

Human Resources

Committed and talented people have been a key factor in the sustainable development and business success of CITIC Pacific.

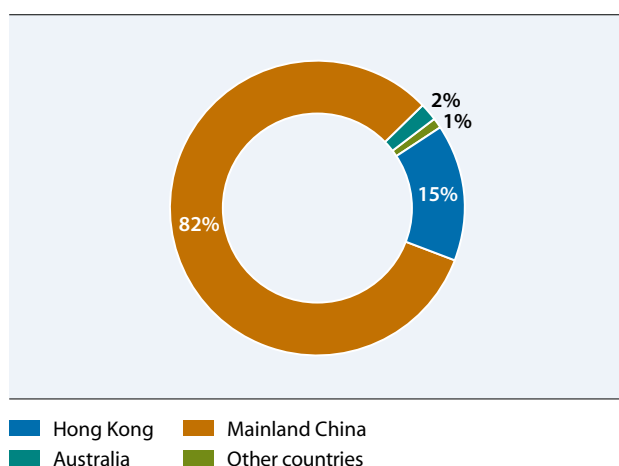
We strive to attract, motivate and retain talent by providing an environment that promotes fairness, respect and a high standard of business ethics. We also offer equal opportunities and competitive rewards that recognise and motivate outstanding performance. Moreover, we support professional and personal development by providing learning and development opportunities as well as financial sponsorship for self-learning.

People

CITIC Pacific, including its principal subsidiaries worldwide, employed a total of 30,329 staff as at December 2009 (2008: 28,654). Of these, 82% were based in mainland China; 15% in Hong Kong; 2% in Australia; and the other 1% in Japan, Taiwan and Canada.

There was a 5.9% growth in our workforce in 2009, as compared with 2008. The main increases came from the Mainland Property, CITIC 1616 and Iron Ore Mining business segments, as a result of new development projects and acquisitions.

2009 headcount by location



Remuneration

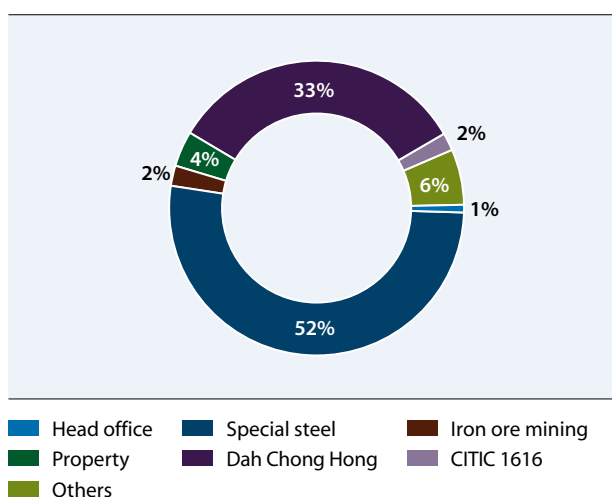
CITIC Pacific offers competitive remuneration packages designed to motivate and retain talented people, and reviews remuneration packages annually to ensure their competitiveness.

In addition to base pay and comprehensive benefits programmes, CITIC Pacific has implemented a variable bonus policy that links pay with individual performance and business results. For senior management, variable bonuses constitute a significantly higher proportion of their total remuneration package. Over the years, this variable pay policy has proved to be effective in motivating performance.

Remuneration Committee

The remuneration committee, established in August 2003, comprises three non-executive directors, two of whom are independent non-executive directors. The committee meets at least once a year to review the remuneration packages of individual executive directors and other key executives. Factors include salary levels, bonuses, benefits in kind and the terms under which executives are permitted to participate in any share option or other reward plans, relative to remuneration paid at comparable companies.

2009 headcount by business segment



The committee also takes into account the time commitment and responsibilities of the directors and key executives as well as employment conditions elsewhere across the Group. CITIC Pacific considers performance-based remuneration to be desirable, as it aligns management incentives with shareholder interests.

Details of the CITIC Pacific Share Incentive Plan 2000 and the granting of options are reported on pages 97 to 100. With the recovery of business in 2009, CITIC Pacific resumed the bonus award suspended in 2008 to its directors. However, the total remuneration of HK\$117 million paid to the directors in 2009 is still substantially lower than 2007 (2007: HK\$294 million; 2008: HK\$27 million). Further information on individual director's emoluments can be found on page 143.

People Development

CITIC Pacific is committed to providing an environment that is conducive to the development of its staff. To this end, we organise a wide range of internal and external training programmes to expand the business expertise, competencies and skill sets of staff to meet the ever-changing challenges of the marketplace.

In addition to management and leadership training programmes, we organise seminars and presentations conducted by professional institutions on specific topics, such as legislative changes, workplace safety and new technology, to maintain the industry and technical knowledge of staff members. With the continuing growth of its businesses in mainland China, CITIC Pacific encourages and facilitates knowledge sharing and skills transfer between staff in Hong Kong and mainland China. We also support and encourage self-initiated personal development through financial sponsorship.

Employee Relations

To enhance the sense of engagement, pride and community among the 30,329 staff of CITIC Pacific, numerous activities and interest groups have been organised throughout the year. In 2009, various activities such as singing and photography competitions and outings were held at the mainland China business units to celebrate the 60th anniversary of the People's Republic of China.