



中國建築興業集團有限公司

CHINA STATE CONSTRUCTION DEVELOPMENT HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code : 830)

(the “Company”)

ENVIRONMENTAL POLICY

1. GOALS

- 1.1 The Company and its subsidiaries (collectively, the “Group”) believe that environmental risks can be effectively managed through the establishment and maintenance of effective environmental management systems, policies, measures, and monitoring mechanisms. The Group is committed to strictly complying with applicable environmental laws, regulations and industry standards, incorporating environmentally-friendly practices, promoting green buildings and production, and utilising technological innovation to further enhance environmental performance.

2. SCOPE

- 2.1 This Policy applies to all business operations of the Group, including planning, design, construction, and operation at all stages. All directors, senior management officers and other employees of the Group (including full-time and part-time employees, collectively referred to as “employees”) shall comply with this Policy as well as other related policies, guidelines, and codes.
- 2.2 The Group actively promotes compliance with this Policy among associates, suppliers and partners in accordance with their respective business situations.

3. GOVERNANCE FRAMEWORK

- 3.1 The board of directors of the Company (the “Board”) oversees the ecological and environmental protection works and measures through the Ecological and Environmental Protection Leading Group and Project Management Department of the Company. Additionally, the Board approves the implementation of relevant policies and monitors environmental performance.
- 3.2 The Ecological and Environmental Protection Leading Group and Project Management Department are responsible for managing issues such as environmental protection, energy conservation, emission reduction, green construction etc. The Project Management Department is responsible for supervising the implementation, while the Board and Ecological and Environmental Protection Leading Group are responsible for regularly review of relevant reports.

4. STRATEGIES AND MEASURES

- 4.1 Emissions and Pollution Management (Including exhaust gas, wastewater, noise)
- Identify the major sources of pollutant emissions related to business, including exhaust gas, wastewater, noise, etc., regularly review the amount of pollutant generation, and formulate corresponding emission reduction measures;
 - Develop pollution prevention and control management system, control air pollution from construction or production sources, such as installing particle reduction devices, using ultra-low sulphur diesel, and setting up air pollution control devices;
 - Strictly comply with local environmental standards to ensure that emissions meet relevant legal, regulatory, and licensing requirements;
 - Establish emergency response management measures for environmental incidents to reduce environmental damage caused by incidents;
 - Strengthen pollution control and protection facilities which are regularly maintained to avoid the impact on the environment and surrounding residents;
 - Establish an environmental management system with reference to international standard ISO 14001 and regularly undergo external certification.
- 4.2 Greenhouse Gases and Climate Management
- Set feasible carbon reduction targets and work plans to reduce greenhouse gas emissions;
 - Increase the use of renewable energy and low-carbon energy in various stages of the life cycle from design, construction to operation;
 - Research, develop and promote innovative technologies and products related to sustainable construction;
 - Evaluate and monitor the impact of climate risks on business and incorporate climate risks into the risk management framework
 - Ensure that the Group has established appropriate mechanisms and measures to prevent or mitigate the impact of climate change on the Group, and to enhance the Group's adaptability and seize opportunities brought by climate change;
 - Comply with the Company's Climate Change Policy and Sustainable Procurement Policy to promote the use of low-carbon, high energy-efficient technologies and products to internal and external personnel;
 - Promote low-carbon culture to employees, suppliers, and customers, and reduce carbon emissions in daily operations where feasible.
- 4.3 Energy Use
- Regularly review and keep track of energy use to establish goals and develop specific energy conservation measures;
 - Use advanced technology, equipment, and systems as much as possible to improve energy efficiency in business operations;
 - Promote the use of renewable energy products to developers or other stakeholders.

- 4.4 Waste Management
- Develop and implement a waste management system that prioritises waste reduction at the source;
 - Set up waste sorting and recycling facilities in offices, factories, and/or construction projects;
 - All hazardous waste should be disposed of by qualified hazardous/chemical waste collectors;
 - Minimise resource consumption, reuse, and recycle waste as much as possible in business operation.
- 4.5 Water Resources Management
- Adopt water-saving and water-recycling measures and equipment where feasible;
 - Regularly maintain the water supply system and pipeline to avoid leakage;
 - Develop water resource management measures to identify major water-consuming business activities, water pressure and risks in order to improve the performance of water resource management.
- 4.6 Resource Management
- Increase the procurement of environmentally friendly equipment and products (such as biodegradable products, the use of renewable products or consideration of product recyclability, etc.);
 - Strengthen quality control and reduce product wastage.

5. REVIEW OF THE POLICY

- 5.1 To ensure the effective implementation of this Policy, the Sustainability Committee of the Company (the “Committee”) is responsible for reviewing and overseeing the implementation of this Policy, and ensuring ongoing communications with relevant stakeholders.
- 5.2 The Committee will review this Policy from time to time and make revisions as necessary based on factors such as business changes, regulatory requirements, stakeholder engagement results and the effectiveness of environmental, social and governance measures.
- 5.3 Any revisions to this Policy shall be approved by the Board.
- 5.4 This Policy is available on the website of the Company.

Note: If there is any inconsistency between the English and Chinese versions of this document, the Chinese version shall prevail.