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**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 REMUNERATION COMMITTEE OF THE BOARD OF  
DIRECTORS**

**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 remuneration committee (the “Remuneration 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 Remuneration 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 Remuneration Committee shall be appointed by the Board from amongst the members of the Board and shall consist of not less than three members and a majority of whom should be independent non-executive directors of the Company.
- 2.2 The chairman of the Remuneration Committee shall be appointed by the Board and shall be an independent non-executive director, and in his absence, members present may elect any member to chair a meeting of the Remuneration Committee.
- 2.3 The Company Secretary or his/her delegate or such other person appointed by the chairman of the Remuneration Committee shall be the secretary of the Remuneration Committee (the “**Secretary**”) and in his/her absence, such other person appointed by the chairman of the Remuneration Committee shall act as secretary of the relevant meeting of the Remuneration Committee.
- 2.4 The appointment of the members may be revoked, or additional members may be appointed to the Remuneration Committee by resolutions passed by the Board.

**3. Proceedings of the Remuneration Committee**

**3.1 *Notice:***

- (a) Unless otherwise agreed by all Remuneration Committee members, a regular meeting of the Remuneration Committee shall be called by at least fourteen (14) 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 Remuneration Committee may and, on the request of a member of the Remuneration Committee, the Secretary may, at any time summon a meeting of the Remuneration Committee. Notice shall be given to each member of the Remuneration Committee in person orally 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 Remuneration Committee or in such other means as the member of the Remuneration Committee may from time to time determine. Any notice given orally shall be confirmed in writing as soon as practicable and before the meeting
  - (d) 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 Remuneration Committee for the purposes of the meeting. Supporting documents shall be sent to the members of the Remuneration Committee and other attendees at least three (3) days in advance of the meeting (or other agreed period).
- 3.2 **Quorum:** The quorum of the Remuneration Committee meeting shall be two members of the Remuneration Committee who must be independent non-executive directors.
- 3.3 Resolutions of the Remuneration Committee at any meeting shall be passed by a majority of votes of the members present. In the case of equality of votes, the chairman of the Remuneration Committee shall have a second or casting vote.
- 3.4 Meetings shall be held at least once a year to consider and review the Company's policy on directors' remuneration and to make recommendation the remuneration packages for all directors.
- 4. Overriding principles**
- 4.1 Levels of remuneration should be sufficient to attract, retain and motivate directors to run the Company successfully, but should avoid paying more than what is necessary for this purpose.
- 4.2 No director should be involved in deciding his own remuneration.
- 4.3 The Remuneration Committee should consult the chairman and/or Chief Executive Officer of the Company about their remuneration proposals for other executive directors.
- 5. Alternate members**
- 5.1 A Remuneration Committee member may not appoint any alternate.
- 6. Authority of the Remuneration Committee**
- 6.1 The Remuneration Committee may exercise the following powers:

- (a) to review any proposed service contract with any director or senior management before such contract is entered into and to make recommendation for any changes to the proposed terms of such contract ;
- (b) to make recommendations regarding the remuneration, bonuses and welfare benefits of the executive directors and the senior management;
- (c) to obtain external legal or other independent professional advice and to secure the attendance of external advisers or experts with relevant experience and expertise if it considers necessary at the Company's expense; and
- (d) to exercise such powers as the Remuneration Committee may consider necessary and expedient so that their duties under section 7 below can be properly discharged.

6.2 The Remuneration Committee should be provided with sufficient resources to perform its duties.

## **7. Duties**

7.1 The duties of the Remuneration Committee shall be:

- (a) to make recommendations to the Board on the Group's policy and structure for all directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- (b) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (c) to make recommendations to the Board on the remuneration packages of individual executive directors and senior management. This should include benefits in kind, pension rights and compensation payment, including any compensation payable for loss or termination of their office or appointment;
- (d) to make recommendations to the Board on the remuneration of non-executive directors and, as for the remuneration of independent non-executive directors, such recommendation shall not include any equity-based remuneration (e.g. share options or grants) with performance-related elements which may lead to bias in their decision-making and compromise their objectivity and independence;
- (e) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;

- (f) to review and approve compensation payable to executive directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;
- (g) to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate; and
- (h) to ensure that no director or any of his associates (within the meaning prescribed to it under the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited in force from time to time) is involved in deciding his own remuneration;
- (i) with respect to any service contracts of directors that require the shareholders’ approval under Rule 13.68 of the Listing Rules, to advise the shareholders of the Company as to whether the terms are fair and reasonable, whether such contracts are in the interests of the Company and its shareholders as a whole, and as to how to vote;
- (j) to review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules; and
- (k) other requirements on the duties and authorities of the Remuneration Committee according to the Listing Rules, as amended from time to time.

## **8. Minutes of meetings**

- 8.1 Full minutes of the meetings of the Remuneration Committee should be kept by the Secretary and shall be available for inspection by any members of the Remuneration Committee or the Board at any reasonable time on reasonable notice. Draft and final versions of minutes of the meeting of the Remuneration Committee or, as the case may be, written resolutions should be sent to all members of the Remuneration Committee for their comment and records within a reasonable time after the meeting is held.
- 8.2 Minutes of the Remuneration Committee should record in sufficient detail the matters considered by the Remuneration Committee and decisions reached, including any concerns raised by any member or dissenting views expressed.

## **9. Reporting procedures**

- 9.1 The chairman of the Remuneration Committee shall report at the forthcoming Regular Board Meeting any key decisions made within the Remuneration Committee’s duties and responsibilities and shall table before the Board on its proceeding a list of minutes of committee meetings and/or a summary of issues for discussion.
- 9.2 The chairman of the Remuneration Committee, or in the absence of the chairman of the Remuneration Committee, 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 Remuneration Committee's activities and responsibilities.

**10. Continuing applications of the constitutional documents of the Company**

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 Remuneration Committee.

**11. Powers of the Board**

The Board may, subject to compliance with the constitutional documents of the Company and the Listing Rules, 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 Remuneration Committee which would have been valid if such terms of reference had not been amended or revoked.

**12. Supplementary Provision**

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.