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)

Work Regulations of Remuneration and Nomination Committee of the Board

Chapter I General Provisions

Article 1 To standardize nomination, remuneration and appraisal system of the directors of the Company (the "**Directors**") and senior management of the Central China Securities Co., Ltd. (the "**Company**"), as well as to enhance corporate governance structure, the board of directors (the "**Board**") of the Company has set up the Remuneration and Nomination Committee (the "**Remuneration and Nomination Committee**") under the Board and formulated these work regulations in accordance with *Company Law of the People's Republic of China*, *Securities Law of the People's Republic of China*, *Regulations on the Supervision and Management of Securities Company*, *Rules for Governance 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 other laws, regulations and normative documents as well as the articles of association (the "**Articles of Association**") of the Company.

Article 2 The Remuneration and Nomination Committee of the Board is a specialized committee set up under the Board which primarily responsible for formulation of the appraisal standards of the Company's Directors and senior management as well as conducting appraisal; formulation and examination of remuneration policy and proposal for the Directors and senior management; reviewing the election procedures, standards and qualification of the Directors and senior management of the Company and providing suggestions to the Board, reporting to the Board and being accountable to the Board.

Chapter II Composition

Article 3 The Remuneration and Nomination Committee shall consist of not less than three Directors, including at least one Director of a different gender, and more than half of the Committee shall be independent non-executive Directors.

Article 4 Members of the Remuneration and Nomination Committee shall be nominated by the Chairman of the Board, and determined by the Board.

Article 5 The Remuneration and Nomination Committee shall have a chairperson, who shall be an independent non-executive Director and is responsible for presiding over the work of the Committee.

Article 6 The term of office of members of Remuneration and Nomination 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 during his/her term of office, he/she shall ipso facto and immediately cease to hold the position of the member of the Committee. The vacancy shall be filled up by the Board in accordance with the above-mentioned articles 3 and 4. Members of the Remuneration and Nomination 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 minimum number, 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 the administrative body of the Remuneration and Nomination Committee shall be assumed by the head office of the human resource management department of the Company.

Chapter III Duties and Authorities

Article 8 Main duties of the Remuneration and Nomination Committee:

(I) formulating and implementing an appraisal system that adapts to the changes in market environment, a remuneration policy with competitive advantages, and measures for rewarding, punishment, and incentive related to the operating performance in accordance with the characteristics of the finance and securities industry, and the main scope, duties, importance of the management positions of Directors and senior management, and the remuneration level of relevant positions from other relevant corporations; reviewing the appraisal system, remuneration policy and structure of Directors and senior management of the Company, and making recommendation to the Board;

(II) making recommendation to the Board as to the establishment of proper and transparent formulation procedures of the remuneration policy;

(III) making recommendation to the Board on the remuneration of Director and senior management. When evaluating the remuneration, the characteristics of the finance and securities industry, the remuneration of the peer companies, the time devoted by the Directors and senior management, their duties and personal performance, the remuneration of other positions within the Company shall also be considered; the above-mentioned remuneration includes non-monetary benefits, retirement allowance and compensation;

(IV) supervising the implementation of the remuneration system for the Directors and senior management;

(V) reviewing the performance of duties of the Directors and senior management of the Company, and conducting an annual appraisal on it. The appraisal results shall be treated as the basis of the proposed remuneration, rewards and punishment;

(VI) reviewing the compensation arrangement in relation to the dismissal or removal of the Directors and senior management; ensuring such compensation is consistent with the terms of the agreements; ensuring the compensation is fair and reasonable should such compensation fail to be consistent;

(VII) reviewing compensation arrangement in relation to dismissal or removal of the Directors due to misconduct; ensuring such arrangement is consistent with the terms of the agreements; ensuring the compensation is reasonable and proper should such compensation fail to be consistent;

(VIII) ensuring the Directors or any his/her associates shall not participate in the formulation of their own remuneration. In accordance with Rule 13.68 of the Hong Kong Listing Rules, the Remuneration and Nomination Committee shall give opinion on the service contracts which shall be approved by the shareholders, the Committee shall notify the shareholders whether the relevant terms are fair and reasonable, and provide the opinion on whether the relevant contracts are of the interest of the issuer and its shareholders as a whole, and advise shareholders on how to vote;

(IX) reviewing and providing opinion on the election standards and procedures of Directors and senior management, seek qualified candidates for the positions of Director and senior management; reviewing and making a recommendation on the qualification of the candidate of Directors and senior management, and insisting on the implementation of the organic unification of the principle of the Party supervising the performance of officials and the selection and recruitment in a market-oriented manner;

(X) examining the structure, number and composition (including but not limited to gender, age, culture, ethnic, educational background, professional experience, skills and knowledge) of the Board at least annually, assist the Board in maintaining a Board skills matrix; and proposing any change to the Board; supervising the implementation of the Board diversity policy and all employees (including senior management) diversity policy, ensuring it is implemented effectively, and making relevant disclosure in Corporate Governance Report in the annual report every year;

(XI) giving suggestions to the Board on appointment or reappointment and succession plan of the Directors and senior management;

(XII) examining the independence of the independent non-executive Directors;

(XIII) reviewing and approving matters related to share schemes referred to under Chapter 17 of the Hong Kong Listing Rules, (including the scheme on granting share options to incentive participants by the listed issuer or its main subsidiaries, the scheme on granting shares to incentive participants by the listed issuers or its main subsidiaries), and making recommendation to the Board;

(XIV) assisting the Company in assessing the performance of the Board on a regular basis;

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

Article 9 Remuneration policy of the Directors brought forward by the Remuneration and Nomination Committee shall be approved by the Board, and then be submitted to the shareholders' meeting for approval before implementation; for the remuneration distribution proposal of the Company's senior management, if it is within the scope of the remuneration policy reviewed and approved by the Board, the Remuneration and Nomination Committee shall be responsible for overseeing its implementation.

Chapter IV Convening of Meeting and Notification Procedures

Article 10 The Remuneration and Nomination 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 a majority of the members of the Remuneration and Nomination Committee have no objections.

Article 11 Meetings of the Remuneration and Nomination Committee can be convened in the forms of physical meetings and meetings conducted via correspondence. 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 held via correspondence, members of the Remuneration and Nomination Committee shall be deemed to have attended the relevant meeting and agreed with the content of the resolution by signing the meeting resolution.

Article 12 The notice of meeting of the Remuneration and Nomination Committee shall 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 13 Meetings of the Remuneration and Nomination Committee shall be chaired by the chairperson. If the chairperson cannot convene and attend the meeting in person, he/she may entrust another member (who must be an independent non-executive director) to convene and chair the meeting.

Article 14 Meeting of the Remuneration and Nomination 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 Remuneration and Nomination Committee must clearly express their affirmative or dissenting opinions. Abstention is not allowed. Any member of the Remuneration and Nomination Committee who is absent from the meeting twice successively without justified reasons, shall be considered as unable to properly perform his/her duty, and the Board may remove his/her position as a member.

Article 15 In principle, the Remuneration and Nomination Committee shall 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 16 The Remuneration and Nomination Committee may invite non-committee Directors, senior management of the Company, and principals of relevant departments to attend the meeting.

Article 17 If a member of the Remuneration and Nomination 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 18 The proposals passed and voting results of the meeting of the Remuneration and Nomination Committee shall be submitted in writing to the Board.

Article 19 The convening procedures, voting methods, and passed proposals of the meetings of the Remuneration and Nomination Committee must comply with relevant laws and regulations, departmental regulations, normative documents, the Articles of Association and the provisions of these work regulations.

Article 20 Minutes shall be kept for each Committee meeting and members present at the meeting shall sign 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 21 Members present at the meeting shall undertake confidentiality obligation of for all items discussed at the meeting, and shall not disclose relevant information without authorization.

Chapter VI Performance Requirements and Guarantees

Article 22 Performance requirements for members of the Remuneration and Nomination Committee:

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

(II) perform duties with care. Members of the Remuneration and Nomination Committee shall, on the basis of fully understanding and grasping relevant 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 Remuneration and Nomination 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 Remuneration and Nomination Committee should take the initiative to study the advanced experience of the industry and external companies, participate in surveys and research on the Company's major work matters no less than four times a year to understand the relevant situations. They shall participate in the discussion on important matters such as the Company's remuneration policy, appraisal, change of directors and senior management members, and provide professional opinions and suggestions.

(V) other performance requirements stipulated by the relevant laws and regulations, departmental regulations, normative documents and competent regulatory departments.

Article 23 The Company should provide supports and guarantees for the members of the Remuneration and Nomination Committee to perform their duties, which mainly include:

(I) the senior management and all departments should strengthen daily communication with the members of the Remuneration and Nomination Committee, report relevant work status in a timely manner, provide documents and materials, explanations and 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 Remuneration and Nomination Committee.

(III) if necessary, the Remuneration and Nomination Committee may appoint an intermediary to give professional opinions and the relevant expenses shall be borne by the Company.

(IV) organizing members of the Risk Control Committee 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 24 In the event that any matters are not covered by these work regulations or any work regulations 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 25 In these work regulations, the senior management referred to the general manager, vice general manager, chief financial officer, chief compliance officer, person-in-charge of Risk Control Department, person-in-charge of IT Department, secretary of the Board, members of the Executive Committee, personnel who actually perform the above-mentioned duties, and other personnel stipulated in laws and regulations, China Securities Regulatory Commission and the Articles of Association.

Article 26 These work regulations shall become effective upon approval by the Board. The original Work regulations of the Remuneration and Nomination Committee of the Board shall lapse automatically from the effective date of these work regulations.

Article 27 When these work regulations are required to be revised based on changes in actual conditions, the Remuneration and Nomination Committee shall propose and submit a revised draft to the Board for approval.

Article 28 The Board shall have the right to interpret these work regulations.

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