



Environmental Management Policy

I. Policy Statement

Yutong Bus Co., Ltd. (hereinafter referred to as “Yutong Bus,” “Yutong,” the “Company,” or “we”) is guided by its vision of “Better Bus, Better Life” and adheres to the principle of giving equal priority to green development and sound operations. The Company follows a sustainable pathway focused on energy conservation, low-carbon transition, environmental protection, pollution prevention, and synergistic emission reduction. By developing green products, green factories, and a green supply chain, Yutong delivers products and services that are environmentally friendly, energy-efficient, low-carbon, safe, reliable, and health-conscious. These efforts support continuous improvements in environmental quality and contribute to the transition toward sustainable public mobility worldwide. In line with its long-term vision to achieve net-zero emissions by 2050, the Company has established its carbon targets using 2023 as the baseline year, including a 20% absolute reduction in Scope 1 and Scope 2 greenhouse gas (GHG) emissions by 2030, and a 60% reduction in total value-chain GHG emissions by 2040. Yutong remains committed to clean production, circular economy principles, and green development. By promoting low-carbon workplaces and sustainable mobility practices, the Company encourages organization-wide participation in advancing its carbon neutrality objectives.

II. Scope of Application

This Policy applies to Yutong Bus and its subsidiaries, and extends to suppliers and other relevant business partners.

III. Basic Principles

1. Environmental Compliance Management

1.1. The Company is committed to operating in full compliance with applicable environmental laws, regulations, and standards, and to embedding environmental accountability across all levels of management and operations.

1.2. For new, modified, and expanded projects, Yutong strictly adheres to environmental impact assessment (EIA) requirements and the “Three Simultaneities” principle (pollution prevention facilities designed, constructed, and commissioned simultaneously with the main project). Unauthorized process additions or capacity expansions are prohibited.

1.3. Pollution prevention and control facilities are properly designed, operated, and maintained to ensure compliant emissions. Direct discharge, unauthorized discharge, or concealed discharge of pollutants is strictly prohibited.

1.4. The Company rigorously implements pollutant reduction policies, exercises strict emission controls, and adopts effective measures to manage impacts on water, noise, air, and soil environments. Environmental emergency preparedness is strengthened to ensure environmental safety.

1.5. Yutong advances clean production and circular economy practices, systematically phases out high-energy, high-emission, and low-efficiency processes, and extends environmental requirements to supply chain partners.

1.6. The Company actively conducts environmental awareness campaigns and training programs on energy conservation, emission reduction, water efficiency, and waste management to enhance employees' environmental awareness and understanding of environmental impacts. Yutong also supports environmental public welfare initiatives and fosters a harmonious relationship between corporate development and social progress.

1.7. Yutong continuously improves a structured and efficient EHS management system, sets environmental objectives, and regularly discloses environmental performance, demonstrating its commitment to continuous improvement and transparency as well as its willingness to accept oversight from investors and the public.

1.8. The Company strengthens communication, coordination, and collaboration with stakeholders including suppliers, contractors, and local communities, and fully considers stakeholder input in policy formulation to maximize environmental benefits.

2、 Climate Change Management

2.1. In response to global climate challenges, Yutong integrates climate action into its core corporate strategy. Guided by the principles of avoidance, reduction, and offsetting, the Company sets achievable carbon reduction targets, implements comprehensive GHG management strategies, and regularly assesses and discloses emissions data and transition plans.

2.2. Focusing on green environmental protection, energy conservation, emission reduction, and low-carbon mobility, Yutong develops green and low-carbon products, such as safe, reliable, cost-effective energy-efficient and new energy commercial vehicles. Through vehicle efficiency optimization and lightweight design, the Company reduces lifecycle carbon emissions and supports carbon neutrality.

2.3. In alignment with China's national green and low-carbon development strategies, Yutong promotes the coordinated reduction of carbon emissions and pollutants, builds green and low-carbon factories, and enhances sustainability across operations. The Company continuously adopts new processes, technologies, and equipment, upgrades or replaces energy-intensive equipment, improves energy efficiency, and optimizes the energy mix to increase clean energy utilization.

2.4. Yutong works closely with suppliers to leverage its leadership role within the value chain, collaborating with key suppliers on emission reduction initiatives. Through systematic implementation of green procurement, green packaging, and green logistics, the Company advances value-chain decarbonization.

2.5. To reduce environmental impacts at the end of product life, Yutong strengthens recycling and reuse management. The Company has established a dedicated venture focusing on battery recycling and cascading use. Based on lifecycle management principles, Yutong collaborates with long-term partners to promote battery recycling and cascade utilization in applications such as street lighting power supply and low-speed power systems.

3、 Energy Management

3.1. Guided by the principles of legal compliance, clean production, energy efficiency improvement, and continuous improvement, Yutong continuously enhances its energy management system, improves systematic energy management capabilities and equipment efficiency, and strengthens energy performance indicators.

3.2. The Company advances energy-saving management through technological, process, and managerial improvements, phases out obsolete and inefficient equipment, promotes high-efficiency energy-saving equipment, optimizes production processes, clarifies energy management responsibilities, and raises employee awareness through ongoing energy conservation initiatives.

3.3. Yutong increases the share of clean energy by developing tailored renewable energy deployment plans based on site-specific conditions, investing in distributed photovoltaic and other green power facilities, actively participating in green electricity and renewable certificate trading, and establishing long-term partnerships with energy suppliers.

4、 Water Resource Management

4.1. The Company strictly complies with applicable laws, regulations, and local water management policies, continuously improves water conservation management systems, conducts water-saving awareness

campaigns and diagnostics, and maximizes water efficiency to ensure effective protection and efficient recycling of water resources.

4.2. By benchmarking against advanced practices, Yutong adopts water-saving technologies and processes, builds and upgrades wastewater treatment facilities, increases reclaimed water reuse, and enhances overall water efficiency and recycling rates.

4.3. The Company implements tiered water-use targets by category, strengthens water management, and conducts themed energy- and water-saving campaigns to promote organization-wide employee participation and prevent water waste.

4.4. Wastewater quality is continuously monitored. Online monitoring systems are installed at key discharge outlets and connected to environmental authorities, with third-party operation and maintenance to ensure compliant discharge.

5、 Raw Material Management

5.1. The Company improves raw material utilization through optimized material planning, process and workflow refinement, performance metrics, and lean manufacturing practices, reducing material losses across operations.

5.2. Yutong actively explores circular resource utilization. While ensuring technical requirements, the Company promotes recyclable, standardized, lightweight, and packaging-free solutions, working with suppliers to simplify packaging, reduce material consumption, and support low-carbon objectives.

6、 Waste Management

6.1. The Company actively reduces waste generation by substituting hazardous materials, minimizing hazardous waste during production, and investing in advanced waste reduction technologies and processes.

6.2. A waste recycling and recovery system is established to increase recycling rates and reduce landfill and incineration.

6.3. Waste is handled and traced in strict compliance with laws and regulations. Industrial solid waste is classified as general or hazardous waste as per China's laws and regulations, collected and stored separately, and disposed of by qualified third parties, with standardized procedures governing waste classification, collection, transportation, and final treatment. The Company maintains detailed waste disposal records to track waste flow and treatment in real time, ensuring full regulatory compliance.

7、 Biodiversity Protection Management

7.1.The Company strictly observes ecological protection redlines and avoids ecologically sensitive areas during site planning and construction, including nature reserves, water conservation areas, and critical wildlife habitats. Suppliers and partners are encouraged to minimize biodiversity-related risks at the source.

7.2.Yutong promotes clean production to continuously mitigate the environmental impact of pollution emissions on surrounding ecosystems and species. Through technological innovation and process upgrades, the Company reduces pollutant emissions to air, soil, and water, strictly complies with regulatory standards and strives to meet even stricter internal control levels and strengthens control of key pollutants such as VOCs and heavy metals to minimize operational impacts on local ecosystems. The Company regularly assesses biodiversity risks and conditions within its operational scope, including species diversity and ecosystem integrity, providing insights for conservation decisions.

7.3.Yutong enhances employee biodiversity conservation awareness through regular training and outreach initiatives, encourages stakeholder participation, collaborates with government agencies on initiatives such as “Net-Zero Forest” projects, and supports biodiversity conservation programs.

8、 Forest Protection Management

Recognizing the critical role of forests in biodiversity conservation and climate change mitigation, Yutong complies with forest management regulations in its operating regions. Through responsible sourcing, technological innovation, cross-functional collaboration, and supplier engagement, the Company actively works to eliminate deforestation risks in the supply chain and contributes to forest protection efforts.

IV.Supplementary Provisions

This Policy is reviewed and approved by the Company’s Strategy and Sustainability Committee. The Company will periodically review and update this Policy as necessary.