

## **Policy Statement on Biodiversity and No Deforestation**

China Jushi strictly abides by and implements the United Nations Convention on Biological Diversity, the Ecological and Environmental Code of the People's Republic of China, the Kunming Declaration, and the Opinions on Further Strengthening Biodiversity Conservation issued by the General Office of the State Council of the People's Republic of China, as well as other laws and regulations concerning biodiversity conservation. Drawing on the aforementioned laws and regulations, the Company has formulated its Biodiversity and NO Deforestation Statement Policy. This policy statement is under the overall supervision of the Board of Directors, jointly formulated by the Board of Directors and relevant senior management, regularly reviewed and improved.

This Statement applies to the Company's headquarters and its subsidiaries, covering production and operational facilities, products and services, distribution and logistics, and waste management, as well as business collaborations with partners such as suppliers, contractors, and subcontractors.

The English translation of the Policy Statement is for reference only and the Chinese version shall prevail in case of any inconsistency between the Chinese version and English translation thereof

### **1. Coordinate delivery of biodiversity related top-level frameworks**

The Company has incorporated the concept of environmental protection into corporate development planning since its establishment. The Company has been implementing the low-carbon policy he its verati, (225r56)4he)5046g 2st the nconeet 225r361163(225rs(ust)46104(ab)he )24(Inc)56

social responsibility and mission as a central enterprise, so as to build a community where human and nature coexist in harmony. The Company and its subsidiaries integrate the biodiversity considerations in their ESG management framework to enhance the biodiversity protection awareness at all the levels, support the Post-2020 Global Biodiversity Framework, to transform the business towards green and sustainable development.

## 2. Strengthen risk management for biodiversity

The Company enhances the protection and support for biodiversity and avoids all behaviors that harm biodiversity. The company improves the research and construction of biodiversity risk management, and risk assessment and prevention framework, identifies, prevents and controls related risks in the governance and core business. The company cautiously assesses

The Company implements a suite of mitigation measures to mitigate operational impacts on, and reliance upon, biodiversity, and applies the mitigation hierarchy approach in a systematic manner. It prevents adverse impacts at the source or eliminates negative impacts, and commits throughout its value chain to refrain from undertaking operations in proximity to areas of global or national biodiversity significance. Within day to day operations, the Company continuously optimizes core manufacturing processes to reduce pressure on ecosystems, and proactively executes restorative interventions aimed at enhancing biophysical functions and ecosystem productivity. For impacted areas, ecosystem rehabilitation is initiated or accelerated on a timely basis.

#### 4. Promote communication and cooperation on biodiversity

The Company actively interacts with social groups and media through communication and promotion via multiple channels, to enhance the biodiversity conservation awareness of the

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