



# SUSTAINABILITY REPORT

2025 / 2026



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# A MESSAGE FROM OUR CEO

We stand at a turning point in history. We are living in a time when the quality of the air we breathe, the water we rely on, and the food we consume is increasingly at risk. This is not happening by chance. It is the result of the collective choices we have made over time. If we continue on this path, we are not just placing the planet under greater strain. We are quietly dismantling the very foundations on which human life depends.



The risks that once seemed distant, from climate volatility and resource scarcity to disrupted supply chains, are now pressing realities that touch the businesses we run, the people we employ, and the products we put on the table every day. They are no longer someone else's problem to solve.

At Coffex Coffee Malaysia, we have made a deliberate choice. We have chosen to be a responsible enterprise. Not in the sense of grand announcements or polished claims, but in the quieter, harder sense: building the systems, gathering the data, and making the daily decisions that back that choice up.

This report is an honest account of that effort. It covers where we have made genuine progress: the solar PV system that now supplies more than half our electricity, our sourcing decisions that prioritise sustainably produced and traceable green beans, and 100% finished product traceability maintained across every batch we roast and ship. It also covers where we are still building capacity. Our Scope 3 data is still maturing. Our supplier sustainability oversight is not yet where we want it to be. Our waste tracking has gaps. We say this plainly, because accountability is more valuable to us than a polished image.

None of this work happens in isolation. It happens through the people who show up every day, our roasting team, our service technicians, our support staff, and through our partners and customers who hold us to a higher standard. We are committed to learning from what works, improving what does not, and staying accountable as we go. This report is as much theirs as it is ours.

Thank you for being part of this choice.

Warm regards,

**Kelvin Ngow**

Chief Executive Officer, Coffex Coffee Malaysia



# ABOUT US

At Coffex Coffee Malaysia, we recognize that being a responsible enterprise starts with how and where we work. More than just a coffee supplier, we are a connected system of roasting, distribution, technical servicing, training, and sustainability, woven into the daily operations of the businesses and people we serve. That integration is intentional. It reflects our belief that being a responsible enterprise is not a separate function; it is how we do what we do.

## OUR OPERATIONAL FOOTPRINT

Our operations span the full spectrum of coffee manufacturing, distribution, and related services, supported by a physical infrastructure that includes:

<b>Production Facilities and Warehouses</b>	Where green coffee is transformed through careful roasting and packaging.
<b>Offices and Service Centres</b>	The backbone of our governance, technical support, and customer relationships.
<b>Training Spaces and Showrooms</b>	Where we share our knowledge and passion with partners and the wider coffee community

## OUR FACILITIES AND CAPABILITIES

Every facility we manage is built to do more than facilitate business. They are designed to protect product quality, serve the specific needs of our customers, and support operational resilience in a world that is changing faster than most planning cycles can keep up with.

Sustainability is not a department at Coffex. It is a thread running through our operational, quality, and governance frameworks; the responsibility for it is shared across the organisation, not delegated to a single team.





# ABOUT THIS REPORT: OUR COMMITMENT TO TRANSPARENCY

This Sustainability Report is a formal account of how Coffex Coffee Malaysia translates the choice to be responsible into measurable environmental, social, and governance (ESG) performance. It is written for the people who depend on us, customers, partners, employees, and regulators, and for ourselves, as a check on whether we are doing what we say we are doing.

## **REPORTING SCOPE AND BOUNDARY**

Our report covers the full breadth of our operational activities, from roasting floors to customer showrooms. The reporting boundary includes:



### **PRODUCTION AND WAREHOUSING**

Managing the journey of the bean from receipt to roasting.



### **OFFICES AND SERVICE CENTRES**

The hub of our support, governance, and technical care.



### **TRAINING FACILITIES AND SHOWROOMS**

Where we engage, educate, and share our craft with the community.

Unless otherwise stated, all quantitative data in this report reflects the period from 1 January 2025 to 31 December 2025. The title Sustainability Report 2025/2026 refers to the reporting cycle and publication period; quantitative data in this edition covers FY2025.

## **REPORTING STANDARDS**

This report has been prepared with reference to the Global Reporting Initiative (GRI) Standards (2021). We apply the GRI Universal Standards and selected topic-specific standards most relevant to our coffee operations and material sustainability impacts. While this report is not prepared "in accordance" with the full GRI Standards, it serves as our active roadmap toward that level of global accountability.

## **DATA INTEGRITY, LIMITATIONS, AND COMPARABILITY**

We prioritise accuracy and balance over appearance. That means being clear about how our data is collected and where it falls short:

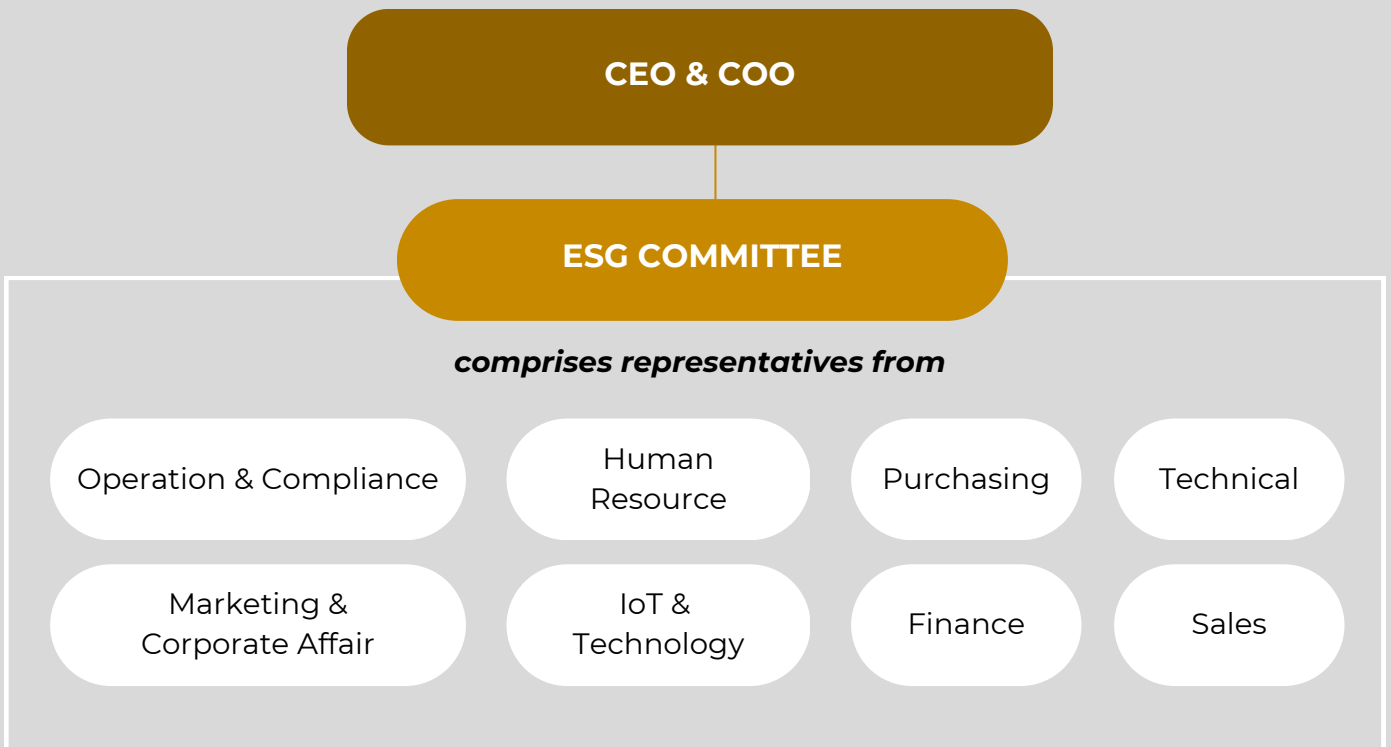
<b>Methodology</b>	Data is primarily compiled from internal records and direct operational monitoring.
<b>Acknowledging Gaps</b>	Certain indicators, particularly selected Scope 3 emissions such as purchased raw coffee beans, are currently based on estimations due to data availability constraints.
<b>Evolving Systems</b>	Because our reporting systems and methodologies are still maturing, historical comparability may be limited in some areas.
<b>FY2024 as an Initial Baseline</b>	FY2024 represents the first year in which Coffex Coffee Malaysia began structured data collection across ESG metrics. Figures from that year reflect the starting point of our measurement journey, collected as systems and processes were still being established. Where FY2024 and FY2025 data are presented side by side, year-on-year comparisons should be read as directional rather than definitive. The magnitude of change between the two years may in some cases reflect differences in data collection completeness rather than actual performance movement. Comparability will strengthen as our reporting systems mature and data governance improves.

*We disclose these limitations because the trust of our regulators, partners, and staff matters more to us than a flawless data set.*

# COFFEX COFFEE SUSTAINABILITY GOVERNANCE STRUCTURE

To ensure effective implementation of our sustainability strategy, Coffex Coffee has established a structured ESG governance framework. Oversight is anchored at the executive level, with the Management Team receiving quarterly updates from the ESG Committee. This committee comprises cross-functional representatives from key departments and is responsible for the integration of ESG principles across operations, procurement, marketing, and human resource functions.

The framework promotes accountability, continuous improvement, and alignment with Coffex’s long-term sustainability goals.



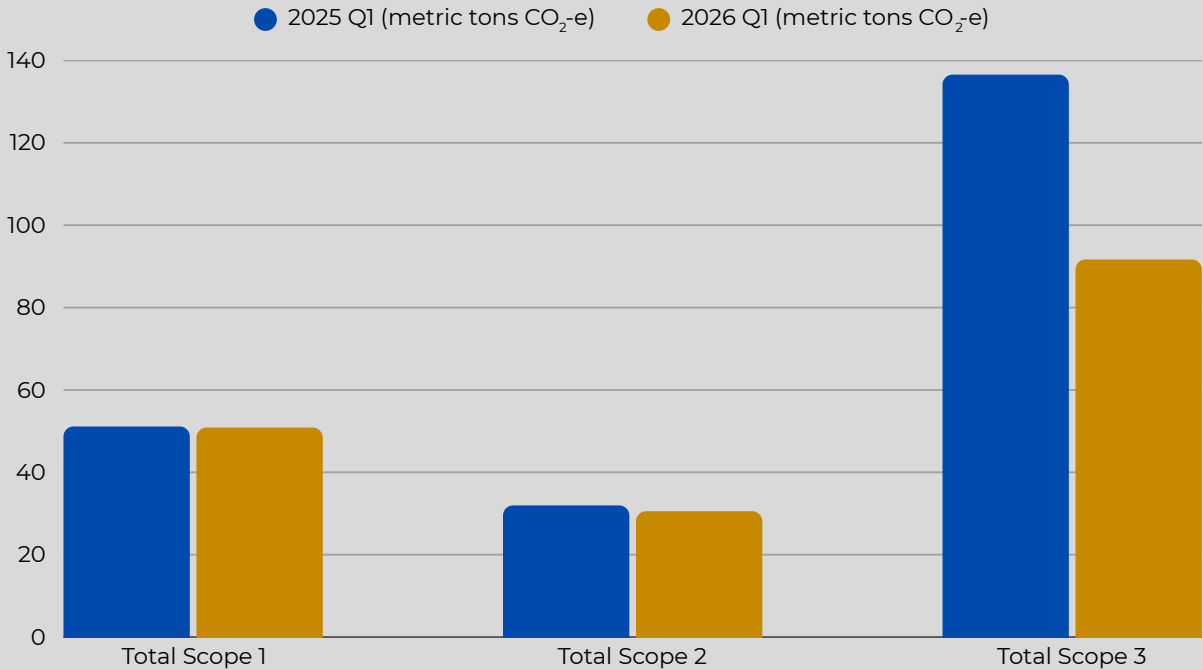
# COFFEX COFFEE IN NUMBERS

Key Metric	FY2025 Actual	FY2026 Target
Renewable Energy	56%	Maintain at or above 56%
Suppliers Meeting Environmental, Social & Economic (ESE) Criteria	61%	75%
Employee Training Hours	916 hrs	1,296 hrs
Waste Diversion Rate	22.08%	25%
Staff Engagement in Sustainability Events	93%	95%
Scope 1 Emissions	252.76 tCO <sub>2</sub> e	Reduce to at or below 245 tCO <sub>2</sub> e
Scope 2 Emissions	91.15 tCO <sub>2</sub> e	Hold at or below 91 tCO <sub>2</sub> e
Scope 3 Emissions: Purchased Goods (raw coffee beans), Waste Business Travel, Employee Commuting	743.84 tCO <sub>2</sub> e	Expand boundary to include purchased equipment; rebaseline for FY2027 target-setting
Carbon Intensity	19.96 tCO <sub>2</sub> e per RM million revenue	At or below 19.96 tCO <sub>2</sub> e per RM million revenue.  <i>FY2026 target set as a holding figure. A stretch intensity target will be established once the Scope 3 boundary stabilises and a restated baseline is available; targeted for FY2027 target-setting cycle.</i>



# COFFEX COFFEE IN NUMBERS

Emission Source	Q1 2025 (metric tons CO <sub>2</sub> -e)	Q1 2026 (metric tons CO <sub>2</sub> -e)	Carbon Emission Change (%)
Total Scope 1 Carbon Emissions	51.13	50.86	▼ -0.53
Total Scope 2 Carbon Emissions	31.96	30.55	▼ -4.41
Tracked Scope 3 Carbon Emissions Employee Commuting Business Travel Waste	136.56	91.68	▼ -32.86
Total Carbon Emissions	219.65	173.09	▼ -21.20



# BUSINESS MODEL & VALUE CHAIN: OUR ROLE IN THE COFFEE SYSTEM

Our business model is built on the conviction that a great cup of coffee should never come at the cost of the planet or the people behind it. Our value chain is a continuous loop of responsible choices, from the soil where our beans are grown to the equipment that brews them in restaurants, cafés, hotels, workplaces, and homes.

## **OUR CRAFT AND CONNECTION**

Coffee, for us, is more than a product to move from one point to another. It is an end-to-end experience, shaped through a series of interconnected activities:



### **UPSTREAM SOURCING**

We begin by selecting raw coffee beans, focusing on building relationships with those who share our standards for quality and responsibility.



### **ROASTING AND PRODUCTION**

Within our facilities, we roast, package, and conduct rigorous quality assurance to ensure every batch meets our standards.



### **TECHNICAL SERVICES**

Our service centres and technical teams ensure the equipment used to brew our coffee stays resilient and efficient throughout its working life.



### **DOWNSTREAM ENGAGEMENT**

We distribute our products and provide ongoing customer support, making sure the journey of the bean ends with a satisfied customer.

## **DEFINING OUR SPHERE OF INFLUENCE**

Responsibility starts with clarity about where we have direct control and where we can meaningfully influence outcomes. Our sustainability efforts are focused across three areas:

- **Direct Operations:** All facilities owned and managed by Coffex Coffee Malaysia, including production sites, warehouses, offices, service centres, and showrooms. These fall fully within our operational control.
- **Tier 1 Supplier Relationships:** We prioritise sustainability oversight among suppliers with whom we have direct contractual relationships, including green coffee suppliers, packaging providers, and coffee machine and grinder manufacturers. While we do not control upstream manufacturing processes, we influence performance through procurement decisions, supplier engagement, and defined product requirements.
- **Downstream Equipment Under Management:** For selected equipment placed with customers, Coffex retains responsibility for maintenance, refurbishment decisions, and end-of-life handling. This allows us to extend asset life and manage resource use beyond the point of sale.

## **STEWARDSHIP ACROSS THE VALUE CHAIN**

Responsibility at Coffex takes different forms at each stage of our value chain, reflecting our role as both a coffee manufacturer and a supplier of equipment and consumables.

- **Upstream (The Source):** We engage directly with Tier 1 suppliers to promote responsible sourcing and quality assurance across raw coffee beans, packaging materials, equipment, and consumables.
- **Internal (Operations and Control):** Sustainability is embedded in roasting, packaging, warehousing, equipment servicing, and inventory management. We prioritise occupational safety, process efficiency, product quality, and compliance with environmental and food safety standards.
- **Downstream (Use, Support, and Lifecycle Management):** For coffee products and consumables, this means ensuring product safety, traceability, and consistent quality. For equipment supplied to customers, this includes technical support, preventive maintenance, refurbishment where applicable, and responsible management of loaned assets. Through servicing and asset management, we aim to extend equipment lifespan and reduce premature disposal.

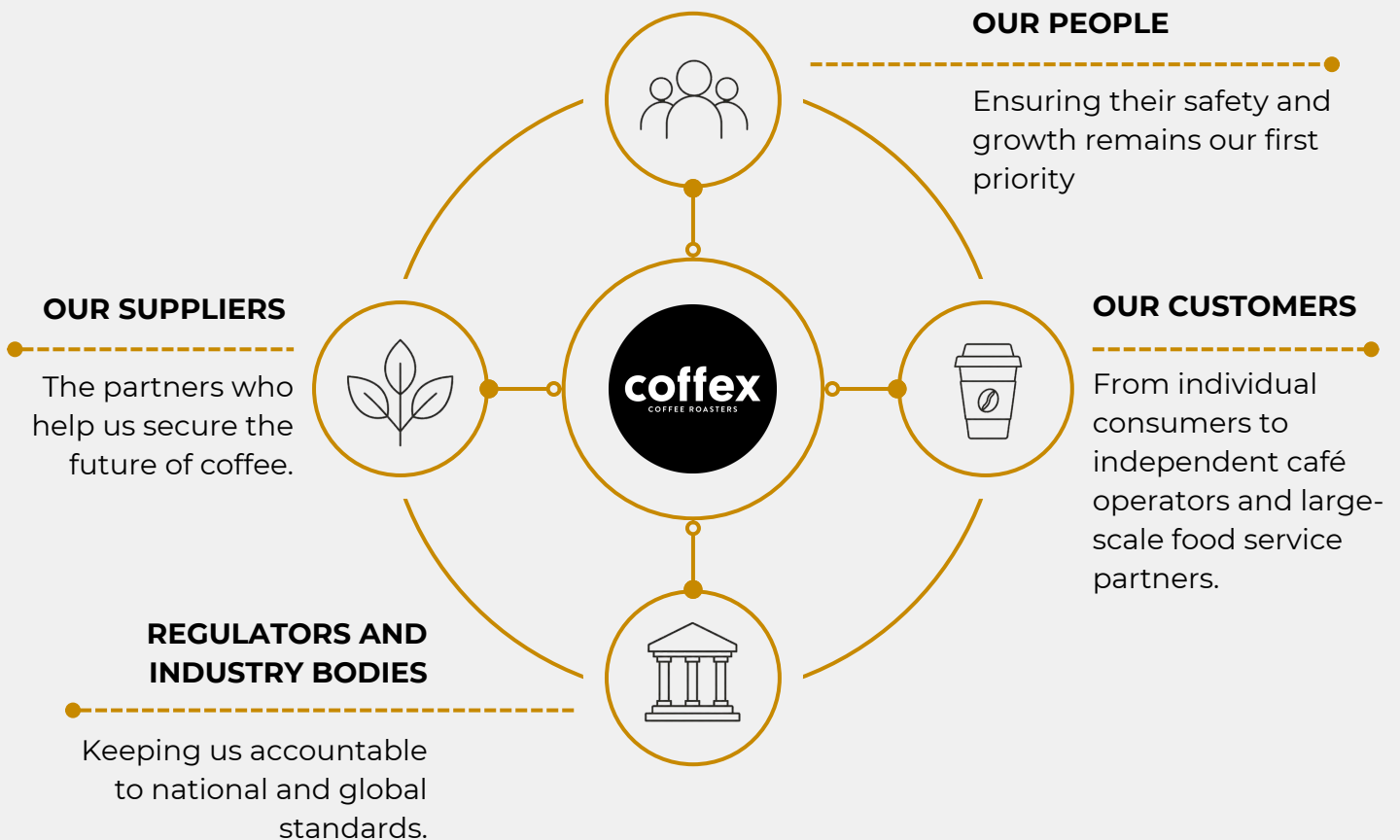
# MATERIALITY & RISK MANAGEMENT: FOCUSING ON WHAT MATTERS MOST

We cannot fix everything at once, and we would not claim to. Being a responsible enterprise means being disciplined about where we focus our energy. At Coffex Coffee Malaysia, we identify our material topics: the environmental, social, and economic issues where we have the greatest impact, and those that matter most to the people who depend on us.

## **LISTENING TO OUR STAKEHOLDERS: A DIALOGUE OF RESPONSIBILITY**

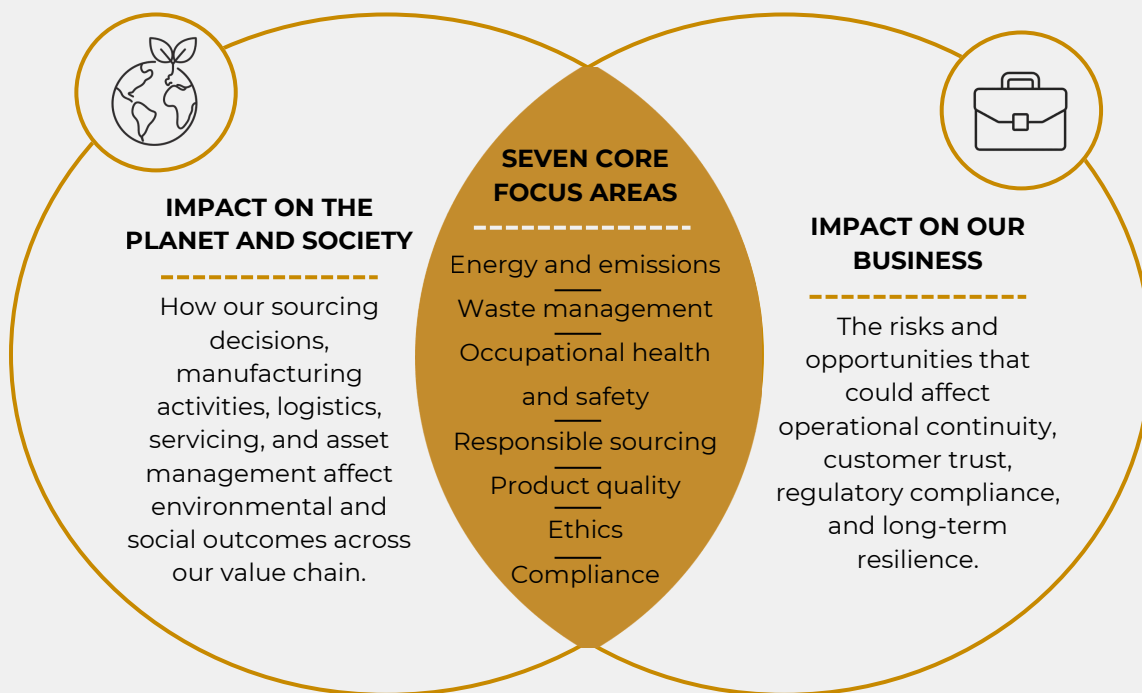
We don't determine what is important in isolation. Our priorities are shaped by ongoing dialogue with the people and organisations that have a stake in how we operate. Whether it is a conversation with a café owner about packaging waste, a safety briefing with our operations team, or a meeting with regulators, these voices help us see the risks and opportunities we might otherwise miss.

Our key stakeholder groups include:



## **DEFINING OUR FOCUS: THE MATERIALITY PROCESS**

Our materiality assessment filters competing priorities and identifies the issues that require focused management attention. We evaluate sustainability topics across two dimensions:



Through this assessment, we identified seven core focus areas: **energy and emissions, waste management, occupational health and safety, responsible sourcing, product quality, ethics, and compliance**. These form the structure of this report.

## **PROACTIVE RISK MANAGEMENT: BEYOND COMPLIANCE**

Risk management, for us, is not a box-ticking exercise. In the coffee industry, environmental volatility, supply chain disruption, and regulatory change can directly affect production stability, product quality, and business continuity. By integrating sustainability risks into our broader governance framework, we move from reactive to prepared. This means:

- **Early identification of operational vulnerabilities**
- **Structured evaluation of likelihood and impact**
- **Integration of findings into operational monitoring and preventive actions**

As part of strengthening this approach, we conducted a structured Climate Risk Assessment during the reporting period to evaluate site-level and supply chain exposure to climate-related risks.

## CLIMATE RISK ASSESSMENT

During the reporting period, Coffex Coffee Malaysia conducted a structured assessment of climate-related risks affecting our primary operational site in Shah Alam and key supply chain exposures. The assessment evaluated physical and supply chain risks over a 2025 to 2050 time horizon under a high-emission scenario (RCP8.5), using a defined likelihood and severity matrix across key impact areas.

01

### UNDERSTANDING IMPACT

Key impact areas accessed



Operational Continuity



Infrastructure Resilience



Workforce safety



Raw material stability

02

### IDENTIFYING RISKS

Key exposure areas identified



Climate variability affecting green coffee supply and storage conditions



Heat-related stress affecting production operations



Flood-related access and logistics disruption



Severe thunderstorms impacting structural safety

03

### TAKING ACTION

Operational response



Incorporating climate risk findings into facility resilience planning, including reinforced structural inspection protocols to strengthen preparedness against extreme weather conditions.



Reinforcing supply chain resilience by maintaining diversified sourcing regions and prioritising engagement with suppliers adopting climate-resilient agricultural practices, thereby reducing concentration risk from climate-affected origins.

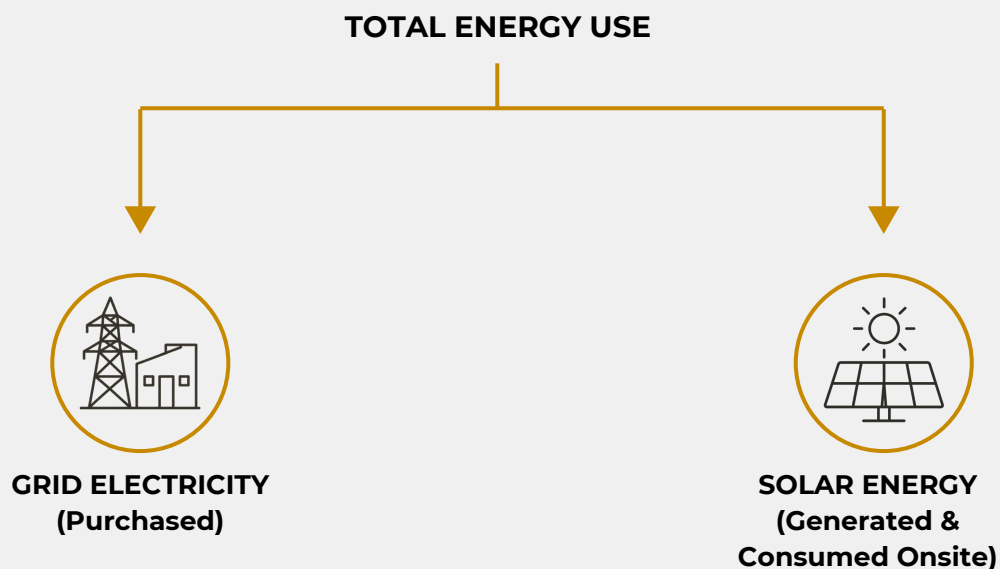
These measures strengthen preparedness and reduce climate-related disruption risks, while longer-term adaptation options continue to be reviewed based on operational feasibility.

# ENVIRONMENTAL STEWARDSHIP: HOW WE MEASURE AND MANAGE IMPACT

Our roasting operations, and the transport and service activities that support our customers, are key contributors to our greenhouse gas (GHG) emissions. Facing that honestly, measuring it, reporting it, and working to reduce it, is the foundation of everything else in this section.

## **ENERGY AND EMISSIONS: MEASURING OUR FOOTPRINT**

We monitor energy consumption across our production facilities, warehouses, and offices. Grid electricity is tracked as total electricity purchased, with onsite solar reported separately as electricity generated and consumed onsite. This distinction gives a clearer picture of where our energy comes from and how much of it is renewable.



To keep performance tracking meaningful as the business grows, we normalise energy use against revenue (energy intensity). This helps us understand whether we are improving efficiency; not only reducing absolute consumption.

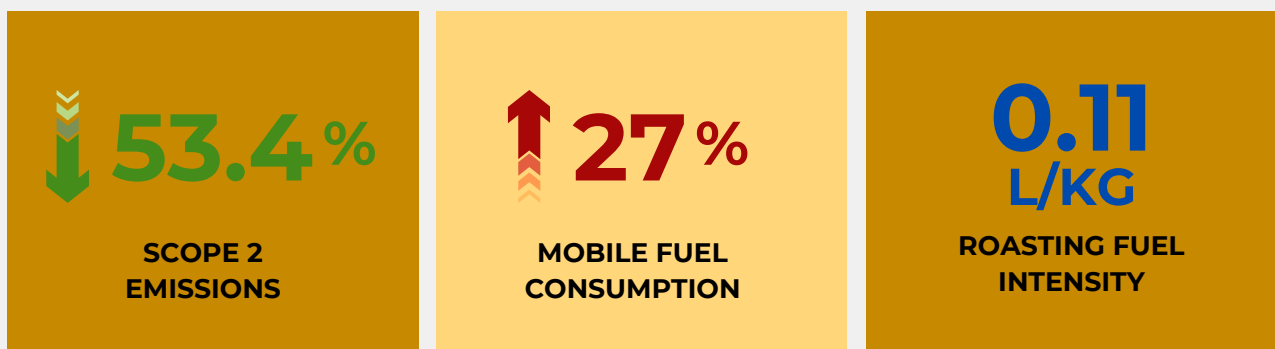
## **GREENHOUSE GAS EMISSIONS**

### **Scope 1 and Scope 2 Emissions**

Scope 1 (direct emissions from fuel use under our operational control) and Scope 2 (indirect emissions from purchased electricity, using a location-based emission factor) are calculated from measured energy consumption and standard emission factors.

In FY2025, Scope 2 emissions decreased substantially (**refer page 26**), supported by reduced grid electricity purchased and increased onsite solar contribution. Scope 1 emissions increased (**refer page 26**) over the same period, driven by both higher roasting fuel consumption and higher mobile fuel consumption. Roasting fuel consumption reflects increased production throughput; mobile fuel consumption increased approximately 27% year-on-year, indicating that fleet controls were not yet effective in containing fuel use during this period.

Roasting fuel intensity remained stable at 0.11 L/kg of roasted coffee for both FY2024 and FY2025, confirming that the increase in stationary combustion emissions is attributable to higher production throughput and operating hours rather than any deterioration in roasting efficiency. We continue regular burner preventive maintenance and are working with our roasting equipment partner to identify and implement further efficiency improvements that reduce fuel use per kg roasted over time.



On fleet management, we have initiated monthly monitoring via our vehicle tracking system from FY2026, tracking fuel intensity (L/100 km), distance travelled, and idling indicators on a monthly basis, with corrective actions triggered where intensity worsens. Service job orders will be used to contextualise changes in fleet activity, supporting a clearer understanding of operational drivers. This positions us to address the efficiency gap identified in FY2025 in a structured and measurable way.

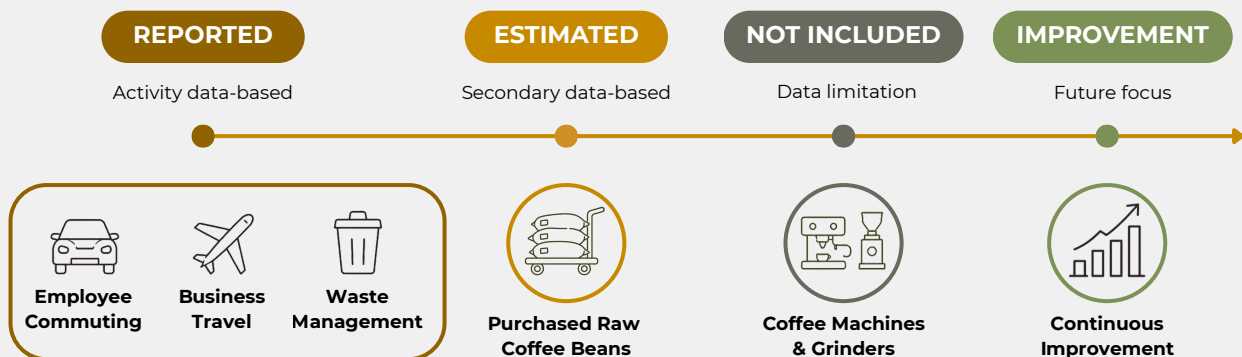
## **GREENHOUSE GAS EMISSIONS**

### **Scope 3 Emissions**

For FY2025, we report selected Scope 3 categories where data quality is currently more reliable: employee commuting, business travel, waste management, and purchased raw coffee beans. Employee commuting, business travel, and waste are calculated using available activity data and relevant emission factors. Emissions from purchased raw coffee beans are currently estimated using secondary (literature-based) emission factors due to limited supplier-specific footprint data.

While we do not claim the carbon sequestration activities of our suppliers as offsets against our own Scope 3 emissions, it is worth noting that selected suppliers, including Fazenda Ambiental Fortaleza (FAF) in Brazil, operate verified agroforestry systems with documented carbon sequestration potential. This does not reduce our reported Scope 3 Category 1 figures, but it provides meaningful context for the nature of the agricultural systems from which our green coffee is sourced.

Coffee machines and grinders supplied to customers represent traded products with embedded upstream impacts from manufacturing and international transport. These impacts are not quantified in this reporting period due to data availability and boundary limitations, and are therefore excluded from Scope 3 calculations in this cycle. We will review options to improve our Scope 3 estimate as supplier data availability and traceability improve.



## **CLEAN AIR: ROASTING EMISSION MONITORING**

Our roasters sit at the heart of our facility, and the air quality in and around that facility matters to us, not only because it is a regulatory requirement, but because we are part of a community. We conduct Air Emission Monitoring every half-year to ensure our chimney emissions, specifically combustion gases such as carbon monoxide and nitrogen oxides, strictly adhere to the limits set by the Department of Environment (DOE).

For the 2025 reporting period, our air emission test results remained consistently well below regulatory limits. These results reflect our ongoing maintenance and combustion optimisation efforts to keep our equipment operating at peak efficiency.

Parameter	DOE Limit (ppm)	Actual Reading (ppm)	Result	Notes
Carbon Monoxide (CO)	50	~20	Pass	Measured flue gas reading during roaster operation.
Nitrogen Oxides (NOx)	470	~19	Pass	Measured flue gas reading during roaster operation.

*Air emission monitoring conducted every half-year in compliance with Department of Environment (DOE) requirements. Readings are approximate values from flue gas measurements during roaster operation.*

## **WASTE AND RESOURCE MANAGEMENT: REIMAGINING BY-PRODUCTS**

In nature, nothing is truly waste. We are working toward that mindset by moving away from a take-make-dispose model and toward one that finds value in what we once discarded.

- **Responsible Management:** We manage our waste streams through careful segregation, responsible disposal, and targeted reduction initiatives.
- **Resource Recovery:** Our most impactful work in this area involves finding new life for materials that were previously discarded. We focus on the management of organic by-products such as coffee chaff generated during roasting, corrugated paper materials, and other waste streams including e-waste, plastics, and gunny sacks, segregating, reusing, refurbishing, or recycling them wherever possible.

- **Industrial Symbiosis:** Rather than treating these as materials to be sent to landfill, we view them as resources for other industries or applications. We are actively exploring partnerships and workshops to raise awareness of organic waste reduction.
- **Equipment Refurbishment and Life Extension:** Since November 2025, Coffex Coffee Malaysia has developed in-house capability to repair refrigerant systems in customer equipment. This has enabled selected units to be refurbished, returned to service, and given a second operational life, reducing premature disposal and diverting waste from landfill. Tracking of refurbished units is being progressively strengthened to improve data visibility.

Waste data in this report is tracked by defined categories: general waste, recyclable materials, organic waste, and e-waste. Waste diverted from landfill includes materials reused, refurbished, recycled, or recovered through licensed contractors. Disposal and diversion quantities are based on monthly collection reports provided by appointed waste contractors.

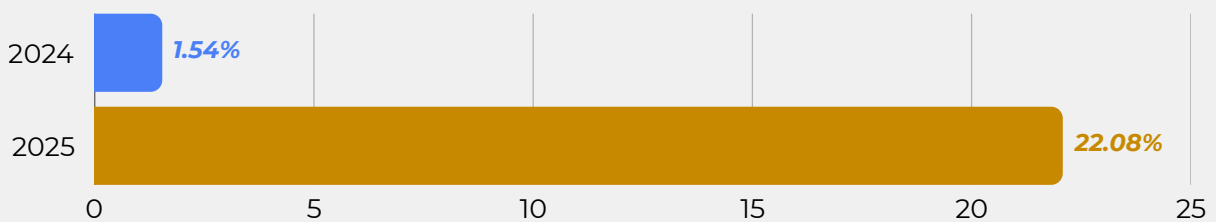
### **WASTE AND RESOURCE MANAGEMENT DATA**

Metric	Unit	FY2024	FY2025	Notes
Waste Disposed (Landfill)				
General waste	kg	24,000	24,121	Collected by general waste contractor and sent to landfill.
Cartons and papers	kg	1,000	-	FY2024 only. Classified within recyclable waste stream from FY2025 onwards.
Total waste disposed	kg	25,000	24,121	



Metric	Unit	FY2024	FY2025	Notes
<b>Waste Diverted from Landfill</b>				
Recyclable waste	kg	391.5	6,835	Collected by recycling contractor. Includes paper, cardboard, plastics, metals, and e-waste.
Total waste diverted	kg	391.5	6,835	
Metric	Unit	FY2024	FY2025	Notes
<b>Waste Summary</b>				
Total waste generated	kg	25,391.5	30,956	
Landfill diversion rate	%	1.54%	22.08%	Calculated as total waste diverted divided by total waste generated. FY2024 figure reflects initial baseline year; improvement in FY2025 partly attributable to stronger data collection and increased recycling activity.

**LANDFILL DIVERSION RATE**



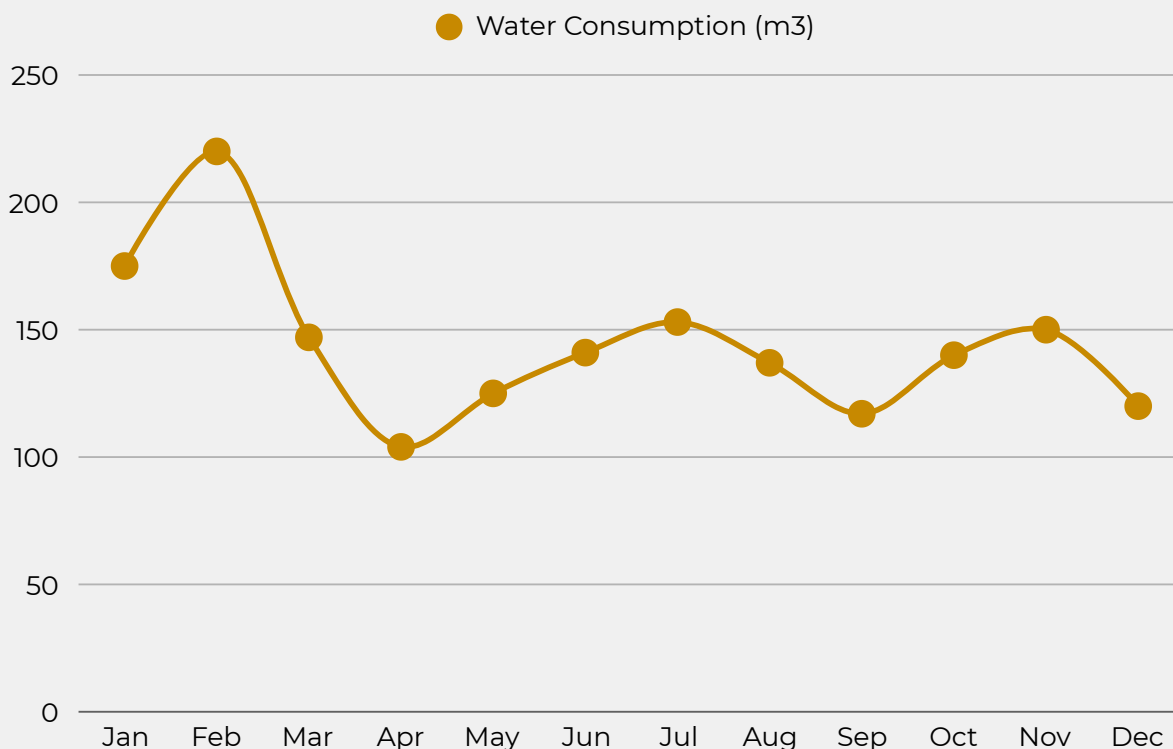
## **WATER MANAGEMENT**

Water is not currently a material environmental impact for Coffex compared to energy and waste, but we monitor consumption through monthly utility bills to identify abnormal trends that may indicate leaks or inefficiencies.

In FY2025, total water consumption was **1,729 m<sup>3</sup>**, compared to an estimated 1,696.4 m<sup>3</sup> in FY2024, a marginal increase of approximately 2%. On a normalised basis, water intensity improved slightly from 32.13 to **31.72 m<sup>3</sup>** per RM million revenue, indicating that water use relative to business activity remained stable and marginally improved year-on-year.

The February 2025 figure of 220 m<sup>3</sup> was notably higher than the monthly average of 137 m<sup>3</sup> for the rest of the year. This was traced to a pipe leakage that was identified and resolved on 12 February 2025 and is documented in our facilities maintenance log. This incident reflects the value of monthly monitoring in detecting and responding to operational anomalies promptly.

### **MONTHLY WATER CONSUMPTION FOR 2025**



## WATER CONSUMPTION DATA

Metric	Unit	FY2024	FY2025	Notes
Water Consumption				
Total water consumed	m <sup>3</sup>	1,696.4	1,729	FY2024 includes an estimate for September 2024 (utility bill not received from provider). September figure estimated using the monthly average of the remaining 11 months (141.4 m <sup>3</sup> ). All other months based on actual utility bills. FY2025 covers all 12 months.
Water intensity	m <sup>3</sup> / RM million revenue	32.13	31.72	Normalised using revenue, consistent with energy and carbon intensity methodology. Marginal improvement of 1.3% year-on-year despite slight increase in absolute consumption.
Metric	Unit	FY2024	FY2025	Notes
Anomalies and Operational Notes				
Significant consumption anomaly	Month	None	February 2025	February 2025 recorded 220 m <sup>3</sup> against a monthly average of 137 m <sup>3</sup> for the rest of the year. Pipe leakage identified and resolved on 12/02/2025; documented in facilities maintenance log.

Water consumption data sourced from monthly utility bills. FY2024 total includes an estimated figure for September 2024, as the utility bill for that month was not received from the provider. Intensity calculated using the same revenue base applied to energy and carbon intensity metrics.

## **OUR COMMITMENT TO DATA INTEGRITY**

As noted by our CEO, our environmental data maturity is still developing. We use a combination of measured activity data and calculated estimates, and we disclose the basis and limitations clearly. This approach ensures our reporting remains credible and decision-useful for stakeholders, while guiding continuous improvement in data governance over time.

## **ENVIRONMENTAL DATA: SCOPE AND HONESTY IN REPORTING**

This section presents the quantitative data underpinning our environmental disclosures, together with clear scope boundaries, definitions, and current limitations.

### **Data scope and boundary**

The tables cover Coffex Coffee Malaysia's primary operational activities for the FY2025 reporting period, including production and roasting facilities, warehouses, offices, service centres, training spaces, and showrooms.

### **Key definitions**

- **Electricity purchased (kWh):** Grid electricity imported based on utility bills.
- **Solar electricity generated (kWh):** Total onsite solar PV output from system monitoring.
- **Solar electricity consumed onsite (kWh):** Portion of solar PV used to supply onsite load (excluding any exported electricity).
- **Scope 2 (location-based):** Calculated using electricity purchased and the applicable location-based grid emission factor.

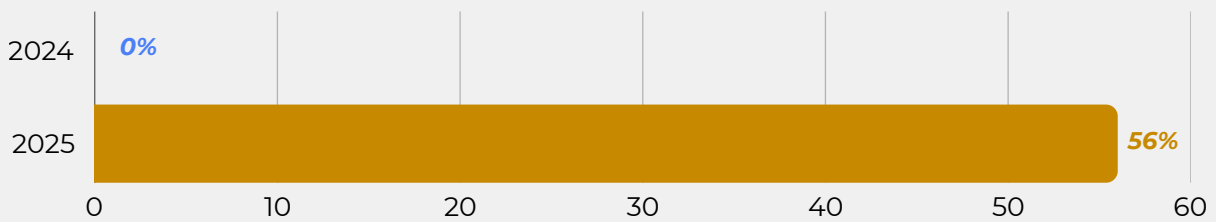
### **Current limitations and how we address them**

- **Methodology and data sources:** Figures are derived from direct measurements (utility bills, fuel receipts, waste contractor records) and calculated estimates using standard emission factors, as specified in the notes accompanying each table.
- **Scope 3 coverage:** We currently prioritise Scope 3 categories based on data readiness and will expand coverage progressively. For purchased raw coffee beans, emissions are estimated using best-available secondary (literature-based) emission factors.
- **Comparability over time:** FY2024 is a foundational year in our reporting journey. As we refine definitions, improve source data quality, and strengthen controls, year-on-year comparability may be limited in the short term. Where methodologies change, we disclose the changes and their implications.

## ENERGY AND EMISSIONS DATA

Metric	Unit	FY2024	FY2025	Notes
Energy				
Electricity purchased (grid import)	kWh	264,294	123,176	Electricity imported from the grid based on utility bills. Excludes onsite solar generation.
Solar PV electricity generated	kWh	0	218,817	Total PV output from system monitoring for the reporting period.
Solar PV electricity consumed onsite	kWh	0	157,249	Portion of PV used to supply onsite load.
Renewable electricity share	%	0%	56%	
Energy intensity	kWh / RM million revenue	5,005.57	2,260.11	Normalised using revenue to track efficiency trends as the business grows.

## RENEWABLE ELECTRICITY SHARE



## ENERGY AND EMISSIONS DATA

Metric	Unit	FY2024	FY2025	Notes
Greenhouse Gas Emissions				
Scope 1 emissions	tCO <sub>2</sub> e	202.58	252.76	Direct emissions from fuel use under operational control (stationary and mobile sources). FY2025 increase driven by higher roasting fuel consumption reflecting increased production throughput, and higher mobile fuel consumption of approximately 27% year-on-year. Roasting fuel intensity was stable at 0.11 L/kg for both years, confirming no deterioration in roasting efficiency. Monthly fleet monitoring via vehicle tracking system initiated in FY2026 to address fleet fuel efficiency.
Scope 2 emissions (location-based)	tCO <sub>2</sub> e	195.58	91.15	Calculated using electricity purchased and a location-based grid emission factor from the Energy Commission. Reduction consistent with reduced grid purchase and increased onsite solar.
Scope 3: Employee commuting	tCO <sub>2</sub> e	119.20	106.92	Estimated using available activity data and relevant emission factors.



## ENERGY AND EMISSIONS DATA

Metric	Unit	FY2024	FY2025	Notes
Scope 3: Business travel	tCO <sub>2</sub> e	96.00	90.43	Estimated using travel activity data and relevant emission factors by travel mode.
Scope 3: Waste management	tCO <sub>2</sub> e	1.38	0.25	Estimated using waste contractor data and relevant emission factors.
Scope 3: Purchased goods and services (raw coffee beans only)	tCO <sub>2</sub> e	604.80	546.24	Farm-level emissions estimated using secondary (literature-based) emission factors applied to purchased green coffee volume. Covers raw coffee beans only; excludes other purchased goods and services.
Total Scope 1, 2 & tracked Scope 3	tCO <sub>2</sub> e	1,219.54	1,087.75	
<b>Carbon Intensity</b>				
Carbon intensity	tCO <sub>2</sub> e per RM million revenue	23.10	19.96	Normalised using revenue. Carbon intensity may move differently from energy intensity due to Scope 1 and Scope 3 contributions.

### TOTAL SCOPE 1, 2 & TRACKED SCOPE 3



## ENERGY AND EMISSIONS DATA

Metric	Unit	FY2024	FY2025	Notes
Operational Drivers (Scope 1 Support)				
Roasting fuel intensity	L/kg roasted coffee	0.11	0.11	Calculated as stationary roasting fuel divided by roasted coffee output (kg). Stable year-on-year.
Mobile fuel consumption	Litres	44,380.75	56,156.96	Based on fuel records/logs for assets under operational control. FY2025 increased approximately 27% versus FY2024. Monthly fleet monitoring via vehicle tracking system initiated in FY2026 to address fleet fuel efficiency, tracking fuel intensity (L/100 km), distance travelled, and idling; corrective actions triggered where intensity worsens.

*Emission factors: DEFRA 2025. Scope 2 calculated using location-based grid emission factor from the Energy Commission of Malaysia. Scope 3 categories reported based on data readiness; other categories excluded due to data reliability limitations and are disclosed transparently.*

# SOCIAL & SUPPLY CHAIN RESPONSIBILITY: OUR PEOPLE AND OUR PARTNERS

Behind every bag of Coffex coffee are people: the team that roasts, packages, and services; the suppliers who grow and process; the community around us. Our responsibility to them is not secondary to our environmental commitments. It runs alongside them.

## OCCUPATIONAL SAFETY, HEALTH AND WELLBEING

Every employee has a right to work in an environment that protects their health and respects their wellbeing. We manage health and safety through established procedures and active monitoring. We track Total Recordable Incidents (TRI) not just as a metric, but as a tool to continuously refine our workplace safety practices and prevent future harm.



### **INCIDENT MONITORING (TRI)**

We track Total Recordable Incidents (TRI) to refine safety practices and prevent future harm



### **SAFE WORK ENVIRONMENT**

We provide a safe work environment that protects health and respects wellbeing



### **WELLBEING SUPPORT**

We promote physical and mental wellbeing across our team



Responsibility extends beyond the physical workplace. During this reporting period, we hosted a **Wellness Day focused on raising awareness of both physical and mental health**, ensuring our team feels supported as whole individuals; not just as operational headcount.

## **EMPLOYEE DEVELOPMENT AND ENGAGEMENT**

Our progress is driven by the collective capability of our team. We support our employees through structured training and development programmes. By tracking training coverage and participation, we ensure our people have the skills they need to grow in an evolving industry.

Sustainability at Coffex is not a top-down mandate; it is a shared journey. We report our engagement on an aggregated basis to reflect the diverse ways our staff contribute to our social and environmental goals.



### **TRAINING & DEVELOPMENT**

We provide structured training and development programmes to build the skills our people need to grow



### **PARTICIPATION TRACKING**

We track training coverage and participation to ensure our team is equipped for an evolving industry



### **ENGAGEMENT & IMPACT**

We report engagement on an aggregated basis to reflect diverse contributions to our social and environmental goals

## **RESPONSIBLE SOURCING: OUR SHARED STANDARDS**

Our choice to be responsible extends to the partners we work with. Sustainability oversight is focused on our Tier 1 suppliers, those with whom we have a direct contractual relationship, including green coffee growers, packaging providers, and coffee machine and grinder manufacturers.

Among these, our green coffee growers sit at the very beginning of our value chain and carry the greatest influence over the environmental and social footprint of our product. One example of what responsible engagement at this level looks like in practice is our relationship with Fazenda Ambiental Fortaleza (FAF), an organic coffee grower based in Mococa, São Paulo, Brazil. FAF operates five agroforestry systems combining organic coffee cultivation with native and exotic tree species, alongside one organic coffee system, across 17.03 hectares.

A field-based carbon study conducted by Courageous Land, covering a baseline measurement in December 2021 and a second monitoring round in December 2022, documented a mean aboveground carbon sequestration rate of 13.72 tCO<sub>2</sub>e per hectare per year across FAF's agroforestry systems. These systems are designed not only to sequester carbon but to improve soil health, support biodiversity, and strengthen crop resilience against climate variability.

**Source: FAF Baseline Carbon Report and FAF Coffee Agroforestry Carbon Report (March 2023), prepared by Courageous Land. Referenced with FAF permission.**

Our relationship with FAF extends beyond procurement. A visit by Coffex leadership to FAF's Impact Seminar in 2024, which brought a direct encounter with the realities of climate change, deforestation, and soil exhaustion at the farm level, directly inspired the launch of **MONO Origine**, our ethically sourced coffee brand built on the principles of regenerative farming, agroforestry, and direct farmer/producer engagement. We view this relationship as a model for how we intend to deepen our supplier sustainability standards over time.



Our responsible sourcing approach also applies to the coffee machines and grinders we trade. These suppliers are selected based on product quality, safety, reliability, and long-term serviceability. While we are still formalising sustainability-specific procurement criteria, durability, spare-part availability, and the ability to maintain equipment over extended use are practical considerations embedded in our sourcing decisions.

During the reporting period, we identified minor non-compliances in our supply chain, which were promptly addressed through collaborative corrective actions. We view these as opportunities to strengthen relationships and elevate standards; not as failures to manage quietly.

## **COMMUNITY AND ENVIRONMENTAL ENGAGEMENT: OUR CONTRIBUTIONS BEYOND OPERATIONS**

We aim to leave a positive mark on the communities and ecosystems that sustain us, through initiatives that align with our operational values and practical capabilities.

**EcoLegacy (Trees for Tomorrow):** Our team participated in a native tree-planting initiative at Hutan Simpan Ayer Hitam, Puchong, sponsoring and planting 30 native and fruit-bearing trees across 0.76 hectares. Modest in scale, but reflective of a long-term commitment to ecosystem support. Estimated annual sequestration potential is disclosed in the data table and presented as indicative only.



**136**  
30 sponsored by Coffex  
**NUMBER OF TREES PLANTED**

**0.76**  
Hectares  
**PLANTING AREA**

**Industry Leadership (C.P.U. 2025):** We organised Coffee, Planet and Us (C.P.U. 2025), a sustainability-focused industry forum bringing together practitioners and stakeholders to exchange perspectives on ethical sourcing and responsible practices. The objective was to facilitate genuine dialogue and shared learning across sectors.



**227**  
**TOTAL ATTANDEES**

**48.28%**  
**EMPLOYEE PARTICIPATION**

**Coffex Wellness Day:** In FY2025, we hosted our inaugural Coffex Wellness Day, bringing together 86.4% of our workforce for a full programme of health and wellbeing activities. The day included physical fitness sessions, a flag-raising ceremony, individual health consultations and medical check-ups, health talks on stress management and nutrition, and a typhoid vaccination drive. The event reflects our belief that a responsible enterprise looks after its people as whole individuals, not just as operational headcount.



**Resource Awareness:** Through internally led workshops on organic waste reduction, we raised awareness among employees about the value of by-products such as coffee chaff and food waste, including their potential use in vermicomposting applications. These sessions are conducted by our own team members to embed practical circular economy thinking into daily operations. During FY2025, selected organic waste streams were diverted from landfill through reuse and vermicomposting initiatives. Estimated emissions avoidance figures are disclosed in the data table as indicative estimates only, and are not deducted from our reported Scope 1, Scope 2, or Scope 3 emissions.



## **SOCIAL AND SUPPLY CHAIN DATA: SCOPE AND LIMITATIONS**

The data presented reflects our best available internal records. While we have strengthened tracking of participation rates and workplace incident data, certain social and supplier-related indicators remain in development. We continue refining our data collection processes to improve completeness, consistency, and comparability over time.

### **SOCIAL AND SUPPLY CHAIN DATA**

Metric	Unit	FY2024	FY2025	Notes
Workforce				
Total headcount	Headcount	79	88	
Employment type	% Permanent   % Contract	96.21   3.79	96.59   3.41	
Employee nationality	% Local   % Foreign	100% Local	100% Local	Coffex Coffee Malaysia is committed to local employment. All employees are Malaysian nationals.
Gender	% Female   % Male	31.65   68.35	29.55   70.45	
Employee turnover rate	%	13.92	10.34	(number of leavers / headcount) x 100

## SOCIAL AND SUPPLY CHAIN DATA

Metric	Unit	FY2024	FY2025	Notes
Occupational Safety and Health				
Total recordable incidents	No.	0	0	Total recordable incidents = total number of work-related injuries or illnesses resulting in MC, HL, AL, UL, or restricted duty.
Days lost to work-related injuries	Days	0	0	No lost-time incidents recorded in either reporting period.
OSH training hours	Hours	256	29	FY2024 hours reflect a major one-off training programme exercise conducted during the baseline year. FY2025 figure reflects scheduled OSH training in the absence of such an event. Zero recordable incidents in both years, alongside ongoing safety briefings not captured in formal training hours, confirm that OSH management remained active throughout the reporting period.

## SOCIAL AND SUPPLY CHAIN DATA

Metric	Unit	FY2024	FY2025	Notes
Training and Development				
Total training hours	Hours	1,584.5	916	
Average training per employee	Hours	20.31	11	
Metric	Unit	FY2024	FY2025	Notes
Labour and Human Rights				
Discrimination & harassment incidents reported	No.	0	0	No discrimination or harassment cases reported or substantiated in either reporting period.
Metric	Unit	FY2024	FY2025	Notes
Community, Industry and Environmental Engagement				
Employee engagement in community initiatives & sustainability events	%	55	93	Includes: Cahaya Ramadhan 2025, Coffee for Charity with Rotary Club Ampang, Sihat Merdeka, EcoLegacy: Trees for Tomorrow, Ayer Community Gotong Royong, 2nd Hand Market, Coffee, Planet & Us (CPU) sustainability-focused industry forum.

## SOCIAL AND SUPPLY CHAIN DATA

Metric	Unit	FY2024	FY2025	Notes
Community, Industry and Environmental Engagement				
External cupping events for sustainable green bean sourcing	Headcount	Not fully tracked	65	To support responsible sourcing.
Employee participation in Coffex Wellness Day	%	N/A	86.4	Employee wellbeing programme.
Tree planting initiatives conducted	Yes/No	No	Yes	Environmental engagement.
Number of trees planted	No.	0	136	136 in total; 30 sponsored by Coffex Coffee Malaysia.
Planting area	Hectares	0	0.76	
Estimated annual carbon sequestration potential	tCO <sub>2</sub> /year	0	11.16	Indicative only; not included in GHG inventory. Calculation: 0.76 ha x 4.0 tC/ha/year x 3.67 (CO <sub>2</sub> /C ratio).
Estimated emission avoidance from vermicomposting	kgCO <sub>2</sub>	N/A	3.004	Q4 FY2025 data only. Indicative estimates based on DEFRA 2025 factors; assumes diversion from landfill to on-site vermicomposting. Not deducted from reported Scope 1, 2, or 3 emissions.

## SOCIAL AND SUPPLY CHAIN DATA

Metric	Unit	FY2024	FY2025	Notes
Supplier Oversight				
Tier 1 suppliers assessed	No.	15	18	
Suppliers meeting ESE criteria	%	50	61	Based on internal Environmental, Social & Economic (ESE) assessment checklist and third party certification (eg. Rainforest Alliance, Fairtrade, Organic)
Supply chain non-compliances identified	No.	1	4	Covers operational and product standards across the supply chain. Increase in FY2025 reflects broader assessment coverage rather than deterioration in supplier performance.
Corrective actions closed	%	100	100	All identified non-compliances were addressed through collaborative corrective actions with the relevant suppliers.

*Carbon sequestration and vermicomposting avoidance figures are indicative estimates only and are not included in the GHG inventory.*

# PRODUCT RESPONSIBILITY & QUALITY: SAFETY, CONSISTENCY, AND TRUST

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For Coffex Coffee Malaysia, quality is not a separate workstream; it is the tangible result of our sustainability journey. If we are to be a responsible enterprise, every product leaving our facility must be safe, consistent, and crafted to the highest standards. That is our promise to the people who choose us every day.

## **PRODUCT SAFETY AND INTEGRITY**

We implement robust food safety management systems across our roasting and packaging lines to support product integrity and maintain regulatory compliance. For traded equipment, responsible sourcing and structured servicing support operational safety, performance stability, and hygiene throughout the product's use phase.

## **FOOD SAFETY AND LABORATORY TESTING**

To ensure our coffee meets international safety standards, we conduct targeted laboratory testing and monitoring across critical parameters:

 <p><b>MICROBIOLOGY TESTING</b> Meeting strict hygiene and biological safety standards.</p>	 <p><b>OTA (OCHRATOXIN A)</b> Verifying beans are free from harmful mycotoxins.</p>
 <p><b>HEAVY METALS</b> Monitoring for environmental contaminants.</p>	 <p><b>PESTICIDE RESIDUES</b> Verifying the integrity of our agricultural supply chain</p>

All laboratory test results for the reporting period have consistently met the required safety standards, confirming the integrity of our products.

## **THE CRAFT OF QUALITY: INTERNAL SENSORY QC**

Beyond the lab, our internal R&D team ensures the excellence of the Coffex experience. Through a disciplined cupping process, we evaluate the sensory profile of our coffee, ensuring flavour consistency and the quality expected of a specialised roaster.

## **MANAGING INPUT PURITY AND PROCESS PRECISION**

As an agricultural product, raw coffee beans can exhibit inherent material defects or input deficiencies from the farm level. To manage these variables, we have established a multi-layered approach:



### **UPSTREAM STEWARDSHIP**

We provide active feedback to suppliers regarding raw material purity, advocating for enhanced standards at the source.



### **PROCESS OPTIMISATION**

We are working to reduce dust during sorting to improve the precision of our automated sorting process.



### **MECHANICAL SAFEGUARDS**

We use magnets and precision-calibrated optical sorters and destoners, performing regular efficiency checks to maintain a pure final product.

## **TRACEABILITY AND RECALL READINESS**

Responsibility means being prepared for the unexpected. Our traceability effectiveness is assessed through mock recalls and audit-based traceability checks. Our target is 100% finished product traceability, ensuring we can account for every bean's journey from our warehouse to our partners.

## **DATA SCOPE AND CONTINUOUS IMPROVEMENT**

The data following this section reflects our commitment to tracking our progress. We view these metrics as a feedback loop that drives continuous improvement. By being transparent about our internal defect detection and testing coverage, we ensure that as Coffex grows, our standards grow with it.

## PRODUCT AND QUALITY DATA

Metric	Unit	FY2024	FY2025	Notes
Laboratory Testing				
Total lab tests conducted	No.	33	46	Finished goods, raw beans and packaging (OTA, heavy metals, pesticide residues, microbial tests).
Ochratoxin A (OTA) tests	No.	7	11	
Heavy metal tests	No.	10	12	
Pesticide residue tests	No.	2	7	
Compliant results	%	100	100	
Metric	Unit	FY2024	FY2025	Notes
Certification & Traceability				
Sustainability certificate	No.	0	1	Rainforest Alliance Supply Chain certification.
Finished products traceable	%	100	100	Based on internal traceability verification.
Mock recalls / traceability tests conducted	No.	3	3	
Actual recalls	No.	0	0	

*All laboratory test results for FY2025 met required safety standards. Traceability figures are based on internal verification processes.*



## **PRODUCT CARBON FOOTPRINT: MEASURING WHAT WE MAKE**

Understanding the carbon footprint of our products is the next logical step after measuring our operational emissions. A roaster's most significant environmental influence sits not just within its four walls, but in the beans it selects, the packaging it specifies, and the transport decisions it makes. The Product Carbon Footprint (PCF) programme we have built is designed to make those influences visible and comparable across our range.

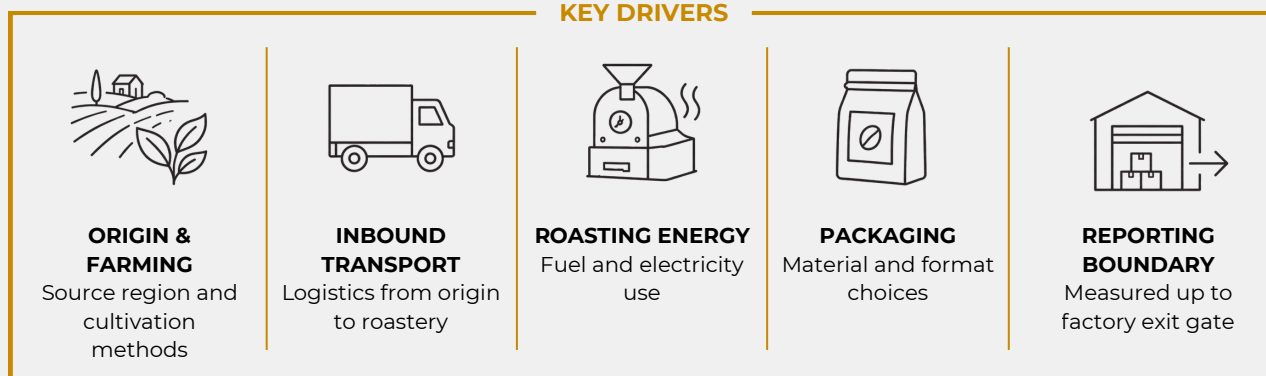
In FY2025, Coffex Coffee Malaysia initiated a structured PCF programme for its roasted coffee range, covering products across two brands. The first is Coffex, our core roasted coffee range. The second is MONO Origine, an ethically sourced coffee brand launched by Coffex Coffee Malaysia following a 2024 visit by our leadership to FAF's Impact Seminar, built on the principles of regenerative farming, agroforestry, and direct farmer/producer engagement. The programme is ongoing and continues into FY2026 as coverage expands across the full SKU range. These calculations are informed by **ISO 14067:2018** principles and use a cradle-to-gate system boundary, covering emissions from green coffee cultivation through to finished product at our factory exit gate. Outbound logistics, consumer use, and end-of-life are excluded from this boundary. Emission factors are sourced from **UK DEFRA 2025** for energy, transport, and packaging, and from **Nab and Maslin (2020)** for cultivation. The study was conducted internally and has not been independently verified.



Completed results across our finished SKUs range from 0.77 kg CO<sub>2</sub>e per kg of roasted coffee at the lower end, for sustainably farmed single-origin Kenya, to 2.14 kg CO<sub>2</sub>e per kg roasted for our conventional multi-origin blend. This range reflects the significant influence of origin, farming practice, and packaging choice on product-level carbon footprint. Notably, SKUs sourced from certified sustainable or organically farmed origins consistently show lower cultivation-stage emissions than those using conventional farming emission factors, reinforcing the carbon relevance of our upstream sourcing decisions.



**KEY DRIVERS**



Coverage at the time of this report represents a partial portion of our full roasted coffee SKU range, as the programme is actively expanding. Remaining SKUs are in progress, with completion dependent on procurement data availability for blend compositions and supplier-specific farming data. We intend to publish a comprehensive SKU-level PCF table in our FY2026 report once coverage reaches a meaningful threshold across the range.

**Methodology:** Cradle-to-gate system boundary. Informed by ISO 14067:2018 principles. Internally conducted; not independently verified. Emission factors: UK DEFRA 2025 (energy, transport, packaging); Nab and Maslin 2020 (cultivation).

**Functional unit:** 1 kg of finished roasted coffee at factory exit gate.

**Allocation method:** Mass-based.

# GOVERNANCE, ETHICS & COMPLIANCE: LEADING WITH INTEGRITY

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Good intentions are not enough. Being a responsible enterprise requires a culture of honesty and a governance framework that holds us to our commitments, every day, not just at reporting time.

## **GOVERNANCE STRUCTURE AND OVERSIGHT**

Sustainability oversight at Coffex Coffee Malaysia is integrated within existing management structures rather than managed as a standalone function. Material sustainability matters, including environmental performance, operational risks, food safety, supplier oversight, and regulatory compliance, are communicated to senior management through periodic operational updates.

We maintain an internal sustainability review table to track key ESG topics, identified risks, and ongoing actions. Sustainability performance is reviewed quarterly by senior leadership, including the CEO, COO, and Directors, with outputs including an updated sustainability review table, performance charts, and tracked action items. This cadence ensures that environmental, social, and compliance considerations are incorporated into operational decision-making on a consistent and structured basis.

## **ETHICS AND RESPONSIBLE BUSINESS CONDUCT**

We maintain formal policies governing ethical conduct and responsible business practices, applying to all employees regardless of role or seniority. Key areas covered include:



**ANTI-CORRUPTION  
AND  
CONFLICT OF INTEREST**



**FAIR AND  
PROFESSIONAL  
CONDUCT**



**RESPONSIBLE  
BUSINESS DEALINGS**

Ethics-related training coverage is tracked internally to promote awareness and accountability. Where potential breaches are identified, they are reviewed and addressed in accordance with established disciplinary and corrective procedures.

## **COMPLIANCE MANAGEMENT**

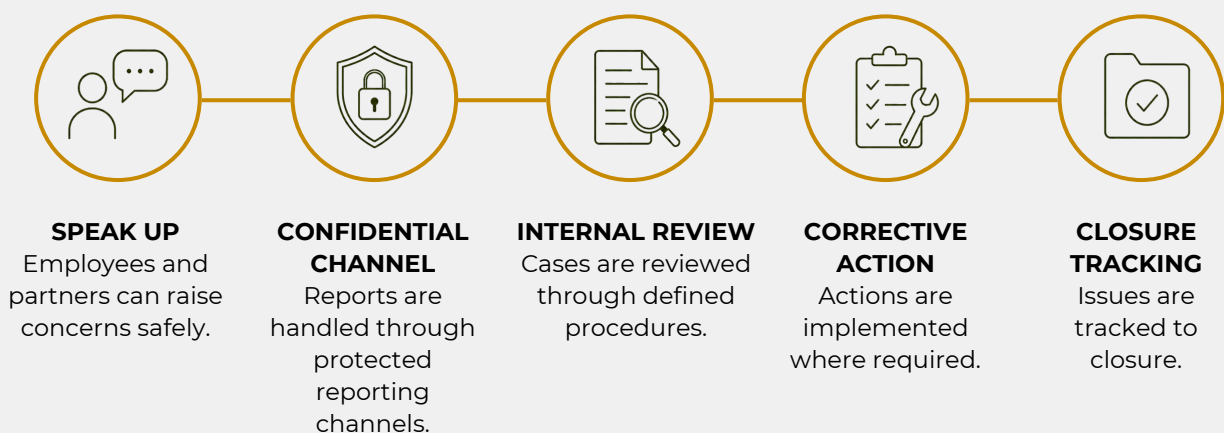
Compliance with applicable laws, regulations, and certification requirements forms the foundation of our governance framework. We operate under multiple regulatory and certification standards, including food safety, environmental, and labour-related requirements. Compliance is monitored through:



Regulatory updates are monitored as part of ongoing operational oversight to support timely adaptation and continuous improvement.

## **WHISTLEBLOWING AND GRIEVANCE MECHANISMS**

An organisation that says it values honesty must have mechanisms that make honesty safe. We have established confidential reporting channels, specifically whistleblowing and grievance mechanisms, that allow employees and partners to raise concerns about unethical behaviour or non-compliance without fear of retaliation. Reports are reviewed internally and handled through defined procedures. The company maintains a non-retaliation principle for individuals who raise concerns in good faith. Where corrective actions are required, they are implemented and tracked to closure.



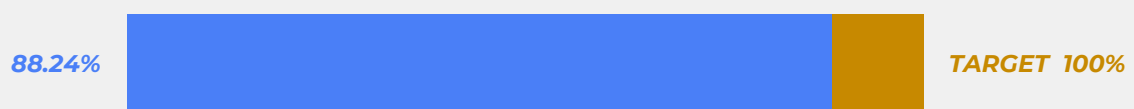
**GOVERNANCE DATA SCOPE AND LIMITATIONS**

The governance data presented in the following tables reflects our internal records and tracking systems. As we continue to mature our reporting, we remain committed to full disclosure regarding our training reach and the effectiveness of our ethical frameworks.

**GOVERNANCE AND ETHICS DATA**

Metric	Unit	FY2024	FY2025	Notes
Ethics Coverage and Training				
Employees covered by ethics policy	%	0	100	
Employees trained on ethics	%	0	29.76	FY2025 figure reflects employees who completed ethics training (covering Anti-Bribery and Anti-Corruption, Whistleblowing, and Labour and Human Rights) during the reporting period. Cumulative coverage to date is approximately 88.24%. Training rollout continues in FY2026 with the target of full coverage

**CUMULATIVE ETHICS TRAINING COVERAGE**  
**FY2025–FY2026 TO DATE**



Metric	Unit	FY2024	FY2025	Notes
Compliance and Whistleblowing				
Material legal non-compliances	No.	0	0	
Whistleblowing cases reported	No.	0	0	
Substantiated cases	No.	0	0	
Metric	Unit	FY2024	FY2025	Notes
Governance Communication				
Employee participation in townhall	%	N/A	94	Fostering a workplace that prioritizes safety, inclusivity and transparency
Employee participation in Sustainability Communication training	%	N/A	26.83	Ensuring accurate communication and avoiding greenwashing.

*Ethics policy coverage increased from 0% to 100% in FY2025 following formal policy roll-out. Training coverage will be progressively expanded in FY2026.*



# OUTLOOK AND CONTINUOUS IMPROVEMENT: PRIORITIES FOR THE NEXT REPORTING CYCLE

FY2024 marked the start of our data collection journey, establishing the baselines from which we measure. FY2025 was about strengthening that foundation: refining our systems, closing gaps, and embedding sustainability more deeply into how we operate. FY2026 is where we build on that ground with greater precision and accountability. The priorities below reflect what this reporting cycle has taught us, what our stakeholders have asked us to improve, and where our own data tells us we still have work to do. Each commitment is time-bound and carries a clear measure of success.

## MANAGING FLEET EFFICIENCY AND SCOPE 1 EMISSIONS

**+27%**

**MOBILE FUEL  
CONSUMPTION IN FY2025**

**0.11 L/kg**

**ROASTING FUEL INTENSITY  
BASELINE**

### WHAT

Address the approximately 27% increase in mobile fuel consumption recorded in FY2025 by activating structured fleet controls through our vehicle tracking system. Monthly monitoring of fuel intensity (L/100 km), distance travelled, and idling time will be used to identify underperforming routes and drivers, with corrective actions triggered where intensity worsens. Service job orders will be cross-referenced to distinguish efficiency loss from genuine activity growth. On the stationary side, roasting fuel intensity will continue to be tracked at 0.11 L/kg as the efficiency baseline, with further improvements pursued through ongoing burner maintenance and engagement with our roasting equipment partner.

### WHEN

Monthly monitoring in place from Q1 FY2026; corrective action cycle reviewed quarterly

### HOW SUCCESS IS MEASURED

Demonstrated reduction in fleet fuel intensity (L/100 km) year-on-year; absolute mobile fuel consumption reduced below FY2025 levels. Roasting fuel intensity maintained at or below 0.11 L/kg roasted coffee.

## FORMALISING SUPPLIER SUSTAINABILITY OVERSIGHT

**61%**

**TIER 1 SUPPLIERS MET ESE  
CRITERIA IN FY2025**



**75%**

**FY2026 TARGET**

### WHAT

FY2025 saw 61% of assessed Tier 1 suppliers meeting our Environmental, Social and Economic (ESE) criteria, against a target of 75%. The shortfall reflected assessment coverage constraints rather than supplier performance deterioration. For FY2026, we will complete sustainability assessments for all identified Tier 1 suppliers, prioritised by risk and spend, with high-priority suppliers assessed first and remaining suppliers phased in through a structured corrective action process with documented timelines and follow-up.

### WHEN

Prioritisation completed by Q1 FY2026; assessments completed for high-priority Tier 1 suppliers by end of FY2026.

### HOW SUCCESS IS MEASURED

75% of Tier 1 suppliers meeting ESE criteria by end FY2026; corrective action closure rate tracked and reported.

## IMPROVING WASTE DIVERSION PERFORMANCE

**1.54%**

**LANDFILL  
DIVERSION RATE  
IN FY2024**



**22.08%**

**LANDFILL  
DIVERSION RATE  
IN FY2025**



**25%**

**FY2026  
TARGET**

### WHAT

Build on the quantified waste baseline established in FY2025, which recorded a landfill diversion rate of 22.08% against 1.54% in FY2024. FY2026 will focus on driving genuine diversion improvement by strengthening waste classification across all streams, expanding recycling contractor coverage, and tracking diversion initiatives by volume and type against the established baseline.

### WHEN

Diversion improvement initiatives in place from Q1 FY2026; performance reviewed quarterly.

### HOW SUCCESS IS MEASURED

Landfill diversion rate of 25% or above reported in FY2026; at least one new diversion initiative documented with volume tracked.

## EXPANDING SCOPE 3 COVERAGE TO INCLUDE PURCHASED EQUIPMENT

**FIRST TIME FY2026  
REPORTING**

**RESTATED BASELINE FOR  
FY2027 TARGET-SETTING**

### WHAT

Coffee machines and grinders supplied to customers were excluded from our Scope 3 inventory in this reporting cycle due to data availability constraints. In FY2026, we will quantify these emissions using a spend-based method, applying appropriate emission factors to procurement expenditure by category. As our Scope 3 boundary is actively expanding, an absolute Scope 3 reduction target is not appropriate for FY2026. The objective for this cycle is to complete the expanded inventory and establish a restated baseline from which a meaningful FY2027 reduction target can be set.

### WHEN

Methodology defined and applied by Q4 FY2026; figures to be included in the FY2026 report where data permits.

### HOW SUCCESS IS MEASURED

Scope 3 emissions from purchased equipment reported for the first time in FY2026, with methodology and assumptions clearly disclosed; or data gap documented with a clear remediation plan if expenditure data remains unavailable.

## STRENGTHENING SUSTAINABILITY DATA GOVERNANCE

**TEMPLATES BY Q2 FY2026**

**REDUCE DATA GAPS &  
RECONCILIATION**

### WHAT

Establish clear expectations for how ESG activity data is collected, documented, and handed over across teams. The compliance team will define the data requirements, templates, and timelines; individual departments remain responsible for providing accurate raw activity data within those parameters. The goal is to reduce gaps, inconsistencies, and last-minute reconciliation during the reporting cycle.

### WHEN

Data requirements and templates communicated to all relevant departments by Q2 FY2026; process in place ahead of the FY2026 reporting cycle.

### HOW SUCCESS IS MEASURED

All departments submitting activity data against defined templates and timelines; measurable reduction in data gaps and reconciliation effort compared to the FY2025 cycle.

## DEEPENING COMMUNITY AND INDUSTRY ENGAGEMENT

**95%+**

**ENGAGEMENT TARGET**

**OBJECTIVES DEFINED BY  
H1 FY2026**

### WHAT

We intend to build on the momentum of CPU 2025 by continuing the programme where feasible, and by planning engagement activities with defined objectives ahead of each cycle rather than retrospectively. Continuation is subject to operational capacity and confirmation closer to the cycle.

### WHEN

Intentions to be confirmed and objectives defined by H1 FY2026.

### HOW SUCCESS IS MEASURED

Staff engagement in sustainability events at or above 95%; where activities proceed, objectives and outcomes to be documented; community participation tracked and reported in the FY2026 cycle.

## REVIEWING AND REFRESHING MATERIAL SUSTAINABILITY TOPICS

Q2 STAFF QUESTIONNAIRE

Q3 CUSTOMER REVIEW

### WHAT

Conduct a structured review of material topics to confirm they remain aligned with operational risks, stakeholder expectations, and regulatory developments. The review will draw on three inputs: feedback gathered from internal staff through a structured questionnaire; recurring themes identified from customer sustainability questionnaires received during FY2025 and FY2026; and any relevant changes to the regulatory landscape affecting our operations.

### WHEN

Internal staff questionnaire administered by Q2 FY2026; customer questionnaire review completed by Q3 FY2026; materiality review finalised by end of FY2026

### HOW SUCCESS IS MEASURED

Internal staff questionnaire completed with documented findings; recurring themes from customer questionnaires identified and recorded; updated material topic list produced with rationale for any changes from the prior cycle.

## EXPANDING PRODUCT CARBON FOOTPRINT COVERAGE

**FY2026 SKU COVERAGE  
EXPANDS**

**FIRST SKU-LEVEL PCF  
TABLE**

### WHAT

Continue the PCF programme initiated in FY2025 by completing calculations for roasted coffee SKUs where blend composition data is available from procurement. Orange-flagged assumptions (farm-to-port distances, supplier cultivation data) to be progressively replaced with verified primary data as supplier engagement deepens.

### WHEN

Coverage expanded on a rolling basis throughout FY2026; SKU-level PCF table to be published in the FY2026 Sustainability Report.

### HOW SUCCESS IS MEASURED

Increase in SKU coverage reported in FY2026; at least one secondary cultivation emission factor upgraded to primary supplier data; SKU-level PCF results published for the first time in the FY2026 report.

# GRI CONTENT INDEX

Coffex Coffee Malaysia has reported the information cited in this GRI content index for the period 1 January 2025 to 31 December 2025 with reference to the GRI Universal Standards 2021.

This table serves as a navigation tool to cross-reference the relevant GRI disclosures with the corresponding sections of this report. Where applicable, notes are provided to clarify scope, limitations, or partial coverage.



# GRI CONTENT INDEX

GRI Standard	Disclosure No.	Disclosure Title	Report Reference / Page(s)	Notes / Omissions
GRI 2: General Disclosures 2021				
GRI 2	2-1	Organisational details	About Us, page 5; Contact details, page 60	
	2-6	Activities, value chain and other business relationships	Business Model & Value Chain, pages 11-12; Responsible Sourcing, pages 30-31	Includes coffee manufacturing, traded equipment, and Tier 1 suppliers.
	2-22	Statement on sustainable development strategy	CEO Message, page 4	
	2-23	Policy commitments	Governance, Ethics & Compliance, pages 44-45	Covers governance structure and formal ethics policy applicable to all employees.
	2-25	Processes to remediate negative impacts	Whistleblowing and Grievance Mechanisms, page 45; Governance and Ethics Data, pages 46-47	Whistleblowing and grievance mechanisms serve as the primary remediation channel for reported concerns.
	2-26	Mechanisms for seeking advice and raising concerns	Whistleblowing and Grievance Mechanisms, page 45; Governance and Ethics Data, pages 46-47	
	2-29	Approach to stakeholder engagement	Materiality & Risk Management, page 13	Describes key stakeholder groups and the basis for ongoing dialogue informing material topic identification.
GRI 204: Procurement Practices 2016				
GRI 204	204-1	Proportion of spending on local suppliers	Responsible Sourcing, pages 30-31; Supplier Oversight Data, page 38	Qualitative disclosure only; quantitative spend data not reported.



# GRI CONTENT INDEX

GRI Standard	Disclosure No.	Disclosure Title	Report Reference / Page(s)	Notes / Omissions
GRI 302: Energy 2016				
GRI 302	302-1	Energy consumption within the organisation	Energy and Emissions, page 16; Energy and Emissions Data, page 25	Covers Scope 1 and Scope 2 energy use.
GRI 303: Water and Effluents 2018				
GRI 303	303-5	Water consumption	Water Management, pages 22-23	Partial disclosure. Total water consumed and water intensity reported based on municipal utility bills. September 2024 includes one estimated month due to missing utility bill.
GRI 305: Emissions 2016				
GRI 305	305-1	Direct (Scope 1) GHG emissions	Greenhouse Gas Emissions, page 17; Energy and Emissions Data, pages 26 and 28	
	305-2	Energy indirect (Scope 2) GHG emissions	Greenhouse Gas Emissions, page 17; Energy and Emissions Data, page 26	
	305-3	Other indirect (Scope 3) GHG emissions	Scope 3 Emissions, page 18; Energy and Emissions Data, pages 26-28	Selected categories only; traded equipment impacts acknowledged but not quantified.
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Clean Air: Roasting Emission Monitoring, page 19	

# GRI CONTENT INDEX

GRI Standard	Disclosure No.	Disclosure Title	Report Reference / Page(s)	Notes / Omissions
GRI 306: Waste 2020				
GRI 306	306-4	Waste diverted from disposal	Waste and Resource Management, pages 20-21; Resource Awareness, page 33; Community, Industry and Environmental Engagement Data, page 37	Quantitative waste diversion data reported in Section 4.4 data table. Organic waste diversion through vermicomposting reported in Section 5.4.
GRI 403: Occupational Health and Safety 2018				
GRI 403	403-9	Work-related injuries	Occupational Safety, Health and Wellbeing, page 29; Social and Supply Chain Data, page 35	
GRI 416: Customer Health and Safety 2016				
GRI 416	416-1	Assessment of health and safety impacts of product categories	Product Responsibility & Quality, pages 39-41	Includes traded equipment through servicing and maintenance practices.

*Prepared with reference to GRI Universal Standards 2021. This report is not prepared 'in accordance' with the full GRI Standards. Disclosures are partial or qualitative where indicated.*

# A CLOSING NOTE

This report represents two years of building: learning what to measure, how to measure it, and what the numbers mean for how we operate. We are proud of the progress made, and clear-eyed about the work that remains.

Sustainability reporting is not an end in itself. It is a discipline that keeps us honest, connects our daily decisions to their broader consequences, and gives the people who work with us a basis for trust. That is why we do it, and why we will keep doing it with greater rigour each cycle.

We welcome your questions and feedback. This report is part of an ongoing conversation, and we are always grateful for perspectives that help us see more clearly and improve.

If anything here prompts a thought or a question, we would love to hear from you at: [sustainability@coffexcoffee.com](mailto:sustainability@coffexcoffee.com).

Please visit the following page to view our reports and policies: <https://www.coffexcoffee.com/policies-reports/>





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