

Zhejiang Dingli Machinery Co., Ltd.

Environmental, Health and Safety Statement

Zhejiang Dingli Machinery Co., Ltd. (hereinafter referred to as the 'Company' or 'we') always prioritizes occupational health and safety, continuously working proactively to enhance our Environmental, Health and Safety ('EHS') management standards and performance. We pursue the philosophy of 'zero accidents, low pollution, and sustainable development,' aiming to reduce EHS risks and impacts, safeguard occupational safety and health, promote clean and green production, and fulfill our social responsibilities.

Scope

The Company ensures that this statement applies to all formal employees, including full-time, part-time, labor dispatch, and temporary workers, and is implemented throughout the entire business operation process. We also actively encourage suppliers, contractors, and other partners and stakeholders to comply with this statement.

Governance Responsibilities

We have established a top-down EHS value system and management model led by the Chairman. The Chairman holds ultimate responsibility for the Company's EHS initiatives, with clearly defined and well-coordinated responsibilities at all organizational levels.

- The Company has established an Equipment and Environmental Protection Department as a dedicated functional body responsible for environmental management. This department is directly accountable for environmental protection efforts, oversees daily environmental management activities, and guides each workshop in pollution prevention and control. Dedicated personnel are assigned to conduct routine environmental inspections and periodic emissions monitoring.
- The Company has established a Safety Inspection Department as a dedicated functional body responsible for production safety management. This department directly oversees daily safety management activities and provides guidance to workshops regarding production safety. Workshops adhere to the principle that 'safety management is an integral part of production management,' ensuring the implementation of safety management, education, and inspections. Each team is responsible for the correct use of personal protective equipment (PPE), avoidance of unsafe practices, and daily maintenance of facilities and equipment.

Goals and Commitments

- Comply with applicable EHS laws and regulations in operating locations, and international and applicable national/regional industry standards;

- Formulate and implement EHS-related management systems and procedures, clearly defining responsibilities at all levels and enhancing the EHS management system;
- Integrate EHS risk management and assessment into all business processes, including process risk analysis and workplace health risk assessment, and develop effective action plans and priorities;
- Maintain a culture of open communication and collaboration, considering feedback and suggestions from internal and external stakeholders to raise awareness of EHS policies and impacts;
- Through training and communication, ensure all employees (full-time, part-time, labor dispatch, and temporary), contractors, visitors, and suppliers understand the EHS risks related to our business activities.

(1) Environmental Goals

- Continuously improve environmental performance referencing ISO14001 (Environmental Management System), actively respond to climate change;
- Set environmental targets such as 'zero major environmental pollution and ecological destruction incidents annually' and '100% compliance rate of pollutant discharge,' continuously track performance, and link achievement to employee performance evaluations and compensation;
- Promote energy structure optimization through technological upgrades, innovation, and use of renewable energy to improve energy efficiency and mitigate climate change;
- Reduce water consumption and wastewater discharge through improved production processes, advanced water-saving equipment, and regular equipment maintenance, while using natural resources responsibly;
- Reduce waste generation through process upgrades, pollution prevention, waste reduction, and the promotion of conservation, including the application of various waste prevention measures (such as the avoidance, reduction, recycling, and reuse of all materials).
- Promote clean production by using safer alternative or eco-friendly materials and reducing emissions such as VOCs, SOx, and NOx during manufacturing;
- Strengthen green product research and sales to help customers reduce their carbon footprint;
- Protect surrounding ecosystems and biodiversity;
- Support product recycling and remanufacturing to minimize environmental impacts throughout the product lifecycle.

(2) Safety Goals

- Reference ISO45001 occupational health and safety management standards to create a fair, inclusive, healthy, and safe workplace;
- Set safety management targets such as ‘zero fatalities and major safety accidents,’ ‘100% rectification rate of safety hazards,’ ‘100% certification for special operations,’ and ‘100% employee safety training coverage,’ track completion, and link achievement to performance evaluations and compensation;
- Identify and manage risk factors in production areas, conduct safety inspections, and provide sufficient personal protective equipment to protect health and safety;
- Require all employees, contractors, suppliers, and external personnel to comply with our safety management regulations to eliminate potential hazards;
- Enhance the capability and level of emergency prevention and response to prevent and address potential incidents;
- Ensure product quality safety to protect the health and safety of customers.

This statement has been reviewed and approved by the Board Strategy and ESG Committee to ensure its alignment with our ESG strategy.

The Board Strategy and ESG Committee will regularly review the Company’s EHS statements and performance to ensure the implementation and supervision of related rules and activities.