



中國建築國際集團有限公司
CHINA STATE CONSTRUCTION INTERNATIONAL HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code : 3311)

(the “Company”)

WATER RESOURCES MANAGEMENT POLICY
(“Policy”)

1. INTRODUCTION

- 1.1 The Company attaches great importance to enhancing its water resources management performance. It formulates this Policy at the group level to guide the Company in implementing water resources management framework in various business operations as well as its value chains to improve its water efficiency and recycling rate, and achieve related sustainable development goals.
- 1.2 The Company strictly prohibits any behaviors that leads to the wastage or pollution of water. It is committed to adopting efficient water resources management and protection methods to promote water conservation that can help identify, prevent, improve, and respond to various risks and opportunities that may impact the water resources.
- 1.3 The Company fully complies with the national policy - “National Water Conservation Action Plan” to continuously improve its water resources planning. It is committed to raising the awareness of all stakeholders on the sustainability of water resources, and protecting its water resources and ecology by cultivating water conservation habits.

2. SCOPE

- 2.1 The provisions of this Policy apply to all directors, officers and employees of the Company and its wholly-owned subsidiaries (including full-time and part-time, collectively referred to as “employees”), and the basic conduct of affiliates or their representatives standard. This policy also provides guidance for all employees when dealing with the management of the Company's water resources.

- 2.2 The Company encourages and expects customers to abide by the principles of this Policy, and requires major business partners, contractors and subcontractors to comply with the principles of this Policy and develop verifiable implementation plans where feasible.

3. GOALS

- 3.1 The Company promises to set specific quantitative and qualitative targets and goals related to water resources issues by 2025, by taking reference of the United Nations Sustainable Development Goals (SDGs) and the indicators and action suggestions set out by the national “14th Five-Year Plan for Building a Water-Saving Society”. It strives to formulate appropriate and effective management policies and measures, and will publicly evaluate relevant progress at least once a year to monitor their implementations and ensure their effectiveness.
- 3.2 The Company will conduct water resources risk assessment by considering the direct or indirect economic changes caused by climate change in the future to help formulate annual work plans and goals for managing its water resources.

4. STRATEGIES AND MEASURES

- 4.1 The Company is committed to enhancing water use and recycling efficiency, and it strives to implement the following strategies and measures:
- (a) Use high-efficient and effective production technologies and equipments to save water and to improve the usage of water resources, and take the following measures in projects to save water:
- Collect rainwater and use it for plant irrigation;
 - Install sedimentation tanks and sewage treatment facilities on construction sites to properly treat project sewage;
 - Recycle sewage for daily internal cleaning and water processing;
 - Install wastewater treatment facilities for wastewater treatment and discharge them legally following local laws and regulations.
- (b) Formulate and implement a policy to deal with water resources security challenges, and identify actual and potential risks and opportunities related to water in direct operations and in the supply chain, with the application of high-level water supply technologies, processes and systems to improve the adaptability of water resources and deal with the challenge of water security.

- (c) Strengthen water control system and implement a water-saving index system, which requires employees to monitor and record water consumption of different business operations. These actions ensure that relevant data and information are complete, which allows the Company to plan and monitor water resources management goals, strategies, and measures.
- (d) Inspect water-saving equipment, water supply network and system of business operations regularly by cooperating with advanced technologies to improve water resources management, leakage detection and prevention.
- (e) Promote responsible water use and raise awareness of water issues among stakeholders, such as employees, suppliers, contractors and business partners, and invite them to work together to improve water management, thereby increasing their awareness of water sustainability.

5. REGULATORY FRAMEWORK AND GOVERNANCE

- 5.1 The Company will clarify the roles and responsibilities of all employees on water-related issues. It will also formulate relevant short-term and long-term sustainable water resources management goals to guide and review employees' performances on water resources-related actions, risk management plans, policies, and measures.
- 5.2 The Company will incorporate water risk assessment into its core operational processes as part of the corporate sustainability risk management framework to identify, assess and monitor all actual and potential impacts of water resources in related business operations.
- 5.3 The Company will build blueprint models for its future sustainable development by referencing the Representative Concentration Pathways (RCPs) of the Panel on Climate Change (IPCC); relevant studies on climate scenarios released by the Organization for Economic Cooperation, Development (OECD); and the International Energy Agency (IEA) in 2017. The models will also specifically focus on referring to the international standards and initiatives of the Center for Global Environmental Information (CDP) in water resource management, which helps extend sustainable development work to the Company's business operations and value chains.

6. COMPLIANCE WITH LAWS OF HONG KONG AND IN OTHER JURISDICTIONS

- 6.1 All employees must comply with all local laws and regulations when conducting the business of the Company and its wholly owned subsidiaries, and also those in other jurisdictions when conducting business there or where applicable.

6.2 Failure to comply with this Policy and applicable laws and regulations relating to water consumption and discharge may result in disciplinary action.

7. REVIEW OF THE POLICY

7.1 The Company shall regularly review this Policy to improve its effectiveness.

7.2 This Policy should be available to all employees, and all applicable customers, suppliers, and contractors etc.

7.3 The Company will regularly review the implementation of this policy in various areas relating to employees, customers, suppliers, and contractors, as well as review of its relevant ethics and business conduct.

Note: The Policy is available on the Company's website. If there is any inconsistency between the English and Chinese versions of the Policy, the Chinese version shall prevail.