

Far Eastone's Biodiversity and Non-Deforestation Commitments

The FET Biodiversity and non-deforestation Commitment was approved by the Board of Directors. FET firmly believes that implementing new programs to prevent global warming and protect biodiversity is not only an important commitment to the Company, but also to every member of the society. To attain this, we have actively responded to the United Nation's Sustainable Development Goal 15: Conserve terrestrial ecosystems and take concrete action in order to provide solutions for the conservation of biodiversity, sustainable use of biodiversity and fair and equitable sharing of the benefits of genetic resources.

This commitment encompasses FET, subsidiaries which FET owns a global equity stake of over 50% and operational control, and FET's key value chain partners (including first-tier suppliers, non-first-tier suppliers, and other business partners). We incorporate biodiversity and non-deforestation commitments into our cooperation agreements, requiring suppliers and partners to comply with relevant policies and requirements, thereby jointly achieving the following commitments and goals.

1. The Company has ceased any deforestation of virgin forests and has achieved its own zero deforestation target since 2022. We will continue to ensure the fulfillment of the commitment.
2. By 2030: The Company has committed to achieve No Net Loss (NNL) and meet the Zero Deforestation criteria for its own operations. We will endeavor to minimize the negative impacts of our operations on biodiversity and forest resources, and actively promote actions such as conservation, restoration and compensation to balance any ecological losses with gains.
3. By 2040: The Company commits itself to achieving a Net Positive Impact (NPI) on its operations; while both first-tier and non-first-tier suppliers achieve No Net Loss (NNL) and meet zero deforestation criteria.
4. By 2050: The operating activities of the Company, the first-tier and non-first-tier suppliers are committed to achieving a Net Positive Impact (NPI). We commit to actively improving, measuring and tracking progress in conservation and restoration of environmental sustainability and biodiversity to ensure positive and quantifiable impacts on biodiversity and forest resources in order to promote environmental sustainability.

In the process of business activities, our principle is to avoid engaging in operational activities in critical biodiversity areas (including office/store location selection, base station installation). When having to conduct operations close to key biodiversity areas, we apply the following mitigation hierarchy to minimize impact: avoid impact, minimize impact, compensate/offset impact.

Require our value chain partners to follow the same preceding standards and commit to not conduct activities in critical biodiversity areas, to ensure that they comply with relevant biodiversity conservation regulations, and to prioritize suppliers that meet the principles of sustainable development and biodiversity conservation to establish long-term partnerships.

The Company is committed to ending virgin deforestation in its own operations and value chains; all its own operations (including office/store location selection, base station installation) have achieved this goal; the Company also actively requires value chain partners to implement non-deforestation or to afforest for the compensation of the deforestation caused by its operations.

Conduct biodiversity risk assessment from business activities and identify priority area based on assessment results to work toward no net loss; and identify possible opportunities to develop appropriate management plans to maximize the conservation and promotion of biodiversity; and regularly monitor the impacts of biodiversity and implementation of forest conservation measures to ensure that business activities are consistent with the Company's diversity and non-deforestation commitments.

Engage and collaborate with stakeholders to fulfill our biodiversity and non-deforestation commitments. Through partnerships with government agencies, NGOs, academia, communities and other stakeholders, and the development of shared commitments and action plans to ensure multi-stakeholders' engagement and cooperation and achieve shared goals.

The Company's Board of Directors and senior managers commit to supporting this commitment and ensuring that we have sufficient resources to fulfill our biodiversity and non-deforestation commitments. The Board of Directors and senior managers will review our progress and results from time to time and provide guidance and supervision to ensure that the Company continues to make progress towards the goal of No Net Loss and Net Positive Impact.