

Arcadyan is committed to sustainable operations as its core objective, striving to balance environmental, social, and economic values. Throughout our operations and the entire product life cycle, Arcadyan complies with all applicable environmental and energy-related laws and regulations. Through systematic management, pollution prevention, and improved energy and resource efficiency, we continuously reduce greenhouse gas emissions, resource consumption, waste generation, and other negative environmental impacts. Arcadyan focuses on four key areas: eco-friendly design, climate change management, energy and resource management, and waste management. By integrating sustainability into product design, manufacturing, and supply chain, we are committed to fulfilling our environmental responsibilities.

**Policy Scope:**

This Policy applies to Arcadyan's headquarters, R&D centers, overseas manufacturing facilities, and other operational sites, and extends to suppliers and business partners. Through the Arcadyan Sustainable Procurement Policy and related management mechanisms, including supplier evaluations, contractual requirements, audits, and improvement plans, Arcadyan requires suppliers to comply with applicable environmental regulations and promote carbon and environmental management to reduce the environmental and carbon emission impacts of their operations. Arcadyan also encourages business partners to align with its environmental sustainability principles and objectives, jointly advancing sustainable environmental development.

**Management Responsibilities:**

This Policy is established and managed by the Sustainability Office, which regularly evaluates implementation performance and reports to the Board of Directors (or authorized Sustainability Committee) for oversight. The Sustainability Execution Team reviews environmental targets and action plans quarterly to ensure effective implementation and continuous improvement. Management also regularly reviews and updates this Policy in response to regulatory changes and stakeholder expectations, strengthening the Company's environmental management and governance practices.

**Management Policy:**

1. Comply with applicable environmental and energy regulations and maintain effective environmental and energy management systems.
2. Foster company-wide engagement in eco-design, environmental protection, and energy management to drive continuous sustainability improvements.
3. Improve resource circularity and energy efficiency to reduce carbon emissions throughout the supply chain.
4. Promote awareness and training on environmental protection, energy management, and eco-design practices.

**Implementation Principles:**

1. Governance and Management: The Sustainability Committee oversees environmental management by setting annual targets, implementing management systems, identifying environmental risks, and continuously improving environmental performance.

2. Energy, Resource, and Process Management: Improve energy and resource efficiency, reduce waste, and minimize environmental impacts through eco-design and process optimization.
3. Supply Chain Collaboration: Work with suppliers and partners to promote sustainable practices and improve environmental performance across the supply chain.
4. Stakeholder Communication and Disclosure: Engage with customers, suppliers, investors, and other external stakeholders, and disclose environmental commitments and performance through appropriate communication channels.
5. Training and Employee Engagement: Provide sustainability training and encourage employee participation in energy-saving, carbon reduction, and environmental improvement initiatives.

**Management Indicators:**

1. Scope 1 and Scope 2 Greenhouse Gas Emissions: Using 2022 as the base year, achieve a 50% absolute reduction by 2030 and a 90% absolute reduction by 2040, reaching net-zero emissions.
2. Scope 3 Greenhouse Gas Emissions: Using 2022 as the base year, achieve a 66% intensity reduction by 2030 and a 98% intensity reduction by 2050, reaching net-zero emissions. (Intensity metric: carbon emissions per million gross profit)
3. Renewable Energy Usage: Achieve 100% renewable electricity usage across Arcadyan Group operational sites by 2030.

General Manager:

