

PAVILION

REAL ESTATE INVESTMENT TRUST

*Managed by
Pavilion REIT Management Sdn Bhd*

ENVIRONMENTAL POLICY

Effective Date: 20 October 2026

Supersedes: 07 October 2024

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This Policy provides the operating framework for the commitments summarised in the Environmental Policy Statement.

1 Introduction

Pavilion REIT Management Sdn Bhd is committed to responsible environmental stewardship across its managed retail malls, offices, car parks, loading bays, plant rooms, fit-out works, projects and events. This Policy establishes a risk- and lifecycle-based environmental management framework consistent with the principles of ISO 14001, without implying external certification.

2 Scope

This Policy applies to all employees and activities under Pavilion REIT's operational control. Requirements are extended, according to environmental risk and the degree of influence, to contractors, suppliers, consultants, tenants, concessionaires, event organisers and other service providers throughout procurement, delivery, operation, maintenance, fit-out, project completion and disposal stages.

3 Leadership, Commitments and Governance

Senior Management provides direction, resources and oversight. Business and property leaders are accountable for implementation, while Facilities Management and EHS coordinate the management framework and the Environmental Performance Monitoring Committee (EPMC) reviews performance. Pavilion REIT commits to:

- **Comply and prevent pollution.** Fulfil applicable legal and other requirements, prevent pollution and protect environmental quality through planned controls and assurance.
- **Act on climate change.** Address physical and transition risks, reduce greenhouse-gas emissions where practicable, strengthen resilience and support credible national climate and energy-transition objectives.
- **Use resources efficiently.** Improve energy, water and material efficiency, apply circular-economy principles and reduce waste across property operations and the value chain.
- **Protect nature.** Avoid or minimise adverse biodiversity and ecosystem impacts and pursue restoration or enhancement where practicable.
- **Set objectives and improve.** Establish measurable objectives, responsible owners and time-bound programmes; evaluate results and continually improve environmental performance.

4 Environmental Management Framework

Environmental risks, opportunities and obligations are managed through documented processes proportionate to each property's activities and impacts:

- **Aspect, impact and climate-risk assessment.** Identify and periodically evaluate normal, abnormal and emergency aspects, lifecycle impacts, climate-related physical and transition risks and changes in occupancy, equipment, projects, events or operating conditions.
- **Legal and other requirements.** Maintain an applicable legal register, permits, licences, approvals, reporting duties, competent-person requirements, contractual obligations and subscribed commitments; periodically evaluate compliance.
- **Objectives and controls.** Set approved objectives and targets; assign owners, resources and due dates; integrate environmental controls into procedures, procurement, maintenance, fit-out, project design and management of change.
- **Competence, records and assurance.** Provide role-based training, retain controlled records, inspect and audit performance, investigate incidents and complaints, implement time-bound corrective actions and verify effectiveness.

- **Emergency preparedness.** Plan and test arrangements for spills, leaks, releases, waste incidents, air-quality events, utility disruption, severe weather and other foreseeable environmental emergencies, including interfaces with tenants, contractors and authorities.

5 Pollution Prevention and Environmental Protection

Pavilion REIT applies the prevention hierarchy and property-specific controls to eliminate or reduce pollution at source:

- **Air emissions and refrigerants.** Control generator exhaust, dust, odour, smoke and refrigerant loss; maintain equipment; use competent service providers; and complete monitoring, notification and recordkeeping where applicable.
- **Water, sewage and effluent.** Prevent unauthorised discharge, protect drainage systems, maintain grease and sewage controls, manage cleaning and fit-out discharges and respond promptly to abnormal water quality or releases.
- **Chemicals, spills and scheduled waste.** Approve and inventory chemicals, retain safety information, provide compatible storage and spill controls, segregate and label scheduled waste, maintain consignment records and use licensed transporters and recovery or disposal facilities.
- **Noise and nuisance.** Assess and control noise, vibration, light, dust and odour from maintenance, construction, deliveries, events and tenant activities, considering neighbouring occupants and communities.

6 Climate Action and Public-Policy Position

Climate-related physical and transition risks are considered in asset planning, capital expenditure, procurement, projects, business continuity and emergency arrangements. Pavilion REIT measures and discloses relevant greenhouse-gas emissions, evaluates practical decarbonisation opportunities and implements adaptation and resilience measures for heat, extreme rainfall, flooding, water stress, energy disruption and other material hazards.

Pavilion REIT supports the objectives of Malaysia's National Policy on Climate Change 2.0 and National Energy Transition Roadmap. Its public-policy engagement and memberships should be consistent with those objectives, and Pavilion REIT does not knowingly support actions intended to obstruct them.

7 Energy, Water and Resource Efficiency

- **Energy management.** Meter and review significant energy use; comply with the Energy Efficiency and Conservation Act 2024 and related requirements where applicable; optimise building-management systems, HVAC, lighting, lifts, escalators and equipment; maintain assets efficiently; assess energy performance in procurement and retrofits; and track approved consumption and intensity targets.
- **Water management.** Meter and review significant water use, investigate abnormal consumption, rectify leaks, apply water-efficient fittings and operating practices, consider suitable rainwater, condensate or other reuse opportunities, protect water quality and track approved consumption and intensity targets.
- **Materials and circularity.** Apply the hierarchy of prevention, reduction, reuse, recycling, recovery and responsible disposal; segregate and record waste streams; reduce avoidable single-use materials; and consider durability, repairability, recycled content and end-of-life recovery in purchasing and fit-out decisions.

- **Sustainable packaging.** Prefer reusable, returnable, recyclable or recycled-content packaging for operations, deliveries, events, tenant campaigns and marketing materials; avoid unnecessary packaging and request evidence for material environmental claims where relevant.

8 Environmental Supply Chain, Procurement and Training

Environmental requirements are integrated from pre-qualification and sourcing through contract completion and close-out:

- **Selection and contracting.** Assess relevant suppliers and contractors for legal compliance, environmental capability, past performance and proposed controls; include requirements for pollution prevention, waste, resource efficiency, sustainable materials and reporting in contracts and purchase documents.
- **Policy and task-specific training.** Provide or require induction, training on this Policy and role- or task-specific environmental controls for relevant or high-risk supplier and contractor personnel; verify competence and retain training records.
- **Verification and correction.** Review evidence, inspect work, audit higher-risk activities, monitor performance and require time-bound corrective action; use stop-work, suspension, removal or contractual remedies for serious or repeated non-conformance.

9 Biodiversity and Ecosystem Protection

Relevant projects, landscaping, pest-management programmes and operational changes are screened for biodiversity impacts. Pavilion REIT seeks to avoid and minimise harm, use responsible landscaping and pest-control practices and restore or enhance ecological value where practicable.

10 Stakeholder Engagement and Responsibilities

- **Senior Management and EPMC.** Approve direction, provide resources, review material performance and hold leaders accountable.
- **Property management, Facilities Management and EHS.** Integrate controls into operations and change, maintain the framework, monitor compliance, coordinate assurance and escalate material risks.
- **Procurement, projects, fit-out, leasing and events.** Apply lifecycle criteria in specifications, selection, approvals, design reviews, contracts and tenant or organiser requirements.
- **Employees and workers.** Follow controls, conserve resources, participate in training and programmes and promptly report environmental hazards, incidents and improvement opportunities.
- **Suppliers, contractors, tenants and organisers.** Comply with applicable laws and Pavilion REIT requirements, train and control their personnel, provide required evidence and correct non-conformances.

11 Performance Monitoring, Disclosure and Continual Improvement

Defined indicators include legal compliance, environmental incidents, energy, water, greenhouse-gas emissions, waste diversion and scheduled waste, supplier training and assurance, and corrective-action closure. Results are reviewed by management and the EPMC, used to set priorities and disclosed through the annual sustainability reporting process where material.

12 Review and Approval

This Policy takes effect upon approval and is reviewed at least once every two years, and earlier following material legal, organisational, operational, environmental or climate-related change, significant incident, audit finding or change in risk profile. EHS coordinates review with Facilities Management, the EPMC and relevant functions. Amendments require approval by the Deputy CEO or CEO.

Appendix A: Applicable Legislation and Other Requirements

The controlled legal register determines applicability to each property, activity and project. The following list is non-exhaustive and shall be reviewed when legislation, regulatory guidance, standards or operations change. It does not replace the controlled legal register or a site- or project-specific compliance evaluation.

A. Environmental Legislation

Environmental Quality Act 1974 [Act 127], as amended, including the Environmental Quality (Amendment) Act 2024 [Act A1712], and applicable subsidiary legislation, including:

- Environmental Quality (Clean Air) Regulations 2014
- Environmental Quality (Scheduled Wastes) Regulations 2005, as amended by the Environmental Quality (Scheduled Wastes) (Amendment) Regulations 2007
- Environmental Quality (Industrial Effluents) Regulations 2009, where applicable
- Environmental Quality (Sewage) Regulations 2009, where applicable
- Environmental Quality (Refrigerant Management) Regulations 2020
- Environmental Quality (Halon Management) Regulations 1999, where halon-containing systems or equipment remain present
- Environmental Quality (Prescribed Activities) (Environmental Impact Assessment) Order 2015, where a proposed development, redevelopment or project constitutes a prescribed activity
- Other applicable regulations, orders, licences, approvals, conditions and directives issued under the Environmental Quality Act 1974

B. Resource-Efficiency and Other Applicable Statutory Requirements

Other environmental, energy, water, waste, biodiversity and project-related requirements monitored for applicability include:

- Solid Waste and Public Cleansing Management Act 2007 [Act 672] and applicable subsidiary legislation, where in force and applicable
- Water Services Industry Act 2006 [Act 655] and applicable water-services, sewerage, discharge and service-provider requirements
- Energy Efficiency and Conservation Act 2024 [Act 861] and Energy Efficiency and Conservation Regulations 2024 [P.U. (A) 466/2024], where prescribed energy-consumption thresholds or energy-using building requirements apply
- Electricity Supply Act 1990 [Act 447], Electricity Regulations 1994 and applicable requirements, directions and guidelines issued by the Energy Commission
- Wildlife Conservation Act 2010 [Act 716], as amended by the Wildlife Conservation (Amendment) Act 2022 [Act A1646], where biodiversity, wildlife, wildlife-display activities or protected species may be affected
- Applicable Federal, State and local-authority planning legislation, development orders, planning and building approvals, by-laws and project-specific environmental conditions
- Applicable environmental monitoring, statutory inspection, reporting, permit, licence and approval requirements imposed by competent authorities

C. Policy, Disclosure and Management References

The following policies, disclosure frameworks, contractual requirements and standards are monitored or applied, where relevant. Their inclusion does not imply certification unless formally stated:

- Malaysia's National Policy on Climate Change 2.0 and National Energy Transition Roadmap
- Applicable Bursa Malaysia Main Market Listing Requirements, sustainability reporting guidance and National Sustainability Reporting Framework requirements, including applicable IFRS S1 and IFRS S2 disclosure requirements according to the relevant implementation timetable
- Applicable greenhouse-gas accounting, sustainability-index, contractual, financing and lender requirements adopted by Pavilion REIT or incorporated into its reporting and operational commitments
- ISO 14001:2026, *Environmental management systems — Requirements with guidance for use*, applied as an internal management-system reference without implying certification
- Other recognised environmental, climate, energy, water, waste and resource-efficiency standards formally adopted by Pavilion REIT