Bluestar Adisseo Company
2023 Annual Report of Independent Directors
(Mr. Ding Yuan)

In 2023, as independent director of Bluestar Adisseo Company ("the Company"), according to the *Company Law*, *Management Measures for Independent Directors of Listed Companies*, *Listing Rules of Shanghai Stock Exchange*, the *Articles of Association of Bluestar Adisseo Company* ("AOA") and *Bluestar Adisseo Company Rules for the Work of the Independent Director*, I fulfilled our duties in a diligent and conscientious manner, deeply understood the Company operation situation, actively attended related meetings, earnestly deliberated all proposals of Board of Directors and Special Committee, and provided independent opinions on related issues, thus fully playing the role of independent directors and protecting the interests of the Company and shareholders, especially the small and medium shareholders. My 2023 annual work report of independent directors is as follows:

1. Basic information on independent directors

Ding Yuan
Dr. Ding was born in 1969, French. Dr. Ding received his Ph.D. from the Institute of Enterprises Administration at the University Montesquieu Bordeaux IV, France in May 2000.
Mr. Ding has over 20 years of experience in teaching and research in financial accounting, financial statement analysis, corporate governance and mergers and acquisitions. From September 1999 to September 2006, Mr. Ding is a tenured professor of accounting and management control at HEC School of Management, Paris, France. Since September 2006, Mr. Ding joined CEIBS as Cathay Capital Chair Professor in Accounting. He has also served and continues to serve on the Boards of Directors of several listed firms and financial institutions: Man Wah Holdings Limited (2016.12-, stock code: 1999), Zhuolang Smart Technology limited Company(2018.05-,stock code:600545), Gujing Group (2008.07-2011.06, stock code: 000596), Shanghai Lujie Kunchi Group Co., Ltd (2020.12-), JS Global Life Co., Ltd (2022.09-, stock code: 01691(HK)), H&H (2023.01-, stock code:01112(HK)), Anhui Gujing Gongjiu Co., Ltd (2008.06-2011.06, stock code: 000596), TCL (2008.06 - 2014.06, stock code: 000100), Red Star Macalline (2012.03–2018.12, 001528(HK), 601828(SH)), MagIndustries Corp. (2011.07 – 2015.06, stock code: MAA), Landsea Group (2013.07-2019.05, stock code:00106(HK)). Since 2018, he has been the Independent Director of the Company and the Chairman of Audit, Risk and Compliance Committee.

Confirmation of independence
As independent directors of the Company, I have the qualifications of independent directors and the independence required by laws and regulations. There is no employment relationship, transaction relationship, kinship and other situations affecting our independence with the company, its main shareholders, and actual controllers, and I can maintain objective and independent professional judgment in performing our duties.

2. Annual performance of independent directors

2.1. Information on attending the meetings of the Board of Directors

The Company held eight meetings of the Board of Directors (eight meetings held through communication voting) in 2023, seven meetings of Audit, Risk and Compliance Committee of the Board of Directors, three meetings of Remuneration and Appraisal Committee of the

Board of Directors, three meeting of Strategic Committee of the Board of Directors, five meetings of Nominating Committee and two shareholders' meetings.

Name of directos	Attendance at Board Meeting						Attendance at Special Committee Meetings	Attendance at General meetings
	Required attendance at Board meetings in the term of office this year	Attend-ance in Person	Participation by communications	Attend-ance by proxy	Absence	Consecutively Absent from two meetings	Attendance frequency at Special Committee Meetings	Attendance frequency at the general meeting of shareholders
Ding Yuan	8	0	7	1	0	No	15	1

2.2. Information on the site inspection and the cooperation between the Company and independent directors

In 2023, during the preparation of periodic reports by the Company, I carefully listened to the management on the introduction to related issues and got in-depth understanding about the corporate operation and development, then offer constructive opinions and suggestions for proposals deliberated at the meetings of the Board of Directors relying on our professional knowledge and experience in business management, thus fully playing a role of guidance and supervision and promoting the operation's compliance of the Company's internal management.

2.3. Communication with internal audit and accounting firms

As the chairman of the audit committee, I actively supported the have strengthened communication with the internal audit of the Company and the accounting firm responsible for the audit with main focus on the daily business compliance, corporate governance, and internal control construction of the Company. I have also provided independent and professional advice to the Company, promoting the scientific and objectivity decision-making process of the board of directors.

2.4. Communication with small and medium shareholders

I have actively participated in the shareholder meeting. Through interactions with minority shareholders during the meeting, I have gained a deep insight into their widespread concerns. To further enhance interaction with investors, I will actively participate in various types of communication activities organized by the Company, committed to improving the quality of corporate information disclosure, thereby safeguarding the interests of all shareholders, especially those of minority shareholders.

2.5. Cooperation between listed companies and independent directors in their work

The management of the Company paid high attention to communication with independent directors. The Company provided periodic information on the Company's production and operation and the progress of major issues, timely feedback on issues raised. If necessary, when encountering major decision-making issues, the company would also hold preparatory discussion meetings to ensure that independent directors can obtain sufficient information. Thus, the Company provided comprehensive conditions and support for us to perform duties.

3. Key issues in the annual performance of independent directors

3.1. Related transactions

Being the Company's independent director, I provided independent opinions on the 2022 and 2023 day-to-day related transactions of the Company, holding the opinion that the Company in line with regulations, and the day-to-day related transactions have been done following the arm-length principle. The transaction prices are based on the market prices, to ensure that related transactions are performed in a fair, impartial and open manner. The 2022 and 2023 day-to-day related transactions of the Company follow related laws and regulations, bringing no damage to the interests of stockholders of the Company.

3.2. Fulfillment of commitments of the Company and stockholders

The Company and shareholders fulfill their commitments. There is no breach of commitment.

3.3. Financial Information in Financial Reports and Regular Reports

During the reporting period, the Company strictly complied with the requirements of laws, regulations and accounting rules to operate , prepared and disclosed the 2022 Quick Report, 2022 Annual Report, 2023 Q1 Report, 2023 H1 Performance Forecast, 2023 H1 Report and 2023 Q3 Report. The financial information presented in these financial reports and regular reports is truthful, accurate, and complete. There are no false records, misleading statements, or significant omissions in the content. They faithfully reflect the Company's financial condition and operational results for the current reporting period, effectively safeguarding the legitimate rights and interests of the company's shareholders.

3.4. Implementation of internal control

As the chairman of the audit committee, I received the periodical reports from management related with C-SOX self-assessment and the improvement progress and continuously kept close monitoring on it. In 2023, the Company has further improved the internal control system and applied it effectively. There is no violation against the "*Basic Standards of Internal Control in Enterprises*" required by SSE and internal control regulations.

3.5. Appointment of the accounting firm

Through inspection and evaluation on the auditing work of KPMG Huazhen LLP, as independent directors, we held the opinion that related personnel of this firm have professional quality, abide by due diligence, follow independent, objective, and fair practice standards, complete various audit tasks with due diligence, and issue audit reports that fairly and objectively evaluate the Company's financial performance and operating results. Thus, it is agreed to propose to the board to renew the appointment with KPMG Huazhen LLP as the audit authority of 2023 of the Company.

3.6. Appointment of senior management team

Through careful review of the personal resume and related information of candidates (including General Manager, Deputy General Manager, Chief Financial Officer and Board Secretary), it is agreed that the candidates have the qualification and ability to serve as the

Company's senior management, and there is no situation that they are not qualified to serve as the Company's senior management as stipulated in the *Company Law* and the AOA; There is no case that the candidate was prohibited by CSRC to enter A share market, nor the prohibition has not been lifted; There is no case that the stock exchange has publicly announced that the person is not suitable to serve as senior management of listed companies nor the term has not expired. The nomination, deliberation and voting procedures for executive management comply with the provisions of relevant laws and regulations and the articles of association, which are legal and effective.

3.7. Nomination of directors

As independent directors, we believed that the nomination of Mr. Zhu Xiaolei and Mr. Sun Yanfeng as a director candidate by the Company complies with relevant laws, regulations, normative documents, and the relevant provisions of the AOA. The nomination and voting procedures are legal and compliant, and there are no situations that harm the legitimate interests of shareholders, especially small and medium-sized shareholders. The director candidates of the Company, Mr. Zhu Xiaolei and Mr. Sun Yanfeng, do not have any circumstances under the *Company Law*, AOA, and relevant regulations of CSRC and Shanghai Stock Exchange that prohibit him from serving as a Director of the Company. Thus, it is agreed to submit the proposal to the shareholders' meeting for deliberation.

3.8. Remuneration of senior management personnel

The remuneration of senior management personnel of the Company was defined and paid in line with the approved remuneration policy, and it is accordance with the actual performance of the Company, which facilitated senior management personnel in improving their sense of duty and entrepreneurial spirit.

4. Overall Evaluation and Suggestions

In 2023, the Company's operating was compliance with rules; the production and the operation were normal; the financial operation was stabilized; the related transactions were fair, transparent and in arm-length; the information disclosure was true, accurate, complete, and timely. I, being an independent director of the Company, have maintained my independence in my work based on the principle of good faith, diligence and responsibility, and played my due role in ensuring the standardized operation of the company and improving and the corporate governance structure.

In 2024, I will continuously follow the diligent and faithful principles, earnestly carry out our duties, to play an effective role in decision-making and supervision as independent directors; and I will protect the legitimate rights and interests of the Company and all shareholders, especially minority shareholders, thus making contributions to the development of the Company.

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