



**China Hongqiao Group Limited**

**中国宏桥集团有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

(the “Company”)

(Stock Code: 1378)

## **ENVIRONMENTAL PROTECTION POLICY**

**(Adopted by the Sustainability Committee of the Company on 24 April 2026)**

### **I. Core Concepts and Objectives**

By adhering to the philosophy of "all-employee participation and joint efforts in building a green enterprise" and closely following the trend of the low-carbon economy throughout its corporate development, China Hongqiao Group Limited (hereinafter referred to as "China Hongqiao" or "the Group") actively responds to global climate governance initiatives, continuously improves its environmental management system (EMS), and establishes a low-consumption, clean, and circular production model. The Group strives to achieve industry-leading performance in areas such as greenhouse gas (GHG) emissions, production energy consumption, pollutant discharge, and comprehensive resource utilisation, aiming to become a benchmark enterprise that is eco-friendly and responsible, while seeking integrated and synergistic development between economic benefits and environmental responsibility.

### **II. Scope of Application**

The policy has been developed based on extensive consultation with internal and external stakeholders, and applies to all employees of China Hongqiao Group and its subsidiaries/branches (full-time employees, part-time employees, interns, and dispatched workers, including board members and senior management), covering all aspects of the value chain, including research and development (R&D), procurement, production, operations, sales, and services. Meanwhile, the Group also advocates for and promotes value chain partners (including suppliers, contractors, customers, etc.) to jointly follow this policy and work together to advance green practices.

### **III. Commitments and Practices**

#### **1. Environmental Management System**

The Group strictly complies with the environmental laws and regulations of the countries and regions where it operates and continuously improves its EMS. The Group fully promotes ISO 14001 environmental management system certification in its production enterprises over which it has financial and operational control, so as to systematically enhance its environmental management capabilities and international recognition. The Group sets targets for reducing

environmental impact on key environmental issues, establishes a regularised monitoring and improvement mechanism, and regularly discloses its environmental performance, managing and mitigating the impact of its operations on the environment and communities in a responsible manner.

## **2. Energy Conservation and Carbon Reduction**

The Group strictly complies with laws and regulations related to GHG emissions and energy utilisation in the countries and regions where it operates, and actively responds to the long-term vision of the *United Nations Framework Convention on Climate Change* as well as the national "dual-carbon" strategy of carbon peaking and carbon neutrality. The Group is committed to systematically advancing GHG emission reduction management and mitigating its adverse impact on the global climate. To this end, the Group has established an end-to-end climate-related risk and opportunity management process covering "identification, assessment, and response", and has incorporated the identified material risks and opportunities into its overall risk management plan. The Group conducts an annual inventory of GHG emissions and energy consumption, and formulates clear emission reduction targets, plans, and specific measures accordingly. The Group will continue to introduce new energy-saving technologies, new processes, new materials, and new equipment, expand investment in green energy, increase the application of clean energy, and continuously improve the efficiency and economic benefits of green energy use. By strengthening collaboration with various stakeholders, the Group will jointly promote energy conservation and carbon reduction practices, continuously reduce the total volume and intensity of carbon emissions from its operations, and effectively drive the green and low-carbon transformation.

## **3. Pollutant Management**

The Group strictly complies with laws and regulations related to the discharge of wastewater, air emissions, waste, and other pollutants in the countries and regions where it operates, and places particular emphasis on the systematic control of gaseous and wastewater pollutants that affect human health and the environment, and makes efforts to reduce pollutant emissions. The Group rigorously follows the waste management hierarchy, and upholds the principles of "prevention first, source reduction, reuse, recycling, and resource recovery" to systematically advance waste reduction and resource utilisation. Through these comprehensive measures, the Group continuously mitigates the negative impact of its operations on the environment and faithfully fulfils its corporate environmental responsibilities.

## **4. Water Resource Management**

The Group strictly complies with laws and regulations related to water resource management in the countries and regions where it operates, manages and utilises water resources in a responsible manner, and integrates the principle of water conservation into all its business activities. The Group regularly discloses information on risk assessment and usage management of water resources, and strives to reduce water use intensity and improve water recycling efficiency by continuously promoting process optimisation, water-saving technology innovation, and equipment upgrades. In addition, in line with the water quality requirements of different production processes, treated wastewater is reused in appropriate production stages

to minimise, to the greatest extent possible, freshwater withdrawal and wastewater discharge, thereby reducing the impact of its operations on local water resources.

## **5. Circular Economy**

The Group systematically assesses environmental impacts from a product life cycle perspective, integrating the concepts of efficient resource utilisation and circular regeneration throughout the entire process—from product design, raw material input, equipment operation and maintenance, to production and sales. The Group fully considers the environmental life cycle impacts of end products at the product design stage, and continuously reduces process waste generation during the production process, promoting the recycling and reuse of resources. In addition, by strengthening its aluminum recycling system and collaborating closely with recycling and circular utilisation partners, the Group continuously improves its recycling and utilisation levels, promotes resource conservation, and actively practices the circular economy.

## **6. Fostering an Environmental Protection Culture**

The Group systematically promotes capacity-building with its stakeholders, regularly communicates with employees, contractors, suppliers, and other stakeholders on environmental issues such as energy conservation and emission reduction, pollutant management, and water resource management, and carries out environmental awareness campaigns and training. By developing and improving emergency response plans for environmental incidents and actively encouraging participation in various environmental protection practice activities, the Group continuously enhances the awareness and capacity of all parties in environmental impact identification and management, jointly fostering and deepening the corporate green culture.

# **IV. Supplementary Provisions**

## **1. Continuous Improvement**

The Group will, when necessary, revise this policy from time to time according to regulatory and legal changes, updates to industry standards and feedback from stakeholders, and publicly update the content through the official website, ESG reports/sustainability reports and other channels to ensure the continuous adaptability and effectiveness of the policy.

## **2. Approval Authority**

The policy is reviewed and approved by the Sustainability Committee under the Group's Board of Directors, and the Sustainability Committee shall be responsible for overseeing its implementation. The policy shall come into force on the date of issuance.

## **3. Interpretation**

The policy shall be interpreted by China Hongqiao. The document is prepared in both Chinese and English. In case of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.