

China Lesso Group Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2128)

(“the Company”)

Biodiversity Conservation Commitment (“this Commitment”)**1. Purpose**

As a world-leading industrial group in pipes and building materials, the Company deeply recognizes that biodiversity is the cornerstone of sustainable development. The Company is committed to comprehensively integrating biodiversity conservation into its corporate development strategy and daily operations. The Company will endeavor to minimize the influence of its business operations on the ecological environment and make active contributions to the harmony between humanity and nature through the adoption of green production, improved resource utilization efficiency, and strengthened collaboration across the entire value chain.

2. Scope of Application

This Commitment applies to all employees of the Company (including the management and staff at all levels). Furthermore, the Company will actively encourage all its partners, including suppliers, contractors, and outsourcers, to comply with this Commitment as well.

3. Commitments

The Company upholds and adheres to the United Nations’ *Convention on Biological Diversity* as well as all applicable biodiversity-related laws and regulations in all countries and regions where it operates. With the long-term goal of a Net Positive Impact (NPI) on biodiversity, the Company is dedicated to achieving the objective of No Net Loss (NNL), and will ensure that biodiversity conservation is prioritized throughout the full lifecycle of all business activities. The Company hereby solemnly makes the following commitments:

(1) The Company will comprehensively consider the ecological characteristics of its operational sites and value chain to conduct biodiversity risk assessments according to the “Locate, Evaluate, Assess, Prepare (LEAP)” methodology developed by the Taskforce on Nature-related Financial Disclosures (TNFD). Priority areas will be determined based on the results of these assessments to guide subsequent conservation actions.

(2) The Company will apply the mitigation hierarchy principle to systematically avoid, limit, or reduce adverse impacts on nature. In striving to achieve natural integration of corporate development with the surrounding ecological environment, the Company will proactively assume responsibility for ecological restoration by actively rehabilitating areas adversely affected by its business operations.

(3) In the processes of project investment, site selection, and construction, the Company will give full consideration to biodiversity conservation factors and refrain from conducting operational activities within or near any globally or nationally recognized key biodiversity areas.

(4) The Company will actively develop green factories, continuously invest in and apply advanced technologies to improve energy efficiency, promote cleaner production, and reduce greenhouse gas and pollutant emissions, thereby mitigating the adverse impacts of climate change on biodiversity.

(5) The Company will advance the development of a green supply chain by integrating biodiversity conservation requirements into its supplier and distributor management systems, thereby preventing them from conducting operational activities within or near any globally or nationally recognized key biodiversity areas.

(6) The Company will enhance employees' conservation awareness and professional capabilities through systematic training and volunteer activities, and will deepen open dialogue and transparent communication with stakeholders, including scientific research institutions, environmental protection organizations, and local communities, to mobilize broader societal efforts toward jointly building a future of harmony between humanity and nature.

4. Supervision and Revision

This Commitment shall be effectively implemented under the oversight of the Board of Directors. The Board of Directors hereby authorizes the Sustainable Development Committee to conduct daily monitoring and regular reviews. The Committee shall propose amendments to the Board of Directors based on actual circumstances, which shall be implemented upon approval by the Board of Directors.

5. Information Disclosure

The full text of this Commitment, as well as key plans and actions related to biodiversity conservation, will be disclosed in the Company's *Sustainable Development Report* and on its official website for public access.

6. Supplementary Provisions

This Commitment shall be interpreted by the Company's Board of Directors. It shall take effect upon approval by the Board of Directors, and so shall any amendment hereto.