

Environmental protection policy

Royal Deluxe Holdings Limited ("Royal Deluxe") is committed to protecting the environment through continuous management and reducing the impact of its operations and supply chain. This policy provides guidelines for employees and other stakeholders to implement an environmentally responsible business model.

This policy applies to Royal Deluxe and its subsidiaries (collectively, the "Group"). All business operations should comply with this policy to continuously improve the Group's environmental performance. The Group encourages its associates, cooperative parties, supply chain partners (including suppliers, subcontractors and contractors) and other service providers to comply with this policy. This policy covers the following areas:

1. Governance

- 1.1 The Board of Directors, through the Environmental and Social Governance Committee (the "Committee"), oversees the implementation of this environmental policy and seeks to improve the Group' s environmental performance. The Corporate Occupational Safety and Environment Committee is responsible for supervising the implementation of the group's environmental management strategy, monitoring sustainable development performance and indicators, and assessing the group's environmental risks.

2 Compliance

- 2.1 Strictly implement or comply applicable laws and environmental codes of practice in the jurisdictions where we operate.
- 2.2 Maintain and timely update environmental policies and management systems.

3 Sustainable construction and operations

- 3.1 Promote the use of environmentally friendly materials, technologies and operating methods in the construction plan, construction and operation processes.
- 3.2 Support sustainable procurement and consider the use of sustainable and green building materials in construction projects, such as wood purchased from the Forest Stewardship Council ("FSC") and the Program for Forestry Certification ("PEFC"); low embodied carbon materials and easy-to-use Recycled materials and packaging; materials containing low volatile organic compounds; and encouraging the purchase of products containing locally extracted or recycled materials and having environmental and health claims.
- 3.3 Obtain green product certification or other sustainable building certifications for patented technology projects where appropriate.
- 3.4 Avoid air, water and waste pollution, and make every effort to prevent environmental accidents.

4 Energy consumption

- 4.1 Regularly review and track energy usage to set targets and formulate specific energy conservation measures.
- 4.2 Use advanced technologies, equipment, and systems as much as possible to improve energy efficiency in the business.
- 4.3 Improve energy efficiency in the process of business operations and explore the feasibility of using renewable energy.

5 Use of water

- 5.1 Save water and improve water efficiency.
- 5.2 Promote efficient water-saving measures during construction planning, construction and operation.

6 Waste Management

- 6.1 Develop and implement a waste management system based on source waste reduction.
- 6.2 Set up waste sorting and recycling facilities in offices, warehouses and/or construction sites.
- 6.3 All hazardous waste should be disposed of by qualified hazardous/chemical waste collectors.
- 6.4 Incorporate waste management and reusable materials recycling plans into business operations, and encourage the effective use of consumable materials and gadgets to reduce waste generation as much as possible.
- 6.5 Provide regular training to employees, suppliers and subcontractors to enable them to understand waste management strategies and acquire general skills.
- 6.6 Support the procurement of materials and products from recycled product suppliers or trading platforms.

7 Biodiversity

- 7.1 Throughout the value chain, avoid operating near sites of global or national importance for biodiversity, including World Heritage areas or International Union for Conservation of Nature (IUCN) Category I-IV protected areas, without government approval.
- 7.2 Protect the biodiversity around the project and minimize the impact of the operation process on natural habitats.
- 7.3 When operating in close proximity to key biodiversity areas, apply a progressive approach to mitigation measures to avoid, minimize, restore and offset impacts thereon.
- 7.4 Participate in lectures by conservation-related non-profit organizations or external biodiversity assessment and management experts, invite stakeholders to participate in the protection of biological diversity and cooperate with partners to increase stakeholders' awareness of the protection of biological diversity.
- 7.5 Support net-zero tree felling. Where possible, avoid clearing or clearing trees in operations and supply chains, and establish monitoring systems to ensure compliance across the group.

- 7.6 Comply with local environmental protection, forestry regulations and relevant mandatory standards for forest felling.
- 7.7 Work with suppliers and partners to manage and mitigate tree felling risks. Support the use of wood from sustainable sources.

8 Climate change and carbon emission management

- 8.2 Incorporate climate risks into the group's risk management and internal control systems to further strengthen the group's overall risk management.
- 8.2 Establish feasible carbon reduction goals and work plans to reduce greenhouse gas emissions.
- 8.3 Increase the use of renewable energy and low-carbon energy in all stages of the life cycle from scheme design, construction to operation.
- 8.4 Research, develop and promote innovative technologies and products for sustainable construction.
- 8.5 Assess and monitor the impact of climate risks on the business and minimize greenhouse gas emissions along the value chain.
- 8.6 Ensure that the group has developed appropriate mechanisms and measures to prevent or reduce the impact of climate change on the group, enhance the group's adaptability, and seize the opportunities brought by climate change.
- 8.7 Comply with the company's "Climate Change Policy" and "Sustainable Procurement Policy" and promote the use of low-carbon, high-energy-efficiency technologies and products by internal and external personnel.
- 8.8 Promote a low-carbon culture to employees, suppliers and customers, and reduce carbon emissions in daily operations where feasible.

9 Stakeholder participation

- 9.1 Improve the environmental awareness of employees, suppliers, subcontractors, contractors and the public.
- 9.2 Collaborate with different stakeholders to promote and implement best environmental practices.
- 9.3 Give priority to engaging suppliers and subcontractors that implement environmental protection measures and management.
- 9.4 Provide training to employees so that they understand the impact of their work activities on the environment.

10 Monitoring and reporting

- 10.1 Committed to setting, monitoring and reviewing environmental goals, and striving to continuously improve and reduce environmental impact.
- 10.2 Assess and report major environmental performance annually.
- 10.3 The committee will review this policy regularly according to the situation to ensure that this

policy is effective and feasible, and report to the board of directors.

11 Review policy

11.1 To ensure the effective implementation of this policy, the Committee is responsible for inspecting and supervising the implementation of this policy and ensuring continuous communication with relevant stakeholders on this policy.

11.2 Based on factors such as business changes, regulatory requirements, stakeholder participation results and the effectiveness of environmental and social governance measures, the Committee will review this policy from time to time and revise it as necessary.

11.3 All revisions to this policy must be approved by the Board of Directors.

11.4 This policy can be viewed on the Company' s website.