



新奥能源控股有限公司 ENN Energy Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2688)

Biodiversity Policy and Zero-Deforestation Commitment

ENN Energy Holdings Limited (hereinafter referred to as "ENN Energy", together with its subsidiaries, collectively referred to as "we" or "the Company") fully recognises that biodiversity is crucial for maintaining the resilience of the natural environment. We support the goals of the Kunming-Montreal Global Biodiversity Framework and are committed to promoting nature-based solutions within the industry. We acknowledge the ecological value of forests, firmly oppose any damage to forest resources caused by improper business practices, and are dedicated to eliminating the risk of deforestation in our operations and value chain, achieving "zero-deforestation" management.

Our initiatives in addressing climate change, conserving water resources, and managing waste all play a key role in halting and reversing biodiversity loss and protecting forest resources. Based on different businesses and operating regions, we have fully considered biodiversity factors in our operations and supply chain. We will actively strive to achieve a net positive impact (NPI) and no net loss (NNL), protecting biodiversity and avoiding ecological losses in the course of our business operations. We encourage associated companies and joint ventures to abide by this policy, and we also expect our business partners and suppliers to comply with it.

Our Management Strategies

ENN Energy, referring to the Task force on Nature-related Financial Disclosures (TNFD) framework, conducts biodiversity assessments related to business operations for enterprises under its control, implements relevant measures to promote ecosystem restoration, and integrates the biodiversity assessment and management process into the Company's overall risk management system. At the same time, we advocate the use of sustainable natural resources to protect biodiversity, minimise the impact on habitats, and thus protect endangered species.

We will actively publicise and share our policies, codes of conduct, and other activities to raise awareness among employees, customers, suppliers, and other business partners about biodiversity and conservation issues.

Our Specific Policies

Sustainable Management of Natural Resources and Raw Material Use

- Promote the utilization of renewable energy, develop biomass energy technologies, and carry out biomass combined heat and power business. Meanwhile, implement a series of measures such as reducing carbon emissions, protecting natural resources, and reducing harmful chemicals, integrating the concept and measures of energy conservation and environmental protection into all links of the entire business chain.

- Give priority to the selection of green and environmentally friendly raw materials and processes, and restrict and phase out backward raw materials and processes.
- Implement classified management of all waste, and recycle non-toxic and harmless waste that can be recycled.
- Comply with forest protection-related laws and regulations such as the "Forest Law of the People's Republic of China" and the "Regulations for the Implementation of the Forest Law of the People's Republic of China", and cooperate with the value chain (suppliers and partners) to protect primary forests from being severely deforested.
- Require all new projects to conduct due diligence on biodiversity-related assessments.
- Conduct supplier assessments, urge suppliers to effectively maintain the integrity and stability of the ecosystem, encourage them to participate in biodiversity protection actions, and prohibit deforestation.
- Encourage suppliers to earnestly fulfill their ecological protection obligations and comply with the requirements of the "Three Lines and One List" (i.e., ecological protection red line, environmental quality bottom line, resource utilisation upper limit, and negative list of environmental access).

Restoration of Disturbed Land and Habitats

- Strictly control the project site selection to ensure that projects are not located within the ecological protection red line.
- Before construction, clearly define the objects and scope of cleaning and excavation. It is strictly prohibited to randomly damage the vegetation outside the construction area for the convenience of construction.
- Set up special sites for the disposal of surface cleaning materials, and do not discard them randomly.
- Preserve the stripped topsoil for land improvement of other surfaces or the restoration of damaged land along the line. Before the reuse of the topsoil, require the setting up of special sites for stacking and preservation, and configure corresponding rain-proof and drainage facilities.
- Commit to forest protection, and prohibit illegal development in forest-covered areas and protected areas with high ecological conservation value. At the same time, encourage our business partners and suppliers to also abide by the requirement of no deforestation, and immediately take greening measures such as tree-planting and turf-laying on land suitable for greening.
- Follow the principle of net-zero deforestation, ensuring that the forest land area does not decrease during the project construction process. We will pay the forest vegetation restoration fee in strict accordance with relevant national laws and regulations, or hire a third-party to carry out afforestation and forest land vegetation restoration. The area of the planted trees shall not be less than the area of the vegetation reduced due to the project.
- We commit and require all associated companies, joint ventures, and supply chain partners to avoid operating activities near World Heritage areas and IUCN Category I-IV protected areas.
- Restore the surface and soil in a timely manner after the completion of project construction to reduce the impact on soil erosion.
- Encourage our enterprises, associated companies, and joint ventures to actively carry out and invest in public welfare projects such as biodiversity protection, afforestation, habitat and wetland restoration, and river cleaning at various operating locations. At the same time, we also encourage supply chain partners to take the initiative to participate in these projects.

Respect for Indigenous Peoples and Reduction of Community Impact

- Respect the right to informed consent of indigenous peoples and communities. We only carry out business activities on land with legal rights, public rights, or customary rights.
- Establish an open and transparent consultation procedure to fully consult and resolve complaints and conflicts in emergency situations and incidents.
- During the construction process, strictly implement the building construction noise pollution prevention plan, reasonably arrange and use construction machinery, and properly arrange working hours.
- Try to avoid night-time operations. If night-time operations are confirmed to be necessary, the permit for night-time operations must be hung in a prominent position at the construction site for announcement two days before the operation.
- For material piles generated during construction, take measures such as covering, watering, spraying covering agents, or other dust-prevention measures to reduce the impact of dust on the environment.
- When constructing near the enclosure or close to residential areas, set up a dense-mesh screen barrier to block the light from shining on the residential area.

Supplementary Provisions

The ESG Committee of the Board of Directors of ENN Energy is responsible for the formulation, interpretation, and, if necessary, update of this policy. This policy was revised by this committee on March 19, 2025. The internal audit department will conduct regular internal audits of this policy every year to ensure its compliance and rationality.