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**中国铝业股份有限公司**  
**ALUMINUM CORPORATION OF CHINA LIMITED\***

*(A joint stock limited company incorporated in the People's Republic of China with limited liability)*

(Stock Code: 2600)

**ANNOUNCEMENT ON PROPOSED GRANT OF RESERVED  
RESTRICTED SHARES TO PARTICIPANTS**

References are made to the notice of the 2022 first EGM, the notice of the 2022 first A Shareholders Class Meeting and the notice of the 2022 first H Shareholders Class Meeting dated 28 January 2022, the circular dated 28 January 2022, the supplemental circular dated 7 March 2022 (the “**Supplemental Circular**”), the announcement dated 6 April 2022 in relation to the adjustment to the proposed adoption of the 2021 Restricted Share Incentive Scheme, the announcement dated 21 April 2022 in relation to the SASAC’s approval for the 2021 Restricted Share Incentive Scheme, the announcement dated 26 April 2022 in relation to the approval of the 2021 Restricted Share Incentive Scheme at the 2022 first EGM, the 2022 first A Shareholders Class Meeting and the 2022 first H Shareholders Class Meeting, the announcements both dated 25 May 2022 in relation to the relevant matters on the adjustment to the 2021 Restricted Share Incentive Scheme and the first grant of Restricted A Shares to Participants, as well as the announcement dated 14 June 2022 in relation to the results of the first grant under the 2021 Restricted Share Incentive Scheme of Aluminum Corporation of China Limited (the “**Company**”). Terms used in this announcement shall have the same meanings as those defined in the Supplemental Circular unless the context requires otherwise.

The conditions of the reserved grant specified in the 2021 Restricted Share Incentive Scheme (the “**Incentive Scheme**” or the “**Scheme**”) of the Company have been fulfilled, and as authorised by the 2022 first EGM, the 2022 first A Shareholders Class Meeting and the 2022 first H Shareholders Class Meeting of the Company, on 23 November and 24 November 2022, the fourth meeting of the eighth session of the Supervisory Committee and the seventh meeting of the eighth session of the Board of the Company were held, respectively, at which the Resolution on Grant of Reserved Restricted Shares to Participants under the 2021 Restricted Share Incentive Scheme of the Company was considered and passed, pursuant to which, 24 November 2022 was determined as the reserved Grant Date, and 27,536,300 Restricted Shares will be granted to 285 Participants at the Grant Price of RMB2.21/share. Explanations on relevant matters are set out as below:

## **I. GRANT OF RESTRICTED SHARES**

### **(I) Decision-making Procedures Performed and Information Disclosure for the Grant of Restricted Share**

1. On 21 December 2021, the 24th meeting of the seventh session of the Board of the Company was held, at which the resolutions including the resolution on the formulation of 2021 Restricted Share Incentive Scheme (Draft) of Aluminum Corporation of China Limited and its summary, the resolution on the formulation of the Appraisal Management Measures for the Implementation of the 2021 Restricted Share Incentive Scheme of Aluminum Corporation of China Limited and the resolution in relation to request the shareholders’ general meetings to grant authority to the Board to handle the relevant matters relating to the 2021 Restricted Share Incentive Scheme of the Company were considered and passed, the related Directors abstained from voting on the relevant resolutions, and the independent Directors expressed their independent opinions on matters related to the Incentive Scheme of the Company.

On the same date, the 12th meeting of the seventh session of the Supervisory Committee of the Company was held, at which the resolutions including the resolution on the formulation of 2021 Restricted Share Incentive Scheme (Draft) of Aluminum Corporation of China Limited and its summary, the resolution on the formulation of the Appraisal Management Measures for the Implementation of the 2021 Restricted Share Incentive Scheme of Aluminum Corporation of China Limited and the resolution on the list of Participants under the 2021 Restricted Share Incentive Scheme of the Company were considered and passed. The Supervisory Committee of the Company verified the relevant matters on the Incentive Scheme and issued relevant verification opinions.

2. On 28 January 2022, the Company published the Notice of Aluminum Corporation of China Limited on the Convening of the 2022 First EGM, the 2022 First A Shareholders Class Meeting and the 2022 First H Shareholders Class Meeting (Announcement No.: Lin 2022–002) and the Announcement of Aluminum Corporation of China Limited on Openly Soliciting Proxy Votes by Independent Directors (Announcement No.: Lin 2022–003), according to which, Mr. Yu Jinsong, an independent Director, as entrusted by other Independent Directors, shall act as the solicitor to openly solicit proxy votes from all Shareholders of the Company for the relevant resolutions of the 2022 first EGM, the 2022 first A Shareholders Class Meeting and the 2022 first H Shareholders Class Meeting of the Company to be convened.
3. From 4 March 2022 to 14 March 2022, the names and titles of the proposed Participants under the Incentive Scheme were publicized on the internal website of the Company. During the publicity period, the Supervisory Committee received feedback from 2 proposed Participants. After verification, the names of the 2 Participants were inconsistent with their names registered in their ID cards due to inputting errors, and the Supervisory Committee has corrected the incorrect content. Apart from the above corrections, the Supervisory Committee had not received any other objections or adverse response as of the end of the publicity period. On 17 March 2022, the Company published the Explanation and Verification Opinions of the Supervisory Committee of Aluminum Corporation of China Limited on the Publicity of the Participants under the 2021 Restricted Share Incentive Scheme of the Company.
4. On 6 April 2022, the 27th meeting of the seven session of the Board and the 14th meeting of the seventh session of the Supervisory Committee of the Company were held, at which the resolution on the adjustment to the 2021 Restricted Share Incentive Scheme (Draft) and its summary and the Appraisal Management Measures for the Implementation were considered and passed. The related Directors abstained from voting on the relevant resolutions, and the independent Directors expressed their independent opinions on matters related to the adjustment to the Incentive Scheme of the Company. The Supervisory Committee of the Company verified the relevant matters on the adjustment to the Incentive Scheme and issued relevant verification opinions.

5. On 22 April 2022, the Company published the Announcement of Aluminum Corporation of China Limited on SASAC's Approval for the 2021 Restricted Share Incentive Scheme of the Company (Announcement No.: Lin 2022-022), according to which, on 20 April 2022, the Company received the "Approval on the Implementation of the Restricted Share Incentive Scheme by Aluminum Corporation of China Limited" (Guo Zi Kao Fen [2022] No. 157) from the State-owned Assets Supervision and Administration Commission of the State Council (the "SASAC"), which was forwarded by Aluminum Corporation of China, the controlling shareholder of the Company. The SASAC approved the implementation of the Restricted Share Incentive Scheme by the Company in principle.
6. On 26 April 2022, the 2022 first EGM, the 2022 first A Shareholders Class Meeting and the 2022 first H Shareholders Class Meeting of the Company were held, at which relevant resolutions including the resolution in relation to the 2021 Restricted Share Incentive Scheme (Draft) of Aluminum Corporation of China Limited and its summary, the resolution in relation to the Appraisal Management Measures for the Implementation of the 2021 Restricted Share Incentive Scheme of Aluminum Corporation of China Limited and the resolution in relation to grant authority to the Board of the Company to handle the relevant matters relating to the 2021 Restricted Share Incentive Scheme of the Company were considered and passed.
7. On 27 April 2022, the Company published the Self-inspection Report on Dealing in the Shares of the Company by Insiders of the Inside Information under the 2021 Restricted Share Incentive Scheme of the Company (Announcement No.: Lin 2022-024).
8. On 24 May and 25 May 2022, the 16th meeting of the seventh session of the Supervisory Committee and the 29th meeting of the seventh session of the Board of the Company were held respectively, at which the resolution in relation to relevant matters on the adjustment to the 2021 Restricted Share Incentive Scheme and the resolution in relation to First Grant of Restricted Shares to Participants were considered and passed. The related Directors abstained from voting on the relevant resolutions, and the independent Directors have expressed their independent opinions on such matters. The Supervisory Committee has verified and expressed its verification opinions on the list of Participants under the Incentive Scheme and related matters.

9. On 14 June 2022, the Company received the Securities Transfer Registration Certificate issued by Shanghai Branch of China Securities Depository and Clearing Corporation Limited, and the registration of the First Grant of 2021 Restricted Share Incentive Scheme has been completed on 13 June 2022, with a total of 112,270,300 Restricted Shares granted to 930 Participants. On 15 June 2022, the Company disclosed the Announcement of Aluminum Corporation of China Limited on the Results of the First Grant of 2021 Restricted Share Incentive Scheme (Announcement No.: Lin 2022-035).
10. On 23 November and 24 November 2022, the fourth meeting of the eighth session of the Supervisory Committee and the seventh meeting of the eighth session of the Board of the Company were held, respectively, at which the Resolution on the Proposed Grant of Reserved Restricted Shares to Participants under the 2021 Restricted Share Incentive Scheme of the Company was considered and passed, and the independent Directors have expressed their independent opinions on such matters. The Supervisory Committee has verified and expressed its verification opinions on the list of Participants of the reserved grant under the Incentive Scheme and related matters.

## **(II) Explanation of the Board on the Fulfillment of Reserved Grant Conditions**

In accordance with the requirements of the Measures for the Administration of Equity Incentives of Listed Companies (the “**Administrative Measures**”), the Trial Measures on Implementation of Equity Incentive Schemes by State-owned Listed Companies (Domestic) (the “**Trial Measures**”), the Notice on Issues concerning Regulating the Implementation of Equity Incentive System by the State-owned Listed Companies, the Guidelines on the Implementation of Equity Incentives for Listed Companies Controlled by Central Enterprises (the “**Guidelines**”) and the Incentive Scheme, after careful verification, the Board of the Company is of the view that the conditions for reserved grant under the Incentive Scheme have been satisfied. Details of the fulfillment of reserved grant conditions are as follows:

1. There is no occurrence of any of the following on the part of the Company:
  - (1) issuance of an auditors’ report with an adverse opinion or a disclaimer of opinion by certified public accountants in respect of the Company’s financial accounting report for the most recent accounting year;

- (2) issuance of an auditors' report with an adverse opinion or a disclaimer of opinion by certified public accountants in respect of the Company's internal control over financial reporting for the most recent accounting year;
- (3) failure to carry out profit distribution in accordance with the laws and regulations, the Articles of Association or public undertakings during the last 36 months after listing;
- (4) prohibition from implementation of any equity incentive scheme by applicable laws and regulations;
- (5) any other circumstances as prescribed by the CSRC.

There is no occurrence of any of the above circumstances under which the Company is not allowed for the implementation of the share incentive.

2. A Participant shall not be a person who:

- (1) has been deemed as an inappropriate candidate by the SSE in the last 12 months;
- (2) has been deemed as an inappropriate candidate by the CSRC or any of its dispatch agencies in the last 12 months;
- (3) has been imposed with administrative penalties or a ban from entry into the securities market by the CSRC or any of its dispatch agencies due to material breach of laws and regulations in the last 12 months;
- (4) is prohibited from acting as a director or a member of the senior management of a company under the Company Law of the People's Republic of China (the "**Company Law**");
- (5) is not allowed to participate in any equity incentive scheme of a listed company under laws and regulations;
- (6) falls under any other circumstances as prescribed by the CSRC.

There is no occurrence of any of the above circumstances in which the Participants are not allowed to be granted the Restricted Shares.

3. The Company's performance meets the following conditions:

The EOE of the Company for 2020 shall not be lower than 25% as well as the 50 percentile of the benchmarking enterprises. On the basis of the operating results for 2019, the growth rate of net profit attributable to owners of the parent after deduction of non-recurring profits and losses for 2020 of the Company shall not be lower than 34.50% as well as the 50 percentile of the benchmarking enterprises. The  $\Delta$ EVA of the Company for 2020 is positive.

If the Company fails to meet the grant conditions, the Company shall not grant any Restricted Shares under the Incentive Scheme for the current period; if the Participants fail to meet the grant conditions, the Company shall not grant any Restricted Shares to the Participants under the Incentive Scheme for the current period.

### **(III) The Reserved Grant**

1. Date of reserved grant: 24 November 2022
2. Number of shares under reserved grant: 27,536,300 shares
3. Number of Participants under reserved grant: 285
4. Reserved Grant Price: RMB2.21 per share

The Grant Price of the reserved Restricted Shares shall not be lower than the nominal value of such shares and shall not be lower than 50% of the higher of:

- (1) the average trading price of the Company's shares on the trading day preceding the date of the announcement of the Board resolution regarding the grant of reserved Restricted Shares;
- (2) any one of the average trading prices of the Company's shares in the last 20, 60 or 120 trading days preceding the date of the announcement of the Board resolution regarding the grant of reserved Restricted Shares.

Based on the above pricing principles, the Grant Price of the reserved Restricted Shares is RMB2.21 per share.

5. Source of shares: The ordinary A shares issued by the Company to the Participants
6. Validity Period, Lock-up Period and Unlocking Arrangement of the Incentive Scheme
  - (1) The Validity Period of the Incentive Scheme is from the date of registration of the Restricted Shares under the first grant to the date when all the Restricted Shares which have been granted to the Participants are unlocked or repurchased, and shall not exceed 72 months in any event.
  - (2) The Lock-up Period shall be 24 months from the completion date of registration of the grant of Restricted Shares to the Participants. During the Lock-up Period, the Restricted Shares granted to the Participants under the Scheme shall be locked and shall not be transferred or assigned or used as guarantee or for repayment of debts. The shares obtained by the Participants due to the grant of the Restricted Shares not yet unlocked to them arising from capitalization issue, bonus issue, share split, etc. shall be subject to locking in accordance with the Scheme. Upon unlocking, the Company shall proceed with the unlocking for the Participants who satisfy Unlocking Conditions, and the Restricted Shares held by the Participants who do not satisfy the Unlocking Conditions shall be repurchased by the Company.

The Unlocking Periods of the Restricted Shares under the reserved grant of the Scheme and the arrangement for each Unlocking Period are set out in the table below:

<b>Arrangement of unlocking</b>	<b>Unlocking Period</b>	<b>Percentage of the number of Restricted Shares to be unlocked to the number of the Restricted Shares granted</b>
The first Unlocking Period for the reserved grant	Commencing from the first trading day after expiry of the 24-month period from the date of completion of registration of the corresponding grant and ending on the last trading day of the 36-month period from the date of completion of registration of such grant	40%

<b>Arrangement of unlocking</b>	<b>Unlocking Period</b>	<b>Percentage of the number of Restricted Shares to be unlocked to the number of the Restricted Shares granted</b>
The second Unlocking Period for the reserved grant	Commencing from the first trading day after expiry of the 36-month period from the date of completion of registration of the corresponding grant and ending on the last trading day of the 48-month period from the date of completion of registration of such grant	30%
The third Unlocking Period for the reserved grant	Commencing from the first trading day after expiry of the 48-month period from the date of completion of registration of the corresponding grant and ending on the last trading day of the 60-month period from the date of completion of registration of such grant	30%

7. The allocation of the Restricted Shares among all the Participants is set out in the table below:

<b>Name</b>	<b>Position(s)</b>	<b>Number of the Restricted Shares to be granted (0,000 shares)</b>	<b>Proportion of the total number of the Restricted Shares under reserved grant</b>	<b>Proportion of the total share capital of the Company</b>
Ge Xiaolei	Chief Financial Officer, Secretary to the Board	23	0.84%	0.0013%
Li Wangxing	Chief Technology Officer	23	0.84%	0.0013%
	Middle-level management, core technical (business) backbone (283 persons)	2,707.63	98.32%	0.1580%
	Reserved grant in total (285 persons)	2,753.63	100%	0.1607%

- Notes:*
- (1) None of the Participants under the Scheme has participated in the share incentive schemes of two or more listed companies. None of the Participants is the substantial shareholder holding more than 5% of the equity interest in the Company or the de facto controller and their respective spouses, parents and children.
  - (2) Any discrepancies between totals and sums of figures listed in the above table are due to rounding.
  - (3) The Participants under the reserved grant do not involve connected persons of the Company.

## 8. Unlocking conditions of the Scheme

Within the Unlocking Periods, the Company shall unlock the Restricted Shares according to the Scheme only when all of the following conditions are satisfied:

- (1) There is no occurrence of any of the following on the part of the Company:
  - ① issuance of an auditors' report with an adverse opinion or a disclaimer of opinion by certified public accountants in respect of the Company's financial accounting report for the most recent accounting year;
  - ② issuance of an auditors' report with an adverse opinion or a disclaimer of opinion by certified public accountants in respect of the Company's internal control over financial reporting for the most recent accounting year;
  - ③ failure to carry out profit distribution in accordance with the laws and regulations, the Articles of Association or public undertakings during the last 36 months after listing;
  - ④ prohibition from implementation of any equity incentive scheme by applicable laws and regulations;
  - ⑤ other circumstances as prescribed by the CSRC.

- (2) A Participant shall not be a person who:
- ① has been deemed as an inappropriate candidate by the SSE in the last 12 months;
  - ② has been deemed as an inappropriate candidate by the CSRC or any of its dispatch agencies in the last 12 months;
  - ③ has been imposed with administrative penalties or a ban from entry into the securities market by the CSRC or any of its dispatch agencies due to material breach of laws and regulations in the last 12 months;
  - ④ is prohibited from acting as a director or a member of the senior management of a company under the Company Law;
  - ⑤ is not allowed to participate in any equity incentive scheme of a listed company under laws and regulations;
  - ⑥ falls under any other circumstances as prescribed by the CSRC.

In case of occurrence of any of the circumstances as stipulated in paragraph (1) above to the Company, all the Restricted Shares that have been granted to the Participants but not yet unlocked under the Scheme shall be repurchased by the Company in accordance with regulations; in case of occurrence of any of the circumstances as stipulated in paragraph (2) to a Participant, the Restricted Shares that have been granted to such Participant but not yet unlocked under the Scheme shall be repurchased by the Company in accordance with regulations.

- (3) Performance appraisal requirements of the Company: the Restricted Shares granted in the Scheme shall be appraised on performance and unlocked on a yearly basis during the three accounting years of the Unlocking Periods (2022–2024) to achieve the performance appraisal targets of the Company, which shall be regarded as the Unlocking Conditions of the Participants.

- ① The performance appraisal for unlocking the Restricted Shares granted under the First Grant and the reserved Grant under the Scheme is shown in the following table:

<b>Unlocking Period</b>	<b>Performance appraisal targets</b>
The First Unlocking Period for the Restricted Shares granted under the reserved Grant	On the basis of the operating results for 2020, the compound growth rate of net profit attributable to owners of the parent after deduction of non-recurring profits and losses for 2022 of the Company shall not be lower than 110% as well as the 75 percentile of the benchmarking enterprises or the industry average level; the EOE of the Company for 2022 shall not be less than 28% as well as the 75 percentile of the benchmarking enterprises or the industry average level; the annual EVA appraisal target set by the Board of the Company shall be completed in 2022.
The Second Unlocking Period for the Restricted Shares granted under the reserved Grant	On the basis of the operating results for 2020, the compound growth rate of net profit attributable to owners of the parent after deduction of non-recurring profits and losses for 2023 of the Company shall not be lower than 75% as well as the 75 percentile of the benchmarking enterprises or the industry average level; the EOE of the Company for 2023 shall not be less than 28.5% as well as the 75 percentile of the benchmarking enterprises or the industry average level; the annual EVA appraisal target set by the Board of the Company shall be completed in 2023.
The Third Unlocking Period for the Restricted Shares granted under the reserved Grant	On the basis of the operating results for 2020, the compound growth rate of net profit attributable to owners of the parent after deduction of non-recurring profits and losses for 2024 of the Company shall not be lower than 60% as well as the 75 percentile of the benchmarking enterprises or the industry average level; the EOE of the Company for 2024 shall not be less than 29% as well as the 75 percentile of the benchmarking enterprises or the industry average level; the annual EVA appraisal target set by the Board of the Company shall be completed in 2024.

*Notes:* 1) EOE = EBITDA/average net assets, wherein EBITDA stands for net profit before deducting income tax, interest expenses, depreciation and amortization; the average net assets are the arithmetic mean of the sum of opening and closing owners' equity attributable to shareholders of the parent.

2) In calculating the EOE indicator, the impact of changes in the measurement method for fair value of the assets held by the Company on the net assets should be eliminated. During the validity period of the share incentive schemes, in the case of financing through issuance of shares, the acquisition of assets through issuance of shares, the conversion of convertible bonds and other events, the newly added net assets and the profits generated by these net assets shall not be included in the appraisal calculation scope.

② Selection of benchmarking enterprises for granting and unlocking

The Company selected comparable listed companies with high relevance to the existing and future product types and applications of the Company's principal business as benchmarking samples. A total of 15 companies were selected and the benchmarking enterprises are as follows:

Stock code	Stock abbreviation	Stock code	Stock abbreviation
000060.SZ	Zhongjin Lingnan	002460.SZ	Ganfeng Lithium
000630.SZ	Tongling Nonferrous Metals	002532.SZ	Tianshan Aluminum
000807.SZ	Yunnan Aluminum	600111.SH	Northern Rare Earth
000878.SZ	Yunnan Copper	600219.SH	Nanshan Aluminum
000933.SZ	Shenhuo Group	600362.SH	Jiangxi Copper
000960.SZ	Yunnan Tin	601212.SH	Baiyin Nonferrous
002203.SZ	Hailiang Holdings	603799.SH	Huayou Cobalt
01378.HK	China Hongqiao		

If there are significant changes in the principal business of or extreme values with significant deviation in the benchmarking enterprises samples during the annual appraisal, the Board of the Company will remove or replace the samples in the year-end appraisal.

(4) Appraisal of Participants at individual level

The individual appraisal of the Participants shall be conducted annually in accordance with the Appraisal Management Measures for the Implementation of the 2021 Incentive Scheme for Restricted Shares of Aluminum Corporation of China Limited (《中國鋁業股份有限公司2021年限制性股票激勵計劃實施考核管理辦法》) and the appraisal results (S) are divided into three levels. The percentage of unlocking of the Restricted Shares for the year shall be determined in accordance with individuals' performance evaluation results. The individuals' actual unlocking limit for the current year = standard coefficient × limit planned to be unlocked by individuals in the current year. Special circumstances in the appraisal of the individual shall be decided by the Board. Details are as follows:

<b>Appraisal results (S)</b>	<b>S≥80</b>	<b>80&gt;S≥70</b>	<b>S&lt;70</b>
Standard coefficient	1.0	0.9	0

If the Unlocking Conditions for the current period are not fulfilled due to the failure of the performance appraisal at Company level or at individual level, the corresponding Restricted Shares shall not be unlocked or deferred to the next period and shall be repurchased by the Company at the lower of the Grant Price and stock market price (average trading price of the underlying shares of the Company for the last 1 trading day immediately preceding the announcement of the Board resolution on the consideration of the repurchase) at the time of the repurchase.

## II. VERIFICATION OPINIONS OF THE SUPERVISORY COMMITTEE

285 Participants who were granted the reserved Restricted Shares of the Company were in compliance with the requirements for Participants under the Incentive Scheme of the Company and its summary considered and approved at the 2022 first EGM, the 2022 first A Shareholders Class Meeting and the 2022 first H Shareholders Class Meeting of the Company. No one is unqualified as described in Article 8 of the Administrative Measures.

The Participants of the Grant of the Company have satisfied the qualifications stipulated under the Company Law, the Securities Law of the People's Republic of China and other laws, regulations and normative documents as well as the Articles of Association, are not subject to the following circumstances: where he/she has been deemed as an inappropriate candidate by the Stock Exchange in the last 12 months; where he/she has been deemed as an inappropriate candidate by the CSRC and its dispatch agencies in the last 12 months; where he/she has been imposed with administrative penalties or a ban from entry into the securities market by the CSRC or any of its dispatch agencies due to material breach of laws and regulations in the last 12 months; where he/she is prohibited from acting as a director or a member of the senior management of a company under the Company Law; where he/she is not allowed to participate in any equity incentive scheme of a listed company under laws and regulations, have complied with the conditions of Participants as stipulated in the Administrative Measures, and are within the scope of Participants as stipulated in the Incentive Scheme. Their qualifications for being the Participants under the Incentive Scheme are lawful and valid, and the conditions for the Participants to be granted have been fulfilled.

The reserved Grant Date, Grant Price and number of shares granted determined by the Board of the Company are in compliance with the relevant provisions of the Administrative Measures and the Incentive Scheme.

The Supervisory Committee has agreed to grant 27,536,300 Restricted Shares to 285 Participants at the Grant Price of RMB2.21 per share with 24 November 2022 as the reserved Grant Date.

### III. OPINIONS OF THE INDEPENDENT DIRECTORS

1. According to the authorization of the 2022 first EGM, the 2022 first A Shareholders Class Meeting and the 2022 first H Shareholders Class Meeting of the Company, the Board has determined that the reserved Grant Date of the Incentive Scheme of the Company is 24 November 2022, and the Grant Date is in compliance with the Administrative Measures, the Trial Measures and other laws and regulations and the relevant provisions of the Incentive Scheme on the Grant Date, and the Grant is also in compliance with the relevant provisions of the Incentive Scheme on the grant of entitlements to the Participants.
2. There is no circumstance under which the Company is forbidden to implement the Incentive Scheme as prescribed in the Administrative Measures, the Trial Measures and other laws, regulations and normative documents. The Company is qualified to implement the Incentive Scheme.
3. There is no circumstance under which the Participants of the Restricted Shares to be granted under the Incentive Scheme are prohibited from being granted entitlements, and the qualifications of the Participants are legal and valid.
4. The Company's implementation of the Incentive Scheme is beneficial to further improvement of the Company's governance structure, perfection of the Company's incentive mechanism, bring continuous returns to the shareholders, enhance the sense of responsibility and sense of mission of the mid-level and senior management and frontline leaders towards the realization of the sustainable and healthy development of the Company, is beneficial to the sustainable development of the Company, and will not damage the interests of the Company and all shareholders.

Based on the above opinions, the independent Directors of the Company agree to grant 27,536,300 Restricted Shares to 285 Participants at the Grant Price of RMB2.21 per share under the Incentive Scheme with 24 November 2022 as the reserved Grant Date of the Restricted Shares.

#### **IV. EXPLANATION ON DIFFERENCES BETWEEN THE INCENTIVE SCHEME AND THE INCENTIVE SCHEME CONSIDERED AND APPROVED AT GENERAL MEETINGS**

On 24 May and 25 May 2022, the 16th meeting of the seventh session of the Supervisory Committee and the 29th meeting of the seventh session of the Board of the Company were held respectively, at which the Resolution on Relevant Matters on the Adjustment to the 2021 Restricted Share Incentive Scheme of the Company was considered and passed. In accordance with the relevant provisions of the Administrative Measures and the Incentive Scheme, the Board of the Company has conducted the adjustment to the list of Participants under the First Grant of the Incentive Scheme and the number of the reserved portion of Restricted Shares, and the reserved portion was adjusted from 10 million shares to 27,561,800 shares. For details, please refer to the Announcement of Aluminum Corporation of China Limited on Adjustment to the 2021 Restricted Share Incentive Scheme disclosed by the Company on 26 May 2022 (Announcement No.: Lin 2022-030).

Based on the actual situation of the Company, the potential number of shares granted to the potential Participants of the reserved interests under the Incentive Scheme is less than 27,561,800 shares. The Board of the Company adjusted the number of shares granted taking into account the actual situation, and the adjusted number of shares granted was 27,536,300 shares.

Save for the above adjustments, other contents of the Incentive Scheme implemented are in line with the Incentive Scheme considered and approved at 2022 first EGM, the 2022 first A Shareholders Class Meeting and the 2022 first H Shareholders Class Meeting of the Company.

#### **V. STATEMENT ON DISPOSAL OF SHARES OF THE COMPANY BY THE DIRECTORS AND SENIOR MANAGEMENT PARTICIPATING IN THE SCHEME WITHIN THE SIX MONTHS PRIOR TO THE GRANT DATE OF THE RESTRICTED SHARES**

Upon self-inspection by the Company, the Participants participating in the reserved grant of the Restricted Shares under the Incentive Scheme do not include any Directors of the Company; the senior management participating in the reserved grant did not purchase or dispose of the shares of the Company during the six months prior to the Grant Date.

## VI. IMPACT OF THE FINANCIAL POSITION OF THE COMPANY AFTER THE GRANT OF ENTITLEMENT

### (I) Fair Value of the Restricted Shares and Determination Method

In accordance with the relevant provisions of the Accounting Standard for Business Enterprises No. 11 – Share-based Payments and the Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments, the Company measures the fair value of the Restricted Shares based on the market price. On the reserved Grant Date, the fair value of the Restricted Shares = the closing price of the Shares on the reserved Grant Date – the Grant Price.

### (II) Estimated Impact of the Implementation of the Restricted Shares on Operating Results in Each Period

In accordance with the provisions of the Accounting Standard for Business Enterprises No. 11 – Share-based Payments, on each date of statement of financial position within the Lock-up Periods, the Company shall revise the number of the Restricted Shares which are expected to be unlocked based on the latest number of persons whose Restricted Shares are eligible to be unlocked, completion of performance targets and other subsequent information which are available to the Company, and recognise the services received in the relevant period in the corresponding costs or expenses and capital reserve at the fair value of the Restricted Shares on the Grant Date.

The Board has determined that the reserved Grant Date of the Restricted Shares under the Incentive Scheme shall be 24 November 2022. Upon calculation, the total expenses to be recognised for the 27,536,300 Restricted Shares granted shall be RMB60.8552 million, which shall be recognised by the Company in phases based on the unlocking proportions in the corresponding year and the capital reserve will be increased at the same time. See the table below for details:

*Unit: RMB0'000*

Total expenses	2022	2023	2024	2025	2026
6,085.52	190.17	2,282.07	2,180.65	1,014.25	418.38

*Note:* The above result does not represent the final accounting cost. The accounting cost is related not only to the Grant Date, Grant Price and number of shares to be granted, but also to the actual number of equity that are valid and invalid. The final result of the above effects on the operating performance of the Company is subject to the annual audited report issued by the accounting firm.

According to the evaluation of the Company based on the information available, without taking into account the stimulus effects of the Incentive Scheme on the results of the Company, the amortization of the expenses of the Incentive Scheme shall affect the net profit of each year during the Validity Period, but the positive impact of the Incentive Scheme on the development of the Company taken into account, such as motivating the management team and increasing the operational efficiency, the benefits generated from the improvement in the Company's results due to the Incentive Scheme shall far exceed the increase in expenses incurred by the Incentive Scheme.

## **VII. CONCLUSION OF THE LEGAL OPINION**

Jincheng Tongda & Neal Law Firm is of the view that the Company has obtained necessary approval and authorization in respect of the grant of reserved portion under the Incentive Scheme; the Grant Date of the reserved portion under the Incentive Scheme determined by the Board of the Company is in compliance with the relevant provisions of the Administrative Measures and the Incentive Scheme; the grant conditions of the reserved portion of the Incentive Scheme have been satisfied, and the Participants granted, number of shares granted and Grant Price are in compliance with the relevant provisions of the Administrative Measures, the Guidelines and the Incentive Scheme.

## **VIII. OPINION OF THE INDEPENDENT FINANCIAL ADVISOR**

Shanghai Realize Enterprise Consulting Services (Group) Co., Ltd., the independent financial adviser, is of the opinion that as of the issuing date of the report, the Company has obtained the necessary approval and authorization in respect of the reserved Grant under the Incentive Scheme. The reserved Grant Date, reserved Grant Price, reserved Participants and number of the reserved Restricted Shares to be granted are in compliance with the relevant laws and the relevant provisions of the Incentive Scheme, and the conditions of reserved grant as stipulated in the Incentive Scheme of the Company have been fulfilled. After the grant, the Company is required to make information disclosure within the prescribed period in accordance with the relevant requirements and handle

relevant subsequent formalities with the Shanghai Stock Exchange and the Shanghai Branch of China Securities Depository and Clearing Corporation Limited.

By order of the Board  
**Aluminum Corporation of China Limited\***  
**Ge Xiaolei**  
*Joint Company Secretary*

Beijing, the PRC  
24 November 2022

*As at the date of this announcement, the members of the Board comprise Mr. Liu Jianping, Mr. Zhu Runzhou, Mr. Ou Xiaowu and Mr. Jiang Tao (Executive Directors); Mr. Zhang Jilong and Mr. Chen Pengjun (Non-executive Directors); Mr. Qiu Guanzhou, Mr. Yu Jinsong and Ms. Chan Yuen Sau Kelly (Independent Non-executive Directors).*

\* *For identification purposes only*