

Policy Statement on Biodiversity

China Jushi has incorporated the concept of environmental protection into corporate development planning since its establishment. The Company has been implementing the low-carbon policy in its operation, adhering to the concept of sustainable development, and promoting green finance business. The Company pledges not to engage in any business that damages ecology and endangers biodiversity and is committed to actively protecting biodiversity in a science-base sustainable way. The Company continues to pay close attention to biodiversity conservation. The company positively responds to the national policies and international calls, answers the queries from domestic and international investors, fulfills the social responsibility and mission as a central enterprise, so as to build a community where human and nature coexist in harmony.

(The English translation of the Policy Statement is for reference only and the Chinese version shall prevail in case of any inconsistency between the Chinese version and English translation thereof)

1. Coordinate the implementation of biodiversity strategy

In accordance with the general requirements of the United Nations Convention on Biological Diversity, the Kunming Declaration, and the Opinions on Further Strengthening Biodiversity Conservation issued by the General Office of the

State Council of the People's Republic of China, the Company and its subsidiaries integrate the biodiversity strategy in their ESG management framework to enhance the biodiversity protection awareness at all the levels, support the Post-2020 Global Biodiversity Framework, so as to transform the business towards green and sustainable development.

2. Strengthen risk management for biodiversity

The Company enhances the protection and support for biodiversity and avoids all behaviors that harm biodiversity. The company improves the research and construction of biodiversity risk management, and risk assessment and prevention framework, identifies, prevents and controls related risks in the governance and core business. The company cautiously assesses the impact of potential environmental pollution and possible natural disasters on biodiversity involved in project construction, operation and production, and avoids conducting operational activities in important biodiversity conservation areas around the world or countries.

Guided by the relevant policy guidelines on ecological protection redlines, the Company establishes the concept of ecological protection redlines, respects the Convention on Biological Diversity, and carries out strict verification on the site selection and layout design of factories; during the construction of projects, steps are taken to protect natural habitats, wetlands, forests, wildlife corridors, and agricultural lands. The Group mitigates the adverse impacts on the

surrounding environment and communities as much as possible, and pays attention to the conservation of biodiversity such as ecosystems and biological species within the ecological protected areas.

3. Promote biodiversity disclosure and communication cooperation

The Company actively interacts with social groups and media through communication and promotion via multiple channels, to enhance the biodiversity conservation awareness of the Company, suppliers, business partners, and the public. The Company carries out biodiversity-themed education and training for employees and stakeholders to enhance their awareness and knowledge in biodiversity conservation. The Company communicates and cooperates with international institutions in biodiversity to establish the image of the Company as an eco-friendly integrated group.