

### Context

In view of today's disruptive business environment and shift towards sustainability, Malaysia Airports' performance must be beyond short-term returns and financial measures. Stakeholders increasingly demand that companies go above and beyond profit-making objectives to be more transparent, caring and responsible towards society and the environment as how we operate our business today will impact their future and our legacy.

### Commitment

As a public-listed company, it is our utmost priority to create stakeholder value by taking a long-term view for growth. Integration of the Environmental, Social and Governance (ESG) factors encompasses our role not only as an airport operator (airport services, duty free and non-dutiable goods) but also as non-airports operator (hotel, project & repair maintenance and agricultural & horticulture) as well as developer, asset and land-owners. ESG factors are critical in measuring the sustainable and ethical impact of our business decisions. These criteria help to better determine the future financial performance of Malaysia Airports by considering risks and returns in a holistic manner.

### Purpose

Malaysia Airports should not focus solely on creating shared economic value but also consider generating social value while caring for the environment. The world's resources are finite, and therefore, based on sustainability principles such as circular economy, we must progress towards greater resource efficiency through continuous stakeholder engagement, and focus on key initiatives that address the ESG issues.

### Approach

Malaysia Airports also embraces the International Integrated Reporting Council (IIRC) Integrated Reporting <IR> framework to make business and financial sense of our performance in ESG factors. We also publish an annual Sustainability Report to track, measure and update stakeholders on our progress towards achieving key goals, targets and initiatives in a transparent and timely manner in accordance with Global Reporting Initiative (GRI) Standards.

We uphold Malaysia's sustainability agenda and align our business to global best standards especially the United Nations Sustainable Development Goals (SDGs). Malaysia Airports has established a sustainability charter and framework which incorporates ESG considerations. The charter and framework outlines MAHB's five Sustainability Pillars - *Practicing Sensible Economics, Environmental Consciousness, Creating an Inspiring Workplace, Community-friendly Organisation and Memorable Airport Experience*. The framework also aligns the Pillars with the SDGs that are material to our business and stakeholders as well as the material matters of our business. Our vision, mission, strategies and decision making, and initiatives must be aligned to sustainability and creating positive impact to the society and environment.

### Guiding Principles:

- To comply with all applicable legislation, regulations and codes of practice
- To integrate sustainability considerations into all our business decisions
- To ensure that all employees are fully aware of our Sustainability Policy and are committed to implementing and improving it
- To minimize the impact on sustainability in operations and business processes
- To ensure suppliers and service providers are aware of our Sustainability Policy and ensure that they adopt sound sustainable management practices
- To review, annually report, and to continually strive to improve our sustainability performance

APPROVED BY



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