

Gotion High-Tech Biodiversity and Zero Deforestation Policy

1. Summary

Biodiversity is the cornerstone of Earth's life-support system, and its rapid loss has become a major challenge facing the global community. The United Nations Convention on Biological Diversity and its Kunming-Montreal Global Biodiversity Framework have established clear objectives for global biodiversity conservation. As a key player in global clean energy technology, Gotion High-Tech Co., Ltd. (hereinafter referred to as "Gotion High-Tech" or the "Company") recognizes that its business operations are intrinsically linked to natural resources—entailing both dependence on and impact upon these resources. In response to global calls for action, to fulfill its corporate environmental responsibilities, and to integrate nature-related risk management into its long-term development strategy, the Company hereby formulates this Biodiversity Conservation Policy.

2. Purpose

Against the backdrop of global efforts to actively address climate change and the biodiversity crisis, Gotion High-Tech deeply recognizes that healthy ecosystems form the foundation for the sustainable development of human society. As a leading global provider of power battery and energy storage system solutions, the company is committed to driving a low-carbon transition through clean energy technologies, while solemnly pledging to integrate biodiversity conservation and forest ecosystem protection into its corporate strategy. The purpose of this policy is to systematically manage the impact and dependence of the company's operations and value chain on nature, prevent forest degradation and the destruction of native vegetation resulting from land-use changes, establish a clear action framework, fulfill the company's environmental responsibilities, and collaborate with stakeholders to contribute to

global biodiversity conservation, climate change mitigation, and the broader goal of promoting a more sustainable natural world.

3. Scope of Application

This policy is a public express of intent issued by Gotion High-Tech Co., Ltd. and applies to Gotion High-Tech Co., Ltd. and all its subsidiaries worldwide. The principles and requirements set forth in this policy also extend to the company's entire value chain, including but not limited to raw material procurement, manufacturing, logistics transportation, product use, and end-of-life recycling. We expect and encourage all suppliers, customers, partners, and other stakeholders to work together with the company to implement biodiversity conservation and zero deforestation initiatives.

4. Policy Statement

Gotion High-Tech supports the United Nations Convention on Biological Diversity and its Kunming-Montreal Global Biodiversity Framework, and is committed to contributing to the United Nations Sustainable Development Goals (SDGs) related to biodiversity through its own actions. The company is driving its own operations and the entire upstream and downstream value chain toward achieving the Net Negative Loss (NNL) goal for biodiversity; building upon this foundation, it aims to fully realize the Net Positive Impact (NPI) and zero deforestation goals by 2040. Specific actions are being taken in the following key areas:

- **Compliant Operations:** Strictly adhere to the biodiversity conservation laws and regulations of the country or region where the company is located, while actively referencing internationally recognized standards and initiatives.
- **Whole-Lifecycle Management:** Throughout the entire lifecycle of a project—spanning project planning, site selection, construction, operation, and exit—the system conducts a systematic assessment of the potential impacts of the company's activities on biodiversity and its dependence on key ecosystem

services; these assessment results serve as the core basis for decision-making, enabling the mitigation of negative impacts on natural habitats or biodiversity through avoidance, minimization, restoration, and offsetting measures.

- **Prevention and Prioritized Protection:** The company actively works toward achieving the Net Positive Impact (NPI) goal for biodiversity and fulfills its biodiversity commitments. Based on assessments, the company identifies priority areas and focal zones, and implements proactive measures to prevent and avoid negative impacts on ecosystems; these priority areas include: protected areas designated by the International Union for Conservation of Nature (IUCN), Key Biodiversity Areas (KBA), and other ecologically sensitive areas. Specific measures include: avoiding or reducing procurement and development activities from such areas; mitigating the ecological pressure arising from land-use change; implementing rational controls over the use of water, forest, and fishery resources; and ensuring that resource exploitation does not exceed ecologically sustainable levels. Concurrently, the company will actively promote ecological restoration and natural recovery efforts by undertaking actions such as vegetation restoration, soil remediation, and support for protected areas within key value chain locations, thereby contributing long-term value to biodiversity conservation through afforestation, ecological compensation, and community collaboration. The company will continue to refine its environmental governance mechanisms and strengthen its information disclosure and stakeholder engagement efforts, taking concrete actions to foster harmonious coexistence between humanity and nature, and contributing to the achievement of green, low-carbon, and sustainable development goals.

5. Action Path

To fulfill the aforementioned commitments, the Company will take the following specific actions:

5.1. Operation Management

5.1.1. Compliance Management and Impact Minimization: Strictly adhere to environmental, biodiversity, and forestry regulations applicable to the operational site; for identified potential or actual negative impacts, prioritize "avoidance" measures, followed by the implementation of "minimization," "repair," and "offset" strategies, thereby establishing a systematic tiered mitigation framework.

5.1.1.1. Avoid

- At the institutional level, Gotion High-Tech has introduced the "Gotion High-Tech Biodiversity and Zero Deforestation Policy," which clarifies the requirements for ecological protection redlines and establishes a code of conduct for ecological protection at the institutional level.
- The company integrates biodiversity-friendly principles throughout the entire product lifecycle design process, optimizes product development, and reduces disturbances to natural ecosystems at the source.
- Promote the completion of ISO 14001 Environmental Management System certification for all global production bases, thereby implementing a standardized environmental management approach to regulate environmental practices throughout all stages of production and operations.
- Strengthen proactive risk management at the front end of the supply chain, implement responsible mineral due diligence, conduct comprehensive raw material risk assessments, prioritize cooperation with suppliers engaged in green mining practices and those with robust ecological protection systems, and mitigate ecological damage resulting from upstream industrial activities.

5.1.1.2. Reduce

- We deeply integrate environmental management with the company's business strategy, leveraging digital tools to enable continuous monitoring and improvement; through sustained investment in environmental initiatives, we proactively reduce the impact of all production and operational processes on global climate change.

- Establish a comprehensive recycling system for power batteries throughout their entire life cycle; continuously enhance the recycling efficiency of materials from retired batteries and increase the proportion of recycled materials used; reduce ecological damage caused by the extraction of primary resources; simultaneously implement green logistics models to lower the overall ecological footprint of the industrial chain.
- Establish an ecological protection assessment mechanism that incorporates biodiversity conservation outcomes and pollutant reduction targets into the performance evaluations of management personnel and various departments; strengthen the accountability for ecological and environmental protection management; and minimize the impact of production and business activities on the surrounding ecological environment to the greatest extent possible.

5.1.1.3. Repair

- For areas where project construction or plant operations have caused ecological disturbance, vegetation restoration, soil and water management, and site ecological remediation shall be carried out according to local conditions, gradually restoring the region's original ecological landscape and fundamental ecological functions.
- Establish a regularized ecological and environmental monitoring mechanism, continuously advance ecological improvement projects—including enhancing greenery in industrial parks and optimizing surrounding water bodies—to improve habitats for flora and fauna and stabilize the regional ecosystem balance.

5.1.1.4. Offset

- To address residual ecological impacts that cannot be entirely avoided in business operations, companies should actively participate in public welfare initiatives such as local natural resource conservation and habitat restoration to achieve effective compensation for these ecological impacts.

- Deepen multi-stakeholder cooperation in the ecological field by coordinating environmental protection organizations and professional research institutions to carry out practical activities such as ecological awareness campaigns, species monitoring, and habitat conservation, thereby supporting the development of regional biodiversity conservation efforts.
 - Promote sustainable procurement management, conduct specialized training on supplier ecosystem management, guide enterprises across the industrial chain upstream and downstream to establish biodiversity management systems, and consolidate collective efforts for ecological protection throughout the entire supply chain.
- 5.1.2. Resource conservation and pollution prevention: Continuously enhancing energy and resource utilization efficiency through technological innovation and process optimization, reducing raw material consumption and water usage, and committing to preventing and controlling pollutant emissions to alleviate environmental pressure.
- 5.1.3. Ecological Monitoring and Restoration: For ecological sensitive areas involved in operations, collaborate with external professional institutions to conduct regular monitoring and assessment of ecosystem health; for any ecological impacts that have already occurred, promptly develop and implement scientific and effective restoration plans.
- 5.2. Supply Chain and Value Chain Management**
- 5.2.1. Supplier Due Diligence Management: Encourage and require key suppliers to comply with environmental regulations, commit to avoiding operations near critical biodiversity areas at both global and national levels, adopt responsible resource procurement policies, gradually integrate biodiversity performance into supplier assessment and audit systems, and thereby promote sustainable development across the entire value chain.
- 5.2.2. Value chain risk assessment and management: By referencing recommendations from international frameworks such as the Natural Finance

Disclosure 工作组 (TNFD), organizations should progressively conduct assessments of biodiversity-related risks and opportunities across their own operations, supply chains, and product life cycles, and develop targeted management measures accordingly.

5.3. Governance and Cooperation

5.3.1. Management System Integration: Gradually incorporating biodiversity conservation requirements into the company's environmental management system and its daily operational decision-making processes to enhance internal management capabilities, and actively encouraging the vast majority of suppliers and partners to fulfill their zero deforestation commitments by the end of 2040.

5.3.2. Stakeholder Collaboration: Actively explore partnerships with government agencies, research institutions, non-governmental organizations, communities, and industry partners, and participate in or fund biodiversity conservation and restoration projects.

5.4. Information Transparency and Communication

5.4.1. Information Disclosure: The Company regularly discloses its policies, progress, and performance regarding biodiversity and nature conservation to stakeholders through channels such as its official website and sustainability reports.

5.4.2. Stakeholder Communication: Establish a regular communication mechanism to address the concerns of all parties.

6. Policy Implementation and Revision

This policy has been approved by the Strategy and ESG Committee and shall come into effect as of the date of its publication. The Company undertakes to review and revise this policy in a timely manner in accordance with the latest laws and regulations to ensure its suitability, adequacy, and effectiveness. This policy is

prepared in both Chinese and English versions; where there are discrepancies between the Chinese and English versions, the Chinese version shall prevail.

This policy will be fully communicated to all employees of the company through the internal information network, and will be reinforced through training to enhance awareness and ensure its effective implementation across all staff members.