

***Important Note: In case of any discrepancies or inconsistencies between the Chinese and English versions, the Chinese version shall always prevail.***

# **Bluestar Adisseo Company**

## **Internal Audit Management System**

### **(Revised December 2025)**

#### **Contents**

Chapter I	General .....	2
Chapter II	Institutional setup and general provisions .....	3
Chapter III	Internal Audit Responsibilities and Scope of Work .....	4
Chapter IV	Internal Control Evaluation .....	5
Chapter V	Application of Audit Results .....	6
Chapter VI	By-laws .....	6

## **Chapter I      General**

Article 1 In order to standardize the internal audit work of Bluestar Adisseo Company (Hereinafter referred to as the "Company") and improve the quality of internal audit work, this Internal Audit Management System (this "System") is revised in accordance with the Audit Law of the People's Republic of China, the Provisions of the National Audit Office on Internal Audit, the Internal Audit Standards of the People's Republic of China, the Rules for Governance of Listed Companies, Shanghai Stock Exchange Self-Regulatory Guideline for Listed Companies No. 1 - Standardized Operation and other relevant laws, administrative regulations, normative documents and the relevant provisions of the Articles of Association of Bluestar Adisseo Company (Hereinafter referred to as the "Articles of Association"), Implementation Rules for the Audit, Risk and Compliance Committee of Bluestar Adisseo Company, taking into account the actual situation of the Company.

Article 2 The term "internal audit" as mentioned in this System refers to an independent and objective supervision and evaluation activities conducted by the Company's internal audit institution or personnel on the effectiveness of the Company's internal control and risk management, the authenticity and integrity of financial information, and the efficiency and effectiveness of business activities. Through internal audit supervision role, the internal control of the Company should be improved constantly, and risks in relation to business operation should be reduced; further, through its role and mission, the internal audit also aims at also protecting the shareholders' rights and enhancing the Company governance and value.

The purpose of internal audit is to contribute to the risk prevention of the Company and its subsidiaries by establishing an efficient internal audit supervision mechanism, to ensure the effective implementation of internal policies and systems, to improve the internal control system, reduce cost consumption, improve work efficiency, ensure work quality, plug loopholes in time, prevent fraud, promote the Company and its subsidiaries to improve management, improve economic efficiency and achieve organizational objectives.

Article 3 The term "internal control" as mentioned in this system refers to the process in which the Board of directors, senior managers and other relevant personnel of the Company and its subsidiaries provide reasonable assurance to achieve the following objectives:

- (1) to abide by the applicable laws, administrative regulations, departmental rules and other relevant provisions of each concerned State;

- (2) To improve the efficiency and effectiveness of the Company's operation;
- (3) To ensure the safety and integrity of the Company's assets;
- (4) To ensure the authenticity, accuracy and completeness of financial reports and related financial information;
- (5) Promote the Company to realize its development strategy.

Article 4 The Board of directors of the Company shall be responsible for the establishment, improvement and effective implementation of the internal control system, and the effectiveness of the internal control systems shall be reviewed and approved by the Board of directors of the Company. The Board of directors of the Company and all its members shall ensure the authenticity, accuracy and completeness of the information disclosed in connection with internal control.

## **Chapter II Institutional setup and general provisions**

Article 5 The Company shall establish a dedicated internal audit department to conduct supervision and punctual inspections on the Company's business activities, risk management, internal control, financial information and other related matters. The internal audit department shall report to the Audit, Risk and Compliance Committee of the Board of directors and follow the supervision and guidance of the Audit, Risk and Compliance Committee.

Article 6 The Company shall appoint one chief internal audit officer, who shall be responsible for the overall management of the internal audit department. The chief internal audit officer must possess intermediate or senior professional and technical titles and practical work experience in relation to internal audit. The internal audit department shall maintain its independence and shall not be placed under the leadership of the financial department or co-located with the financial department.

Article 7 The internal audit of the Company shall be subject to segregation of duties, so the personnel involved in or related to the financial reporting matters shall not participate in the internal audit work.

Article 8 All departments within the Company and its subsidiaries shall cooperate to any inspection carried out by the internal audit department and voluntarily submit to the internal audit's inspection. No department or individual may illegally interfere with the normal work of the internal audit department and auditors.

Article 9 The funds necessary for the internal audit department and auditors

required to perform their duties shall be included in the Company's budget to ensure that the internal audit work is carried out independently and impartially.

Article 10 The Company's business plans, financial plans, accounting statements and other relevant information shall be provided to the internal audit department in a timely manner in accordance with the requirements of the internal audit department to ensure that they fully comply with the required information. The auditors shall be submitted to strict confidentiality obligations in accordance with the requirements of relevant laws, administrative regulations, departmental rules and the Company's rules applicable for the information that has not been publicly disclosed by the Company.

### **Chapter III Internal Audit Responsibilities and Scope of Work**

Article 11 Inspect and evaluate the integrity, rationality and effectiveness of the implementation of the internal control system of the Company's internal departments, subsidiaries and holding companies that have a significant impact on the Company;

Article 12 Inspect punctually the legality, compliance, authenticity and completeness of the accounting information and other relevant economic information of the Company's internal departments, subsidiaries and holding companies that have a significant impact on the Company, as well as the financial revenues and expenditures and related economic activities reflected, including but not limited to financial reports, performance forecasts, performance reports, voluntary disclosure of predictive financial information;

Article 13 Supervising and assessing effectiveness of internal control systems with the aim at improving the Company and its subsidiaries' anti-fraud mechanism, determine the key fraud risks areas, related links and main actions of anti-fraud, and pay attention to and check possible fraud in the process of internal audit;

Article 14 Report to the Audit, Risk and Compliance Committee at least once a quarter, including but not limited to the implementation of the internal audit plan and the concerns or issues found during the conduct of internal audit work;

Article 15 An internal audit report shall be submitted to the Audit, Risk and Compliance Committee after the end of each year.

Article 16 For the rectification measures and rectification timeframes formulated by the relevant responsible departments of the Company and its subsidiaries in response to any weaknesses in the Company's internal control systems or potential issues existing

in its implementation, the internal audit department shall conduct follow-up reviews to supervise the implementation of the rectification measures. If significant deficiencies, major risks, relevant major issues or weaknesses indications are found in the internal control systems, they shall be immediately be reported directly to the Audit, Risk and Compliance Committee.

Article 17 When the Audit Risk and Compliance Committee communicates with external audit companies such as accounting firms and national audit institutions, the internal audit department shall actively cooperate and provide necessary support and collaboration.

#### **Chapter IV Internal Control Evaluation**

Article 18.1 The specific organization and implementation of the Company's and its subsidiaries' internal control systems evaluation shall be under the responsibility of the internal audit department. The Company shall issue an annual internal control evaluation report, based on the evaluation reports , relevant materials and recommendations issued by the internal audit department and reviewed and approved by the Audit, Risk and Compliance Committee. The internal audit department should implement appropriate review procedures in accordance with relevant regulations to evaluate the effectiveness of the Company's internal control systems and submit an internal control systems' evaluation report to the Audit Risk and Compliance Committee at least once a year. The internal control evaluation report shall include at least the following contents:

- (1) The Board of directors' statement on the authenticity of the internal control systems' evaluation report;
- (2) The overall situation of the internal control evaluation work;
- (3) The basis, scope, procedures and methods of internal control evaluation;
- (4) The potential deficiencies in internal control systems and their identification;
- (5) The rectification of internal control deficiencies identified in the previous year;
- (6) The proposed rectification measures for internal control deficiencies identified in the current year, if any;
- (7) The conclusion on the effectiveness of internal control systems.

18.2 The internal audit department shall receive and take into account the results of

the annual audit report from the independent external statutory auditors on the internal control system's effectiveness in its internal audit plan.

### **Chapter V Application of Audit Results**

Article 19 Based on various audit results within a certain period, the Company's internal audit department shall summarize and compile special reports on specific audits, comprehensive analysis reports on audits reflecting common problems and other materials, submit them to the Company's management, and distribute copies to functional departments or directly affiliated enterprises. At the same time, according to the progress of audit work, issue audit bulletins from time to time to maximize the positive role of audit results in warning, reference and experience sharing, and promote all departments and enterprises to improve their work levels.

Article 20 The Company and all its directly affiliated enterprises shall correct and improve their existing problems in accordance with the problems and suggestions put forward by the audit team in the process of conducting audit projects.

### **Chapter VI By-laws**

Article 21 Matters of internal audit not covered herein shall be governed by the relevant laws, administrative regulations and normative documents of the Articles of Association and other relevant provisions shall be implemented. In case of any conflict between this system and the laws, administrative regulations, normative documents promulgated by the State in the future or the Articles of Association amended through legal procedures, the relevant laws, administrative regulations, normative documents and the Articles of Association of the State shall prevail.

Article 22 The Rules shall be prepared, revised and interpreted by the Board of directors of the Company, and shall be implemented from the date of approval by the Board of directors of the Company.

Bluestar Adisseo Company  
December 15, 2025