



CLIMATE CHANGE POLICY

1.0 Introduction

QL Resources Berhad (“**QL**” or the “**Company**”) and its subsidiaries (the “**Group**”) acknowledge the potential risks and impacts associated with climate change, which if unmitigated, could potentially affect the Group’s diverse business operations. These risks and impacts comprise both physical and transitional climate change risks.

At the same time, QL acknowledges that it is possible that the Group’s operations, through the consumption of various types of energy and the release of greenhouse gas (GHG) emissions may also be a contributory factor to climate change.

Hence, in developing a consistent, Group-wide perspective and management approach to climate change, QL has developed this Climate Change Policy (“**Policy**”). This Policy outlines the Group’s strategy for tackling climate-related matters and integrating climate considerations into our decision-making procedures.

2.0 Objectives

This Policy’s objectives are as follows:

1. Acknowledging the potential of climate change impacting QL business model, business operations and business strategies.
2. Identifying and establishing the linkages between climate change risks and impacts and QL’s diverse business operations.
3. Advocating the development of a robust mitigation approach, drawing from the Taskforce on Climate-Related Financial (“TCFD”) framework and where relevant, other frameworks and best practices as per industry peers or mandated or recommended by the government or industry regulators.
4. Progressively integrating climate change considerations into the Group’s business operations and strategies including acquisition and new business development opportunities based on a strategy focusing on:
 - a) pursuing energy efficiency and savings and driving decarbonisation of operations through progressive renewable energy (“RE”) adoption
 - b) mitigating against physical risks such as floods, rising temperatures and rising sea levels as well as transitional risks such as future imposition of carbon taxes, stranded assets, reduced access to financing and more
5. Creating a culture of climate change awareness, understanding and preparedness Group-wide towards ensuring that management and employees at all levels of the Group are cognisant of the materiality of climate change as a significant ESG topic.

3.0 Scope

This Policy applies to all operations under the Group’s direct control, including operations in Malaysia, Indonesia and Vietnam. Beyond internal stakeholders, QL is committed to progressively and appropriately implementing the policy for relevant external parties and business partners associated with and/or representing the Group. This includes cascading the policy to its supply chain.



4.0 Approach

QL's approach in responding to climate change is as follows:

- Identifying and incorporating climate-related risks and opportunities into business strategy planning and decision-making processes, where appropriate.
- Inclusion of identified climate risk categories into the Group's existing Enterprise Risk Management Framework and Risk Register.
- Develop necessary mitigation measures
- Pursue a general approach to energy efficiency/ savings and decarbonisation of business operations through increased RE adoption.
- Set GHG emission reduction targets based on either absolute reduction or emissions intensity targets towards driving QL in ultimately achieving Net-Zero Carbon status.
- Monitor, track and report our emissions, as well as our targets and performance.
- Plan, implement and monitor green-themed projects aimed at reducing our carbon footprint, including mangrove conservation.
- Collaborate with external stakeholders to increase awareness and align with the Group's climate commitment. This includes the Group's supply chain comprising vendors, contractors, consultants and others.

5.0 Awareness and Training

QL will strive to encourage every employee and contracted personnel to be aware and participate in climate change-related training and awareness sessions so that the importance of this topic is deeply ingrained into the organisational culture. This awareness can also be spread via e-mail notifications, website posts and other engagement channels.

6.0 Policy Review and Revision

This policy has been endorsed by the Board of Directors on 29 February 2024. It will undergo periodic reviews and revisions as part of our commitment to ensuring relevance, adequacy, and effectiveness by the Sustainability Working Group. The updated policy will then be communicated to all relevant stakeholders to ensure its effective implementation.