

Verification Statement of Achievement of Carbon Neutrality

The business activities of
Assembly process of 200,000 heat pumps in P8 and P9 production lines of
4# plant

Gd Midea Heating & Ventilating Equipment Co., Ltd.

Penglai Road Industrial Avenue, Beijiao Town, Shunde District, Foshan City,
Guangdong Province

has been verified in accordance with ISO 14064-3:2019, confirmed that has
achieved carbon neutrality as meeting the requirements

PAS 2060:2014

Greenhouse gas emission reduction: 1108.34 tCO₂e
Greenhouse gas emission offsets: 340.99 tCO₂e

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Verification opinion and conclusion

SGS has been contracted with Anhui qiantai new material co., ltd., based on the agreed guidelines and scope, the opinion issued after the independent validation of the commitment carbon neutralization statement of the responsible party is :

The declaration of achievement of carbon neutrality submitted by Gd Midea Heating & Ventilating Equipment Co., Ltd. is made in accordance with PAS 2060:2014, which is fair in terms of materiality. The greenhouse gas data and carbon footprint management plan information in the declaration are indeed reflected and supported by sufficient and appropriate evidence. Based on the risk assessment method, SGS issued an unmodified opinion on the achievement of carbon neutralization statement of the responsible party.

Roles and responsibilities

The management of Gd Midea Heating & Ventilating Equipment Co., Ltd. is responsible for the organization's carbon neutrality information system, the development and maintenance of records and reporting procedures in accordance with that system, including the calculation and determination of the carbon neutrality subject.

According to ISO 14064-3:2019 , SGS conducted a third party validation of the provided Commitment Carbon Neutrality information against the principles of PAS 2060: 2014 in the period 2022.7.14. According to the scope of application, objectives, guidelines and committed carbon neutralization information of the responsible party, a statement of compliance with the achievement of carbon neutralization information shall be issued.

Criteria

Criteria against which the validation assessment is undertaken are the requirements of ISO 14064-3:2019.

Achievement of Carbon Neutrality information against the principles is PAS 2060: 2014.

Materiality

The materiality required of the verification is considered by SGS to 5%, based on the needs of the intended user of the GHG statement.

Scope

Subject

- Subject: Direct GHG emissions and indirect GHG emissions from imported energy from the assembly process
- Boundary of subject: Assembly process of 200,000 heat pumps in P8 and P9 production lines of 4# plant
- Definition method of object boundary: ISO14064-1
- Characteristics of the subject: Production line

Carbon footprint management plan:

- Description of carbon footprint reduction scheme: 1. The production facilities are equipped with solar panels and energy storage equipment is added to make the consumed electricity cleaner and reduce carbon emissions; 2. Refrigerant recovery-Midea heat pump production line uses precision equipment for refrigerant charging, thereby reducing carbon emissions; 3. Add vacuum chamber inverter and robot sleep program to reduce carbon emissions; 4. Buy international Renewable Energy Certificate, IREC ID: From 0000-0001-7374-8447 to 0000-0001-7375-0354
- Description of carbon footprint offsets of credit source: Certification Emission ReductionCERS
- Carbon footprint offset credit line cancellation document: CER ID: CN5173



continued

- Carbon footprint quantification methodology: ISO14064-1:2018
Note: please see the responsible party's GHG quantitative report for details

Other explanatory matters: The carbon footprint calculation results are based on the actual production data of the responsible party from January 1st, 2022 to December 31, 2022. The amount of carbon neutrality is the emission of 200,000 heat pumps in P8 and P9 production lines of 4# plant. After verification, the product has achieved carbon neutrality in direct GHG emissions and indirect GHG emissions from imported energy during assembly.

Note: This qualified interpretative statement is interpreted as a whole with the declaration of commitment carbon neutralization compliance. The date of issuance is the date of declaration.

SGS standard technical services Co., Ltd. ("SGS") issues this declaration of conformity in accordance with SGS general terms of greenhouse gas validation and validation services. The content of this statement is based on the validation results. This statement and the statement of the responsible party can be obtained from the responsible party. In case of any change that may affect the effectiveness of the declaration of carbon neutralization commitment, which may affect the declaration of conformity, the client needs to timely apply for reassessment and updating the declaration of conformity. This change will not bind SGS until the client applies. SGS shall not be liable to any party other than its client. This approval statement shall not relieve the responsible party of its responsibility to comply with national laws and regulations.

