



中州证券

Central China Securities Co., Ltd.

(a joint stock company incorporated in 2002 in Henan Province, the People's Republic of China with limited liability under the Chinese corporate name “中原证券股份有限公司” and carrying on business in Hong Kong as “中州证券”)

(Stock Code: 01375)

Development and Strategy Committee of the Board

Terms of Reference

Chapter I General Provisions

Article 1 To strengthen and guide research and implementation of development and strategy of Central China Securities Co., Ltd. (the “**Company**”), as well as to improve decision-making procedures of major matters of the Company and perfect corporate governance structure, the board of directors of the Company (the “**Board**”) has set up development and strategy committee (the “**Development and Strategy Committee**” or the “**Committee**”) and formulated these terms of reference in accordance with *Company Law of the People's Republic of China, Securities Law of The People's Republic of China, Regulation on the Supervision and Administration of Securities Companies, Corporate Governance Standards of Securities Companies, Measures for the Administration of Independent Directors of Listed Companies, Rules Governing the Listing of Stocks on Shanghai Stock Exchange, Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* (the “**Hong Kong Listing Rules**”) and relevant laws, regulations and normative documents as well as the articles of association (the “**Articles of Association**”) of the Company.

Article 2 The Development and Strategy Committee is a special committee set up under the Board, responsible for research, among other things, on the Company's major decision on long-term development and strategy as well as major investments, and providing advises and suggestions for the Board.

Chapter II Composition

Article 3 The Development and Strategy Committee shall consist of at least three directors of the Company (the “**Directors**”).

Article 4 Members of the Development and Strategy Committee shall be nominated by the chairman of the Board and determined by the Board.

Article 5 The Development and Strategy Committee shall have a chairperson who is acted by the chairman of the Board and is responsible for the work of the Committee.

Article 6 The term of office of members of the Development and Strategy Committee shall be consistent with that of the Directors; members of the Committee may serve consecutive terms if re-elected upon the expiration of his/her term. If any member ceases to be a Director, he/she shall ipso facto and immediately cease to hold the position of member of the Committee. The vacancy shall be filled up by the Board in accordance to the above-mentioned articles 3 and 4. Members of the Development and Strategy Committee may resign, on a voluntary basis, before the expiration of their terms. To resign, a member must submit a written resignation application to the Board. If the resignation results in the number of members falling below the prescribed quorum, the resigning member shall continue to perform the relevant duties until a new member has been appointed to meet the required quorum.

Article 7 The duties of administrative body of the Development and Strategy Committee shall be assumed by the department of strategic development.

Chapter III Duties and Authorities

Article 8 Main duties of the Development and Strategy Committee:

(I) studying the Company's medium and long-term development strategy plans and proposing suggestion;

(II) studying the medium and long-term strategic goals and development plans for each business segment and management segment of the Company and proposing suggestion;

(III) studying major investment and financing programs, capital operation and assets management projects which requires to be approved by the Board as stated in the Articles of Association and proposing suggestion;

(IV) studying the Company's ESG-related plans, goals, systems and material matter, paying attention to ESG-related material risks, reviewing ESG-related reports and providing suggestions to the Board;

(V) studying other important matters affecting the Company's development and to make recommendation;

(VI) inspecting the implementation of the above matters; and

(VII) other duties required by laws, administrative regulations, regulations of the China Securities Regulatory Commission, specified in the Articles of Association, and authorized by the Board.

Chapter IV Convening of Meeting and Notification Procedures

Article 9 The Development and Strategy Committee meetings are convened by the chairperson, as necessary, and at least one meeting shall be convened each year. In principle, all members should be notified in writing three days prior to the meeting. Under special circumstances, the notice period for a meeting may be less than three days, or other methods may be used to notify all members if more than half of the members of the Development and Strategy Committee have no objections.

Article 10 Meetings of the Development and Strategy Committee can be convened in the forms of physical meetings and correspondence meetings. In principle, meetings are mainly convened in the form of physical meetings. On the premise of ensuring that all participating Committee members can fully communicate and express their opinions, meetings can be held via video calls, telephone calls or by other means, if necessary, in accordance with the procedures. When a meeting is convened in the form of a correspondence meeting, members of the Development and Strategy Committee shall be deemed to have attended the relevant meeting and agreed with the content of the resolution by signing the resolution at the meeting.

Article 11 The notice of meeting of the Development and Strategy Committee should at least include the following contents:

- (I) the form, time and location of the meeting to be convened;
- (II) the duration of the meeting;
- (III) the agenda of the meeting and the relevant meeting materials;
- (IV) the date of the notice of the meeting.

Chapter V Consideration and Voting Procedures

Article 12 Meeting of the Development and Strategy Committee shall be chaired by the chairperson. If the chairperson cannot convene and attend the meeting in person, he/she may entrust another member to convene and chair the meeting.

Article 13 Meeting of the Development and Strategy Committee must be attended by more than two-thirds (2/3) of the members; voting shall be conducted by poll, and each member has one vote; resolutions proposed at the meetings shall be passed by more than half of all members; attending members must sign the meeting resolutions. Members of the Development and Strategy Committee must clearly express their affirmative or dissenting opinions. Abstention is not allowed. Any member of the Development and Strategy Committee who is absent from the meeting twice successively without justified reasons, shall be considered as unable to perform his/her duty, and the Board may remove his/her position as a member.

Article 14 In principle, the Development and Strategy Committee does not consider the issues or matters not listed in the notice of meeting. Under special circumstances when new issues or matters need to be added, more than two-thirds (2/3) of the members shall agree to review and decide on the issues or matters that are temporarily added.

Article 15 The Development and Strategy Committee may invite non-committee Directors, supervisors, senior management of the Company, and principals of relevant departments to attend the meeting.

Article 16 If a member of the Development and Strategy Committee is interested in any matter being considered by the Committee, such member shall abstain from voting. If after such abstention from voting the members present cannot form a quorum as required, such resolution shall be submitted to the Board for consideration.

Article 17 Proposals passed and voting results of the meeting of the Development and Strategy Committee shall be submitted in writing to the Board.

Article 18 Convening procedures, voting modes, of, and proposals passed by, the meeting of the Development and Strategy Committee must comply with relevant laws and regulations, departmental regulations, normative documents, the Articles of Association and the provisions of these terms of reference.

Article 19 The meeting of the Development and Strategy Committee shall keep minutes and members present at the meeting shall initial on the minutes. Members present at such meeting are entitled to request to add explanatory descriptions in relation to their statements made at the meeting to the minutes. The minutes of the meeting shall be kept by the Company as company documents for a period of no less than ten years.

Article 20 Members present the meeting shall undertake confidentiality obligation of for all items discussed at the meeting, and shall not disclose relevant information without permission.

Chapter VI Performance Requirements and Guarantees

Article 21 Performance requirements for members of the Development and Strategy Committee:

(I) Invest sufficient time and effort to perform duties. Except for force majeure and other factors, members of the Development and Strategy Committee shall work on-site for no less than 15 working days each year.

(II) Perform duties with care. Members of the Development and Strategy Committee shall, on the basis of full understanding and information, make judgments and express their definite opinions on decision-making and deliberation matters in an independent, objective and prudent manner.

(III) Submit work reports. The Development and Strategy Committee shall submit an annual work report to the Board within three months from the end of each financial year.

(IV) Strengthen surveys and research on work and provide professional opinions and suggestions. Members of the Development and Strategy Committee should take the initiative to study domestic and foreign industry trends and relevant national policies, summarize advanced experience, participate in surveys and research on the Company's major work matters no less than four times a year to understand the Company's basic situations. They shall participate in the discussion on important matters, such as the Company's development and strategic planning, annual business plan formulation, as well as major investment and financing decisions, and provide professional opinions and suggestions for the Board to study and make decisions.

Article 22 The Company should provide supports and guarantees for the members of the Development and Strategy Committee to perform their duties, which mainly include:

(I) The management and various departments should strengthen daily communication with the members of the Development and Strategy Committee, report relevant work status in a timely manner, provide documents and materials, provide explanations, answer questions, and listen to the professional opinions and suggestions of the members.

(II) The Company should provide necessary protection for the relevant travelling, food and accommodation expenses incurred by the Development and Strategy Committee.

(III) If necessary, the Development and Strategy Committee can hire an intermediary to provide professional advice for its decision-making, and the relevant fees will be borne by the Company.

(IV) The Development and Strategy Committee should organize members to participate in performance training and communication activities related to their responsibilities, and provide reference materials that will help members perform their duties.

Chapter VII Supplementary Provisions

Article 23 In the event that any matters are covered by these terms of reference or any terms of reference being inconsistent with the relevant laws and regulations, departmental regulations, normative documents and the Articles of Associations, such laws, regulations and rules shall prevail.

Article 24 These terms of reference shall become effective upon the approval by the Board. The original Terms of Reference of the Development and Strategy Committee of the Board shall lapse automatically from the effective date of these terms of reference.

Article 25 Both “above” and “below” referred to by the terms of reference include the given figure; “less than” and “more than” shall exclude the given figure.

Article 26 When these terms of reference are required to be revised based on changes in actual conditions, the Development and Strategy Committee will propose and submit a revised draft to the Board for approval.

Article 27 The Board shall have the right to interpret these terms of reference.

Note: If there is any inconsistency between the English and Chinese versions of these terms of reference, the Chinese version shall prevail.