

Protecting Biodiversity and Zero Net Deforestation Commitment

Approved at the 392nd Board Meeting on May 10th, 2024

Humanity's pursuit of economic prosperity has negatively impacted the environment, leading to issues such as climate change and the disappearance of biodiversity. Recognizing that protecting biodiversity is integral to maintaining sustainable development and vital resources for humanity, Yang Ming is actively prepared to face the challenges imposed by climate change and places great importance on environmental protection. In practice, Yang Ming supports and complies with the UN's Convention on Biological Diversity, works closely with stakeholders, and continues to advocate for conservation. These efforts aim to prevent the loss of biodiversity and maintain the balance and stability of the Earth's ecosystem.

Yang Ming's Commitment

1. Yang Ming continues to advocate for the UN's Sustainable Development Goals, specifically SDG 6 - Clean Water and Sanitation, SDG 12 - Responsible Consumption and Production, SDG 13 - Climate Action, SDG 14 - Life Below Water, SDG 15 - Life on Land, and SDG 17 - Partnerships for the Goals.
2. Complying with the regulations and instructions of local governments, Yang Ming avoids operating near key biodiversity areas designated globally or by respective countries. Meanwhile, it is dedicated to achieving Net Positive Impact goals by 2050, in line with the UN's objectives of No Net Loss and Zero Net Deforestation for biodiversity.
3. When operating near key biodiversity areas, Yang Ming takes measures to avoid, minimize, restore, offset, and reduce the impact on these areas.
4. Promoting biodiversity conservation and initiatives related to reforestation and carbon sequestration, Yang Ming urges stakeholders, including employees, shareholders, partners, and suppliers, to support policies that raise conservation awareness and promote biodiversity maintenance and zero net deforestation.

Yang Ming's Strategies and Actions

1. The Commitment applies to Yang Ming Group's direct operating units and key subsidiaries. Yang Ming shall formulate strategies to prevent, mitigate, restore, and offset environmental impacts. Additionally, Yang Ming shall conduct biodiversity risk assessments within the framework of the Taskforce on Nature-related Financial Disclosures (TNFD). Progress and implementation results related to the Commitment shall be reported to the Board of Directors from time to time.
2. Minimizing environmental impact through supply chain collaboration: According to Yang Ming's Code of Conduct for Suppliers, key partners in its supply chain are required to follow the Commitment and other regulations governing biodiversity protection to prevent damage to protected forests, oceans, and species. Yang Ming actively promotes conservation practices and ensures supplier compliance with the Commitment through inspections from time to time.
3. Zero net deforestation in places of business operation: According to the Commitment, Yang Ming shall implement zero net deforestation policies in new business operation areas by 2030 and share relevant knowledge with key supply chain partners.
4. Conservation and restoration of biodiversity: Yang Ming shall conduct responsible transportation and follow the Buckingham Palace Declaration to shut down routes of illegal wildlife trade. Yang Ming, fully aware of its responsibilities, shall refuse to purchase products from suppliers that directly contribute to biodiversity loss, deforestation, or violate environmental regulations. Circular economy is encouraged to increase the efficiency of resource usage and efforts are made to minimize the impact on the surrounding environment. FSC-certified products are used in applicable business activities.
5. Environmental education promotion and natural carbon sink support: Yang Ming participates in important domestic and international biodiversity initiatives to stay updated on the latest development and continues to organize educational sessions to increase stakeholders' (employees, customers, suppliers, partners) awareness concerning the importance of biodiversity and forest conservation. By collaborating with government agencies, NGOs, academia, and local communities,

Yang Ming supports research and projects that contribute to the balanced development of the Earth's ecosystem, including biodiversity conservation, reforestation, carbon sequestration, and blue carbon.

The Commitment shall be published following approval by the Board of Directors.

The same shall apply to the amendment thereof.