

## Environmental Policy

---

### THIS POLICY APPLIES TO:

- MST Golf Group Berhad (Registration No.: 199301009307 (264044-M))
- MST Golf Sdn Bhd (Registration No.: 198901011987 (189294-P))
- MST Golf Management Sdn Bhd (Registration No.: 200101013452 (549209-A))
- MST Golf Arena Sdn Bhd (Registration No.: 199801015399 (471528-D))
- MST Golf (Singapore) Pte Ltd (Registration No.: 200002124N)
- PT MST Golf Distribution (AHU-0068036.AH.01.01.TAHUN 2023)
- PT MST Golf Indonesia (AHU-0067107.AH.01.01.TAHUN 2023)
- Unless otherwise specified, any other companies that may become subsidiaries of MST Golf Group Berhad after the effective date of this document.

# Environmental Policy

---

## ADOPTION & REVISION HISTORY:

Rev.	Effective Date	Description	Approved by
0	1 April 2023	Formal Adoption	Executive Directors
1	1 April 2025	<p>Added the Group's Indonesian subsidiaries on the cover page.</p> <p>Removed references to the "Better Environment" tagline as the Group has transitioned to the "CARES" framework.</p> <p>Added new clauses and amended existing clauses to stipulate and emphasise the adoption of national and international sustainability frameworks and laws.</p> <p>Added new clauses and amended existing clauses to align the policy to the Group's latest practices.</p>	Executive Directors

(SEE NEXT PAGE FOR POLICY)

# Environmental Policy

---

## 1. INTRODUCTION

- 1.1. In line with its Sustainability Policy, MST Golf Group Berhad (“Company”) and its subsidiaries (“Group”) adopt this Environmental Policy (“Policy”) to outline the environmental principles guiding its operations.
- 1.2. The Group acknowledges the critical challenges posed by climate change, which exerts profound and multifaceted impacts on natural ecosystems and human societies. These include escalating risks such as extreme weather events, sea-level rise, ecosystem disruption, human health challenges, economic impacts and threats to food and water security, as identified by the Intergovernmental Panel on Climate Change (“IPCC”).
- 1.3. Beyond climate change, the Group recognises additional pressing environmental challenges that require urgent management and mitigation, including plastic pollution, water scarcity and pollution, biodiversity loss, air pollution, soil degradation and ocean health.
- 1.4. Recognising the urgency of addressing these environmental issues, the Group is committed to proactive environmental stewardship and adopting mitigation and adaptation strategies through sustainable practices and collaborative partnerships to create long-term value for the environment, society and stakeholders.
- 1.5. The Group adopts national and global environmental sustainability references, standards, and goals as part of its environmental sustainability commitments, including but not limited to the Paris Agreement and the United Nations Sustainable Development Goals (“UN SDGs”).

## 2. OBJECTIVES

- 2.1. This Policy aims to:
  - 2.1.1. Develop and implement a Group climate transition plan guided by climate-related risk and opportunity analysis.
  - 2.1.2. Reduce Scope 1, 2 and 3 of greenhouse gas emissions that may result from the Group’s operations.
  - 2.1.3. Implement effective waste management practices and reduce wastes that may result from the Group’s operations in alignment with the Group’s Waste Management Policy.
  - 2.1.4. Optimise the use of resources such as products and materials through material-saving initiatives, sustainable sourcing and life cycle management initiatives.

## Environmental Policy

---

- 2.1.5. Improve energy efficiency and transition to sustainable energy sources, guided by the Group's Energy Use Policy.
- 2.1.6. Adopt water-saving measures and proper wastewater management, guided by the Group's Water Use Policy.
- 2.1.7. Integrate environmental considerations in land use and building decisions.
- 2.1.8. Promote sustainable events, as outlined in the Group's Sustainable Events Policy.
- 2.1.9. Promote environmental awareness among internal and external stakeholders.

### **3. CLIMATE CHANGE RESILIENCY**

- 3.1. The Group is committed to developing and implementing a Climate Transition Plan that prioritises identifying and managing climate risks and opportunities to mitigate the critical challenges posed by climate change.
- 3.2. The Group will integrate climate considerations into enhancing its strategic decision-making and operational processes through comprehensive scenario analysis and risk assessments.
- 3.3. By setting science-based emissions reduction targets and fostering collaboration with stakeholders, the Group aims to achieve a sustainable and resilient future.

### **4. GREENHOUSE GAS EMISSIONS REDUCTION**

- 4.1. The Group is committed to reducing greenhouse gas (GHG) emissions across all operations and its value chain through its Climate Transition Plan with clear, science-based targets in alignment with national and global best practices and commitments, including the references, standards and goals outlined by the IPCC:
  - 4.1.1. Global greenhouse gas emissions must peak before 2025 and decline by 43% by 2030 to limit warming to 1.5°C above pre-industrial levels.
  - 4.1.2. Achieving net-zero emissions around 2050.
- 4.2. The Group's emissions encompass the following scopes:
  - 4.2.1. Scope 1: Direct Emissions directly from the Group's operations, such as fuel combustion in vehicles, machinery, and on-site equipment.
  - 4.2.2. Scope 2: Indirect Emissions from the generation of purchased electricity used by the Group.

## Environmental Policy

---

- 4.2.3. Scope 3: Value Chain Emissions from upstream and downstream activities in the Group's value chain, including purchased goods and services, waste generation, transportation, business travels, employee commuting, and supplier operations.
- 4.3. The Group has the following strategies to reduce its Scope 1, 2 and 3 emissions:
  - 4.3.1. Promoting environmentally friendly habits among employees.
  - 4.3.2. Incorporating work procedures that reduce emissions.
  - 4.3.3. Utilising energy-efficient systems.
  - 4.3.4. Improving product sourcing and life cycles.
  - 4.3.5. Adopting renewable energy sources.
  - 4.3.6. Promoting sustainable logistics.
  - 4.3.7. Reducing waste generation.
  - 4.3.8. Optimising employee travel and commute.
  - 4.3.9. Working with external stakeholders to adopt low-carbon practices and reduce emissions.
- 4.4. The Group commits to measuring, tracking and reporting progress in emission reduction through annual sustainability reports aligned with global frameworks like the International Financial Reporting Standards ("IFRS") S2.

## **5. WASTE MANAGEMENT**

- 5.1. The Group is committed to reducing waste generation and preventing waste pollution across all its operations and premises.
- 5.2. In alignment with the Group's Waste Management Policy, this commitment includes:
  - 5.2.1. Setting waste reduction goals.
  - 5.2.2. Encouraging employees to adopt circular economy practices, such as the 7Rs (Rethink, Refuse, Reduce, Reuse, Refill, Recycle and Rot) to reduce waste generated and the amount of waste that goes to landfill
  - 5.2.3. Setting up waste sorting and collection systems within the Group's premises to ensure proper disposal of different types of waste and encourage recycling.

## Environmental Policy

---

- 5.2.4. Handling waste through legal and reputable third-party waste management companies.
- 5.2.5. Collaborating with stakeholders to raise awareness and participate in waste reduction and pollution prevention efforts.
- 5.3. The Group is committed to measuring and reporting waste data annually in line with standards to disclose impacts and identify improvements to waste management initiatives.

### **6. RESOURCE USE AND EFFICIENCY**

- 6.1. The Group is committed to optimising resource efficiency throughout its operations to lower its resource footprint.
- 6.2. The Group has the following strategies to enhance resource efficiency:
  - 6.2.1. Encouraging employees to practice material-saving habits.
  - 6.2.2. Promoting reusable solutions and avoiding single-use materials whenever possible.
  - 6.2.3. Digitalising workflows and processes to reduce material and paper usage.
  - 6.2.4. Adopting and prioritising products and packaging made from sustainable materials.
  - 6.2.5. Reducing, reusing and recycling product packaging.
  - 6.2.6. Practising effective sourcing and procurement to prevent overbuying and wastage of materials.
  - 6.2.7. Providing channels and services for stakeholders to prolong the life cycle of the Group's products, such as repairs and repurposing initiatives.
  - 6.2.8. Encouraging product stewardship among customers and educating customers on product use and care.
  - 6.2.9. Engaging with stakeholders to adopt resource-efficient practices.
- 6.3. The Group is committed to measuring and reporting resource and material use data where relevant to disclose impacts and identify improvement opportunities.

## Environmental Policy

---

### **7. ENERGY USE**

- 7.1. The Group is committed to efficient energy use to reduce its carbon footprint and combat climate change, in line with the Group's Energy Use Policy.
- 7.2. The Group has the following strategies to promote better energy efficiency:
- 7.2.1. Setting energy reduction goals.
  - 7.2.2. Adopting energy-conserving practices during office operations, such as turning off appliances when not in use, using natural lighting when possible, and optimising air-conditioners' temperature settings.
  - 7.2.3. Regularly maintaining energy-consuming systems to ensure peak efficiency.
  - 7.2.4. Adopting energy-efficient appliances, building designs and fixtures.
  - 7.2.5. Transitioning to renewable energy sources where feasible.
  - 7.2.6. Analysing and managing energy-related risks.
  - 7.2.7. Engaging with stakeholders to adopt efficient energy use practices.
- 7.3. The Group measures and reports energy consumption data annually to identify improvement areas and track progress towards energy reduction goals.

### **8. WATER USE**

- 8.1. The Group is committed to promoting efficient water use and managing wastewater responsibly, per the Group's Water Use Policy.
- 8.2. The Group has the following strategies to promote water conservation and protect waterways:
- 8.2.1. Setting water conservation goals.
  - 8.2.2. Adopting water-conserving practices in daily operations, such as turning off taps when not in use and using water-saving devices.
  - 8.2.3. Maintaining water fixtures and fixing leaks.
  - 8.2.4. Establishing proper disposal procedures for substances that may be harmful or clog and damage pipes.
  - 8.2.5. Participating in waterway restoration activities.

## Environmental Policy

---

- 8.2.6. Investing in rainwater harvesting and water recycling technology where feasible.
  - 8.2.7. Analysing and managing water-related risks.
  - 8.2.8. Engaging with stakeholders to adopt water conservation and protection practices.
- 8.3. The Group measures and reports water consumption data where feasible to identify improvement areas and track progress towards water conservation goals.

### **9. LAND USE AND BIODIVERSITY**

- 9.1. The Group is committed to integrating sustainable land use and biodiversity considerations in operational decisions.
- 9.2. The Group has the following strategies to promote biodiversity harmony:
- 9.2.1. Considering the environmental impacts of new developments.
  - 9.2.2. Ensuring renovation and fit-out contractors adhere to environmental regulations such as proper containment, usage, and disposal of construction wastes.
  - 9.2.3. Advocating for sustainable golf courses.
  - 9.2.4. Analysing and managing biodiversity-related risks and impacts.

### **10. SUSTAINABLE EVENTS**

- 10.1. The Group is committed to planning and executing sustainable events per the Group's Sustainable Events Policy.
- 10.2. The Group has the following strategies to promote sustainable events:
- 10.2.1. Considering sustainable material use and reducing wastage during events.
  - 10.2.2. Conducting proper waste management during events.
  - 10.2.3. Reducing the carbon footprint of our events.
  - 10.2.4. Partnering with environmental organisations to increase the environmental value of our events.
  - 10.2.5. Proposing and encouraging the use of sustainable alternatives for clients' events and tournaments.



# Environmental Policy

---

## **11. SUPPLY CHAIN**

- 11.1. The Group is committed to engaging suppliers and vendors to build a more environmentally conscious supply chain.
- 11.2. The Group has the following strategies to promote a more sustainable supply chain:
  - 11.2.1. Including environmental considerations in the Group's Code of Conduct & Ethics for Third Parties.
  - 11.2.2. Creating environmental-related awareness-building initiatives with suppliers.
  - 11.2.3. Prioritising brands' sustainability initiatives and products made from recycled or more sustainable materials.
  - 11.2.4. Adopting a procurement policy that requires brands and suppliers to be vetted regarding their environmental conduct.
  - 11.2.5. Partnering with golf industry players to host sustainability campaigns.
  - 11.2.6. Working with local suppliers to reduce logistics footprint.
  - 11.2.7. Creating a Scope 3 emissions database.

## **12. CAPACITY BUILDING**

- 12.1. While the abovementioned environmental strategies would have indirectly instilled awareness among various stakeholders, the Group also directly promotes environmental awareness among stakeholders by the following:
  - 12.1.1. Training employees on environmental topics, including the latest environmental laws and regulations.
  - 12.1.2. Partnering with environmental consultants, organisations and subject matter experts for workshops, training and solution improvements.
  - 12.1.3. Issuing sustainability newsletters that include environmental news and updates.
  - 12.1.4. Putting up posters and signages regarding the Group's environmental policies.
  - 12.1.5. Setting up sections dedicated to environmental matters on the Group's websites.

## **13. POLICY REVIEW**

- 13.1. The Board shall review this Policy from time to time to ensure that it remains aligned with the Group's overall business strategies and objectives, as well as its stakeholders' expectations. Any changes to this Policy shall require the written approval of the Board.

-END-