

Biodiversity Policy

1. Purpose

Against the backdrop of accelerating global biodiversity loss, Guangdong Dongpeng Holdings Co., Ltd. (hereinafter referred to as “Dongpeng Holdings” or “the Company”) recognizes that natural ecosystems are fundamental to sustainable human development. As a leader in China's building materials industry, Dongpeng Holdings is committed to mitigating negative impacts on biodiversity through green production, resource efficiency, and cross-chain collaboration, while actively participating in ecological restoration to promote harmony between humans and nature.

2. Scope

This policy applies to Dongpeng Holdings and our subsidiaries and extends to suppliers, partners and upstream/downstream stakeholders to jointly uphold biodiversity conservation commitments.

3. Commitments

Dongpeng Holdings supports the *Convention on Biological Diversity* (CBD) and UN Sustainable Development Goals (SDGs), pledging to prioritize biodiversity conservation across our operational lifecycle, including:

- **Regulatory Compliance:** Strict adherence to biodiversity protection laws in all operating regions, avoiding sensitive areas (e.g., UNESCO World Heritage Sites, national nature reserves, ecological "redlines") in project siting, construction, and operations.
- **Extended Responsibility:** Reduce natural resource consumption through innovation, foster green supply chains and collaborate with stakeholders to protect ecosystem integrity.

4. Biodiversity Risk Assessment System

4.1 Assessment Scope and Methodology

The Company comprehensively identifies all business activities that depend on or impact biodiversity, including:

- **Dependency Risks:** E.g., ceramic production's reliance on regional water/soil stability.
- **Impact Risks:** E.g., habitat fragmentation from mining, or aquatic threats from wastewater.

Specific scenarios include:

- Sensitive ecosystems surrounding mining areas (e.g., forests, wetlands).
- Production facilities located near protected species habitats or migration corridors.

4.2 Assessment Framework and Tools

The Company conducts biodiversity risk assessments by referencing the TNFD framework and applying the LEAP approach for nature-related risk evaluation.

5. Actions

To fulfill the above commitments, Dongpeng Holdings will implement the following measures:

5.1 Compliance and Risk Management

The Company commits to avoiding adverse impacts on nature. Where avoidance is impossible, Dongpeng Holdings will minimize or mitigate such impacts. In cases where its business operations cause ecological harm, the Company will take responsibility for restoration through offset or compensation principles.

For mining projects, factory expansions, and similar initiatives, Dongpeng Holdings will strictly enforce biodiversity impact assessments and prioritize eco-friendly construction solutions.

In highly ecologically sensitive areas (e.g., karst landscapes, mangrove wetlands), the Company will implement dynamic monitoring and establish a closed-loop "risk warning-correction-restoration" mechanism.

5.2 Green Technology Innovation

Dongpeng Holdings will promote low-carbon building material production technologies to reduce damage to surface vegetation and habitats caused by mineral extraction.

The Company will research and develop alternative materials such as recycled aggregates and waste-based building materials to decrease reliance on virgin resources.

5.3 Supply Chain Collaboration

Dongpeng Holdings will integrate biodiversity protection into supplier qualification criteria, requiring suppliers to commit to avoiding illegal logging, mining, and other ecologically destructive practices.

5.4 Stakeholder Engagement

Annually, the Company will engage in biodiversity conservation dialogues with environmental organizations, research institutions and local communities to disclose risks and mitigation progress. Additionally, Dongpeng Holdings will conduct

biodiversity-related training for employees.

6. Review and Oversight

The Sustainability Committee will periodically review this policy to ensure its effectiveness and propose revisions to the Board for approval.