Bluestar Adisseo Company

2022 Annual Report by the Audit, Risk and Compliance Committee

In accordance of *Code of Corporate Governance for Listed Companies*, the *Shanghai Stock Exchange Listing Rules*, the *Articles of Association of Bluestar Adisseo Company* and the *Implementation Rules of the Audit, Risk and Compliance Committee*, the Audit, Risk and Compliance Committee of the Board of Directors (hereinafter referred to as "the Audit, Risk and Compliance Committee") of Bluestar Adisseo Company (hereinafter referred to as "the Company") fulfilled their duties in a diligent and conscientious manner in 2022; and played an important role in the supervision of the Company's external control and the internal control guidance. The 2022 annual work report of the Audit, Risk and Compliance Committee is as follows:

1. Basic information of the Audit, Risk and Compliance Committee

Elected by the first meeting of the 8th session, members of the 8th session of Audit, Risk and Compliance Committee are Ding Yuan (the chairman), Wu Jingwan and Caroline Grégoire Sainte-Marie. The Audit, Risk and Compliance Committee meets the requirements of the *Articles of Association of Bluestar Adisseo Company*, the *Implementation Rules of the Audit, Risk and Compliance Committee* and other related regulations by SSE.

2. The Audit, Risk and Compliance Committee Meetings in 2022

In 2022, the Audit, Risk and Compliance Committee convened 6 meetings and the detailed contents of the meetings are as follows:

Date	Audit, Risk and Compliance Committee meeting	Proposals of Audit, Risk and Compliance Committee meeting
16th February 2022	The third meeting of 8th Audit, Risk and Compliance Committee	Discussed the proposal on: 1. Quick report of FY 2021
30th March 2022	The fourth meeting of 8th Audit, Risk and Compliance Committee	Deliberated and passed the proposal on: 1. 2021 Annual Report and the Executive Summary 2. 2021 Annual Final Accounts

		3. 2021 and 2022 Day-to-day Connected Transactions 4. Audit, Risk and Compliance Committee's Report for FY2021 5. The Special Report on Occupancy of Non-Operation Funds and Other Fund Transactions with Connected Parties for FY2021 6. Self-Assessment Report on Internal Control for FY2021 and Audit Report on Internal Control for FY2021 7. Auditing Fees for FY2021 8. Signing Finance Service between Sinochem Finance Co., Ltd. & Bluestar Adisseo Company 9. Credit Line Application to Sinochem Finance Co., Ltd.
28th April 2022	The fifth meeting of 8th Audit, Risk and Compliance Committee	Deliberated and passed the proposal on: 1. 2022 Q1 Report 2. Appointment of Auditor and Internal Control Auditor for the year 2022 3. Measures of Bluestar Adisseo Company for the Administration of Authorizations from the Board of Directors 4. Bluestar Adisseo Company Management Measures for Liability 5. Bluestar Adisseo Company Management Measures for Donation Review the item on 1. Financing Budget
28th July 2022	The sixth meeting of 8th Audit, Risk and Compliance Committee	Deliberated and passed the proposal on: 1. H1 2022 Report and the Executive Summary 2. Implementation on Subsidiary Company's Term and Revolving Loan Review the item on

		1. Update on Risk, Internal Audit and Internal Control matters
27th October 2022	The seventh of 8th Audit, Risk and Compliance Committee	Deliberated and passed the proposal on: 1. 2022 Q3 Report 2. BANG's Short-term Loan Review the item on 1. Updates on Ukrainian Crisis
13th December 2022	The eighth meeting of 8th Audit, Risk and Compliance Committee	Deliberated and passed the proposal on: 1. 2022 KPMG Huazhen Audit Plan 2. Bluestar Adisseo Company Management Measures for Liability 3. Bluestar Adisseo Company Management Measures for Donation 4. Bluestar Adisseo Company Management Measures for External Guarantees

3. Performance of the audit, risk and compliance committee in 2022

3.1. Supervise and evaluate the work of external audit institutions

(1) Evaluate the independence and professionalism of external audit institutions

KPMG Huazhen LLP. meets the qualifications specified in the securities law, can abide by the independent, objective and fair ethics and professional ethics, has completed all the work entrusted by the company, has reasonable auditors, and has maintained professional ability and due attention.

(2) Propose to the board of directors to hire an audit institution

KPMG Huazhen LLP. was able to fulfill its duties in the audit business in 2021, follow the independent, objective and fair practice standards, cooperate well with the company, and complete the annual audit entrusted by the company on time. Therefore, it is suggested to renew the appointment of KPMG as the company's financial and internal control audit institution in 2022 and submit the proposal to the board of directors for deliberation.

(3) Monitor and evaluate the diligence of external audit institutions

Through the communication and discussion with the accountant on the work related to the company's 2021 annual report and the results of the audit provided by the accountant for the company, we believe that KPMG Huazhen LLP. was diligent and responsible during the audit of the company and followed the professional standards of independence, objectivity and impartiality.

3.2. Supervise and evaluate internal audit work

We have carefully reviewed the work summary and work plan of the internal audit department for the next year, recognized the feasibility of the plan, and urged the company's internal audit department to strictly follow the audit plan. After reviewing the internal audit work report, no significant issues were found in the internal audit work.

3.3 Review the financial reports of listed companies and express opinions on them

After reviewing the financial report prepared by the Finance Department of the company, we believe that the preparation process of the company's 2021 financial statements complies with the company's internal control system, and the data is true and complete. We agree to submit it to the external audit institution hired by the company for audit.

3.4. Evaluate the effectiveness of internal control

The company has established a relatively sound and perfect internal control management system, which meets the requirements of relevant laws and regulations, conforms to the actual situation of the company, can meet the current development needs of the company, and various internal control management systems have been effectively implemented.

3.5. Coordinate the communication between management, internal audit department and relevant departments and external audit institutions

At the end of 2022, the company negotiated with the accountant to determine the 2022 annual financial report audit work plan. The audit committee of the board of directors actively urged and coordinated the communication between the management, internal audit department and relevant departments and external audit institutions to ensure the timely delivery of the audit report.

4. General evaluation

The Audit, Risk and Compliance Committee fulfilled their duties with their profound expertise and experience in a diligent and conscientious manner in compliance with the *Code of Corporate Governance for Listed Companies*, the *Shanghai Stock Exchange Listing Rules*, the *Articles of Association of Bluestar Adisseo Company* and *the Implementation Rules of the Audit, Risk and Compliance Committee* in 2022; focused on key issues including periodic reports, related-party transaction, C-SOX as well as major events etc.; contributed to the continuous improvement of the corporate governance; and protected the interests of the Company and shareholders, especially minority shareholders.

(In case of discrepancies between the English version and the Chinese version of this announcement, the Chinese version, officially published and disclosed, shall prevail.)