The Risk Management Committee may set up offices. Staff of the offices, after obtaining permission, can attend meetings of the Company relating to risk management and control, access relevant information, and pursuant to which, issue relevant research reports on a regular or irregular basis for submission to the Risk Management Committee.

Chapter 4 Duties of the Chairman of the Risk Management Committee

Article 11 The Chairman of the Risk Management Committee mainly performs the following duties:

- (1) to convene regular meetings of the Risk Management Committee;
- (2) to convene extraordinary meetings of the Risk Management Committee under special circumstances;
- (3) to preside over meetings of the Risk Management Committee;
- (4) to organize the drafting of special research reports on risk management;
- (5) to validate daily research reports;
- (6) other duties delegated by the Board of Directors and the Risk Management Committee.

Chapter 5 Convocation and Notification Procedure for Meetings of the Risk Management Committee

Article 12 If the Risk Management Committee convenes a meeting, in principle, it shall notify each member of the Risk Management Committee five days prior to the

date of the meeting. Under special circumstances, without objection from more than two-thirds of the members of the Risk Management Committee, it can be less than five days and other notification methods may also be adopted.

Article 13 The notice of meeting of the Risk Management Committee shall contain the following contents:

- (1) date and venue of the meeting;
- (2) duration of the meeting;
- (3) subject and topics;
- (4) date of the issuance of the notice.

The meeting topics and the notice of the meeting shall be drawn up by the Chairman of the Risk Management Committee and shall be served on all members of the Risk Management Committee through staff of the Board of Directors.

Chapter 6 Proceedings and Voting Methods for Meetings of the Risk Management Committee

Article 14 The quorum of meetings of the Risk Management Committee shall be formed by more than two-thirds of its members. Each member shall have one vote, and all resolutions must be passed by more than two-thirds of all members of the Risk Management Committee in order to be valid. In any event of equal votes, the Chairman of the Risk Management Committee shall be entitled to have an additional vote or a casting vote.

Article 15 The Risk Management Committee may submit to the Board of Directors any resolution, after being considered and passed by it, on any event, report or document.

Article 16 For a report which has not been passed by resolution, the member proposing the motion or research report may submit the same in the form of individual research report to the Board of Directors for review.

Article 17 Meetings of the Risk Management Committee must be attended by its members in person, no proxy may be appointed.

Article 18 Meetings of the Risk Management Committee shall be presided by the Chairman of the Risk Management Committee. If the Chairman of the Risk Management Committee is unable to attend and preside at the meeting, the meeting may be presided by any other member appointed by the Chairman of the Risk Management Committee.

Article 19 According to the agenda and requirements of the meeting, the Risk Management Committee may invite other relevant persons for the topic of the meeting to attend the meeting for briefing on the relevant conditions or listening to the relevant opinions, the relevant persons shall not be absent without a reason. The persons who attend the meetings as observers shall not participate in the discussions and shall not affect the progress, voting or resolutions of the meeting.

Article 20 In principle, meetings of the Risk Management Committee will not consider topics or matters which have not been stated in the notice of meeting. Under special circumstances, if a new topic or matter is required to be added, consent from more than two-thirds of the members is required for adding the topic or matter to the meeting agenda for consideration and approval.

Article 21 The Office of the Board of Directors of the Company shall complete all preparation work of the Risk Management Committee with the relevant departments and provide the written materials on risk management, including but not limited to:

- (I) the report of the management on the analysis, proposals and conclusion of risk management and confirmation on the effectiveness of risk management;
- (II) work report of the internal audit department, including the analysis on the effectiveness and sufficiency of risk management; and
- (III) the report of the accounting department on the effectiveness of the financial reporting procedures, the report provided by the compliance department on compliance of the Company, the self-evaluation report on the internal control of the Company provided by the

self-evaluation team of internal control.

Chapter 7 Resolutions and Minutes of Meetings of the Risk Management Committee

Article 22 The voting method used in the meetings of the Risk Management Committee is by a show of hands. A resolution of the meeting will be passed by voting and recorded in the minutes of meeting, all members who have attended the meeting of the Risk Management Committee shall sign on the resolutions and the minutes of meeting. The resolutions in writing and the minutes of meeting shall be delivered to all members of the Committee for record purpose and shall be kept by the Secretary of the Board of Directors as company files for not less than 15 years during the existence of the Company.

Article 23 Resolutions of the Meeting of the Risk Management Committee shall include the following content:

- (I) the date, venue and name of convener of the meeting held;
- (II) number of members who should attend the meeting and the actual number of members who were present;
- (III) explanation on the relevant proceedings of the meeting and the legitimacy and validity of the resolutions of the meeting;
- (IV) explanation on the content of resolutions considered and approved by the meeting and the voting results;
- (V) other matters that should be explained and recorded in the resolutions.

Article 24 After resolutions have been passed by the Risk Management Committee, if submission to the Board of Directors is required, the same shall be timely submitted to the Board of Directors for consideration and approval.

Chapter 8 Miscellaneous

Article 25 Unless specifically stated, the terminology used in these rules shall have the same meaning as the terminology used in the Articles of Association.

Article 26 Any matter which is not mentioned in these rules or in conflict with the laws, regulations and normative documents promulgated or modified after these rules have come into force or the Listing Rules of the Listing Places or the provisions of the Articles of Association, such matter shall be executed according to the relevant requirements of the relevant national laws, regulations and normative documents, Listing Rules of the Listing Places and the Articles of Association.

Article 27 If amendment is required for these rules according to changes in actual circumstances, a proposal of amendment shall be made by the Risk Management Committee for submission to the Board of Directors for consideration and approval.

Article 28 These rules and the amendments thereof shall be effective from the date of passing the resolution by the Board of the Directors of the Company.

Article 29 The Board of Directors of the Company shall be responsible for the interpretation of these rules.

These Rules of Procedure were considered and approved at the 7th Meeting of the
Second Session of the Board of Directors of the Company in March 2004

Considered and amended at the 33rd Meeting of the Fourth Session of the Board of
Directors of the Company in September 2011

Considered and amended at the 3rd Meeting of the Sixth Session of the Board of
Directors of the Company in April 2016

The English version of the above articles is an unofficial translation of its Chinese version and is for reference only. Should there be any discrepancy between the Chinese and English versions, the Chinese version shall prevail.