China Steel Corporation
Tax Governance Policy

Chapter I. General Principles

Article 1 The "Tax Governance Policy" ("the Policy") is formulated by China Steel Corporation ("CSC") and its subsidiaries (collectively "the Group") to be in response to international trend of tax governance, complying with tax laws and regulations, in pursuit of enterprise sustainable development, as well as shouldering the Group's social responsibilities.

Article 2 The deployment of tax strategies and management of tax costs, under the premise of being in compliance with the Policy and manageable tax risks, acting in good faith and integrity , the group is promoting tax policy and administration that takes into consideration the social responsibility, achieving sustainable development and enhancing stakeholder value.

Article 3 CSC and every subsidiary, included in the Group's consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) 10, acts in compliance with the letter and the spirit of Policy, and satisfied with tax governance requirements.

Chapter II. The Principle of Tax Governance

Article 4 Principles of Tax Governance:

1. Compliance of tax laws: The Group acts in accordance with the spirit as well as the letter of the local tax laws and regulations in all tax jurisdictions the Group operates and international tax guidelines. The Group ensures calculate its tax liabilities correctly and file tax returns by statutory deadlines to fulfill its tax responsibilities.

2. Information transparency: Tax disclosures are in compliance with the requirements of relevant regulations and guidelines. Tax disclosures are publicly disclosed to stakeholders in financial reports, annual reports or other public resources on a regular basis to ensure information transparency.

3. Business structure: The Group does not use taxation structures without commercial substance and conducts transactions with reasonable commercial purposes. The Group does not use tax havens or low tax jurisdictions for tax

planning, structuring or transactions for the principal and sole purpose of tax avoidance.

4. Arm's Length Transaction: The related-party transactions undertaken by the Group follows arm's length principle in accordance with the transfer pricing guidelines issued by the Organization for Economic Cooperation and Development ("OECD"). Do not use low tax jurisdiction for profit-shifting purpose.
5. Comprehensive decision: The Group considers tax when making important transactions and decisions. The Group evaluates the tax risks and relevant reactions prudentially and seek advice from external advisors as appropriate for the economic risks and the tax reform in each tax jurisdictions the Group operates.
6. Collaboration and communication: The Group establishes a mutual-trust relationship and communicate honestly with tax authorities. The Group discusses with tax authorities for tax topics in a timely manner, and provide industry-practical viewpoints to improve the tax environment.
7. Professionality: The tax professionals of the Group continuously enhance their professionality with the ability and keep abreast of the latest tax updates to evaluate the impact from changes of relevant tax regulations and figure out the reaction strategies.

Chapter III. Management Responsibilities

Article 5 Responsibilities of tax management are as follows:

1. CSC and its subsidiaries act as hierarchical responsibilities and obtain appropriate approvals in accordance with the tax filing and discussions on tax-related issues. It is imperative to thoroughly scrutinize and meticulously preserve supporting documentation for all tax filings and issues, to ensure their complete retention for the company or potential access by external regulatory authorities.
2. The Tax Management Unit is under The Accounting Department of the Finance Division. The Tax Management Unit has the authority to collect tax information from relevant units and/or subsidiaries, based on the necessity or recommendations from the board of directors or directors at the level above the vice president of the supervisory departments of CSC. This information is

used to assess tax risks and assist the company's management in overseeing subsidiary compliance with this policy.

3. The tax management unit of CSC may obtain tax management-related information from subsidiaries through coordination, communication, or access facilitated by the Corporate Strategy Department. A subsidiary may also communicate their needs to the Finance Division through the Corporate Strategy Department if assistance with tax management matters is required.

Chapter IV. Supplementary Provisions

Article 6 The policy is reviewed and amended in a timely manner to reflect changes in international and domestic tax laws and regulations.

Article 7 The Policy is approved by the Chairman of CSC's board. Any amendments shall be processed accordingly.