



ENVIRONMENTAL POLICY



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1. Policy Statement

- 1.1 EcoCeres, Inc. (the “Company”) and its subsidiaries, joint ventures, affiliates or companies in which the Company holds a controlling interest (hereinafter referred to as the “Group”, or “EcoCeres”) are committed to environmental protection and recognize the importance of sustainable practices across their value chain.
- 1.2 The *Environmental Policy* (the “Policy”) encompasses a comprehensive set of guidelines to maintain a high standard of environmental stewardship and ensure compliance with all applicable environmental (including climate-related) laws, regulations and standards stipulated in the jurisdictions where our business operates.
- 1.3 This Policy serves as a framework to ensure the Group adhere to best practices in all aspects of their operations, especially addressing the key areas of:
 - climate change,
 - energy efficiency,
 - air pollutants,
 - water management,
 - waste management, and
 - biodiversity and land use.
- 1.4 By implementing the Policy, we strive to effectively manage our environmental impact, climate-related risks and opportunities, foster sustainability, and contribute to the preservation and restoration of the natural environment.

2. Scope

- 2.1 The Policy applies to the Group. Overseas subsidiaries may establish policies that are substantially consistent with the principles of the Policy and in accordance with applicable laws and regulations. In jurisdictions where local laws or regulations impose stricter rules than those set out in this Policy, the stricter rules shall prevail and such rules shall be incorporated in the policies (if any) of the relevant jurisdiction.
- 2.2 The Group is dedicated to fostering a culture of environmental responsibility. The Policy applies to all directors, employees (including full-time, part-time and contract staff) of the Group (the “Employees”), and those engaged in business activities on behalf of the Group.
- 2.3 We expect compliance with applicable laws and/or equivalent environmental standards, as outlined in this Policy. The Group encourages its stakeholders, including project companies, affiliates, customers, suppliers, contractors, business partners and third-party service providers to align with the Policy, where applicable.

3. Roles and Responsibilities

3.1 This table provides an overview of the roles and responsibilities of the Policy.

Responsibility	Responsible Parties
Policy Oversight	The Board
Policy Owner	Chief Operating Officers (COOs) Chief Information & Infrastructure Officer (CIIO)
Policy Preparer	General Manager, Manufacturing Health, Safety, Security and Environment (HSSE) Lead
Policy Endorser	Chief Executive Officer (CEO)
Execution of Policy	Heads of each business units

3.2 The Board serves as the highest governing body responsible for overseeing environmental matters, including climate-related risks and opportunities.

4. Environmental Management

EcoCeres is committed to conducting its operations in an environmentally responsible manner. To effectively manage the environmental impact and ensure sustainable practices, the Group implements and maintains an effective Environmental Management System (“EMS”) to monitor and achieve our environmental-related targets, identify and manage risks and opportunities, implement employee training programs, conduct stakeholder engagement to improve the overall environmental performance, and ensure our factories certify to ISO 14001.

5. Climate Change

EcoCeres acknowledges the forthcoming decades as a remarkable journey of decarbonization, with a clear vision of becoming a global leader in providing essential decarbonization solutions needed to attain carbon neutrality worldwide. To achieve this, EcoCeres formulates a long-standing strategy and actively implements various measures to lower its carbon footprint throughout its operations, review climate-related target process, such as carbon neutrality, decarbonization, renewable energy investment, among others, regularly. EcoCeres aims to:

- 5.1 Transform waste-based feedstocks into biofuels and bioproducts utilizing exclusive proprietary technologies.
- 5.2 Offer low carbon and renewable products that support the decarbonization efforts of downstream customers.
- 5.3 Ensure the responsible processing, manufacturing, distributing, utilizing and disposal of chemicals and materials throughout the product life cycle to promote low-carbon production practices.

- 5.4 Support the adoption of renewable energy and reduce the dependence on fossil fuels for operating and along the value chain.
- 5.5 Manage climate risks (including both physical and transition risks) through the following measures:
- Maintain a robust climate risk assessment framework;
 - Identify and evaluate potential climate-related risks and opportunities that could significantly influence the financial performance of EcoCeres;
 - Integrate climate change and extreme weather events into the Group's risk management processes and business continuity plans for operational resilience;
 - Monitor and stay up-to-date with the latest regulatory requirements and international standards; and
 - Conduct disclosure of the climate risk management process in accordance with internationally recognized frameworks, such as the Taskforce for Climate-related Financial Disclosures ("TCFD") framework.
- 5.6 Implement the following measures and practices to reduce our carbon footprint, which represent total greenhouse gas ("GHG") emission produced directly or indirectly from our Group's activities that contribute to climate change:
- Set GHG emission reduction targets and review its target achievement progress;
 - Identify areas for emission reduction and implement measures to enhance energy efficiency;
 - Shift towards cleaner energy sources; and
 - Regularly monitor GHG emission performance throughout operations.
- 5.7 Continuously explore other initiatives to mitigate carbon impact throughout operations.

6. Energy Efficiency

Energy efficiency is an important means of Group's initiatives to mitigate climate change and to decouple carbon emissions from business growth. EcoCeres employs a range of measures and strategies to enhance energy utilization across diverse operations and processes.

- 6.1 Set and review energy saving target process regularly, enabling focused efforts to minimize energy consumption and maximize efficiency.
- 6.2 Maintain a robust energy consumption monitoring framework, and keep comprehensive records of energy consumption.
- 6.3 Communicate energy saving target process and energy performance with stakeholders regularly.

- 6.4 Implement energy management system in line with international standards (e.g., ISO 50001 or equivalent), assess and identify specific areas where energy reduction opportunities exist.
- 6.5 Employ targeted management strategies for crucial energy-consuming equipment to ensure the optimal and efficient utilization of energy resources, and effectively reducing production costs.
- 6.6 Improve production processes, adopt new technologies, materials, and equipment to continuously reduce energy consumption.
- 6.7 Implement optimal electricity utilization strategies by efficiently scheduling electricity usage in each factory, capitalizing on off-peak periods.
- 6.8 Improve awareness among employees, suppliers, contractors, customers and other key stakeholders on energy reduction practice, and encourage them to contribute their suggestions for enhancing energy efficiency across the Group.

7. Air Pollutants

EcoCeres aims to reduce air pollutants and takes responsible to manage and protect air quality. Air pollutants emitted from production process includes exhaust gases, dust, and substances with irritating odours.

- 7.1 Throughout the operation and production process, EcoCeres adopts the following air pollutants reduction measures:
 - Set and review emission reduction targets regularly;
 - Identify areas for emission reduction, implement measures to reduce emissions, and shift towards cleaner fuel sources;
 - Regularly monitor emissions performance throughout operations;
 - Upgrade production infrastructure in order to reduce air pollutants such as nitrogen oxides (NO_x) and sulphur oxides (SO_x); and
 - Establish the Leak Detection and Repair (LDAR) Management System to identify and address leak emissions of volatile organic compounds (VOCs), so as to minimize air pollutants, ensure environmental compliance, and improve operational efficiency and workplace safeness.
- 7.2 EcoCeres is committed to effectively minimizing and reducing the harmful impacts of air pollutants with the following measures:
 - Conduct inspection and maintenance of equipment, pipelines, and valves frequently to prevent the leakage of air pollutants;
 - Apply appropriate treatment according to laws and regulations to produced air

- pollutants based on their chemical characteristics before being released;
- Install gas detectors and online monitoring devices in exhaust gas pipelines to ensure no leakage of untreated exhaust gases;
- Remove production waste timely to reduce its retention time in the plant thus lowering the impact on surrounding environment; and
- Ensure timely maintenance of all system, equipment and devices to prevent failures in the function of devices that use for detecting and/or treating exhaust gas.

8. Water Management

EcoCeres recognizes the importance of water conservation and is committed to accelerate our efforts to help address water stress, protect local water resources and build good community relations by optimizing water use and reducing water contamination.

- 8.1 Set and review water saving, recycling, and reusing target regularly, enabling focused efforts to minimize water consumption and maximize efficiency.
- 8.2 Identify areas for water reduction, implement measures to enhance water efficiency;
- 8.3 Maintain a robust water consumption and sewage disposal monitoring system, and keep records of water consumption and sewage disposal.
- 8.4 Throughout the operation and production process, EcoCeres implement the following water consumption reduction and water usage efficiency measures:
 - Conduct regular inspection and maintenance of water usage equipment to prevent dripping or leaking of water;
 - Inspect, account and assess the total consumed water amount of the Group on a monthly basis;
 - Improve production processes, adopt new technologies to continuously reduce, reuse, recycle water; and
 - Promote water-saving awareness to all employees, suppliers, contractors, local communities and other key stakeholders.
- 8.5 To prevent water contamination and minimize environmental impacts on water resources. EcoCeres takes the following sewage management procedures:
 - Generated sewage during operating processes will undergo rigorous treatment procedures and adhere to stringent standards according to laws and regulations;
 - Direct discharge of pollutants into water bodies is strictly forbidden, such as grease and chemicals; and
 - Wastewater sampling will be conducted prior to discharge, and the result collected will be properly recorded and managed.
- 8.6 Promote public water advocacy and engagement through participation in collaborative initiatives and partnerships, both on a local and global scale.

9. Waste Management

Waste management is crucial to material conservation and the prevention of land contamination. EcoCeres is committed to benefit the environment by lessening the need to extract resources, to perform best industry practice and responsible waste management.

9.1 Throughout the operation and production process, EcoCeres implements the following waste reduction and resource use efficiency measures:

- Set waste reduction target and review target processes regularly, enabling focused efforts to minimize waste generation and maximize resource use efficiency;
- Identify areas for waste reduction, implement measures to reduce waste, and shift towards recyclable materials;
- Maintain a robust waste generation monitoring framework, and keep comprehensive records of waste generation;
- Produced services and products should be delivered in ways to reduce waste and minimize pollution, which aims to contribute to circular economy and communicate through our stakeholders to encourage a responsible and sustainable waste management;
- Improve the resource use utilization and efficiency by optimising instruments and equipment configuration use;
- Manage waste through the “5R” principle of Replace, Reduce, Reuse, Recover and Recycle to minimize the environmental impact of waste produced during our operations and production; and
- Adopt sustainable purchase practices and select products that are certified by recognised standards, where applicable.

9.2 To prevent the release of harmful substances of waste. EcoCeres takes the following measures to manage waste properly:

- Keep the waste management process in record, monitor and check relevant data regularly;
- Separately collect, store and dispose hazardous and non-hazardous waste produced;
- Send hazardous waste produced to select hazardous waste disposal entity for treatment and disposal in accordance with laws and regulations; and
- Strictly prohibit dumping, stockpiling, landfilling and disposal of hazardous wastes in unauthorized areas.

10. Biodiversity and Land Use

Aiming to mitigate biodiversity loss and contribute to the protection of ecosystems, EcoCeres adopts a diverse range of measures.

- 10.1 Ensure compliance with applicable regulatory requirements and biodiversity-related policies.
- 10.2 Minimize the adverse impact of operations on biodiversity and ecosystems.
- 10.3 Prevent, mitigate, and minimize any adverse impact on biodiversity resulting from the use of products produced by EcoCeres through innovation.
- 10.4 Promote biodiversity and conservation awareness among stakeholders.
- 10.5 Refrain from developing operational sites in nationally or internationally recognized areas of significant biodiversity, such as World Heritage areas and International Union for Conservation of Nature (“IUCN”) Category I-IV protected areas.
- 10.6 Monitor and stay up-to-date with the latest internationally recognized frameworks and strategies including the Post-2020 Global Biodiversity Framework, Taskforce on Nature- related Financial Disclosures, the EU Biodiversity Strategy for 2030, and the Kunming- Montreal Global Biodiversity Framework (“GBF”).