Grandblue Environment Co., Ltd. Climate Change Response and Environmental Management Statement

I. Purpose

Grandblue Environment Co., Ltd. (hereinafter referred to as “Grandblue” or the “Company”) is dedicated to promoting sustainable development through robust environmental management. The Company ensures strict compliance with environmental laws and regulations, reduces environmental compliance risks, minimizes operational environmental impacts, and continuously enhances environmental performance. To this end, Grandblue has implemented stringent environmental management procedures and set clear objectives across all business activities, including production, emission control, waste management, environmental risk response, and emergency preparedness. Through rigorous process management, the Company achieves comprehensive, end-to-end control of pollution sources.

This document establishes standardized requirements and measures for the Company's environmental management practices. Grandblue encourages its employees, suppliers and business partners to fully comply with the provisions outlined herein.

II. Scope of Application

(1) This statement applies to Grandblue Environment Co., Ltd. and all its wholly owned and majority-owned production and operational units.

(2) This statement covers key environmental aspects including climate change

mitigation, biodiversity protection, pollutant discharge, waste management, and environmental risk and emergency response.

III. Management Structure

(1) The Company has established the Sustainable Development Management Committee as the highest governing body for climate change and biodiversity initiatives. The President serves as Committee Chair, the senior executive overseeing ESG affairs acts as Executive Director, other senior executives and advisors serve as Deputy Directors, department heads, along with leaders from the Research Institute and business divisions, serve as Committee Members. The Committee is responsible for assessing sustainability-related risks and opportunities, and for approving strategic plans and annual goals related to sustainable development.

(2) The Company has established the Safety, Health, and Environment Production Committee as its top decision-making body for environmental management. The President serves as Chair, with relevant executives and department heads serving as Committee Members. The Committee is responsible for formulating environmental management policies, setting objectives, making major decisions, and coordinating the resolution of significant environmental issues.

IV. General Requirements

Climate Change Response: In alignment with China's national "Dual Carbon" strategy, Grandblue has adopted full value-chain carbon management and committed to the following goals: Carbon Peaking: Achieve peak carbon emissions by 2030. Business units with favorable conditions, such as the Energy and Water Supply divisions, will aim to reach peak emissions ahead of schedule. Carbon neutrality: Achieve carbon neutrality by 2060, with targeted early neutrality for segments such as

the Energy Division and organic waste operations within the Solid Waste Division. To support these goals, Grandblue has developed a full-lifecycle carbon management system and digital platform encompassing strategy, emissions tracking, carbon rights, and transparency. The Company promotes carbon reduction across its own operations and throughout the value chain, actively contributing to national "dual carbon" goals.

Biodiversity and Forest Resource Management: Guided by the mission to "Create Harmony between Humanity and Nature," Grandblue integrates ecological considerations throughout the project lifecycle, assessing impacts on biodiversity and natural resources from site selection and construction to operations. The Company strictly complies with relevant laws and regulations, actively engages stakeholders to collaborate in biodiversity protection and forest conservation, and takes concrete action to support ecological preservation and advance environmental civilization.

Environmental management: The Company's EHS (Environment, Health, and Safety) vision is "Proactively Foster Safety, Continuously Optimize Effective EHS Management Systems, and Strive for Zero Accidents and Zero Pollution" The Company upholds an EHS policy of "People-Oriented, Baseline Compliance, Prevention-Focused, and Fully Participatory". In practice, this means full compliance with the *Environmental Protection Law of the People's Republic of China* and other applicable environmental laws and regulations, systematic identification and control of major environmental impacts, and ongoing optimization of environmental performance. By establishing and improving management systems covering the full lifecycle of production operations, the Company strengthens pollution prevention and sustainable resource utilization; strengthens environmental training for employees and suppliers to promote awareness; and advances a green and low-carbon culture.

Grandblue also leverages intelligent environmental data platforms to enable real-time monitoring and early warning systems, driving the digitalization and smart management of its environmental operations.

V. Control Measures

(1) Legal and Regulatory Compliance and System Management

The Company has established and continuously enhances a robust mechanism for identifying, acquiring, and updating all laws, regulations, and requirements relevant to climate change, biodiversity, forest resource protection, and environmental management. Under the leadership of Group headquarters and with support from business divisions, the Company systematically gathers applicable national, regional, and industry-specific laws, regulations, standards, and guidelines to maintain a dynamic *Legal and Regulatory Compliance Register*. This register ensures that the most current legal and policy requirements are integrated into internal management systems, standard operating procedures, and work instructions; effectively implemented through training, ongoing supervision, and regular inspections. This process provides a strong institutional foundation and clear behavioral guidelines for all environmental and sustainability-related work, ensuring full legal compliance across all operations.

(2) Environmental Management System Certification

Grandblue has implemented the ISO 14001 Environmental Management System, reinforcing its commitment to environmental responsibility and sustainable development. Guided by ISO 14001 standards, Grandblue has developed a comprehensive suite of system documents, including the *Environmental Management Manual*, *Waste Gas Emission Control Procedure*, *Wastewater Discharge Control*

Procedure, and *Solid Waste Pollution Control Procedure*. Through systematic implementation of these procedures, the Company ensures compliance with environmental laws and regulations, ongoing reduction in pollutant emissions, and continuous improvement in environmental performance. The environmental management system has been independently audited and certified by a third-party organization. It meets the ISO 14001 standard under certificate number: CN14/31593.00.

(3) Climate Change Response and Carbon Management

In alignment with China's national "dual carbon" strategy, Grandblue has committed to achieving carbon peaking by 2030 and carbon neutrality by 2060. To realize this vision, the Company has established a Full-Lifecycle Carbon Management System covering carbon emissions accounting and reporting, carbon strategy and planning, green rights and assets (e.g., carbon credits) carbon disclosure and transparency. The dedicated Carbon Management Information Platform supports the implementation of these initiatives, enabling data-driven decision-making and performance tracking. Grandblue also conducts annual carbon inventories, with disclosures published through its ESG and Social Responsibility Reports.

To accelerate progress toward its carbon goals, the Company has launched a structured framework titled the "6+4 Dual Carbon Action Plan," comprising 6 core strategic actions: Green and Low-Carbon Energy Transition; Green Production and Process Decarbonization; Pollution Reduction and Energy Efficiency; Circular Resource and Waste-to-Resource Carbon Reduction; Green and Low-Carbon Transportation Initiatives; Green Technology and Innovation Advancement. These are supported by 4 collaborative actions: Company-Wide Green and Low-Carbon Culture

Promotion; Enhanced Green Finance and Investment Support; Capacity Building and Employee Empowerment; Green Transformation of the Value Chain. Together, these 10 strategic actions form a cohesive "strategy-to-execution" framework that drives comprehensive carbon reduction efforts across all aspects of the business, reinforcing Grandblue's leadership in achieving its dual carbon targets.

(4) Biodiversity and Forest Resource Protection

Grandblue is guided by the mission to "Create Harmony between Humanity and Nature." The Company strictly complies with all applicable environmental laws and regulations and systematically assesses the ecological impacts of its projects throughout the site selection, construction, and operational phases. These assessments ensure that no project activities negatively affect local biodiversity. All Company projects incorporate effective ecological and environmental protection measures. Through thoughtful land use, such as creating vegetable and fruit gardens, planting trees, and enhancing green spaces, the Company beautifies project environments and protects local biodiversity, contributing to the advancement of ecological civilization.

The Company is committed to forest resource protection within its operational footprint. Key actions include conducting impact assessments as well as protection and restoration initiatives related to forest resources, integrating forest protection as a core consideration during all stages of project development, strict adherence to forest and forestland protection laws and regulations in all jurisdictions where the Company operates, and collaborating with nonprofit organizations and diverse stakeholders to promote afforestation and tree-planting initiatives. Through these efforts, Grandblue actively raises awareness and mobilizes broader participation in forest resource conservation, advancing local green development.

(5) Environmental Protection "Three Simultaneities" Management

For all new construction, reconstruction, and expansion projects, Grandblue strictly complies with the *Environmental Impact Assessment Law of the People's Republic of China* and the *Categorization Directory for Construction Project Environmental Impact Assessments*. The Company lawfully conducts environmental impact assessments (EIA) and submits the required EIA reports, forms, or registration documents for approval. Throughout the project planning, design, construction, and acceptance phases, the Company strictly implements the "Three Simultaneities" policy, which requires that pollution control facilities must be "designed, constructed, and commissioned simultaneously with the main engineering works." Upon project completion, the Company organizes and completes environmental protection facility acceptance reviews, ensuring that all environmental control systems function effectively and that pollutant emissions remain within regulatory limits. The Company strictly prohibits non-compliant behaviors such as construction without prior approval or operation before environmental acceptance.

(6) Pollutant Discharge Permit and Management

All pollutant-emitting units under Grandblue's management strictly comply with the *Regulations on the Administration of Pollutant Discharge Permits* and the *Classified Management List for Stationary Pollution Sources.* Accordingly, all such units lawfully and promptly apply for and obtain pollutant discharge permits or complete the required discharge registration. Once permitted, these units establish internal control indicators and management ledgers aligned with permit conditions, including pollutant types, concentrations, total discharge volumes, and other regulatory parameters. Key compliance practices include standardized self-monitoring

of emissions (wastewater, exhaust gas, noise, etc.) ongoing compliance with emission limits and conditions, and timely submission of execution and compliance reports. Discharging pollutants without a valid permit, exceeding approved discharge volumes, or emitting pollutants outside the scope of permitted conditions is strictly prohibited.

(7) Solid Waste and Hazardous Waste Management

The Company strictly complies with the *Solid Waste Pollution Prevention and Control Law of the People's Republic of China* and all relevant standards and regulations. The Company accurately identifies, classifies and manages all types of solid waste generated during production and operations. In accordance with the *National Catalogue of Hazardous Wastes* and hazardous waste identification standards, the Company rigorously distinguishes between general industrial solid waste and hazardous waste. Key management practices include establishing clearly labeled, category-specific storage facilities for all waste types, maintaining ledgers for waste generation, storage, transfer, and disposal, ensuring full-process traceability, entrusting qualified third-party organizations to dispose of hazardous waste in full compliance with applicable regulations, and strictly implementing the hazardous waste transfer manifest system to prevent environmental incidents and mitigate risks.

(8) Production Site and Environmental Protection Facility Management

All of Grandblue's production and operational units adhere to standardized and visual environmental management protocols at their respective work sites. These include categorized storage of raw materials and waste in designated areas with clear labeling; standardized and labeled pipeline routing to eliminate leakage, emissions, and spills ("Running, Emitting, Dripping, and Leaking"); discharge outlets designed and installed in compliance with ecological and environment authority requirements,

with proper signage: and noise and vibration-generating equipment fitted with soundproofing, silencing, vibration-reduction solutions. These controls ensure that plant boundary noise levels remain in compliance with the *Emission Standard for Industrial Enterprises Noise at Boundary*, maintaining clean, orderly, and environmentally compliant production environments.

(9) Supply Chain and Environmental Stakeholder Management

The Company integrates environmental management requirements into every stage of its supply chain operations. This includes supplier prequalification and admission, ongoing evaluation, and contract renewal. Environmental performance and compliance capabilities are key assessment criteria during each stage. In all commercial agreements signed with contractors, suppliers, and related third parties, the Company explicitly outlines environmental responsibilities of both parties, standards and regulations to be followed, and penalties for non-compliance. The Company urges relevant parties to comply with Company environmental regulations through a comprehensive oversight mechanism that includes pre-entry environmental briefings, onsite process supervision, and post-performance evaluations. These actions that all business partners align with Grandblue's environmental standards, minimizing environmental risks arising from third-party activities.

(10) Environmental Emergency and Incident Management

The Company has established a comprehensive environmental emergency response system that spans all operational levels and geographic regions. This system is fully aligned with local government emergency response frameworks to ensure coordinated action when incidents occur. The Company organizes regular emergency drills of varying scales, with post-drill evaluations to identify improvements. The

Company provides adequate emergency materials and equipment, alongside ongoing emergency team capacity building. In the event of an environmental incident or emergency, the Company immediately activates emergency plans, executes rapid and effective containment and response measures, prioritizes minimizing injury and property loss. The Company also ensures timely and accurately reporting, full cooperation with investigations, and strict implementation of rectification and accountability measures in accordance with *Safety and Environmental Incident Reporting, Investigation, and Response Regulations*.

(11) Environmental Training and Awareness

The Company formulates and implements annual environmental education and training programs that cover environmental laws and regulations, internal policies and operational procedures, pollution prevention technologies, and emergency response knowledge. Training is mandatory for all employees, with enhanced focus on key environmental roles and newly hired employees. The Company conducts environmental awareness campaigns and educational activities, aiming to strengthen employees' environmental consciousness and sense of responsibility, improve operational skills, and ensure employees are fully competent to perform their roles in alignment with environmental requirements.

(12) Lawful Environmental Information Disclosure

The Company closely monitors announcements from ecological and environmental authorities regarding the classification of key regulatory units. If listed, the Company strictly follows the *Measures for the Administration of Legal Disclosure of Enterprise Environmental Information* and other regulations. In such cases, Grandblue will prepare and publicly release truthful, accurate, and timely

environmental disclosure reports including annual reports and interim updates, use official platforms such as the Enterprise Environmental Information Lawful Disclosure System, and proactively accept public and stakeholder oversight, enhancing the transparency and credibility of its environmental management practices.

(13) Environmental Informatization and Data Management

The Company actively advances the digital transformation of environmental management by integrating information technology into its operations. The Company has developed and continues to optimize environmental information management platforms, enabling online data collection, statistical analysis, automated early warning systems for anomalies and alarm conditions, and monitoring of key indicators such as emission levels and data transmission effectiveness. To ensure data quality and security, the Company enforces robust data integrity, accuracy, and confidentiality protocols. By leveraging big data analytics, Grandblue supports informed decision-making and continuously improves the intelligence, precision, and efficiency of its environmental management systems.

In the event of any discrepancy in meaning or interpretation between the English and Chinese versions of this document, the Chinese version shall prevail.

This Policy was revised on August 31, 2026.