MALAYSIA STEEL WORKS (KL) BHD
197101000213 (7878-V)

WATER CONSERVATION POLICY

1. OBJECTIVES

1.1) Ensuring the availability of water for future generations where the withdrawal of freshwater from an ecosystem does not exceed its natural replacement rate.

1.2) Protecting natural water and their aquatic environments. These objectives relate to the volume and quality of water to remain in rivers for the protection of a natural water and its aquatic environment.

1.3) Minimizing the effects of drought and water shortages. Even though water eventually returns to Earth through the water cycle, it's not always returned to the same spot, or in the same quantity and quality. By reducing the amount of water we use, we can better protect against future drought years.

1.4) Preventing against rising costs and political conflict. Failing to conserve water can eventually lead to a lack of an adequate water supply, which can have drastic social consequences. These include rising costs, reduced food supplies, health hazards, and political conflict.

1.5) Conserving and securing of clean and sufficient drinking water for the population; provision and securing of access to sanitation; improvement and restoration of soil quality and thus, raising productivity rates; reducing the impact of natural hazards (especially in the context of climate change).

2. IMPLEMENTATION MEASURES / STRATEGIES

2.1) Meter/Measure/Manage
Metering and measuring water usage at facility will help to analyse saving opportunities. This also assures that the equipment is run correctly and maintained properly to help prevent water waste from leakages or malfunctioning of the mechanical equipment.

2.2) Check, inspect and improvise all water pipings at the workplace to prevent any leakages
Consider automatic tap for basin and low-flush toilet that uses a smaller water tank, or install a water saving device to reduce the amount of water used during a flushing / washing cycle.

2.3) Reuse Process Water
We strive to eliminate single-pass cooling in our processes. Instead, facilities have air-cooled or recirculating water systems.

2.4) Rainwater Harvesting System
Install rainwater harvesting system to capture rainwater from the roof and redirect it to a storage tank. This water is used for flushing toilets, supplying cooling towers and processes.

2.5) Water Conservation Awareness
Install signages on water conservation at the conspicuous area and briefing on water conservation awareness among employees will be conducted on periodic basis to instil the importance of water conservation practices at the workplace.

3. QUANTITATIVE TARGET

With the implementation measures and strategies as listed above, the Company has set short-term and long-term target to achieve the water conservation initiatives at the workplace.

3.1) Short-term target (5 years duration from Year 2023 - 2027) – **5% reduction on cubic meters from the current usage.**

3.2) Long-term target (10 years duration from Year 2023 – 2032) – **10% reduction on cubic meters from the current usage.**

This policy has been approved by The Management Team of Masteel and the implementation date will be effective from **1st August 2022**.