



洛陽鋁業
洛陽樂川鋁業集團股份有限公司
CMOC Group Limited*

Detailed Working Rules of the Strategic and Sustainability Committee

(Passed at the twelfth meeting of the sixth session of the Board dated on 22 March 2024)

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The Detailed Working Rules are made in both Chinese and English. In case of any inconsistency between the two versions, the Chinese version shall prevail.

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Chapter One General Provisions

Article 1 In order to accommodate the development needs of China Molybdenum Co., Ltd. (hereinafter referred to as the “Company”), ensure a scientific approach to the development planning and strategic decision-making, and enhance the sustainable development capability of the Company, the Board of Directors hereby decides to set up a Strategic and Sustainability Committee (hereinafter referred to as the “Strategic and Sustainability Committee”) as a professional body to review, delegate and supervise the research and formulation of the medium and long-term development strategy and the sustainable development plan of the Company.

Article 2 In order to promote standardized and efficient operation, the Board of Directors has formulated these detailed working rules (the “Detailed Working Rules”) in accordance with the relevant laws, regulations and regulatory documents such as the Company Law of the People’s Republic of China (the “Company Law”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Rules Governing the Listing of Stocks on Shanghai Stock Exchange (the “Listing Rules”) as well as the articles of association of the Company (the “Articles of Association”), etc.

Article 3 The Strategic and Sustainability Committee is a special body under the Board of Directors. Its main responsibilities are to carry out studies on the medium and long-term development strategic plans and the directions and areas of major strategic investments of the Company, to provide opinions and suggestions on the sustainable development policies, to ensure the Company’s adequate access to the resources, markets and investment opportunities needed for the medium and long-term development of the Company and to maintain the Company’s reputation. The Strategic and Sustainability Committee reports to the Board of Directors and is accountable to the Board.

Article 4 The resolutions made by the Strategic and Sustainability Committee shall comply with the Company Law, the Articles of Association, the Listing Rules, the Detailed Working Rules and the requirements of other relevant laws and regulations.

Chapter Two Composition

Article 5 The Strategic and Sustainability Committee shall consist of at least three members. All the members shall be Directors, and at least one of them shall be an independent non-executive Director of the Company. The members of the Strategic and Sustainability Committee shall be appointed by the Board of Directors. The Chairman of the Board of the Directors shall be an inherent member of the Strategic and Sustainability Committee.

Article 6 The Strategic and Sustainability Committee shall have a Chairman who shall be appointed by the Board of Directors.

The Chairman of the Strategic and Sustainability Committee shall be responsible for convening and presiding overing the meetings of the Strategic and Sustainability Committee. In the event that the Chairman fails or is unable to perform his or her duties, he or she shall designate another committee member to act on his or her behalf.

Article 7 The term of office for the members of the Strategic and Sustainability Committee is the same as that of the Directors of the Board of the same session. If any member of the Strategic and Sustainability Committee ceases to hold the position of Director of the Company during his or her term of office, his or her membership of the Strategic and Sustainability Committee shall automatically terminate.

Article 8 If the number of the Strategic and Sustainability Committee members is less than three as a result of resignation or removal of members or for other reasons, the Board of Directors shall appoint new members as soon as possible.

The Strategic and Sustainability Committee shall suspend performance of its duties and powers under the Detailed Working Rules until there are three members as required.

Article 9 The Strategic and Sustainability Committee shall have a secretary who shall be either the director of the Office of the Board of Directors or a suitable person appointed by the Strategic and Sustainability Committee.

Article 10 The main responsibilities of the secretary of the Strategic and Sustainability Committee shall be as follows:

- (1) to keep the minutes of the meetings of the Strategic and Sustainability Committee;
- (2) upon the reasonable request of any member of the Committee, to make relevant minutes available for inspection within any reasonable period of time;
- (3) to ensure that the draft and the final versions of the minutes of the meetings are sent to all members of the Strategic and Sustainability Committee within a reasonable time after the meetings. The draft minutes are sent to seek the comments from the Committee members and the final version of minutes are sent for their record;
- (4) to be responsible for tracking and executing the resolutions of the Strategic and Sustainability Committee, and for reporting the status of the Company's strategies and sustainability issues to the Strategic and Sustainability Committee.

Chapter Three Duties and Powers

Article 11 The Strategic and Sustainability Committee shall be responsible for formulating or regularly reviewing the development strategies, development plans and business goals of the Company, examining and inspecting the Company's sustainable development plans based on the internal and external actual conditions of the Company and putting forward opinions or suggestions regarding improvement of such plans, and assisting the Board of Directors in fulfilling its management responsibilities related to the strategic and sustainable development.

Article 12 The Strategic and Sustainability Committee shall exercise the following duties and powers:

(I) Regarding the strategies of the Company

1. to consider and submit proposals on the long-term development plans, business goals and sustainable development guidelines of the Company;

2. to consider and submit proposals on the Company's business strategies, including but not limited to product strategy, market strategy, sale and marketing strategy, research and development strategy and human resources strategy;
3. to consider and submit proposals on the significant strategic investments and financing schemes of the Company;
4. to deliberate and submit proposals on major capital operations, asset restructures and asset management projects of the Company;
5. to consider and, where appropriate, propose to distribute investment proceeds, cash dividends and stock dividends to shareholders;
6. to contact all the supervisory authorities or institutions for all matters relating to the Company, and monitor the changes in their policies related to and affecting the Company;
7. to follow up and monitor the implementation of the aforesaid matters, submit proposals on adjustments when appropriate, consider and submit proposals on other major matters affecting the Company's development strategies.

(II) Regarding the Sustainable Development

1. to consider and submit proposals on the relevant policies of the Company in the sustainable development areas, including without limitation, the health and safety, community relations, environment, human rights and anti-corruption, etc., so as to ensure that the Company's position and performance on the global sustainability issues meet the standards of the times;
2. to consider and submit proposals on measures to continuously enhance the Company's capacity to obtain resources, market and investment, and its capability to mitigate sustainability risks;
3. to consider and submit proposals on the reputation of the parties related to the key interests of the Company;
4. to guide, evaluate, supervise and continuously optimize the culture, management framework, affairs, risk management, capacity building and other matters in the fields of environment, social responsibility and sustainability of the Company, including but not limited to:
 - (1) to guide and support the sustainability matters with the guiding principles of strategy, foresight and diligence, create, promote and develop a culture of sustainability of the Company, submit relevant proposals to the Board of Directors, and supervise the implementation of the policies on the environment, social responsibility and sustainability formulated by the Board of Directors;
 - (2) to deliberate and review the policies, management framework and daily operations in the fields of the environment, social responsibility and sustainable development of the Company to ensure the Company's compliance with laws and regulations, and submit opinions and proposals to the Board of Directors on the relevant matters;
 - (3) to deliberate and review the Code of Conduct and the Compliance Guidance (if any) on the environment and social responsibility applicable to the Company's Directors and employees;

(4) to review the Company's annual Environmental, Social and Governance Report, before the deliberation and approval by the Board of Directors and the publication of such report;

(5) to deliberate the annual environment, social responsibility and sustainability performance indicators, as well as the corresponding short, medium and long-term goals, principles, key performance targets and measures, to oversee the implementation of sustainability matters, to evaluate the performance (if applicable) in the environment and social responsibility areas according to the Company's priorities, and to recommend appropriate performance compensations of the executive team based on the results of the implementation of sustainability issues and the achievement of their performance targets;

(6) to review, supervise and respond to emerging issues in the areas of environment, social responsibility and sustainability and, where appropriate, submit proposals to the Board of Directors for the Company to make continuous progresses in such areas;

(7) to ensure that sustainability risks are effectively identified and addressed and to ensure timely responses to and adequate measures for material sustainability incidents;

(8) to build internal capacity for sustainability management of the Company by introducing relevant external expertise, site inspections, benchmarking insights and any other methods deemed effective, and to review and assess the pertinence and effectiveness of the Company's working framework and capabilities related to sustainability issues.

5. to supervise internal control, business operations, production management, investment activities, succession planning, remunerations and compensations for the Directors and employees, risk management, external engagement related to sustainability matters and their fulfillment, all matters related to corporate governance and the formulation of relevant policies, to supervise the implementation of such policies by the management of the Company, including deliberating the reports on policy implementation submitted by the management;

6. other matters authorized by the Board of Directors.

Members may, according to the procedures and in a timely manner, propose to the Strategic and Sustainability Committee for discussion and consideration of the Company's significant matters identified during their performance, which fall within the terms of reference of the Strategic and Sustainability Committee.

Article 13 After deliberating the matters set out in the previous article hereof, the Strategic and Sustainability Committee shall formulate the resolutions of the meeting and report to the Board of Directors along with relevant proposals.

Article 14 The Strategic and Sustainability Committee shall examine the reports submitted by the management of the Company on sustainability issues, including but not limited to: material sustainability incidents and the responding measures, progress reports on sustainability measures, quarterly reports on material sustainability risks, annual Environmental, Social and Governance Report, Sustainability Report, and progress on independent authentication, and report to the Board of Directors.

Article 15 The Strategic and Sustainability Committee shall regularly report the progresses of the management of sustainability issues to the Board of Directors, and report on the compliance with the guidelines of Stock Exchanges and other requirements of laws and of the Company.

Article 16 The Strategic and Sustainability Committee shall evaluate the management approach of the management implementing measures on sustainability issues, and report to the Board of Directors.

Article 17 The Strategic and Sustainability Committee shall assess and advise the Board of Directors on sustainability matters potentially affecting the Company's reputation and subsequent direct or indirect access to resources, capital or markets.

Article 18 The Strategic and Sustainability Committee may request the management of the Company to provide it with adequate, complete and reliable materials in a timely manner, so that the members of the Strategic and Sustainability Committee may give their opinions of deliberation and make appropriate decisions based on relevant materials.

Article 19 The members of the Strategic and Sustainability Committee shall duly perform their duties. They shall make further inquiries on their own instead of solely relying on the materials provided by the management in all circumstances. In addition to such materials provided by the management, if any member needs other additional materials from the management, the management and the member shall make further inquiries as needed. The Strategic and Sustainability Committee and each member shall have their respective independent channels to contact the Company's senior management personnel.

Article 20 The materials mentioned in Article 19 above provided by the management to the Strategic and Sustainability Committee for deliberation shall include but are not limited to: background information explanatory documents, disclosure documents, budgets, forecasts, monthly financial statements, and other relevant internal financial statements. In respect to the budgets, any material variance between the predictions and actual results must be disclosed and explained.

Article 21 In performing its duties, the Strategic and Sustainability Committee should be given with sufficient resources necessary for the performance of its duties (including the resources for seeking independent legal and professional advice, and the resources for seeking opinions from independent authentication institutions). The related departments of the Company should provide assistance at the expenses of the Company.

Article 22 When exercising its duties and powers, the Strategic and Sustainability Committee shall comply with relevant provisions of the Company Law, the Articles of Association, the Listing Rules and the Detailed Working Rules, and shall not damage the interests of the Company and its shareholders.

Chapter Four Convening of Meetings

Article 23 The meetings of the Strategic and Sustainability Committee comprise regular meetings and extraordinary meetings.

In each fiscal year, the Strategic and Sustainability Committee shall hold at least two regular meetings to review or deliberate policies for strategic development and sustainable development, and the Sustainability Report (including the Environmental, Social and Governance Report) of the Company. The time of the meetings shall be determined by the Committee Chairman.

An extraordinary meeting may be convened at the request of the Chairman of the Board of Directors, the Committee Chairman or the joint request of two or more members of the Strategic and Sustainability Committee.

Article 24 The meeting of the Strategic and Sustainability Committee may be held by way of a physical meeting or by means of communication. Communication methods include but are not limited to: conference calls, video conferences, email circulation, etc.

In the case of voting by means of communication, members who sign on the resolutions of meetings shall be considered to be present at such meetings and to agree with such resolutions.

Article 25 The regular meetings of the Strategic and Sustainability Committee shall be notified in writing or via an e-mail followed by telephone, and extraordinary meetings may be notified by phone, e-mail or other prompt means of communication.

If the notice is sent through a prompt means of communication such as e-mail, the recipient will be deemed to have received the meeting notice if no written objection is received by the Company within 2 days from the date when the notice is sent.

Article 26 The notice of a regular meeting of the Strategic and Sustainability Committee shall be sent 14 days before the meeting (excluding the day on which such meeting is held), and the notice of an extraordinary meeting shall be sent 5 days before the meeting. The materials of the meetings shall be distributed to all members of the Strategic and Sustainability Committee 3 days before the meeting, unless all the members unanimously agree to exempt such time limit for notice. Notwithstanding the foregoing, members attending the meeting shall be deemed to have exempted the above time limit for notice.

The secretary of the Strategic and Sustainability Committee or the designated person of the Office of the Board of Directors shall be responsible for sending of the notice of meetings and the related meeting materials.

Article 27 A meeting notice of the Strategic and Sustainability Committee shall include at least the following information:

- (1) the time and venue of the meeting;
- (2) the duration of the meeting;
- (3) matters to be discussed at the meeting;
- (4) the contact person of the meeting and the contact information; and
- (5) the date of the meeting notice.

Chapter Five Proceedings and Voting Procedures

Article 28 The meeting of the Strategic and Sustainability Committee shall not be held unless no less than two-thirds of the members of the Strategic and Sustainability Committee members are present.

The Directors who are not members of the Strategic and Sustainability Committee may attend the meeting of the Strategic and Sustainability Committee, but such Director's opinions on the proposals of the meeting shall not be considered as formal deliberation opinions, and they do not have voting rights.

Article 29 A member of the Strategic and Sustainability Committee, being a non-independent Director, may attend the meeting in person, or appoint another member to attend the meeting as his or her proxy, to issue deliberation opinions and exercise his or her voting rights. Each member who is an independent Director shall attend the meeting in person, or if failing to attend the meeting in person for certain reasons, shall review the materials of the meeting in advance, form definite opinions, and appoint another member in writing to attend and vote at the meeting on his or her behalf.

A member of the Strategic and Sustainability Committee may appoint only one other member to exercise the voting rights as his or her proxy each time, and an appointment of two or more members as proxies shall be invalid. Each member of the Strategic and Sustainability Committee may only accept the appointment of one other member.

Article 30 A member of the Strategic and Sustainability Committee who appoints another member to attend, deliberate and vote at the meeting as his or her proxy shall submit a power of attorney to the chairman of the meeting. The power of attorney shall be submitted to the chairman of the meeting before the meeting.

Article 31 The power of attorney shall include at least the following information:

- (1) the name of the appointer;
- (2) the name of the proxy;
- (3) the matters entrusted;
- (4) scope of powers of the proxy: instructions on how to exercise the voting rights (for, against or abstain) on matters of the meeting and in the absence of specific instructions, descriptions on whether the proxy may vote at his or her own discretion;
- (5) effective period of authorization;
- (6) the date of signature of the power of attorney;
- (7) The power of attorney shall be signed by both the appointer and the proxy.

Article 32 A Member of the Strategic and Sustainability Committee who does not attend a meeting in person nor appoints another member as proxy to attend the meeting shall be deemed to be absent from such meeting.

Should a member of the Strategic and Sustainability Committee fail to attend the meetings twice in a row, he or she shall be deemed to be unable to duly carry out his or her duties and the Board of Directors may revoke his or her membership of the Strategic and Sustainability Committee.

Article 33 Resolutions made by the Strategic and Sustainability Committee shall not be valid unless adopted by a majority of all members. Each member of the Strategic and Sustainability Committee shall have one vote.

Article 34 After the chairman of the meeting of the Strategic and Sustainability Committee announces the commencement of the meeting, each proposal in relation to each subject matter of the meeting shall be considered in sequence.

Article 35 The members of the Strategic and Sustainability Committee would be free to discuss the subject matters considered at the meetings, but order shall be maintained at the meeting. No speaker shall use any offensive, insulting or threatening language.

The chairman of the meeting shall have the right to decide the time for discussion.

Article 36 Matters proposed at the Strategic and Sustainability Committee meeting are subject to collective consideration and voting in the sequence of the proposals being considered, i.e. all the proposals are considered by all members present at the meeting and then the proposals are put to vote in the sequence of consideration.

Article 37 The Strategic and Sustainability Committee may, if it deems necessary, invite other persons related to the meeting proposals to attend the meeting as non-voting participants to provide information or express their opinions. However, those who are not the members of the Strategic and Sustainability Committee shall not have voting rights on the proposals.

Article 38 The members of the Strategic and Sustainability Committee present at the meeting shall deliberate the proposals and fully express their opinions with a conscientious and responsible attitude. The members shall be responsible for their own votes.

Article 39 Where a meeting of the Strategic and Sustainability Committee is held by way of a physical meeting, the voting at the meeting shall be conducted by a show of hands in the sequence of “for”, “against” and “abstain”. For the same proposal, each member present can only vote once by a show of hand. Should a member put his or her hand more than once, only the last one show of hand is counted.

If a member attends the meeting for himself or herself and as proxy of another member at the same time, one vote cast by him or her by a show of hand shall be counted as two votes to the extent that his or her appointer’s vote is consistent with him or her on the same proposal; otherwise he or she may vote separately according to the view of the member himself or herself and the respective appointer; if the proxy does not specify his or her votes during the voting, the proxy’s vote is deemed to be the same as the appointer’s vote.

If the meeting of the Strategic and Sustainability Committee is held by means of communication, the voting of the meeting shall be conducted through signature, and the resolutions signed in writing by the members of the Strategic and Sustainability Committee shall be valid.

The chairman of the meeting shall count the votes on each proposal and announce the voting results on the spot, which shall be recorded by the person who takes the minutes.

Article 40 The meetings of the Strategic and Sustainability Committee shall be recorded by the secretary of the Strategic and Sustainability Committee or the staff of the Office of the Board of Directors designated by him or her.

Chapter Six Resolutions and Minutes of Meetings

Article 41 Each proposal on which a prescribed number of valid votes are cast shall become a resolution of the Strategic and Sustainability Committee upon announcement by the chairman of the meeting.

The resolutions of the Strategic and Sustainability Committee come into effect upon being signed by the members present at the meeting. No modification or alteration shall be made to the resolutions that have become effective without going through the legitimate procedure as required by laws, regulations, the Articles of Association, the Listing Rules and the Detailed Working Rules.

Article 42 A member or the secretary of the Strategic and Sustainability Committee shall report details of the resolutions (discussion draft), to the Board of Directors within 3 days after such resolutions have been passed.

Article 43 The written documents of the resolutions of the Strategic and Sustainability Committee shall be kept for record by the Company for a period of no less than 10 years during the Company's existence.

Article 44 The Committee Chairman, the Committee Secretary or another member designated by the Chairman shall follow and monitor the implementation of the resolutions of the Strategic and Sustainability Committee, and may request and supervise persons concerned to remedy the violations of the resolutions found. Should the persons concerned fail to follow such instructions, the Committee Chairman or his designated member or the Committee secretary shall report the situation to the Board of Directors which will be responsible to manage the case.

Article 45 The Strategic and Sustainability Committee shall maintain written minutes of the meeting. Committee members who attend the meeting and the person who takes the minutes shall both sign their names. Committee members present at the meeting shall have the right to request their explanatory remarks of his or her speech at the meeting to be recorded in the minutes.

The members of the Strategic and Sustainability Committee and other persons present shall be obliged to keep confidential the matters discussed at the meeting and shall not disclose any information of the meeting without permission.

Article 46 The minutes of the meetings of the Strategic and Sustainability Committee shall include at least the following information:

- (1) the date and venue of the meeting and the name of the convener;
- (2) the names of attendees, those attendees who are proxies should be specified;
- (3) the agenda of the meeting;
- (4) the highlights of speeches of the members;
- (5) the deliberation opinions, the voting method on each resolution or proposal and the corresponding voting results (numbers of votes for and against and the number of votes to abstain shall be set out);

(6) other matters that shall be stated and recorded in the minutes of the meeting.

Chapter Seven Supplementary Provisions

Article 47 Unless otherwise specified, in the Detailed Working Rules, the terms “no less than”, “amount to” and “within” shall include the number itself following such terms; the terms “over” and “less than” shall not include the number itself following such terms.

Article 48 “Day” means calendar day, except when “working day” is referred to expressly.

Article 49 Any matter not covered herein shall be subject to relevant laws, regulations or regulatory documents of the State, including the Listing Rules and the regulatory requirements and listing rules on which the Company’s shares are listed (the “Regulatory Requirements of Listing Places”) and related provisions of the Articles of Association. In case of any conflict between the Detailed Working Rules and relevant laws, regulations, regulatory documents, the Regulatory Requirements of Listing Places or the Articles of Association, relevant laws, regulations, regulatory documents, the Regulatory Requirements of Listing Places and the Articles of Association shall prevail.

Article 50 The Detailed Working Rules come into effect and are implemented upon the approval of the Board of Directors.

Article 51 The Detailed Working Rules shall be interpreted by the Board of Directors.