MST GOLF®

Environmental Policy

- **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)

- Unless otherwise specified, any other companies that may become subsidiaries of MST Golf Group Berhad after the effective date of this document.

APPROVED BY:

(Signature)	(Signature)	(Signature)
Low Kok Poh Executive Chairman	Ng Yap Sio Executive Director & Group CEO	Ng Lian Chun Executive Director

PREPARED BY:

(Signature)	(Signature)	(Signature)
Eshin Ang Sustainability Manager	Sean Ng Corporate Communication Manager	Christine Ting Sing Ling Manager, Risk and Control

Environmental Policy

ADOPTION & REVISION HISTORY:

Rev.	Effective Date	Description	Approved by
0	1 April 2023	Formal Adoption	Executive Directors

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1. INTRODUCTION

1.1. In line with their Sustainability Policy, MST Golf Group Berhad ("Company") and its subsidiaries listed on the cover page of this document (collectively including the Company, "Group") adopt this Environmental Policy ("Policy") to specifically outline the environmental principles by which they shall operate. In this regard and under the Group's "**Better Environment**" tagline, the Group is committed to eliminating or minimising the environmental impact of its operations and promoting environmental awareness among stakeholders.

2. OBJECTIVES

2.1. This Policy aims to:

2.1.1. Reduce direct and indirect emissions of greenhouse gases that may result from the Group's operations;

2.1.2. Reduce wastes that may result from the Group's operations;

2.1.3. Promote environmental awareness among stakeholders.

2.1.4. Strengthen the Group's climate change resiliency.

3. SOURCES OF EMISSIONS AND WASTES

3.1. In order to reduce emissions and wastes, it is important to first identify the possible sources of emissions and wastes within the Group's operations.

3.2. Direct emissions may result from the following:

3.2.1. Machineries and motor vehicles.

3.2.2. Combustion sources.

3.2.3. Refrigeration and air-conditioning.

3.3. Indirect emissions may result from the following:

3.3.1. Electricity and water consumption.

3.3.2. Waste disposals (the processing of which emits greenhouse gasses).

3.3.3. Air, land and sea travels.

3.4.   Wastes may result from the following:

      3.4.1.   Domestic wastes (paper, food packaging, food wastes, etc.)

      3.4.2.   Packaging of products and materials.

      3.4.3.   Industrial wastes from warehouse operations.

      3.4.4.   Construction wastes from renovation and fit-out projects.

4.   REDUCING EMISSIONS AND WASTES

4.1.   The Group has the following strategies to reduce its emissions and wastes:

      4.1.1.   Promoting environmentally friendly habits among employees.

      4.1.2.   Incorporating work procedures that reduce emissions and wastes.

      4.1.3.   Working with external stakeholders towards environmental objectives.

      4.1.4.   Improving products' life cycles.

4.2.   <u>Promoting environmentally friendly habits among employees</u> may include the following:

      4.2.1.   Setting up waste sorting and collection systems within the Group's premises to encourage recycling.

      4.2.2.   Encouraging employees to conserve electricity, such as turning off appliances when not in use, use natural lighting when possible, and optimising air-conditioners' temperature settings.

      4.2.3.   Encouraging employees to conserve water, such as turning off water taps when not in use and regularly check for leaks and fix them immediately.

      4.2.4.   Encouraging employees to use paper conservatively, such as printing only when necessary, practice duplex printing whenever possible, and reuse papers where appropriate (without compromising on privacy and confidentiality).

      4.2.5.   Encourage employees to avoid single-use materials such as food-packaging and plastic bags.

4.3.   <u>Work procedures that reduce emissions and wastes</u> may include the following:

      4.3.1.   Implementation of Enterprise Resource Planning (ERP) systems that digitalise financial and procurement workflows to become paperless.

4.3.2. Implementation of human resource management systems that digitalise workflows such as employee claims, payroll, leave applications etc. to become paperless.

4.3.3. Transitioning to digital app for the Group's *ilovegolf* membership management to go cardless and paperless.

4.3.4. Reducing the use of paper displays in stores by transitioning to digital and/or reusable displays.

4.3.5. Managing the use of shopping bags in our retail stores by:

  (a) Switching plastic shopping bags with paper shopping bags;

  (b) Introducing the reusable "Bag4life" bags to further reduce the use of paper shopping bags.

  (c) Always ask customers whether they need paper bags; and

  (d) Putting up "Bring Your Own Bags" signages in stores.

4.3.6. Managing the Group's own packaging wastes (particularly from warehouses) by:

  (a) Reducing the use of single-use materials;

  (b) Reusing packaging materials where possible; and

  (c) Sending those that could not be reused to recycling centres where possible.

4.3.7. Adopting a procurement policy that requires brands and suppliers to be vetted in regard to their environmental conducts.

4.3.8. Requiring employees to consciously consider the environmental impacts of business travels such as:

  (a) Consider airlines that adopt green policies.

  (b) Buy economy seats instead of business or first-class seats.

  (c) Plan travel itineraries to maximise the value of any business trip.

  (d) Consider alternatives such as teleconferencing systems, electronic communications and telecommunications.

4.4. <u>Working with external stakeholders towards environmental objectives</u> may include the following:

    4.4.1. Working with brands who have their own sustainability initiatives and products made from recycled or more sustainable materials.

    4.4.2. Encouraging customers' interests in brands' sustainable initiatives and products by highlighting them in stores (via a "Sustainability Corner") as well as in websites such as golfmatters.com.

    4.4.3. Providing services to collect and recycle packaging wastes from customers.

    4.4.4. Partner with golf clubs to host sustainability campaigns together to champion sustainable golfing culture.

    4.4.5. Proposing and encouraging the use of sustainable alternatives for clients' events and tournaments.

    4.4.6. Partnering with non-governmental organisations for environmental community activities.

    4.4.7. Ensuring renovation and fit-out contractors adhere to environmental regulations such as proper containment, usage, and disposal of construction wastes.

4.5. <u>Improving products' life cycles</u> may include:

    4.5.1. Encouraging product stewardship among customers and educating customers on product use and care;

    4.5.2. Managing unsold stocks to prevent them from going to landfills, such as by improving procurement and stock management (to reduce aging stocks), reusing or upcycling, warehouse sales, employee sales and donation drives.

5. PROMOTING AWARENESS

5.1. While the abovementioned emissions and wastes reduction strategies would have indirectly instilled awareness among various stakeholders, the Group also directly promotes environmental awareness among stakeholders by the following:

    5.1.1. Providing trainings to employees on environmental topics, including latest environmental laws and regulations.

    5.1.2. Issuing sustainability newsletters that include environmental news and updates.

    5.1.3. Putting up posters and signages regarding the Group's environmental policies.

5.1.4.   Setting up, in the Group's websites, sections dedicated to environmental matters.

6.   CLIMATE CHANGE RESILIENCY

6.1.   It is important for the Group to remain resilient to climate-related risks such as storms, floods, warming temperature, biodiversity loss, vulnerable communities, and thinning ozone layer. These risks may directly or indirectly affect the Group's operations.

6.2.   To ensure climate change resiliency, the Group conducts risk and opportunity assessments to determine the necessary control activities to mitigate the risks.

7.   POLICY REVIEW

7.1.   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.

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