

DOCUMENT NAME:

GOBI JSC'S COMMITMENT TO SUSTAINABLE DEVELOPMENT

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I. GENERAL

1.1 Purpose

- 1.1.1 The purpose of this document is to define Gobi JSC's commitment to sustainable development within the framework of the 17 goals of the United Nations Sustainable Development and the 10 principles of the Global Compact, and to implement, continuously improve and deliver these commitments to interested parties.

1.2 Scope

- 1.2.1 This commitment is open to the public and applies to Gobi JSC's shareholders, board of directors, all employees, employees of subsidiaries, contractors, suppliers, and other stakeholders.

1.3 Definition of Terms

- 1.3.1 **Green Purchasing:** When purchasing any product, consider the price and quality and make a choice based on the impact on the environment;
- 1.3.2 **Green Technology:** Equipment that has a positive effect on the environment or is efficient in water and energy, and has the lowest carbon dioxide emissions;
- 1.3.3 **Environmentally Friendly Packaging:**
 - 1.3.3.1 Biodegradable plastic bags
 - 1.3.3.2 Recycled paper boxes
 - 1.3.3.3 Reusable bags and containers
- 1.3.4 **Equality:** Non-discrimination of people based on their origin, ethnicity, language, race, age, gender, social origin, status, wealth, occupation, position, religion, opinion, or education;
- 1.3.5 **Sustainable Social Investment:** The cost of all activities carried out within the framework of social responsibility;
- 1.3.6 **Pasture Stability:** Comprehensive measures for prevention of vegetation loss and, continuous improvement of vegetation growth;
- 1.3.7 **Vegetation Loss:** The phenomenon of disappearance of plants in an area, often caused by human activities, livestock or animals, and can have serious environmental and societal consequences;
- 1.3.8 **Sustainable Raw Cashmere:** Raw cashmere that meets requirements such as pasture conditions, health and well-being of livestock, responsible herdsman, reasonable payment, raw material quality, and safety.;
- 1.3.9 **Extending the Product Life Cycle:**
 - 1.3.9.1 Attention to product quality;
 - 1.3.9.2 Provide customers with product care information;
 - 1.3.9.3 After-purchase service for worn-out products;
 - 1.3.9.4 Provide an opportunity to re-use products that are no longer worn;

II. COMMITMENTS

2.1 Sustainable development management:

- 2.1.1 We will continuously develop sustainable development activities by integrating them into our business activities.

2.2 Environment:

- 2.2.1 We will work to minimize the environmental impact of our operations and continuously reduce our negative impact on the environment.
- 2.2.2 Continuously increase the percentage of wastewater from industrial operations that is recycled or reused.
- 2.2.3 Increase our use of green purchasing, green technology, and environmentally friendly packaging.
- 2.2.4 Initiate and implement tree planting programs and greenhouse gas reduction projects to mitigate our impact on the environment.
- 2.2.5 Continuously increase the percentage of waste recycling.

2.3 Society:

- 2.3.1 Provide a safe and healthy workplace for our employees.
- 2.3.2 Ensure the stability of our workforce and continuously develop our talent pool.
- 2.3.3 Promote equality and respect for all employees and stakeholders.
- 2.3.4 Continuously increase our sustainable social investment.

2.4 Governance:

- 2.4.1 Continuously improve our organizational culture by developing and upholding strong business values and ethics.

2.5 Industry Activities:

- 2.5.1 Take the lead in protecting grassland ecosystems.
- 2.5.2 Produce products with sustainable raw materials and ensure that they are delivered to end users.
- 2.5.3 Extend the life cycle of our products.

BOARD OF DIRECTORS