Terms of Reference of the Nomination and Remuneration Committee Under the Board of Directors of Luzhou Bank Co., Ltd. (2025 Revision)

Chapter I General Provisions

Article 1 In accordance with the *Company Law of the People's Republic of China,* the *Code of Corporate Governance of Banking and Insurance Institutions,* the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* (the "Listing Rules"), the *Articles of Association of Luzhou Bank Co., Ltd.* (the "Articles of Association"), the *Terms of Reference of the Board of Directors (the "Board") of Luzhou Bank Co., Ltd.* and other relevant regulations, Luzhou Bank Co., Ltd. (the "Bank"), hereby establishes the Nomination and Remuneration Committee (the "Committee") under the Board and formulates these Terms of Reference, with a view to further improving the remuneration management system and corporate governance structure of the Bank.

Article 2 The Committee is a special working body under the Board established in accordance with the Articles of Association.

Chapter II Members and Duties

Article 3 The Committee shall consist of three to five directors, and shall not comprise any director nominated by the controlling shareholders. The Committee shall comprise a majority of independent directors, and the chairperson of the Committee shall be an independent director.

Article 4 Members of the Committee shall have the qualifications required by China's relevant laws and regulations, the Listing Rules and regulatory authorities.

Article 5 Members of the Committee shall be nominated by the chairman of the Board or at least one third of the directors, and shall be subject to consideration of the Board. The dismissal of members of the Committee shall be subject to consideration of the Board.

Article 6 The Committee shall have a chairperson, who takes charge of the works of the Committee; and the chairperson shall be nominated by the chairman of the Board of the Bank and be subject to consideration of the Board. The dismissal of the chairperson shall be proposed by the chairman of the Board or at least one third of the directors, and shall be subject to consideration of the Board. Main authorities of the chairperson are:

(1) to convene and preside over meetings of the Committee, confirm the agenda of each meeting of the Committee, and sign and circulate the resolutions;

(2) to ensure that all members attending the meeting of the Committee understand the matters discussed by the Committee, and obtain complete and reliable information;

(3) to ensure that the Committee can make clear conclusions on all the matters considered, and such conclusions include pass, rejection, or consideration after supplementing materials;

(4) to ensure the effective operation and performance of duties of the Committee;

(5) other functions and powers specified by these Terms of Reference and the Listing Rules.

Article 7 Members of the Committee shall have the same term of office as directors and such a term of office is renewable upon re-election when it expires. Members who no longer serve as director of the Bank or meet the qualifications of member shall automatically lose the membership of the Committee, and the Board shall make up the vacancies according to Articles 3 to 5 of these Terms of Reference, and the term of office of new members shall be the same as that of the aforesaid members.

Article 8 Main duties of the members of the Committee are:

(1) to attend meetings of the Committee on time according to these Terms of Reference, give opinions on the matters discussed at the meetings and exercise voting rights;

(2) to propose issues to be discussed at the meetings of the Committee;

(3) for the purpose of performing duties, to attend the relevant meetings of the Bank without voting rights, conduct investigations and obtain necessary reports, documents and materials;

(4) to fully understand the duties of the Committee and his/her duties as member of the Committee, and be familiar with the Bank's operation and management, business activities and development situation, which are relating to the said duties, so as to ensure the abilities of performing duties;

(5) to spend enough time and efforts on performing duties;

(6) other duties specified by these Terms of Reference and the Listing Rules.

Article 9 In respect of the meetings convened by the Committee, the office of the Board of the Bank shall take charge of collecting materials, work coordination and meeting affairs.

Article 10 When necessary, the Committee may invite directors, senior managers and responsible persons of relevant departments to attend the meeting of the Committee.

Chapter III Duties of the Committee

Article 11 The main duties of the Committee are:

(1) to provide proposals to the Board on the size and membership of the Board according to the business operations, asset size and equity structure of the Bank;

(2) to study out and review in due course the diversification policy relating to members of the Board, disclose its relevant policies or the summaries thereof in annual reports, review at least annually the structure, number of persons and qualifications (including skill, knowledge and experience) of the Board, and propose suggestions on the changes to be made to the Board in order to support the Bank's strategies;

(3) to study the standard and procedure for the selection of directors and senior managers, and propose the same to the Board;

(4) to find the persons who are qualified for serving as director, and nominate the relevant persons to serve as director or propose suggestions to the Board in this regard;

(5) to evaluate the independence of independent directors;

(6) to propose suggestions to the Board on appointment or re-appointment of directors and reelection of directors (especially of the chairman and the president of the Bank);

(7) to make preliminary examination on the qualifications of the candidates for directors and senior managers and provide suggestions;

(8) to study and propose standards for the performance evaluation of directors, conduct the evaluation and provide suggestions based on the actual conditions of the Bank;

(9) to consider the remuneration management systems and policies throughout the Bank, study out and formulate the remuneration policies and plans relating to directors and senior managers, and propose remuneration plans to the Board and supervise the implementation thereof; to propose the remunerations of individual executive directors and senior managers to the Board, and such remunerations shall include non-monetary benefits, pension plans and compensation amounts (including the compensation for loss or termination of position or appointment);

(10) to propose recommendations to the Board with respect to the overall remuneration policies and structures for the directors and senior managers, and formulate remuneration policies for the establishment of formal and transparent procedures regarding the same;

(11) to review and approve the remuneration suggestions of the management according to the policies and objects set by the Board;

(12) to propose recommendations to the Board with respect to the remunerations of non-executive directors;

(13) to consider the remunerations, working hours and duties of the banks of the same category, and the employment conditions for other posts of the Bank;

(14) to review and approve the payment of compensation to the executive directors and senior managers who have their offices or appointments lost or terminated, and ensure that such compensation is determined according to the relevant contract terms. In the event such compensation fails to be determined according to the relevant contract terms, the compensation shall be fair and reasonable and shall not result in excessive burden to the Bank;

(15) to review and approve the compensation arrangement as a result of termination or dismissal of directors for their misconducts, and ensure that such arrangement is determined according to the relevant contract terms. In the event such compensation fails to be determined according to the relevant contract terms, the compensation shall be fair and reasonable;

(16) to ensure that any directors or any of their contact persons (as defined in the Listing Rules) do not participate in determining their remunerations;

(17) to support the Bank's regular assessment over the performance of the Board, and to assist the Board in maintaining a skills matrix of the Board;

(18) to consider and/or approve the matters relating to share schemes under Chapter 17 of the Listing Rules;

(19) to handle other matters authorized by the Board;

(20) to perform other duties specified by these Terms of Reference and the Listing Rules.

Article 12 The Committee shall be responsible for the Board, and the motions of the Committee shall be subject to consideration of the Board; and save otherwise specified in the preceding Article 11, the remuneration plans of directors of the Bank shall be subject to agreement of the Board, and can be implemented only after being considered and passed by shareholders' meetings.

Article 13 The Committee shall have the right to, within the scope of its duties, require the Bank's senior managers to fully support the works of the Committee and reply to the questions proposed by the Committee.

Article 14 Senior managers shall support the works of the Committee, so as to provide the Committee with the information necessary for performing its duties with respect to performance evaluation and remuneration policies. Senior managers shall ensure that the information provided for the Committee is accurate and complete, and the information form and quality shall be adequate enough for the Committee to make decisions while having relevant materials. Meanwhile, relevant departments of the Bank shall actively support the works of the Committee.

Article 15 The Committee shall have the right to investigate or review the Bank's human resources and remuneration policies and implementation thereof, and the investigation or review methods shall include, but not be limited to, attending the Bank's relevant meetings without voting rights and conducting investigations and studies within the system of the Bank, requiring the Bank's senior managers or relevant responsible persons to make verbal or written explanations or descriptions to the Committee within the prescribed period.

The Committee shall study the existing problems and the replies made by senior managers or relevant responsible persons, and shall report the investigation or review results to the Board and propose suggestions for improvement.

Article 16 If necessary, the Committee can appoint external experts or intermediaries to provide professional consultancy service, and the arising reasonable expenses approved by the Board shall be paid by the Bank.

Chapter IV Terms of Reference

Article 17 Meetings of the Committee include regular meetings and provisional meetings.

Article 18 Regular meeting of the Committee shall be held at least once every year, and a notice shall be served by the chairperson of the Committee to all the members before a regular meeting is convened. The meeting shall be presided over by the chairperson.

Article 19 In any of the following circumstances, the chairperson of the Committee shall convene provisional meeting within three workdays after the occurrence of the said circumstances:

(1) required by the Board;

(2) required by the chairman of the Board;

(3) proposed by the president of the Bank;

(4) proposed by the chairperson of the Committee;

(5) proposed by more than two members of the Committee.

Written explanation shall be given if provisional meeting cannot be convened on time.

Article 20 Notices of meetings of the Committee can be served through methods like letter, fax or email.

Article 21 Notices of meetings of the Committee shall include:

(1) venue, date, time and convening method of meeting;

(2) agenda, matters to be discussed and relevant detailed materials of meeting;

(3) date on which the notice is sent.

Article 22 Members of the Committee shall attend the Committee's meetings in person. If any member cannot attend the meetings for any reason, he/she may issue a written power of attorney to authorize another member to attend on behalf thereof, which power of attorney shall specify the name of the proxy, the matters to be handled in proxy, range authorized and validity period, and shall bear the signature or seal of the principal.

Save otherwise specified by laws, regulations, the Articles of Association or binding agreements of the Bank, a member shall not authorize other persons who are not members of the Committee to attend the meeting on his/her behalf.

The Committee can, based on actual needs, invite other persons who are not members of the Committee to attend the meeting of the Committee without voting rights.

Article 23 A meeting of the Committee shall be attended by more than half of the members. Each member shall have a vote.

Article 24 Meetings of the Committee can be convened by methods like on-site meeting (including video meeting), telephone meeting or with similar communication devices. If members attend the on-site meeting through telephone or with similar communication devices, all of them shall be deemed as having attended the meeting in person as long as the members on the site of meeting can hear their voice clearly and communicate with them. Voice recording or video recording shall be conducted if there are members who attend the meeting through telephone or video device.

Article 25 Voting at the meetings of the Committee may be conducted by a show of hands or poll. If a director attends the meeting of the Committee through video device, telephone or similar communication device, his/her verbal voting made through video device or telephone or with similar communication device at the time of showing hands to vote shall be deemed as valid, and such a director shall affix the written signature and express the original vote to the Bank as soon as possible after the meeting. The verbal voting shall have the same effect as the written signatures, provided that there is no discrepancy between the opinions expressed by such director in completing the written signatures and the opinions orally expressed by him during the meeting. The verbal voting shall prevail if there is a discrepancy between the written signature and verbal voting.

Article 26 On the condition of ensuring that members can fully express their opinions, the meetings of the Committee can be convened by way of circulation of written resolution for signing instead of on-site meeting. The matters by circulation of written resolution shall be served to each member of the Committee through one of methods like service by special person, mail, telegraph, fax, email with PDF appendix. Members of the Committee shall express opinions and reply to the office of the Board of the Bank within three workdays after being informed of the matters to be considered. The office of the Board shall report the summarized voting result to the chairperson of the Committee. Afterwards, the said members shall mail the original of voting table to the Bank. Members who fail to express opinions within the prescribed period shall be deemed as abstention. Members shall vote prudently, and shall not revoke the vote for matters considered once it has been made.

Article 27 Resolutions made by the Committee shall be passed by more than half of all the members. In the event of an equality of votes, the chairperson shall be entitled to an additional vote.

Article 28 The convening procedure, voting method of the meeting of the Committee and the matters passed at the meeting shall comply with relevant laws and regulations, Articles of Association and these Terms of Reference.

Article 29 While the Committee is considering the candidates of directors or senior managers or the matters relating to remuneration, members who have any of the following circumstances shall be deemed as having interests, and they shall apply to the Committee for avoidance in advance.

(1) the members are nominated or relating to remuneration plan;

(2) close relatives of the members are nominated or relating to remuneration plan;

(3) other circumstances that may affect the objective and fair judgement of members.

Close relatives mentioned in this article include spouse, parents, adult children and siblings.

Article 30 In case of the aforesaid circumstances, members of the Committee shall abstain from voting when considering the said matters, and the specific rules on avoidance of voting and the voting procedure are given in the *Terms of Reference of the Related Party (Connected) Transactions Control Committee under the Board* of the Bank.

Article 31 Every on-site meeting of the Committee shall have minutes recorded, and special staff shall be designated as recorder. The written minutes shall be submitted to the members attending the meeting for review and confirmation within three workdays after meeting. After the minutes are finalized, all the members present at the meeting and the persons recording the minutes shall sign the minutes. Minutes of a meeting shall be kept on record by the secretary of the meeting duly appointed by the Bank, and shall be submitted to the archives management center by the office of the Board for permanent preservation as the Bank's archives in accordance with the Basic Archives Management System of the Bank.

Article 32 The matters passed by the meeting of the Committee and required to be submitted to the Board for consideration and the voting results thereof shall be submitted in writing to the Board after being signed by the chairperson of the Committee.

Article 33 In case that the resolutions passed by the meeting of the Committee need to be handled by the Bank's senior managers or other relevant responsible persons after the authorization or approval of the Board, the office of the Board shall, after signing by the chairperson of the Committee, inform the relevant senior managers or other relevant responsible persons in writing of the said resolutions as soon as possible. The Committee shall have the right to, within the period prescribed by it or at next meeting, require the aforesaid persons to report the handling of relevant matters to it.

Article 34 All the members attending the meeting of the Committee shall keep all the matters discussed at the meeting secret, and shall not disclose relevant information privately. In case of violation of confidentiality obligation, the relevant persons shall assume legal responsibilities according to laws, regulations and other rules, the Listing Rules, the Articles of Association and relevant confidentiality agreement.

Chapter V Coordination and Communication

Article 35 In case of the Committee's significant or special matters requiring the consideration of the Board during the adjournment, the Committee can submit written report to the Board through the office of the Board, and can suggest the chairman convening Board meeting for discussion.

Article 36 The chairperson of the Committee or a member authorized by the chairperson of the Committee may report the works of the Committee or handling of a certain special issue since last regular Board meeting to the Board.

Article 37 The written report submitted to the Board by the Committee shall be signed and released by the chairperson of the Committee or the member authorized by the chairperson of the Committee, and shall be submitted to the Board through the office of the Board.

Article 38 Any written report submitted by senior managers to the Committee shall be signed and released by the president of the Bank or senior managers authorized by the president of the Bank and responsible for relevant matters, and shall be submitted to the Committee through the office of the Board, which shall record it.

Chapter VI Supplementary Provisions

Article 39 Save otherwise specified, the terms used in these Terms of Reference shall have the same meanings as identical terms in the Articles of Association.

Article 40 For the purpose of these Terms of Reference, the terms like "above", "at least" and "not less than" are inclusive, unless otherwise specified herein.

Article 41 These Terms of Reference shall be formulated and amended by the Board, and shall take effect and operate starting from the date on which they were considered and approved by the Board. Commencing from the date on which these Terms of Reference take effect, the original Terms of Reference of the Nomination and Remuneration Committee under the Board of the Bank shall lose effect automatically.

Article 42 The matters not covered in these Terms of Reference shall be handled according to relevant national laws, regulations, the Listing Rules and Articles of Association; in case of any discrepancy between these Terms of Reference and national laws, regulations and the Listing Rules released in the future, and the Articles of Association that have been modified according to legal procedures, these Terms of Reference shall be amended according to the national laws, regulations, the Listing Rules and Articles of Association and submitted to the Board for consideration.

Article 43 These Terms of Reference shall be subject to the interpretation of the Board of the Bank.