

ALUMINUM CORPORATION OF CHINA LIMITED
(THE “COMPANY”)
TERMS OF REFERENCE OF THE AUDIT COMMITTEE
(THE “COMMITTEE”)

1. ROLE AND FUNCTIONS

The Committee is a special working body established by a resolution of the Board of Directors, which is accountable to the Board of Directors and reports to the Board of Directors. The main functions of the Committee include: proposing to engage or replace the Certified Public Accountants, supervising the Company’s internal audit system and its implementation, being responsible for the communication between the internal audit and external audit, reviewing the Company’s financial information and its disclosure, reviewing the Company’s financial control, internal control, risk management and compliance management systems, promoting the Company’s legal construction and compliance management, reviewing the Company’s annual work report of legal construction and compliance management, studying on the Company’s other relevant professional matters, and putting forward advices and recommendations for the Board of Directors’ references to make decisions.

2. COMMITTEE COMPOSITION

2.1 The Committee is composed entirely of independent directors, and meets the independence and qualifications required by the stock exchanges and regulatory bodies of the places where the Company’s shares are listed. The Committee is composed of three or more members, of which, there is at least one personnel with accounting profession required in the Listing Rules. Members of the Committee shall be nominated by Chairman of the Board of Directors or more than one third of all directors and be elected or removed by the Board of Directors with the affirmative voting of more than 50 percent of all directors.

The former partner of the Company’s current external audit institution shall not serve as the member of the Committee within two years after the date when he or she is dismissed or is no longer to enjoy the financial interests of the current external audit institution (whichever is later).

2.2 The Committee has one chairman, who shall be an accounting professional among the independent directors and elected or removed by the Board of Directors. The chairman of the Committee shall exercise the following powers:

- (1) to be responsible for chairing the Committee's work and ensuring the Committee's effective operation and performance of duties;
- (2) to convene and preside over the meetings of the Committee;
- (3) to urge and check the implementation of the Committee's work and resolutions;
- (4) to sign relevant documents of the Committee;
- (5) to report the Committee's work to the Board of Directors;
- (6) to ensure that the Committee has a clear and specific conclusion on each proposal under discussion;
- (7) other duties required to be fulfilled by the Board of Directors.

3. TERMS OF REFERENCE OF THE COMMITTEE

3.1 The Committee has the right to review the businesses carried out by the Company and its subsidiaries (including branches, wholly-owned and controlled subsidiaries and other enterprises actually managed by the Company, the same below) and the associated businesses carried out by the affiliated companies, or authorize the Company's internal audit agency to conduct the audit work.

3.2 The Committee has the right to deal with relevant suggestions raised by employees in relation to matters concerning the accounting, risk management, internal control, compliance management or auditing.

The Committee shall establish the procedures for receiving, retaining or handling relevant matters concerning the accounting, risk management, internal control, compliance management or auditing acquainted by the Company, and the confidential and anonymous complaints procedures for dealing with the objections proposed by the employees against the questionable financial or auditing matters, and shall have the right to accept such complaints.

- 3.3 The Company's appointment, removal or non-reappointment of an accounting firm shall be submitted to the Board of Directors for consideration and decided by the Shareholders' Meeting after obtaining the approval from the Committee. The fees and terms of the auditing and non-auditing services provided by the accounting firm must be approved by the Committee. The Committee shall be responsible for supervising the services provided by the accounting firm, including the solving of financial reporting disputes between the accounting firm and the management of the Company.
- 3.4 The Company's engagement or removal of the finance head shall be submitted to the Board of Directors for consideration after obtaining the approval from the Committee in advance.
- 3.5 The Committee supervises the Company's financial statements and periodic financial reports and reviews the reports and significant opinions contained therein in relation to financial reporting. The Committee shall jointly review the following matters with the Company's management and the persons who are responsible for the internal and external audit departments before submitting relevant statements and periodic financial reports to the Board of Directors:
- (1) the integrity, authenticity and accuracy of the Company's statements and periodic financial reports, as well as the significant judgment on relevant financial matters stipulated in the statements and reports;
 - (2) the rightness of the accounting policies adopted by the Company and whether the accounting policies are in line with the current guidelines for the application, relevant laws and regulations of the places where the Company's shares are listed and the securities transaction management organizations;
 - (3) whether the reports of the Chairman of Board of Directors and the Board of Directors have fairly reflected the Company's performance; whether they are consistent with the situation reflected in the financial report;
 - (4) the assumption that the Company's operation is continuous and any qualified opinion;

- (5) the consistency of the financial reports submitted. Reviewing the consistency between the financial reports and the reports submitted to the tax authorities or other regulatory bodies; the consistency with the stock exchange rules of the places where the Company's shares are listed and the regulations of relevant governmental regulatory agencies; reviewing relevant processes used by the management to ensure the consistency of the analysis information, announcement information and financial reporting information;
- (6) whether relevant items have been fully disclosed in the financial report; whether the disclosed information may make the users of the financial report fairly understand the nature of the transactions reported; whether all material connected transactions required to be disclosed have been disclosed in the announcement information; whether all connected transactions have been reviewed by the Committee;
- (7) the report "Discussion and Analysis made by the Management on the Financial Condition and Operation Results";
- (8) any changes in the policies and practices of meetings;
- (9) all significant audit adjustments and unadjusted audit differences that are in dispute;
- (10) all fields needed to make important judgments;
- (11) whether the Listing Rules of the places where the Company's shares are listed and other legal requirements about the financial reporting have been complied with.

3.6 The Committee discusses the Company's performance announcement and provides the financial information and performance description to the analysts and evaluation institutions.

3.7 The Committee must separately hold a meeting with the accounting firm engaged by the Company at least twice annually; the Committee shall take any significant or unusual items reflected in the financial report and account into consideration and must give due consideration to the matters proposed by the accountant firm engaged by the Company, the internal audit or financial institutions.

- 3.8 The Committee reviews the Company's financial and accounting policies, accounting practices and internal control, as well as any changes and the compliance with the accounting standards.

Changes in accounting policies and accounting estimates or revision of major accounting errors made by the Company due to reasons other than changes in accounting standards shall be submitted to the Board of Directors for consideration after obtaining the approval from the Committee in advance.

- 3.9 The Committee shall periodically obtain the latest information about the laws and regulations that have important impact on the Company's financial reports or policies followed from the Company's management and legal advisors, as well as the latest accounting knowledge related to the financial policies.
- 3.10 The Committee shall study the laws, regulations, regulatory rules and policies that may have a significant impact on the Company's corporate governance, risk management, internal control, compliance management and financial reporting, as well as other reports announced to the public and shall review the compliance between the Company's relevant items and relevant rules.
- 3.11 The Committee shall understand relevant policies related to the risk assessment and risk management from the management and discuss on the appropriateness of such policies with the management, evaluate the Company's existing and potential risks, review the risk control measures taken by the management and their effectiveness, and make recommendations to improve the risk management.
- 3.12 The Committee shall review and supervise the effective operation of the Company's internal control, risk management and compliance management systems, listen to the report on the Company's risk management, internal control and compliance management mechanism, and put forward advices and suggestions; discuss about risk management, internal control and compliance management systems with the Company's management, the contents of discussion include the Company's resources in terms of the accounting, internal audit, compliance management and financial reporting functions, whether the employees' qualifications and experiences are enough, and whether the training courses and relevant budget received by the employees are sufficient to ensure that the Company has developed effective risk management, internal control and compliance management systems to supervise the effective implementation of the Company's risk management, internal control and compliance management and conduct self-assessment, and coordinate with the risk management, internal control & auditing, compliance management and other related matters.

- 3.13 The Committee shall study on the important investigation results of risk management, internal control and compliance management matters and the management's response to the investigation results actively or with the delegation of the Board of Directors.
- 3.14 The Committee shall review the effectiveness of risk management, internal control and compliance management systems in respect of compliance with laws and regulations, the investigation and follow-up results of any fraud and violation behaviors obtained by the management; review the relevant policies concerning anti-fraud and prosecution formulated by the management and their implementation; review the matters found in any inspection made by the external regulatory bodies.
- 3.15 The Committee shall study and review whether the Company's risk management, internal control and compliance management systems are complete and make annual evaluation accordingly. The Company's internal control evaluation report shall be submitted to the Board of Directors for consideration after obtaining the approval from the Committee in advance.
- 3.16 The Committee shall confirm the related parties of the Company, report to the Board of Directors and the Supervisory Committee, and timely announce the confirmed related parties to the Company and related personnel.
- 3.17 The Committee shall make preliminary review of the connected transactions approved by the Board of Directors, submit the transactions to the Board of Directors for consideration, and review and approve the connected transactions or accept the filing of connected transactions within the scope of authorization made by the Board of Directors. The Committee shall supervise the legitimacy of the Company's competition with the relevant related parties and the connected transactions.
- 3.18 The Committee shall urge the Company to develop the internal audit in accordance with relevant legal provisions and the principle of independence, including establishing the independent internal audit institution, equipping with the professional internal audit team of the appropriate scale, reviewing the evaluation on the job performance of internal audit staff made by the management, and approving the Company's internal audit system.
- 3.19 The Committee shall ensure the coordination between the Company's internal audit department and the external accounting firm; ensure that the internal audit department has sufficient resources for work, the appropriate permissions and status; and review the effectiveness of internal audit department.

- 3.20 The Committee shall review and approve the Company's annual internal audit plan, listen to the working report about the inspection and supervision on risk management and internal control, prepare the self-assessment draft report on risk management and internal control systems and report to the Board of Directors for consideration; review the annual working report of the internal audit department; supervise and guide the working and auditing methods and procedures of the internal audit department.
- 3.21 The Committee may authorize the internal audit department to perform the corresponding powers of the Committee, including having the access to the Company's information, property and employees that are limited to the internal audit department with the written authorization of the Committee for fulfilling the authorized functions; obtaining necessary assistance from employees of the audited department; and obtaining assistance from other internal and external experts.
- 3.22 The Committee and the internal audit department shall jointly study and review the following matters through the full communication with the management:
- (1) the difficulties encountered in the internal audit process, including whether there is any restriction to the scope of work, or failure to obtain the necessary information;
 - (2) the formulation and revision of the scope of the internal audit plan;
 - (3) the internal audit budget and the necessary employees.
- 3.23 The Committee may make separate discussions with the person responsible for the internal audit department on the matters that both parties deem to be separately discussed.
- 3.24 The Committee shall ensure receiving, discussing and properly handling of the significant discoveries, suggestions of the internal auditors and the timely response from the Board of Directors and management, review the internal audit plan for the next year, ensure that the plan covers important risk areas and maintain an appropriate collaborative relationship with the external auditors.

- 3.25 The Committee shall supervise the internal audit department, ensuring that it shall not weaken the close cooperation with other departments of the Company because of the independent role of internal audit work. In the fields that can add the working value, the internal audit department shall cooperate with other functional departments, share the skills and information, make the Company obtain greater benefits from improving the internal audit, risk management, internal control, corporate governance and other works.
- 3.26 The Committee shall be responsible for selecting and appointing an accounting firm, and supervise the audit work performed by such accounting firms. The Committee shall effectively assume the responsibilities as follows:
- (1) to formulate policies, procedures and relevant internal control systems for the selection and appointment of an accounting firm as authorized by the Board of Directors;
 - (2) to propose the initiation of work related to the selection and appointment of an accounting firm;
 - (3) to consider selection and appointment documents, determine evaluation factors and scoring criteria, and supervise the selection and appointment process;
 - (4) to make recommendations on the proposed selection and appointment of an accounting firm and audit fees, and submit them to the decision-making body for decision;
 - (5) to supervise and evaluate the audit work performed by the accounting firm;
 - (6) to report periodically (at least annually) on the evaluation of the performance of the accounting firm engaged and on the performance of the supervisory duties of the Committee to the Board of Directors;
 - (7) to be responsible for implementing the laws, regulations, the Articles of Association and other matters as authorized by the Board of Directors regarding the selection and appointment of accounting firms.

The Committee shall maintain high caution and attention to the following situations:

- (1) Change of accounting firm after the balance sheet date and before the annual report is issued, change of accounting firm for two consecutive years, or change of accounting firm several times in the same year;
- (2) the proposed accounting firm has been subject to multiple administrative penalties due to quality issue of its practice in the past three years or is under investigation for multiple audit projects;
- (3) proposed appointment of a former audit team which has transferred to another accounting firm;
- (4) a significant change in the audit fee during the engagement period compared to the previous year, or the transaction price for the selection of the engagement is substantially lower than the benchmark price;
- (5) the accounting firm has failed to substantively rotate audit project partners and signing certified public accountants as required.

3.27 The Committee shall obtain and review the reports on the following matters from the accounting firm engaged by the Company at least once every year: the internal quality control procedures of the accounting firm, any significant problem involved in one or more independent audit(s) completed by the accounting firm found in the latest internal quality control & inspection, the industry peer review among the accounting firms in recent five years, any inquiries and investigations made any government or industry regulators, any procedures adopted to deal with any such problem and the relationship between the accounting firm and the Company.

The Committee shall serve as the main representative of the Company to communicate with the accounting firm and shall be responsible for supervising the relationship between the two.

3.28 The Committee shall regularly review the discovered audit problems and the response of the management together with the accounting firm; study on the letters provided to the management by the accounting firm, relevant important matters and suggestions and the response of the management; and ensure that the Board of Directors makes timely response to relevant matters.

- 3.29 The Committee shall review and coordinate the working scope and audit plan of the accounting firm and the Company's internal audit department, ensure the reasonableness of audit coverage and make the Company obtain the maximum benefits. As for the auditing and non-auditing activities related to the Company engaged by the accounting firm, the Committee shall actively communicate with the accounting firm, obtain the reports involved in the Company's significant accounting policies and practices, important accounting judgments, off-balance sheet transactions, non-GAAP financial information measurement and other aspects.

The Company's disclosure of financial information in financial accounting reports and periodic reports shall be submitted to the Board of Directors for consideration after obtaining the approval from the Committee in advance.

- 3.30 The Committee shall formulate policies about the non-auditing services provided by the accounting firm and implement such policies. The Committee shall report any action to be taken or any matter to be improved to the Board of Directors and put forward suggestions.

- 3.31 The Committee shall evaluate the work of the accounting firm engaged by the Company, review and supervise the independence, qualifications, working procedures, quality and results of the accounting firm, including inspecting and supervising whether the accounting firm is independent and objective and whether the auditing procedure is effective in accordance with the applicable standards. The Committee shall discuss with the accounting firm on the nature and scope of audit and relevant reporting obligations before the start of the audit.

The Committee shall issue a special report annually on the performance of its supervisory duties over the accounting firm, and where a change of accounting firm is involved, the Committee shall also specify in the report the information about the former accounting firm and auditor's opinion of last year, reasons for the change of accounting firm, and communication with the former and subsequent accounting firms.

4. COMMITTEE MEETING

- 4.1 The Committee shall convene at least four regular meetings annually, and shall convene at least one meeting quarterly, which shall be convened and presided over by the chairman of the Committee; in case the chairman of the Committee is unable to convene and preside over the meeting, he or she may designate a member, to convene and preside over the meeting. Meetings of the Committee may be held only if more than two thirds of the members (including any member who entrusts other member(s) in writing to attend the meetings on his/her behalf) attend.
- 4.2 The Committee may convene extraordinary meeting. In case of one of the following circumstances, the notice for extraordinary meeting shall be issued within 3 days after the circumstance has occurred:
- (1) it is proposed by the Board of Directors;
 - (2) it is proposed by the chairman of the Committee;
 - (3) it is proposed by two or more members of the Committee;
 - (4) it is proposed by the Chairman of the Board of Directors.
- 4.3 The meetings of the Committee include the closed-door meetings of the members and the meetings that shall be attended by other directors of the Company, the Supervisory Committee, the management, the internal audit department, the accounting firm and other persons concerned upon invitation. The accounting firm engaged by the Company shall propose to the chairman of the Committee to convene the meeting of the Committee, if deemed necessary.
- 4.4 The Committee may hold a separate topic discussion meeting with the accounting firm engaged by the Company, or hold a separate topic discussion meeting with the Company's other directors and management members, in order to facilitate exchange of views. The Company's Chairman of the Board of Directors, other directors and senior management members shall make cooperation, and shall not refuse, obstruct or hinder the convening of the meeting.

- 4.5 Where necessary, the Company's other directors, relevant senior management members, staff of relevant functional departments of the Company as well as relevant experts, scholars and staff of intermediaries may be invited to sit in the Committee meeting. People who sit in the meeting shall make explanation and description on relevant matters according to the requirements of the members of the Committee.
- 4.6 The working body of the Committee is responsible for taking minutes of the meetings of the Committee, which should be signed by members and minutes taker attending the meetings.
- 4.7 The review opinions formed at the meetings of the Committee, meeting minutes, power of attorney, the written comments of the members and the original copies of other meeting materials shall be kept and managed by the working body of the Committee in accordance with relevant provisions; the securities affairs management department shall retain the copies of the review opinions, meeting minutes, written comments of the members and other documents.

5. REPORTING SYSTEM

- 5.1 The Committee shall report to the Board of Directors on the resolutions or recommendations made, except when no relevant reporting can be made due to legal or regulatory restrictions.
- 5.2 The Committee shall report the working situation of last year to the Board of Directors at the first regular meeting of the Board of Directors of each year.
- 5.3 The chairman of the Committee shall attend the Annual Shareholders' Meeting at the invitation of the Chairman of the Board of Directors and answer the shareholders' questions. In case the chairman of the Committee is absent, another member may attend the meeting.

6. MISCELLANEOUS

- 6.1 The Committee shall set up a working body to provide daily liaison and meeting organization services for the Committee and to report to the Committee on its work.
- 6.2 The Committee shall be provided with sufficient resources to perform its duties and shall have the right to request the Board of Directors and senior management members of the Company to provide adequate support to the work of the Committee.
- 6.3 The Committee may seek advice from independent professional organisations or persons when it deems necessary, and the relevant costs incurred shall be borne by the Company.

Note: Senior management includes, but not limited to, the Company's general manager, senior deputy general manager, deputy general manager, chief financial officer, secretary to the Board of Directors and general counsel.