



**CHINA AIRCRAFT LEASING GROUP HOLDINGS LIMITED**  
**中國飛機租賃集團控股有限公司**

*(Incorporated under the laws of the Cayman Islands with limited liability)*

**STOCK CODE: 1848**

**TERMS OF REFERENCE OF**  
**THE STRATEGY COMMITTEE OF THE BOARD OF DIRECTORS**

(Version Date: 27 June 2023)

**CHINA AIRCRAFT LEASING GROUP HOLDINGS LIMITED**  
**(the “Company”)**

(Adopted by the Company pursuant to the board resolution passed on 11 September 2013 and amended on 27 June 2023)

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**Terms of reference of the Strategy Committee (the “Strategy Committee”)  
of the board of directors (the “Board”) of the Company  
(which together with its subsidiaries, the “Group”)**

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**1. Constitution**

The Strategy Committee is established pursuant to a resolution passed by the Board at a meeting held on 11 September 2013.

**2. Membership**

- 2.1 Members of the Strategy Committee shall be appointed by the Board and shall consist of a minimum of four members.
- 2.2 The Board shall appoint the chairman of the Strategy Committee (the “**Chairman**”) who should be a member of the Board.
- 2.3 The secretary of the Strategy Committee (“**Secretary**”) shall be appointed by the Chairman.
- 2.4 The appointment of the members of the Strategy Committee may be revoked, or additional members may be appointed to the Strategy Committee by separate resolutions passed by the Board.

**3. Proceedings of the Strategy Committee**

**3.1 *Notice:***

- (a) Unless otherwise agreed by all Strategy Committee members, a regular meeting of the Strategy Committee shall be convened by the chairman of the Strategy Committee with at least five (5) business days’ notice (“**Regular Meeting**”). Should an urgent meeting be required at short notice, such meeting may be held by means of a teleconference or by the circulation of a proposed resolution to all members.
- (b) A member of the Strategy Committee may and, on the request of a member of the Strategy Committee or the senior management, the Secretary may, at any time (subject to 3.1(a) above) summon a meeting of the Strategy Committee. Notice shall be given to each member of the Strategy Committee orally in person or in writing or by telephone or by facsimile transmission or other electronic communication mode at the telephone number or facsimile number or address from time to time notified to the Secretary by such member of the Strategy Committee or in such other means as the members of the Strategy Committee or

the senior management may from time to time determine. Any notice given orally shall be confirmed in writing as soon as practicable and before the meeting.

- (c) Notice of meeting shall state the time and place of the meeting and shall be accompanied by an agenda together with other documents which may be required to be considered by the members of the Strategy Committee for the purposes of the meeting. Supporting documents shall be sent to the members of the Strategy Committee and other attendees at least five (5) business days in advance of the meeting (or other agreed period).

3.2 ***Quorum:*** The quorum of the Strategy Committee meeting shall be all members of the Strategy Committee.

3.3 ***Attendance:*** Only members of the Strategy Committee, the Secretary and the Company Secretary of the Company have the right to attend the meeting. Other executives, staff or advisors of the Group may be invited by the Strategy Committee to attend all or part of any meeting, as and when appropriate but shall not be counted in the quorum of the relevant meetings.

3.4 ***Resolutions at any meeting or Resolutions in writing:*** Resolutions of the Strategy Committee at any meeting shall be passed by a majority of votes of the members present. In the case of an equality of votes, the Chairman has a second or casting vote. A resolution in writing signed by all members, shall be as valid and effectual as if it had been passed at a meeting of the Strategy Committee duly convened and be held and may consist of several documents in like form each signed by one or more of the members.

3.5 ***Frequency of meetings:*** The Strategy Committee shall meet at least twice a year and at such other times as the Strategy Committee shall require. A meeting of the Strategy Committee may be held by means of a telephone or tele-conferencing or any other telecommunications facility provided that all participants are thereby able to communicate contemporaneously by voice with all other participants and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting.

3.6 ***Timely dissemination of information:*** The Secretary shall within two (2) business days, upon receipt of documents/information for submission to the Strategy Committee (including but not limited to SC memo) from a member of the Strategy Committee or the senior management of the Company, disseminate such documents/information to the Strategy Committee accordingly.

#### **4. Alternate members/secretary**

4.1 A member of the Strategy Committee may not appoint any alternate.

4.2 In the event that the Company Secretary of the Company is not the Secretary, the Company Secretary of the Company or his/her delegate shall be appointed as the alternate to the Secretary in his place during his absence or under uncontactable circumstances during his business trip period.

4.3 The alternate secretary shall be entitled to attend any Strategy Committee meeting and if the Secretary is not present, to perform all the functions as the Secretary for the purposes of the proceedings at such meeting.

## **5. Authority**

5.1 The Strategy Committee may exercise the following powers:

- (a) to obtain sufficient resources to perform its duties including access to outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if the Strategy Committee considers this necessary at the Company's expense;
- (b) to determine and maintain the policy for the development strategy of the Company for the Board's consideration;
- (c) to delegate its authority and duties to sub-committees, individual members or senior management, as it deems appropriate and seek any information it requires from any employee and all employees are required to co-operate with any request made by the Strategy Committee; and
- (d) to do any such things to enable the Strategy Committee to discharge its authority and duties conferred on it by the Board.

## **6. Duties**

6.1 The duties of the Strategy Committee shall be:

- (a) to set investment policies and guidelines, including but not limited to policies and guidelines regarding aircraft type concentrations and age policies for the fleet portfolio, management of the residual value risks, funding requirements, rental policies, the compliance of general aviation authority regulations and environmental regulations, maintenance requirements, insurance requirements and lessee concentrations and the concentration limits;
- (b) to review, analyze and make recommendation to the Board on the Company's strategic plans;
- (c) to set policies and guidelines on issue relating to any liability or financing arrangements that may be arising from the business;
- (d) to set out the overall philosophy of risk management and to approve risk management strategy, policies and procedures;
- (e) to determine the overall level of risk tolerance, to urge senior management to take the necessary internal control steps to identify measures, monitor and control risks, and to regularly obtain information on the nature and level of risk through monitoring and evaluating a comprehensive risk management report;

- (f) to ensure effective identification, measurement, execution, monitoring and control of business risks has been undertaken;
- (g) to assess the risk management effectiveness by the senior management in performing their duties;
- (h) to set policies and guidelines on issue relating to any connected transactions;
- (i) to monitor the performance of the Company and individual manager by, inter alia, reviewing the managing accounts, investment proposals prepared by investment team and by discussions with the relevant staff;
- (j) to evaluate the performance of the Company based on a comparison of actual returns with the absolute return objective, and with such other benchmarks may from time to time select. The evaluation will take into account compliance with investment policies and guidelines and risk levels of the overall aircraft portfolio;
- (k) to conduct a performance evaluation of the Strategy Committee every other year and report its findings to the chairman of the Board;
- (l) to maintain minutes of the meetings of the Strategy Committee and report regularly to the Board;
- (m) to approve any matters specifically delegated to it by the Board in the Delegation of Approval Authority Policy of the Company;
- (n) to consider and adopt the annual plan of ESG functions and activities to fulfill the Company's corporate responsibility and sustainability plans;
- (o) to review and approve the annual ESG report and any relevant ancillary public documents;
- (p) to consider emerging ESG issues and formulate appropriate responses;
- (q) to assist in exercising the functions and responsibilities of the Board between its regular meetings; and
- (r) other matters authorized by the Board.

## **7. Minutes of meetings**

- 7.1 Full minutes of the meetings of the Strategy Committee should be kept by the Company Secretary of the Company and shall be available for inspection by any members of the Strategy Committee or the Board at any reasonable time on reasonable notice. Draft and final versions of minutes of the meeting of the Strategy Committee or, as the case may be, written resolutions should be sent to all members of the Strategy Committee for their comment and records within one (1) month after the meeting is held.

7.2 Minutes of the Strategy Committee should record in sufficient detail the matters considered by the Strategy Committee and decisions reached, including any concerns raised by any member or dissenting views expressed.

7.3 All resolutions passed by the Strategy Committee from time to time shall be circulated for the information of the Board on a monthly basis.

## **8. Reporting procedures**

8.1 The Chairman shall report formally to the Board on its proceedings upon request by the Board on all matters within its duties and responsibilities.

8.2 The Strategy Committee shall make any recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

8.3 The Chairman, or in the absence of the Chairman, a member, or failing this his duly appointed delegate, shall attend the annual general meeting of the Company and make himself available to respond to any questions from the shareholders of the Company on the Strategy Committee's activities and responsibilities.

## **9. Continuing applications of the constitutional documents of the Company**

9.1 The constitutional documents of the Company regulating the meetings and proceedings of the directors of the Company so far as the same are applicable and are not replaced by the provisions in these terms of reference shall apply to the meetings and proceedings of the Strategy Committee.

## **10. Powers of the Board**

10.1 The Board may, subject to compliance with the constitutional documents of the Company and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, amend, supplement and revoke these terms of reference provided that no amendments to and revocation of these terms of reference shall invalidate any prior act and resolution of the Strategy Committee which would have been valid if such terms of reference had not been amended or revoked.

## **11. Supplementary Provision**

11.1 For any matters not covered in these terms of reference, the relevant laws and regulations, the Listing Rules, other requirements of the Hong Kong securities regulatory authority, and the relevant provisions of the constitutional documents of the Company shall apply. If the relevant provisions of these terms contravene with the laws and regulations, the Listing Rules, other requirements of the Hong Kong securities regulatory authority and the constitutional documents of the Company as enacted or amended in the future, such relevant laws and regulations, the Listing Rules, other requirements of the Hong Kong securities regulatory authority, and the existing or revised constitutional documents of the Company shall prevail.