

ENVIRONMENTAL POLICY

1. INTRODUCTION

SEM and its subsidiaries (collectively referred to as “SEM Group”) are committed to shaping a more sustainable business as we value the important of environmental conservation and sustainable natural resource management. We are mindful about the environmental impact and we are conscious about making business decisions which may affect the community and climate change.

In line with our aim to improve the environmental stewardship throughout our business operations, SEM Group has established this Environmental Policy (“Policy”) outlining the key principles which have been integrated within its business operations.

An electronic version of this Policy is available on 7-Eleven Malaysia’s website.

2. PRINCIPLES

This Policy sets out the key principles which SEM Group has adopted for environmental sustainability and accountability, as well as managing climate change impact from our business operations:

2.1 Compliance with Environmental Laws and Regulations

We are committed to complying with all applicable environmental laws and regulations.

2.2 Conservation of Energy and Other Resources

We are committed to protecting the environment. We endeavour to reduce resource consumption by promoting and implementing effective measures, e.g.:

- (i) by improving the energy efficiency of lighting, ovens and freezers at all our 7-Eleven stores;
- (ii) by adopting new and green technology, where feasible, across our supply chain to track GHG emissions and energy use at our operations; and
- (iii) by adopting SEM cross dock system to minimise our supply chain environmental footprint, whereby goods/products are delivered by suppliers to our Centralised Distribution Centres (“CDCs”) for consolidation before being funnelled to our stores nationwide.

2.3 Climate Change Management

We understand the devastating effects and associated business risks of climate change. We are committed to avoid the impact by improving operational efficiencies, e.g.:

- (i) by integrating climate-related risks and opportunities into the Group’s strategy, particularly when developing new processes, R&D, sourcing strategies and mitigation plans; and

- (ii) by collaborating with regulators and consult regularly on methods to tackle climate change concerns, such as through public policy implementation.

2.4 Minimisation of Waste

We strive to minimise the impact of waste and continue to adopt a sustainable approach throughout our business operations, e.g.:

- (i) by introducing eco-friendly product packaging and biodegradable plastic bags at all our stores;
- (ii) by utilising reusable items and tools, such as plastic pallets, tote boxes, food trays and milk crates, to deliver goods/products from our CDCs to our stores;
- (iii) by recycling recyclable waste generated at our CDCs, comprising of corrugated carbon boxes and plastics, whenever possible;
- (iv) by implementing effective initiatives to address and minimise, so far as is reasonably practicable, food waste; and
- (v) by replacing 7-Eleven Malaysia's membership cards with a new mobile application, My7E.

2.5 Responsible Procurement

We are committed to sourcing goods and services responsibly. We expect our suppliers to comply with our Vendor Code of Conduct (which is available on 7-Eleven Malaysia's website) in particular, adhering to all applicable environmental laws and making a commitment to mitigate or minimize our environmental footprint.

2.6 Environmental Education and Awareness

We strive to raise environmental awareness and improve communication by disseminating information and holding programmes to our employees. We also track and report to the public our environmental commitments on annual basis in our Sustainability Statement in our Annual Report.

2.7 Environmental Management Procedures

We aim to continuously develop and enhance our environmental stewardship. We work to assess/evaluate environmental implications in our operations together with our associated compliance obligations, set environmental targets at relevant functions/levels, take necessary action/approach for achievement of such environmental targets, and review such environmental targets.

3. REVIEW AND AMENDMENT

This Policy merely outlines the general principles and guidance, and shall not constitute a ground for any stakeholders or parties to claim against SEM Group for any liability. SEM Group reserves the right to continuously review and amend this Policy at any time, as and when needed.