

## **China Merchants Port Holdings Company Limited**

### **Biodiversity and Zero Deforestation Statement**

China Merchants Port Holdings Company Limited (hereinafter referred to as “CMPort” or the “Group”) places great emphasis on ecosystem and biodiversity protection, with an proactive focus on safeguarding marine biodiversity. By adhering to the overall requirements of international agreements such as the United Nations’ *Convention on Biological Diversity* (CBD), the *Kunming Declaration* from the high-level meetings of the UN Biodiversity Conference (COP15), the *Glasgow Leaders Declaration on Forests and Land Use* from the UN Climate Change Conference (COP26), and China’ s *Opinions on Further Strengthening Biodiversity Protection*, the Group is committed to building green and ecological ports, engaging in responsible business practices, and implementing ecological protection activities, aiming to set a benchmark for biodiversity protection within the port industry. In line with this vision, the Group makes the following commitments:

1. The Group will comply with the laws and regulations in the countries and regions where it operates, ensuring lawful and compliant business practices.
2. The Group will refrain from conducting production and business activities within designated natural reserves, key marine ecological function areas, ecological red lines, or other ecologically sensitive zones as defined by international organizations or the countries and regions where it operates.
3. The Group will avoid business activities that harm the ecological environment and have a negative impact on local biodiversity.
4. The Group will protect and restore areas impacted by port activities, taking necessary measures to minimize the negative environmental impacts of port and logistics park operations.
5. The Group’ s business activities will not involve deforestation. The Group prohibits illegal development in forest protection areas as designated by the countries and regions where it operates and actively participates in afforestation and forest restoration activities.

**To achieve the above commitments, the Group will implement the following policies:**

1. The Group will identify natural reserves, key marine ecological

function areas, and ecological red lines surrounding and adjacent to the production and operational sites.

2. The Group will use domestic and international advanced scientific tools and methods to assess biodiversity risks in the areas where the Group operates, including both dependency-related biodiversity risks<sup>1</sup> and impact-related biodiversity risks<sup>2</sup>.

3. The Group will apply the principles of avoidance, mitigation, compensation, and protection for rare and endangered species and their natural habitats, specifically:

i. During the site selection and planning stages of new, renovated, or expanded projects, the Group will fully assess the potential ecological and local community impacts, prioritizing designs and construction plans that avoid local environmental disturbances, especially in avoiding negative impacts on biodiversity protection areas.

ii. Before implementing new, renovated, expanded, or acquired projects, the Group will conduct Biodiversity Baseline Surveys and assessments, set reasonable working hours, ensure proper waste management during terminal operations, maintenance, development, and construction, and implement strict waste discharge processes and monitoring at all operating sites to ensure that the construction and operation process meet ecological protection requirements.

iii. In disturbed operational areas, the Group will conduct habitat restoration and ecological compensation measures, such as stock enhancement and releasing, to restore ecosystem functions. Continuous surveys, monitoring, and assessments will be conducted on the surrounding ecological conditions, with targeted management plans developed based on the results.

iv. The Group will support local ecological protection public welfare activities, collaborate with environmental organizations and communities to address local environmental conflicts, enhance ecosystem services, and focus on the protection of endangered species and forest vegetation.

4. The Group will integrate nature-based solutions (NbS) into biodiversity protection efforts, supporting ecological restoration and addressing climate change risks to achieve economic, environmental, and social triple benefits.

5. The Group will prioritize land efficiency, conduct grade separation

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<sup>1</sup> Dependency-related biodiversity risks refer to the degree to which business activities rely directly or indirectly on resources provided by ecosystems.

<sup>2</sup> Impact-related biodiversity risks refer to the risks arising from a company's positive or negative contributions to the natural state. This includes pollution of air, water, and soil, fragmentation or destruction of ecosystems and natural habitats, and changes to ecosystems.

in terms of space use, increase the green coverage of operational sites, and minimize the impact on natural land. Land restoration efforts will be carried out based on local conditions to create a foundation for local biodiversity protection.

6. The Group will refrain from procuring goods from suppliers whose activities directly lead to biodiversity loss or deforestation, ensuring that procurement practices are informed and responsible.

7. The Group will proactively promote biodiversity conservation and zero deforestation principles by conducting training and awareness campaigns for internal and external stakeholders. This includes raising awareness and professional knowledge on biodiversity conservation, encouraging labor subcontractors, suppliers, and other related parties to assess and manage their biodiversity risks and take mitigation measures.

8. The Group will strengthen international exchanges and cooperation on biodiversity conservation, collaborating with relevant international organizations, non-profit institutions, and third-party research entities to advance biodiversity protection efforts.

### **Scope of Application**

This Policy is a public statement of intent and applies to CMPort and its subsidiaries over which it has operational control. The Group will actively encourage relevant labor subcontractors, suppliers, and both long-term and temporary employees providing services to CMPort to implement this Policy. CMPort will leverage its shareholder rights to ensure that the biodiversity and zero deforestation policies, practices, and statements align across joint ventures and affiliates.

### **Review and Supervision**

The Board's ESG Committee will regularly review and revise this Policy based on changes in external policies, regulations, standards, and rules to ensure its effectiveness. The Board will oversee the implementation of this Policy within the Group through the ESG Committee, the ESG Work Leadership Team, and the ESG Working Group.

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