



Reinvent Spaces. Enhance Life.

## SUSTAINABILITY POLICY

Mah Sing Group Berhad and its subsidiaries (“**Group**”) has established this Sustainability Policy (“**Policy**”) to address and guide the Group’s efforts in dealing with material sustainability issues that are pertinent to Mah Sing’s business operations as one of the leading property developers within the nation. The Group recognises its responsibility to deal with identified Economic, Environmental, Social, and Governance (“**EESG**”) matters in an ethical manner.

The Group remains committed to upholding our role as a responsible corporate citizen by ensuring that a comprehensive ESG approach is firmly implemented throughout all business operations. This will benefit Mah Sing’s valued stakeholders and progress the socio-economic development of communities which ultimately contributes towards nation-building.

### POLICY OBJECTIVES

Mah Sing’s sustainability policy intends to achieve the following objectives:

- Pursue a strong integration of sustainability best practices, protocols, principles, and responsibilities into Mah Sing’s larger structure of policies, strategies, and frameworks.
- To ensure full involvement, cooperation, and oversight of the Group’s Board of Directors (“**Board**”) and Senior Management team in the policy’s implementation, periodic performance reviews, and appropriate sustainability performance targets.
- Remain committed to managing stakeholders’ expectations and insights to better identify, analyse and prioritise material ESG matters according to the Group’s business model, alongside the related risks and opportunities involved.
- To closely monitor and manage the negative impacts our operations may have on both the environment and society.
- Promote a culture of sustainability within Mah Sing organisation that will ultimately contribute to wider society when it comes to environmental and social issues that are faced.
- Complying with all relevant legal requirements, assessing the environmental impacts of our operations, continuously seeking to reduce their impacts and improving our resource efficiency by reducing energy, water and waste.
- Providing a safe, healthy, professional and empowering workplace for Mah Sing’s employees so that they can continuously perform in an effective, efficient and consistent manner.

### SCOPE OF POLICY

The scope of this policy applies to Mah Sing’s business operations, initiatives, and activities along with our employees, shareholders, investors, customers, government

and regulatory authorities, media, suppliers, contractors, the Board, business partners, bankers / financial institutions and communities.

Sustainability-related performance targets and protocols that are in accordance with industry-recognised regulatory standards will continue to be adhered to by Mah Sing. The following include:

- Companies Act 2016
- Malaysian Employer Federation
- Construction and Industry Development Board
- Master Builders Association
- Real Estate & Housing Developers' Association
- Fair Trade Principles
- International Labour Organisation's Declaration on Fundamental Principles and Rights at Work
- Malaysian Employment Act 1955
- Children Labour and Young Persons (Employment) Act 1966
- United Nations Sustainable Development Goals ("UNSDGs")
- UN Global Compact 10 Principles
- Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018
- Securities Commission Malaysia
- Bursa Malaysia Securities Berhad Main Market Listing Requirements
- FIABCI Malaysia and FIABCI International
- Malaysia Plastics Manufacturers Association (MPMA)
- Federation of Malaysian Manufacturers (FMM)
- Malaysia Pallet Association (MPA)
- Malaysian Rubber Glove Manufacturers Association ("MARGMA")

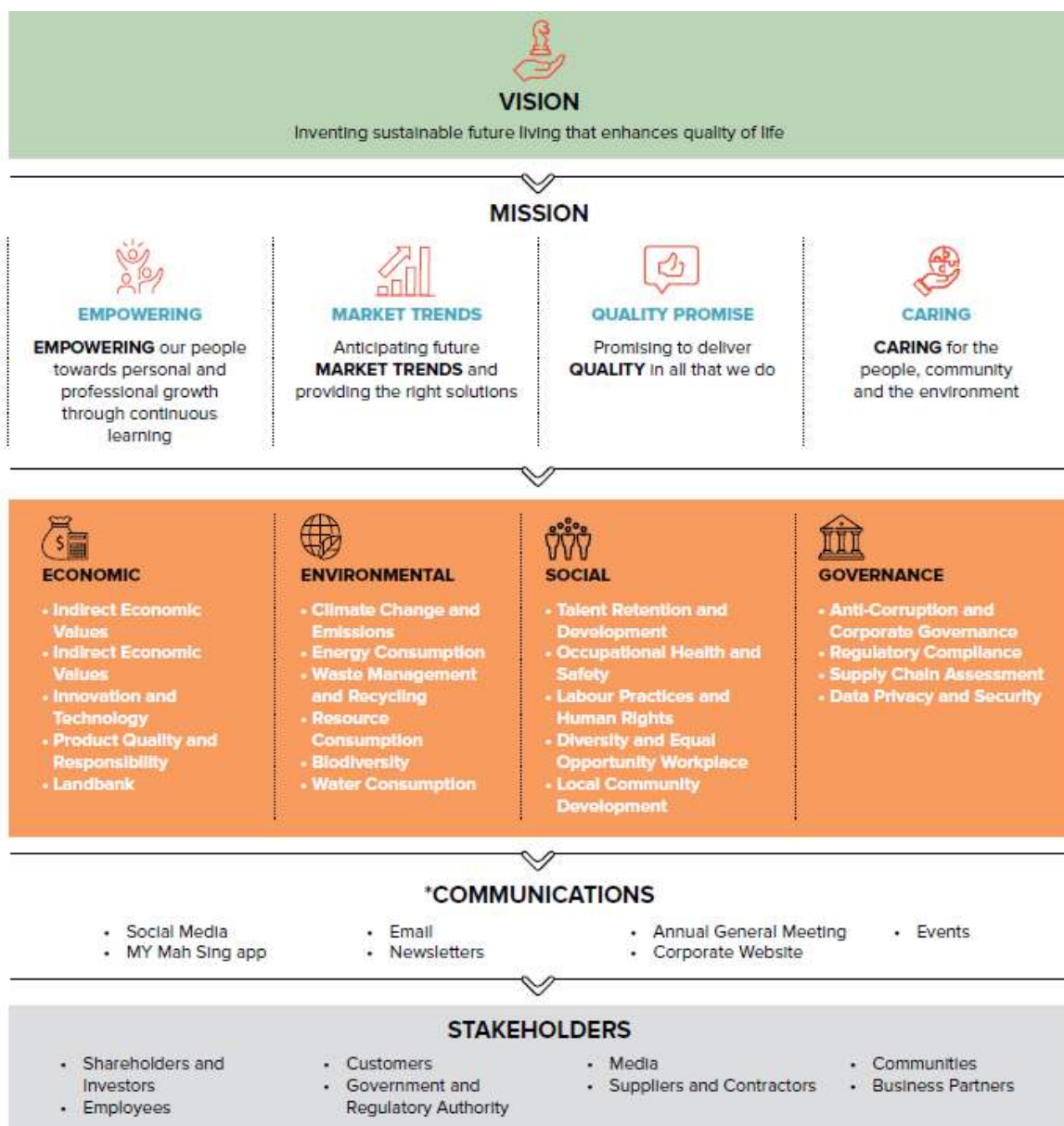
Our Sustainability Policy will be implemented alongside other Company policies as follows:

- Group Anti-Corruption and Anti-Bribery Policy
- Group Whistleblowing Policy and Procedures
- Code of Conduct and Ethics
- Policies and Procedures to assess the Suitability, Objectivity and Independence of External Auditors
- Directors' Fit and Proper Policy
- Child Labour Policy
- Ethical Trading Initiative
- Local Labour Recruitment Policy
- Foreign Worker Recruitment Policy
- Passport Access
- Pregnant & Nursing Mothers Policy

The Policy has been developed (and shall be continuously updated) where necessary over time in tandem with the Group’s ESG Framework, which is as follows:

## SUSTAINABLE DEVELOPMENT FRAMEWORK

Sustainability at Mah Sing has been integrated into the Group’s business philosophy – tied to its Vision and Mission. Identified material topics are linked to the Group’s approach to value creation. The list of material topics will be periodically assessed as and when required.



Mah Sing continues to be guided by the following UNSDGs:



The aforementioned UNSDGs are linked to the Group’s four sustainability mission pillars as follows:

PILLARS	MATERIAL TOPICS	ALLIGNED UNSDG
<p><b>EMPOWERING</b> our people towards personal and professional growth through training</p>	<ul style="list-style-type: none"> <li>Talent Retention and Development</li> <li>Labour Practices and Human Rights</li> <li>Direct Economic Values</li> <li>Innovation and Technology</li> <li>Anti-Corruption and Corporate Governance</li> </ul>	
<p>Anticipating future <b>MARKET TRENDS</b> and providing appropriate solutions</p>	<ul style="list-style-type: none"> <li>Direct Economic Values</li> <li>Innovation and Technology</li> <li>Product Quality and Responsibility (Environmental)</li> <li>Product Quality and Responsibility (Social)</li> <li>Labour Practices and Human Rights</li> </ul>	
<p>Delivering on its <b>QUALITY</b> promises</p>	<ul style="list-style-type: none"> <li>Direct Economic Values</li> <li>Resource Consumption</li> <li>Occupational Health and Safety</li> <li>Innovation and Technology</li> <li>Supply Chain Assessment</li> <li>Product Quality and Responsibility (Social)</li> <li>Regulatory Compliance</li> <li>Anti-Corruption and</li> </ul>	

	Corporate Governance	
<b>CARING</b> for the people, community and environment	<ul style="list-style-type: none"> <li>Local Community Development</li> <li>Occupational Health and Safety</li> <li>Labour Practices and Human Rights</li> <li>Product Quality and Responsibility (Environmental)</li> <li>Regulatory Compliance</li> <li>Waste Management and Recycling</li> <li>Energy Consumption</li> <li>Climate Change and Emissions</li> <li>Water Consumption</li> <li>Resource Consumption</li> <li>Biodiversity</li> </ul>	 <p>The image shows four icons representing Sustainable Development Goals (SDGs):  - SDG 3: Good Health and Well-being (green icon with a heart and pulse line)  - SDG 4: Quality Education (red icon with an open book and pencil)  - SDG 8: Decent Work and Economic Growth (dark red icon with a bar chart and upward arrow)  - SDG 12: Responsible Consumption and Production (orange icon with a circular arrow)</p>

## GOVERNANCE OF SUSTAINABILITY

In FY2022, the Group has established a Board Risk and Sustainability Committee (“BRSC”) supported by a Senior Management level Risk and Sustainability Management Committee. (“RSMC”). The BRSC benefits the Group as it increases Board involvement with ESG matters and grants them oversight and effective mitigation of existing and emerging sustainability and operational risks which allows for more efficient strategy measures to be developed.

Mah Sing is committed to upholding high levels of sustainability governance as it is the driving force behind ESG. Good governance will be embedded throughout the Group’s practices, protocols, and policies based on the following focus areas:

- Establish a comprehensive sustainability framework that drives sustainability throughout the Group’s business and operational structures.
- Clearly outline what topics are deemed material to the Group through internal and external stakeholder engagement and a comprehensive materiality assessment which shall be conducted as and when required based on changes to the business landscape, the organisational business model or any other justification.
- Maintain a zero-tolerance stance on any forms of corruption, bribery, and other identified malpractices within the Group, its stakeholders, and its business partners.
- Establish sustainability targets and goals to close any present sustainability gap areas.
- To provide relevant training and skills development throughout the organisation in relation to sustainability.
- Maintain the established risk management framework and internal control system to safeguard shareholders’ investment and the Group’s assets.

- Oversee a wide range of material ESG topics such as health and safety, cyber security, labour issues, pollution, anti-corruption, and many more.

## **ROLES AND RESPONSIBILITIES**

While the Board has overall oversight and responsibility for ESG matters, specific oversight and strategic focus shall be provided by the Board level Risk and Sustainability Committee, supported by the Risk and Sustainability Management Committee (“RSMC”).

The Terms of Reference (“TOR”) that will guide both committees are available on the Group’s website at: <https://www.mahsing.com.my/terms-of-reference/>

## **ENVIRONMENTAL**

Mah Sing’s environmental sustainability approach focuses on preventing and reducing negative impacts on the environment.

The Group will continue to integrate sustainable practices into its operations with eco-friendly business strategies and the use of sustainable materials in its construction and development processes.

- To further incorporate policies and energy-saving strategies that will mitigate water and energy consumption of the Group.
- Strive to achieve net-zero carbon emissions by significantly addressing and mitigating the Group’s climate change impacts, by gradually implementing energy-saving initiatives throughout operations.
- Integration of green building design concepts and elements into certain properties and projects for the Group. This could include introducing environmentally friendly features in our home designs and construction processes such as water-saving taps, energy-efficient lighting, use of infrared heaters, and many more.
- To further pursue the development and integration of solar energy through the installation of solar panels.
- Utilise energy-efficient machinery and leverage green equipment such as new variable speed drive (“VSD”) air compressors which help significantly reduce energy consumption.
- Reduce/avoid the impact or improve efficiency of greenhouse gasses (“GHG”) emissions towards addressing climate change.
- Increase efficiency of raw materials and resources, notably plastics, to reduce/avoid impacts associated with resource consumption.
- Escalate the use of environmentally friendly materials and products in our property development sector and plastics manufacturing.
- Enhance energy efficiency by setting clear targets and measurements to be achieved.
- Ensure employees uphold environmental management housekeeping behaviours at offices through mindful energy consumption of workspaces, resources, and equipment.
- Abide by government environmental regulations and legal standards.

- Monitor all levels of our supply chain to ensure they uphold a similar approach in environmental management practices and limit environmental impact within their operations.
- To continue providing training to dedicated technical teams of the plastics operation to expand their knowledge in monitoring and reducing rejection rates at production. The Group also uses the latest machinery to achieve a rejection rate of less than 1.5% which ensures resource reduction and improves user efficiency.
- Continue exploring the option to utilise recycled water or rainwater harvesting to reduce dependence on potable water.
- Ensure that recycling occurs within our construction sites and plastics operations. Currently, our plastics division uses 100% recyclable plastics in its operations and will aim to continuously do so moving forward.
- To safely dispose of hazardous and non-hazardous waste in an efficient manner that adheres to the protocols set by the Department of Environment (“DOE”).

## **SOCIAL**


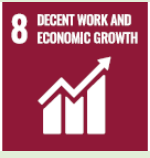
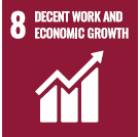

As a dedicated and responsible employer, Mah Sing approaches social sustainability in a manner that aims to create a positive and safe work environment for employees where they are encouraged to develop as individuals through training provided and career progression opportunities within the Group. The Group is also responsibly engaging in positive community development for local communities.








- Maintain a strong stance against any form of discrimination amongst employees, including age, gender, ethnicity, educational background, disability, sexual orientation, and nationality.
- Protect human rights by following international and domestic standards that have been set regarding human rights and for this approach to be embedded within our workforce.
- Promote equal opportunity and diversity in the workspace.
- Ensure all employees receive fair and market-competitive remuneration and employment benefits.
- Periodically conduct fair and transparent performance appraisals for all applicable employees.
- To acknowledge the diligence and loyalty of our employees through various employee appreciation mechanisms.
- Protect the safety and health of the Group’s workforce by implementing a robust occupational health and safety culture throughout the Group and its operating sites with hazard identification, risk assessment, and risk control (“HIRARC”).
- Ensuring all operational sites in all our business divisions have a health and safety committee established.
- Encourage a sustainable work-life balance amongst our employees which can be promoted through employee engagement activities hosted by the Group.
- To actively engage and promote two-way communication between employees and management through methods such as the Group’s MSeries email communication platform and employee surveys.

- Facilitate the development of our workforce through various training programmes and educational experiences.
- Provide internship opportunities to the younger generation to increase their exposure to various forms of work within our operations and help develop the local talent within the community.
- To positively contribute towards community development and strengthen our Corporate Social Responsibility through the Group's numerous community initiatives and programmes.
- Encourage our employees to be involved in community initiatives and volunteering opportunities in making a positive and long lasting impact.

## KPIS AND TARGETS

Moving forward, Mah Sing will look to further its sustainability agenda by setting certain key performance indicators ("KPIs") and other sustainability policies that are in line with the Group's established framework.

Material Topic	Goals	KPI / Target	UNSDG Alignment
<b>Anti-Corruption</b>	<p>To promote awareness amongst internal stakeholder on Group's Anti-Bribery and Anti-Corruption ("ABAC") policy</p> <p>Zero corruption case</p> <p>Anti-corruption awareness training to Board of Directors ("BOD") and employees</p>	<p>Number of corruption cases reported</p> <p>Number of regular ABAC awareness training sessions held for Board of Directors, employees and suppliers.</p> <p>Number of suppliers signing-off on 'Letter of Undertaking' on ABAC Policy.</p>	 
<b>Supply-Chain Management</b>	<p>Comply with the legal requirements in purchasing materials</p>	<p>Number of breaches / non-compliances reported</p> <p>Material Declaration aligned with Substance List Requirement</p>	 

<b>Environmental compliance</b>	To ensure compliance with environmental regulatory practices through adherence to contract terms and conditions and avoid imposition of fines or other censures.	Number of non-compliance cases  Number of fines imposed by environmental authorities	  
<b>Occupational Health and Safety</b>	To achieve zero breach case of non-compliance to Occupational Health and Safety (“OSH”) regulatory	Number of LTIs,  Number of non-compliance cases	
	To achieve zero fatalities case at all worksites	Number of fatalities	
<b>Training and development</b>	To provide average 8 training hours per employee at executive level and above*  <i>*Applicable for MSPD</i>	Average training hours per employee  Total training cost incurred	
<b>Diversity and Equal Opportunity Workplace</b>	To maintain 30% females at the Board level  To increase percentage of women managers	Percentage of female board directors  Percentage of female management employees	

As a major property developer striving for strong sustainability in its operations, Mah Sing always focuses on ensuring its environmental sustainability is supported, preserved and improved. Therefore, specific KPIs and targets for environmental sustainability:

Environmental Goals	KPI / Target
Green Building Certification	Obtain a minimum “Bronze” GreenRE Certification rating for all High-Rise Development in KL

Accessibility for Electric Vehicles	Install at least 2 electric vehicle charging stations at each High-Rise Development in KL
Energy Savings Lighting	To provide energy-efficient lightings in all common areas for High-Rise Development in KL
Automated Waste Collection System	To provide Automated Waste Collection System (“AWCS”) in all High-Rise Development in KL
Greenery in Open Space	To provide more than 10% of Green Spaces from development area in all High-Rise Development in KL
Green Provision	To plant at least 50% of Native Trees out of total trees planted in all developments

## POLICY DISCLOSURE

The Group will communicate the Sustainability Policy via the following channels:

1. Meetings, Presentations, and Employee Orientation
2. E-mail to all Group employees and management personnel
3. Internal workshops
4. Mah Sing’s official website
5. Mah Sing’s Annual Report
6. Mah Sing’s Sustainability Report

## Policy Feedback and Inquiries

Any feedback, inquiries, and concerns can be directed toward this contact:

Tel : 603-9221 8888

Fax : 603-9222 1288

E-mail : [ir@mahsing.com.my](mailto:ir@mahsing.com.my)

## PERIODIC REVIEW

The Board of the Company shall periodically review and update the Policy where necessary, to align with the needs of the Group and any regulatory changes that may have an impact on the Policy.