



CHINA FINANCIAL LEASING GROUP LIMITED
中國金融租賃集團有限公司*

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 2312)

Terms of Reference of the Remuneration Committee

The Board of Directors (the “Board”) of China Financial Leasing Group Limited (formerly known as ‘Golden 21 Investment Holdings Limited’) (the “Company”) resolved at a meeting of the Board on 28 June 2005 to establish a remuneration committee (the “Committee”). At the Board meeting held on 21 December 2011, the Board adopted this “Terms of Reference” to supersede the previous one.

1. Composition

1.1 Members of the Committee shall be appointed by the Board from time to time and a majority of members shall be independent non-executive Directors. The Committee shall have a minimum of three members. A quorum for meeting of Committee shall be two members.

1.2 The Chairman of the Committee must be an independent non-executive Director.

2. Secretary

The Company Secretary of the Company shall be the secretary of the Committee.

3. Meetings

3.1 Meeting may be convened by any member of the Committee or by the secretary of the Committee on the request of a member of the Committee. Notice may be given in writing or by telephone or by facsimile or electronic transmission or other similar means or in such other manner as the Committee may from time to time determine.

* *for identification purpose only*

- 3.2 Resolutions of the Committee at any meetings shall be passed by a simple majority of votes cast by members of the Committee present.
- 3.3 Unless otherwise stated therein, all provisions of law and of the Company's Articles of Association relating to proceedings of the Board shall apply *mutatis mutandis* to proceedings of the Committee.
- 3.4 The secretary of the Committee shall be responsible for preparation of and keeping minutes of meetings of the Committee and the minutes shall be circulated to all members of the Committee, within a reasonable time of the meeting.

4. Attendance at meetings

Members of the Committee shall normally attend meetings of the Committee. At the invitation of the Committee, other members of the Board and any other persons may attend all or part of any meetings of the Committee.

5. Duties

The Committee shall have the following responsibilities and duties:

- 5.1 to make recommendations to the Board on the Company's policy and structure for the remuneration of the Directors and senior management and on the establishment of a formal and transparent procedure for developing remuneration policy;
- 5.2 to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objects;
- 5.3 either:
 - (i) to determine, with delegated responsibility, the remuneration packages of individual executive Directors and senior management; or
 - (ii) 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 payments, including any compensation payable for loss or termination of their office or appointment;

- 5.4 to make recommendations to the Board on the remuneration of non-executive Directors;
- 5.5 to consider salaries paid by comparable companies, time commitment and responsibilities, and employment conditions elsewhere in the Group;
- 5.6 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;
- 5.7 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
- 5.8 to ensure that no director or any of his associates is involved in deciding his own remuneration;
- 5.9 to consult the Chairman of the Board and/or the chief executive about their remuneration proposals for other executive Directors.

6. Reporting procedure

Minutes of the Committee shall be circulated to the Chairman of the Board and the chief executive of the Company after each meeting of the Committee. For any matters that require immediate attention of the Board, the Committee shall report immediately after the meeting.