GCSTIMES Environmental Policy

V1.1 | Effective December 2024

Objective

GCSTIMES is committed to promoting sustainable development and minimizing its environmental impact while fulfilling its social responsibilities. This Environmental Policy (hereinafter referred to as the "Policy") outlines the company's environmental management objectives, measures, and responsibilities to ensure sustainable business development.

We will continuously review this Policy and reserve the right to add or modify requirements at any time.

Scope

This Policy applies to all departments and employees of GCSTIMES. All company operations, business activities, and supply chain partners must adhere to this Policy and actively fulfill their environmental protection responsibilities.

<u>Responsibilities and Authorities</u>

Sustainability Department: Responsible for formulating, supervising, and evaluating the implementation of this Policy, and reporting progress to management.

Department Heads: Responsible for implementing environmental management measures within their respective departments to ensure compliance.

Employees: Expected to actively participate in environmental protection, strictly adhere to this Policy, and proactively suggest improvements.

1. Management Content

1.1 Energy Conservation and Emissions Reduction

Reducing energy consumption and greenhouse gas emissions:

· Utilize high-efficiency equipment and optimize data center cooling systems to improve energy efficiency.

· Establish equipment maintenance plans to ensure optimal operation and minimize energy waste.

· Enhance process automation and operation methods to reduce unnecessary energy consumption.

· Encourage remote work to reduce commuting-related carbon emissions and provide necessary technical support.

· Implement cloud computing and virtualization technologies to reduce dependence on physical devices and lower energy consumption.

· Recognize and reward teams or individuals demonstrating outstanding energy-saving performance.

1.2 Water Resource Management

Prioritizing water conservation and optimizing water resource utilization:

· Install rainwater harvesting systems in company premises for irrigation and cleaning to reduce tap water consumption.

· Deploy smart water meters in key water-use areas to monitor usage in real time and promptly address anomalies.

· Conduct regular water conservation training to raise employee awareness and promote conservation practices.

1.3 Air Pollution Control

Green operations to reduce air pollution:

· Prioritize procurement of cleaning agents, paints, and other products with low volatile organic compound (VOC) content.

· Conduct annual emissions testing to ensure compliance with environmental regulations.

1.4 Raw Materials, Chemicals, and Waste Management

Reducing raw material consumption, minimizing hazardous chemical use, and implementing closed-loop waste management:

· Upgrade outdated equipment with smart technology to reduce hazardous substance emissions.

· Develop a hazardous chemical substitution plan to promote safer, eco-friendly alternatives.

· Establish strict protocols for chemical storage, handling, and disposal, and provide professional training to ensure safety and compliance.

· Implement an electronic waste recycling program in collaboration with professional recycling institutions.

· Promote waste sorting, recycling, and reuse, and ensure hazardous waste is processed by certified agencies with proper documentation.

· Encourage paperless operations by adopting digital document management and remote conferencing systems.

· Implement a food waste composting project to convert kitchen scraps into organic fertilizer for landscaping.

1.5 Product Usage Phase Management

Developing eco-friendly products to minimize environmental impact during use:

· Provide users with detailed energy-saving guides to optimize consumption management.

· Regularly release software updates to enhance energy efficiency.

· Promote and encourage consumers to choose eco-certified products.

1.6 End-of-Life Product Management

Minimizing environmental impact of product disposal and promoting a circular economy:

· Design products with recyclability in mind, reducing mixed materials and improving ease of disassembly.

· Establish a product recycling system to provide convenient collection services for consumers.

· Develop a second-hand market for refurbished or remanufactured retired devices to extend product lifespan.

· Develop a Digital Product Passport (DPP) to track material composition, carbon footprint, and recycling guidelines.

1.7 Consumer Health & Safety

Ensuring product safety and protecting consumer health:

· Apply lifecycle management to ensure compliance with the highest health and safety standards.

· Establish a transparent product safety tracking and emergency response mechanism.

· Set up an independent product safety complaint channel, providing an initial response within 48 hours.

2. Management Goals

2.1 Energy Conservation & Emissions Reduction Targets

By 2028, compared to 2023:

Reduce energy consumption by 20%.

Reduce greenhouse gas emissions by at least 15%.

2.2 Water Resource Management Targets

By 2028, compared to 2023:

Reduce water consumption by 10%.

2.3 Air Pollution Control Targets

By 2028, compared to 2023:

Reduce air pollutant emissions by 20%.

2.4 Raw Materials, Chemicals & Waste Management Targets

By 2028, compared to 2023:

Reduce raw material consumption by 18%.

Reduce toxic solvent use by 25%.

Ensure 100% harmless treatment of hazardous waste.

Achieve a remanufacturing ratio of ≥20% for products.

Ensure 100% recyclability of packaging materials.

2.5 Product Usage Phase Management Targets

By 2028:

Conduct carbon footprint assessments for 100% of key products.

2.6 Product Lifecycle Management Targets

By 2028:

Achieve a product recycling rate of 30%.

2.7 Consumer Health & Safety Targets

By 2028:

Maintain a 0-incident rate for product safety.

Responsibilities & Obligations

The Sustainability Department is responsible for executing this Policy and submitting annual environmental management targets to the General Manager's Office. The General Manager's Office will oversee policy implementation and make necessary adjustments to ensure goal achievement.

Supplementary Provisions

This Policy is updated and effective as of December 23, 2024. The next update is scheduled for December 24, 2025. Any violations of this Policy or failure to comply will be subject to appropriate measures.