

Zhejiang Huayou Cobalt Co., Ltd

Tax Policy

I. Summary

The purpose of this policy is to ensure that Zhejiang Huayou Cobalt Co., Ltd. (hereinafter referred to as "Huayou Cobalt", "the Company" or "us") adheres to the principle of paying taxes according to law. We are committed to actively building and continuously optimizing the Company's tax management system to ensure that the Company fully fulfills its tax responsibilities at home and abroad. At the same time, we also actively identify and effectively manage tax risks, minimize the potential negative impact of tax risks on the Company's operating results, and promote the steady development of the Company.

II. Governance Structure and Responsibilities

2.1 The headquarters of the Company has established the Financial Management Center, and its subordinate tax management department is composed of senior tax experts and professionals, responsible for Huayou Cobalt's corporate tax management and overall tax risk control, and providing tax guidance and consultation for its subsidiaries. Subsidiaries at all levels shall set up tax management posts to ensure strict compliance with tax obligations and prevent tax risks.

2.2 The Company intervenes in key business activities such as enterprise merger and reorganization and overseas business expansion in advance, accurately evaluates the tax efficiency of investment structure and business operation mode and provides solid tax strategy support for the Company's decision-making.

2.3 We firmly believe that tax governance is a continuously evolving process that needs to be deeply integrated with business process management, organizational structure optimization and ESG (Environmental, Social and Governance) objectives. We will implement dynamic monitoring and build a long-term sustainable tax management system in line with business strategy to ensure efficient and compliant tax management.

III. Our Commitment

- 3.1 We commit to fully complying with the tax laws and their spirit of the country/region where we operate. We will strictly fulfill our tax declaration obligations and conduct all tax-related work in accordance with the principle of maintaining a high level of transparency with relevant government departments.
- 3.2 We promise not to use a tax structure without commercial substance, actively complying with the requirements of tax laws to pay tax, and at the same time enjoy tax preferential policies in accordance with law, to maintain the integrity and compliance of tax treatment.
- 3.3 We commit to the transparency of the Company's tax policies, the disclosure of relevant information in an open and clear manner, and the inclusion of key tax information such as the Company's deferred income tax assets, liabilities, corporate taxes and applicable tax rates in the financial statements and audit reports to enhance financial transparency and credibility.
- 3.4 We promise that in terms of transfer pricing, we will adhere to the principle of fair transaction, resolutely refrain from tax evasion activities by taking advantage of tax law differences, potential loopholes in the international tax system or tax havens, and promise not to transfer the improper part of the Company's value creation to low tax jurisdictions to maintain tax fairness and the healthy operation of the global tax system.

IV. Tax Risk Management

- 4.1 Huayou Cobalt actively identifies and effectively manages tax risks based on abiding by laws and regulations. We regularly evaluate the implementation of national tax regulations, internal tax management system and other requirements involved in the Company's daily business activities on an annual basis, and rectify the existing problems in a timely manner.
- 4.2 In the face of the issuance and revision of tax laws, new laws, rules and rulings, we have established a forward-looking monitoring mechanism to timely identify areas that may be affected, and actively report to the Company's management and in-depth review of potential tax risks. For highly uncertain or complex tax issues, we actively introduce external professional tax consultation and regularly organize tax and business skills training for employees to enhance the professional competence of the team. In addition, we also focus on

communication and collaboration with tax authorities and seek pre-approval to clarify tax treatment in uncertain areas and improve decision-making clarity.

4.3 Huayou Cobalt strictly follows the Guidelines for Internal Control of Listed Companies on the Shanghai Stock Exchange, builds and continuously optimizes the internal tax risk management system, ensures rapid response to changes in tax laws, accurately locates potential risk areas, and intervenes in the review in advance. The Company is committed to finding the best balance between risks and benefits, striving to minimize the potential negative impact of tax risks on the Company's operating results, while maximizing the benefits of accepting risks.

V. Supplement

This policy is effective from the date of approval by the Board of Directors, and we will regularly refine and update it to ensure that it meets the changing expectations of various stakeholders and adapts to changes in relevant guidelines and standards.