

AEON CREDIT SERVICE (ASIA) COMPANY LIMITED

REMUNERATION COMMITTEE

TERMS OF REFERENCE

Membership

1. Members of the Remuneration Committee shall be appointed by the Board of Directors of the Company from amongst the Non-executive Directors of the Company and shall consist of not less than three members. The majority of the members of the Remuneration Committee shall be Independent Non-executive Directors.
2. The Chairman of the Committee shall be appointed by the Board and must be an Independent Non-executive Director.

Attendance at Meetings

3. The Managing Director, the head of human resources, external advisers and other persons may be invited to attend all or part of any meetings as and when appropriate.
4. The Company Secretary shall be the secretary of the Remuneration Committee.

Frequency and Proceedings of Meetings

5. The Remuneration Committee shall meet at least once a year.
6. Unless otherwise agreed by all the members, a meeting shall be called by at least 14 days' notice.
7. The quorum for a meeting shall be two members.
8. Meetings could be held in person, by telephone or by video conference. Members may participate in a meeting by electronic means including telephonic or video conferencing.
9. Resolutions of the Remuneration Committee at any meetings shall be passed by a majority of votes of members present. In the case of an equality of votes, the Chairman shall have a second or casting vote.
10. A resolution in writing signed by all members of the Remuneration Committee shall be as valid and effectual as if it had been passed at a meeting of the Remuneration Committee duly convened and held.

Annual General Meeting

11. The Chairman of the Remuneration Committee or in his absence, another member of the Remuneration Committee or failing this his duly appointed delegate shall attend the Company's Annual General Meeting and be prepared to respond to shareholders' questions on the Remuneration Committee's activities and responsibilities.

Authority

12. The Remuneration Committee shall consult the Chairman of the Board and/or Managing Director about their remuneration proposals for other Executive Directors and senior management.

13. The Remuneration Committee is authorised to obtain, at the expense of the Company, outside legal or other independent professional advice on matters within its terms of reference.

Duties

14. The duties of the Remuneration Committee shall be:
 - (a) to make recommendations to the Board on the Company'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 determine, with delegated responsibility, 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;
 - (d) to make recommendations to the Board on the remuneration of Non-executive Directors;
 - (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 relevant contractual terms and 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 is involved in deciding his own remuneration.

Reporting Procedures

15. Full minutes of the meetings of the Remuneration Committee and all written resolutions of the Remuneration Committee shall be kept by the secretary of the Remuneration Committee. Such minutes and written resolutions shall be open for inspection by the Directors.
16. The secretary of the Remuneration Committee shall circulate the draft and final versions of minutes of the meetings or, as the case may be, written resolutions of the Remuneration Committee to all members of the Remuneration Committee for their comments and records respectively within a reasonable time after the meeting or the passing of the written resolutions.
17. The secretary shall circulate the agenda and supporting papers and materials and draft and final versions of the minutes of the meetings or, as the case may be, written resolutions of the Remuneration Committee to all members of the Board.
18. The Remuneration Committee shall report to the Board on its activities as the Board may request from time to time.

Publication of the Terms of Reference

19. The terms of reference of the Remuneration Committee will be posted on the websites of the Company and the Stock Exchange. A copy of the terms of reference will be made available to any person without charge upon request.

21 December 2011