招商证券股份有限公司
China Merchants Securities Co., Ltd.

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 6099)

China Merchants Securities Co., Ltd.
Terms of Reference of the Audit Committee under the Board of Directors

November 24, 2025

CHAPTER 1 GENERAL PROVISIONS

Clause 1 To improve the corporate governance structure, optimize internal control system, facilitate corporate regulation, stability and sustainable development, strengthen decision-making of the board of directors and ensure the effective supervision of the board of directors over the management of China Merchants Securities Co., Ltd. (the "**Company**"), the Company has established the Audit Committee under the board of directors (the "**Audit Committee**") and formulated these rules in accordance with the Company Law of the People's Republic of China (the "**Company Law**"), the Securities Law of the People's Republic of China, the Measures for the Administration of Independent Directors of Listed Companies, the Code of Corporate Governance for Listed Companies, the Rules for Governance of Securities Companies, the Measures for the Administration of Selection and Engagement of Accountants' Firms by State-owned Enterprises and Listed Companies, the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, the Shanghai Stock Exchange Self-regulatory Guidelines for Listed Companies No. 1 – Standardized Operation, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Listing Rules**"), the Articles of Association of China Merchants Securities Co., Ltd. (the "**Articles of Association**") and other relevant requirements.

Clause 2 The Audit Committee is a dedicated working organization established by the board of directors. Being accountable to the board of directors, it is mainly responsible for assuming the functions and powers of the board of supervisors required by laws and regulations such as the Company Law, and coordinating the communication, supervision, evaluation, guidance and assessment of internal and external audit, providing advice on the selection of external auditors, reviewing the financial information of the Company and its disclosure, and supervising and assessing internal control system of the Company.

Clause 3 The Company shall provide necessary working conditions for the Audit Committee to perform its duties. Based on their respective functions, the secretary to the board of directors, the general office, audit department, finance department and other relevant departments of the Company are responsible for the daily work of the Audit Committee, such as work liaison, organization of meetings, preparation of materials, file management, and follow-up action and implementation of the resolutions of meetings. When the Audit Committee performs its duties, the management and relevant departments of the Company shall cooperate with it. Directors and senior officers shall honestly provide the Audit Committee with relevant information and materials, without obstructing the Audit Committee in exercising its functions and powers, and shall ensure that the Audit Committee can perform its duties without interference.

The Audit Committee may engage an intermediary or external professional to provide professional advice. The related cost incurred by the Audit Committee when performing its duties shall be borne by the Company.

The Company shall ensure the smooth flow of information between members of the Audit Committee and other directors, senior officers and other relevant personnel, and that members of the Audit Committee have access to sufficient resources and necessary professional advice in the performance of their duties.

CHAPTER 2 COMPOSITION

Clause 4 The Audit Committee shall comprise five (5) non-executive directors, the majority of whom shall be independent directors. The members of the Audit Committee shall be elected by the majority of members of the board of directors. At least one (1) independent director shall be an accounting professional engaged in accounting for more than five (5) years. Members of the Audit Committee shall possess the qualifications required by laws and regulations, and the Articles of Association, as well as the professional knowledge and work experience necessary for their performance of duties.

Members of the Audit Committee shall be diligent and responsible, effectively supervise and evaluate the internal and external audits of the Company, facilitate the Company in establishing effective internal control, and provide financial reports that are true, accurate and complete.

Clause 5 The Audit Committee shall have one (1) convener (chairman) who shall be an independent director (being an accounting professional) elected from the members of the Audit Committee and responsible for presiding over the operation of the Audit Committee.

Clause 6 The term of office of the Audit Committee shall coincide with that of the board of directors. Members of the Audit Committee may serve consecutive terms if re-elected upon the expiration of their terms of office. If any member ceases to be a director of the Company, he/she shall automatically be disqualified as a member. The board of directors shall fill the vacancy in accordance with clauses 4 to 5 above.

CHAPTER 3 DUTIES

Clause 7 The main duties of the Audit Committee are as follows:

(I) to assume the functions and powers of the board of supervisors required by the Company Law;

(II) to supervise and assess the performance of the external auditors, and propose the engagement or change of the external auditors;

(III) to supervise and assess internal auditing;

(IV) to coordinate the communication among the management, the internal audit department, other relevant departments and the external auditors, and to perform the role as a major representative of the Company to liaise with the external auditors and supervise their relationship;

(V) to supervise and assess the internal control of the Company;

(VI) to oversee the financial reporting system of the Company, review the financial information of the Company and its disclosure, supervise annual audits, make judgments on the authenticity, accuracy and completeness of the audited financial information and submit the same to the board of directors for consideration;

(VII) to ensure and review the arrangements of the Company which enable its employees and those who deal with the Company (e.g. customers and suppliers) to raise concern, on a confidential and anonymous basis, over any possible improprieties in financial reporting, internal control or other aspects of the Company. The Audit Committee shall ensure that proper arrangements are made for the Company to conduct fair and independent investigation on such matters and take appropriate actions;

(VIII) to propose to the board of directors the appointment or dismissal of the chief financial officer of the Company;

(IX) to review changes in accounting policies and accounting estimates or corrections of major accounting errors due to reasons other than changes in accounting standards, and submit to the board of directors for consideration;

(X) to study other topics and matters delegated by the board of directors;

(XI) to perform other duties required by laws, regulations and the Articles of Association.

The Audit Committee shall report to the board of directors on any matters where action or improvement it deems necessary and make corresponding recommendations.

Clause 8 The Audit Committee shall exercise the functions and powers of the board of supervisors as stipulated by the Company Law, which primary include:

(I) to review the financial condition of the Company;

(II) to supervise the performance of duties by directors and senior officers, and propose the dismissal of directors and senior officers who violate laws, administrative regulations, the Articles of Association, or resolutions of the shareholders' general meeting, or who are primarily responsible for or in leadership roles during major risk incidents;

(III) to require directors and senior officers to correct their acts which are detrimental to the interest of the Company;

(IV) to propose the convening of extraordinary general meetings and, if the board of directors fails to fulfill its obligation required by laws and regulations, as well as the Articles of Association to convene and preside over such meetings, convening and presiding over the shareholders' general meetings;

(V) to submit proposals to shareholders' general meetings;

(VI) to initiate legal proceedings against directors and senior officers according to Article 189 of the Company Law;

(VII) to exercise other functions and powers stipulated by laws, regulations and the Articles of Association.

Clause 9 The duties of the Audit Committee to select, engage, monitor and evaluate the performance of external auditors shall mainly include the following:

(I) to formulate policies, procedures and relevant internal control systems for the selection and engagement of external auditors in accordance with the authorization of the board of directors;

(II) to make recommendations to the board of directors on the appointment, re-appointment, dismissal or change of the external auditors; to consider the selection documents, supervise the selection process, review the audit fees and terms of engagement of the external auditors, and be free from undue influence from the substantial shareholders, de facto controllers or directors and senior officers of the Company; and to deal with any issues concerning resignation or dismissal of the external auditors;

(III) to discuss and communicate with external auditors about the audit nature, audit scope, audit plan and audit practice before external auditors commence the audit as well as significant matters found during auditing and their reporting obligations;

(IV) to evaluate, review and monitor the independence, objectivity and competence of external auditors and the effectiveness of the audit procedures;

(V) to develop and implement policies on engaging external auditors to provide non-audit services. For this purpose, external auditors include any entity which is under common control, ownership or management with the audit firm or any entity which a reasonably informed third party knowing all relevant information would reasonably conclude to be part of the audit firm nationally or internationally;

(VI) to urge external auditors to be honest and diligent, strictly abide by business rules and self-disciplinary norms of the industry, stringently implement internal control systems, verify the financial reports of the Company, perform special attention obligations, and prudently express professional opinions;

(VII) to submit to the board of directors every year an evaluation report on the performance of external auditors and a report on the performance of supervision responsibilities by the Audit Committee;

(VIII) to maintain a high degree of caution and attention to the following circumstances: 1. change of accountants' firm during the period from the balance sheet date to the date of issuance of annual report, change of accountants' firm for two (2) consecutive years, or multiple changes of accountants' firm in the same year; 2. the accountants' firm to be engaged being subject to multiple administrative penalties due to quality of practice in the past three (3) years, or being under investigation for multiple audit projects; 3. the original audit team to be engaged being transferred to another accountants' firm; 4. a significant change in audit fees during the engagement period as compared to the previous year, or the service fees of the engagement being significantly lower than the benchmark price; and 5. failure of the accountants' firm to substantially rotate partners and signing certified public accountants of audit projects as required.

Clause 10 The duties of the Audit Committee to supervise and evaluate the work of internal audit shall mainly include the following:

(I) to continuously supervise and review the internal control system of the Company and review the effectiveness of the internal control system of the Company and its subsidiaries (within the meaning of the Hong Kong Listing Rules) at least once a year. The Audit Committee shall also discuss the internal control system with the management to ensure that the management has performed its duty to have an effective internal control system. This discussion shall specifically include the adequacy of resources, staff qualifications and experience, staff training programs and the respective budgets with regard to the accounting and financial reporting functions of the Company;

(II) to conduct researches on major investigation findings on internal control matters and management's response to these findings on its own initiative or as delegated by the board of directors;

(III) to ensure co-ordination between the internal audit department and external auditors, and to ensure that the internal audit function is adequately resourced and has appropriate standing within the Company, and to review and monitor its effectiveness;

(IV) to guide and supervise the establishment and implementation of the internal audit system, and to review important internal audit systems;

(V) to review the internal mid-to-long term audit planning, the annual audit plan and the internal audit work reports of the Company;

(VI) to supervise the implementation of the internal audit plan of the Company, evaluate the results of internal audit, supervise the rectification of material issues, assess and evaluate the internal auditing work and make recommendation in relation thereto;

(VII) to guide, review and supervise the effective operation of the internal audit department. The internal audit department of the Company shall report its work to the Audit Committee. The internal audit department shall submit various audit reports, rectification plans for audit issues and progress of rectification to the management, and shall submit the same to the Audit Committee at the same time;

(VIII) to urge the internal audit department to, at least once every six months, review the implementation of major events such as use of proceeds, provision of guarantees, related party (connected) transactions, provision of financial assistance, acquisition or disposal of assets and external investment of the Company, and inspect matters such as large-amount capital transactions of the Company and capital transactions of directors, senior officers, controlling shareholders or de facto controllers and their associates (connected persons), and issue an inspection report to the Audit Committee. The Audit Committee shall issue written evaluation opinions on the effectiveness of internal control of the Company based on the internal audit report and relevant materials submitted by the internal audit department, and report the same to the board of directors;

(IX) to report to the board of directors the progress and quality of internal audit work and any major issues found;

(X) to coordinate the relationship between the internal audit department and external audit institutions such as accountants' firms and national audit authorities.

Clause 11 The duties of the Audit Committee to oversee the financial reporting system of the Company and review the financial information of the Company and its disclosure shall mainly include the following:

(I) to review the financial control and accounting policies and practices of the Company;

(II) to inspect the external auditors' management letter (審核情況説明函件) issued by external auditors to the management, any material queries about accounting records, financial accounts or control system made to the management by external auditors and the management's responses;

(III) to ensure that the board of directors will provide a response to any issues raised in the external auditors' management letter (審核情況説明函件) issued by external auditors to the management in a timely manner;

(IV) to supervise the completeness of the financial statements, annual reports and accounts, interim reports and quarterly reports of the Company, review the financial reports and the material opinions on financial reporting contained therein, and give opinions as to the truthfulness, completeness and accuracy of the financial reports;

(V) prior to the submission of the relevant statements and reports to the board of directors, the Audit Committee shall specifically review the following issues: any changes in accounting policies and practices; matters involving major judgments; significant adjustments resulting from audit; the going concern assumptions and any qualified opinions; compliance with accounting standards; and compliance with laws and regulations in relation to financial reporting. The Audit Committee shall focus on material accounting and auditing issues, with particular attention to the possibility of fraud, corrupt practices and material misstatement in relation to the financial reports and supervise the rectification of problems in financial reports. The Audit Committee shall consider any significant or unusual items that shall be, or may need to be, reflected in such reports and accounts, and shall give due consideration to any matters that have been raised by the employees responsible for the accounting and financial reporting function, compliance officer of the Company or external auditors;

(VI) as to items (IV) and (V) of this Clause, the Audit Committee shall maintain contact with the board of directors and senior officers, and convene at least two (2) separate meetings with external auditors every year;

(VII) to urge the relevant departments of the Company to formulate rectification measures and rectification schedule, conduct follow-up reviews, supervise the implementation of rectification measures, and disclose the progress of rectifications in a timely manner, if there exist false records, misleading statements or material omissions in the financial reports;

(VIII) where financial misrepresentation, material accounting errors, or similar issues are identified, the Audit Committee shall require the Company to correct the relevant financial data before voting on the resolution. The Audit Committee shall not approve such reports until corrections are completed. If any member of the Audit Committee is unable to confirm the truthfulness, accuracy, or completeness of the financial information in periodic reports or hold dissenting views, such member shall vote against or abstain from voting during the review of the reports by the Audit Committee.

Clause 12 The duties of the Audit Committee to supervise and assess the internal control of the Company shall mainly include the following:

(I) to assess the appropriateness of the internal control system of the Company;

(II) to evaluate the establishment and implementation of the Company's internal control, issue the evaluation report on internal control, and submit to the board of directors for consideration;

(III) to review internal control audit reports issued by external auditors, and communicate with external auditors on the issues discovered and the improvement measures;

(IV) to assess the results of internal control evaluation and audit, and supervise the rectification of internal control deficiencies;

(V) to coordinate the internal control audit and other related matters.

Clause 13 The duties of the Audit Committee to coordinate communication between the management, internal audit department and relevant departments of the Company and external auditors shall mainly include the following:

(I) to coordinate communication between the management and external auditors in respect of material audit issues;

(II) to coordinate communication between the internal audit department and external auditors, and provide support to the external audits.

Clause 14 In performing its regular duties, if the Audit Committee identifies suspected financial fraud and abnormal business conditions, notices significant negative public sentiment or major media scrutiny regarding the Company, or receives clear complaints or whistleblower reports, it may require the Company to conduct a self-investigation, instruct the internal audit department to investigate, or, if necessary, engage a third-party intermediary to assist the efforts, at the cost of the Company.

Clause 15 Where the Company is identified to have material internal control deficiencies, or is determined to have engaged in financial fraud, misappropriation of funds, improper guarantees, or similar issues, the Audit Committee shall supervise the Company in implementing subsequent rectification and internal accountability measures. This includes urging the Company to develop and implement a rectifying action plan and measures within a specified timeframe and establish and strictly enforce a robust internal accountability system.

CHAPTER 4 RULES OF MEETINGS

Clause 16 The meetings of the Audit Committee shall consist of regular meetings and interim meetings. Regular meeting shall be convened once a quarter. An interim meeting shall be convened when it is requested by two (2) or more members of the Audit Committee or when the chairman of the Audit Committee deems it necessary.

The meeting shall be convened and presided over by the chairman, or, where the chairman fails or refuses to perform his/her duties, a majority of members of the Audit Committee shall jointly appoint an independent director to perform the duties on his/her behalf.

Clause 17 All members shall be notified at least three (3) days prior to the convening of a meeting and shall be provided with relevant materials and information in principle. If it is necessary for the Company to convene an extraordinary meeting of the Audit Committee as soon as possible due to urgent circumstances, it shall explain to the members that the time requirement for notification may be waived with the consent of two-thirds or more of the members.

Clause 18 The quorum of a meeting of the Audit Committee shall be two-thirds or more of members. Each member shall have one (1) vote and the resolution(s) adopted at the meeting shall be passed by more than half of the members. A member of the Audit Committee shall be absent from the meeting in the event that he/she is interested in the matters to the discussed at the meeting. The issues shall be reviewed directly by the board of directors when the Audit Committee is unable to give effective review opinions due to the absence of its member(s).

Clause 19 Meetings of the Audit Committee shall be held on-site in principle. As long as all directors present at the meeting can fully communicate and express their opinions, the meeting may be held by way of video, telephone or by other means in accordance with the procedures when necessary.

Clause 20 In principle, the members of the Audit Committee shall attend meetings in person. Where a member of the Audit Committee is unable to attend a meeting for any reasons, he/she shall review meeting materials in advance, express clear opinions and authorize in writing another member to attend the meeting on his/her behalf. The appointor shall solely assume legal responsibilities.

The power of attorney shall clearly state:

(I) the names of the appointor and the proxy;

(II) the matters delegated, scope and period of authorization given by the appointor, his/her consent, objection or abstention on each matter and brief descriptions (if any); and

(III) the signature (or seal) of the appointor and the date, etc.

Each member may act as proxy for a maximum of one (1) member only. An independent director shall authorize another independent director of the committee to attend the meeting on his/her behalf when he/she fails to attend such meeting in person for any reason.

The appointed member who attends the meeting shall exercise the member's duties within the scope of authorization. If a member does not attend a meeting in person and does not appoint a proxy to attend the meeting, he/she shall be deemed as having abstained from voting at such meeting.

Clause 21 Directors and senior officers of the Company as well as representative(s) of external auditors, financial personnel, legal advisor and other relevant personnel may be invited to attend meetings of the Audit Committee and provide necessary information as deemed necessary by the Audit Committee.

Clause 22 Minutes of the meetings of the Audit Committee, which shall be true, accurate and complete and fully reflect the opinions of attendees on matters being considered, shall be prepared. The members, secretary to the board of directors, record-keeper and other relevant personnel present at the meetings shall sign the minutes of meetings for confirmation. The minutes of meetings shall be properly maintained.

Clause 23 The procedures for convening the meetings of the Audit Committee, the voting methods and the resolution(s) adopted at the meetings shall comply with the applicable laws and regulations, as well as the Articles of Association and these rules.

Clause 24 The resolution(s) passed and the results of voting at the meeting of the Audit Committee shall be reported in writing to the board of directors of the Company.

Clause 25 Members present at the meeting shall keep confidential all matters considered at the meeting and shall not disclose the same without authorization.

Clause 26 Archives of the meetings of the Audit Committee, including notice of meeting, meeting materials, power of attorney, audio record of meeting, minutes signed by the attending members for confirmation, shall be kept by the secretary to the board of directors according to laws for a period of at least ten (10) years.

CHAPTER 5 INFORMATION DISCLOSURE

Clause 27 The Company shall also disclose the work of the Audit Committee during the year when publishing its annual report in accordance with the relevant requirements of the places where the securities of the Company are listed, primarily including the performance of duties of the Audit Committee and the convening of meetings by the Audit Committee.

Clause 28 Where any material issue identified by the Audit Committee in the course of performing its duties falls within information disclosure standards under the listing rules of the places where the securities of the Company are listed, the Company shall disclose such issue and the rectifications thereof in a timely manner.

Clause 29 If the Audit Committee submits its review opinions to the board of directors of the Company within the scope of its duties and those opinions are not taken by the board of directors, the Company shall disclose this matter and provide adequate reasons for taking a different view.

Clause 30 The Company shall disclose the specific opinions made by the Audit Committee on the material issues of the Company in accordance with laws, regulations and the Articles of Association.

Clause 31 The above-mentioned information disclosure shall be made by the general office.

CHAPTER 6 SUPPLEMENTARY PROVISIONS

Clause 32 Any matters not covered herein shall be governed by the relevant laws, regulations and the Articles of Association. The relevant laws, regulations and the Articles of Association shall prevail if they are in conflict with these rules in terms of mandatory provisions.

Clause 33 Laws and regulations in these rules refer to laws, administrative regulations, departmental rules, normative documents and relevant provisions of the securities regulatory authority, industry associations and stock exchange where the securities of the Company are listed.

Clause 34 The interpretation and amendment of these rules shall be vested in the board of directors of the Company.

Clause 35 These rules shall become effective on the date of the abolition of the board of supervisors upon consideration and approval by the board of directors. From the effective date of these rules, the original Terms of Reference of the Audit Committee under the Board of Directors of China Merchants Securities Co., Ltd. (Zhao Zheng Fa [2023] No. 1064) that were considered and approved at the fortieth meeting of the seventh session of the board of directors of the Company held on December 29, 2023 shall be abolished accordingly.