

Eastroc Beverage (Group) Co., Ltd

Water Resources Management Policy

1. Purpose

Eastroc Beverage (Group) Co., Ltd., its branch offices, subsidiaries, companies it controls, and companies over which it exercises management authority (hereinafter referred to as "the Company") is dedicated to the core principles of operational compliance and sustainable development. Guided by a strong sense of corporate responsibility, the Company strictly observes all laws, regulations, and industry standards in the jurisdictions where it operates. Collaborating with supply chain partners, the Company actively promotes water conservation and protection, contributing to a sustainable industrial ecosystem and dedicating its efforts to safeguarding the global water ecology.

2. Scope of Application

This Policy applies to Eastroc Beverage (Group) Co., Ltd., its branch offices, subsidiaries, companies it controls, and companies over which it exercises management authority.

3. Sustainable Water Governance

The Strategic and Sustainable Development Committee of the Board of Directors bears ultimate oversight responsibility for sustainable water management. To ensure effective execution, the Company has established the Water Resource Management Working Group under the Executive ESG Working Group of the sustainable development governance structure. The Working Group is led by the Vice President and comprises factory directors and ESG specialists from each production base. The Working Group is responsible for formulating the Company's water management strategies

and annual targets. It coordinates implementation, monitors the performance of water management measures, and regularly reports progress on strategies and targets to senior management.

4. Sustainable Water Management

4.1 Adhering to the principles of conservation, full employee participation, and continuous improvement, the Company has established water utilization targets and implementation pathways covering all production and operational sites. By 2030, the Company aims to reduce water intensity (water consumption per unit of product) by 10% against a 2024 baseline.

4.2 The Company, centering on a closed-loop management system of “source reduction – process control – end-of-pipe reuse,” has formulated a sustainable water resource management strategy committed to achieving efficient utilization and sustainable development.

4.3 The Company maintains a robust water risk assessment mechanism, conducting annual assessments that cover all self-operated plants. Based on these results, the Company reviews and updates water risk response and management measures accordingly.

4.4 The Company has developed the “Five-Year Water Conservation Action Plan”, which clarifies water-saving actions for each production stage, and has established mechanisms for monitoring and evaluating the implementation progress and effectiveness of such actions. Key water-saving projects are subject to annual audits or effectiveness assessments.

4.5 The Company actively fosters a culture of water stewardship, continuously strengthens employees' awareness and capabilities through regular training, and has established incentive mechanisms to encourage the proposal and implementation of innovative water-saving solutions in daily operations.

5. Sustainable Water Management in the Value Chain

5.1 The Company extends its water risk assessment framework to the value chain, regularly evaluates risk levels and dynamically adjusts supplier management measures and requirements based on the results.

5.2 Sustainable water management practices are incorporated into the Company's supplier management requirements. The Company encourages suppliers to adopt water-saving measures and facilitates regular dialogue with them on conservation initiatives.

5.3 Furthermore, the Company has established a data collection and evaluation mechanism for key suppliers. The Company encourages them to develop their own sustainable water management plans, including water efficiency targets, action plans, and awareness campaigns.

6. Sustainable Water Management in Communities

6.1 The Company prioritizes sustainable water management in the communities where its factories are located. It regularly conducts water conservation awareness campaigns in the regions surrounding its production bases and implements initiatives such as rainwater harvesting and reclaimed water reuse to protect local water resources.

6.2 The Company is committed to improving the water extraction and usage environment in the vicinity of its factories. It ensures that all production bases strictly comply with local regulations, discharging wastewater only after it meets rigorous standards, to prevent any adverse impact on the safety of nearby water sources.

7. Revisions and Reviews

The Company reviews this Policy on a regular basis and revises it as necessary.