

## **Forest Conservation Commitment**

As a leading enterprise in China's building materials industry, Guangdong Dongpeng Holdings Co., Ltd. (hereinafter referred to as "Dongpeng Holdings" or "the Company") has always adhered to sustainable development principles. In response to global forest conservation initiatives and to advance sustainable practices, we solemnly commit to striving for no-deforestation across our entire supply chain, reducing forest resource consumption, and dedicating efforts to ecosystem restoration and protection. This No-Deforestation Commitment is approved and overseen by the Board of Directors.

### **1. Strict Supply Chain Management: No Deforestation**

#### **(1) Compliance and Supplier Requirements**

- We mandate that our company, suppliers, and partners strictly comply with forest protection laws and regulations in all operating regions. We prohibit sourcing raw materials linked to:
- Destruction of high-carbon stock forests, high conservation value (HCV) forests, wetlands (including peatlands), or tropical rainforests;
- Illegal logging, encroachment on protected areas, or endangered species habitats.

#### **(2) Supply Chain Transparency and Risk Assessment:**

- Map and trace building material inputs (e.g., timber, paper-based packaging) to origin suppliers, identifying deforestation risks at each stage;
- Implement a dynamic risk assessment mechanism to monitor high-risk suppliers, with timely warnings and disengagement if necessary.

#### **(3) Promoting Sustainable Certification:**

- Prioritize materials certified by FSC/PEFC or recycled content, and encourage suppliers to obtain such certifications.

### **2. Innovative Material Alternatives to Reduce Resource Reliance:**

(1) Develop low-carbon alternatives (e.g., bamboo fiber, recycled aggregates, industrial waste) for building material production;

(2) Partner with research institutions to advance circular economy models (e.g., "old-for-new" recycling) to reduce virgin forest resource use.

### **3. Capacity Building and Ecological Restoration:**

(1) Training & Empowerment

- Deliver specialized training for employees and suppliers on forest conservation policies and sustainable procurement standards.

(2) Restoration Initiatives

- Actively participate in ecosystem restoration programs.

4. Transparent Oversight & Continuous Improvement:

(1) The Sustainability Committee will regularly review this policy's effectiveness and propose revisions to the Board for approval. We conduct an annual assessment of the implementation of our Forest Protection Commitment and makes improvements to any areas of non-compliance.