

TRANSFORMING OUR PORTFOLIOS TO LOW-CARBON SUSTAINABLE CITIES

CLIMATE REPORT: NET ZERO BY 2050

STRATEGY

SUNWAY'S NET ZERO CARBON EMISSIONS BY 2050 ROADMAP

ON TRACK TOWARDS ACHIEVING 2030 TARGETS

We have set future value goals and 2030 targets to transform our portfolios to low-carbon sustainable cities.

Strategic Framework:


-  Decarbonisation
-  Resource management
-  Pollution management

ACCELERATING DECARBONISATION

From now until 2030, Sunway's focus is on reducing residual emissions by improving efficiency and using energy substitution. In 2021, we established an Internal Carbon Pricing framework to start preparing for the potential transition risks from climate-related issues at RM15 per tonne of CO₂e emitted above a threshold level. This is a mechanism/decision-making tool that can help our business divisions to understand their exposure to external carbon pricing schemes, guide their decisions and investments and put a value on their greenhouse gas (GHG) emissions in a way that drives positive change in their business.

We target for our managed and industrial properties to reduce their emissions per tonne of production by 4% and 3.5%, respectively, per year by 2030 using 2022 as a base year.

Implementation:

 **Internal Carbon Pricing**

- Emissions avoidance (Energy efficiency improvement)
- Energy substitution (Renewable energy)

 **Engaging with stakeholders to reduce Scope 3 emissions**



- Upstream - Suppliers (Sustainable procurement & supply chain practices)
- Downstream - Tenants (Green leases)

 For more information on the Group's energy consumption and GHG emissions, please refer to pages 25 and 32-34.

GETTING TO NET ZERO

To get to net zero carbon emissions by 2050, we plan to focus on carbon offset technology.

Implementation:

-  Carbon storage and capture
-  Investment in large-scale renewable energy

Global temperature is estimated to reach between 4.0°C and 5.0°C without any mitigation efforts.

Global warming is limited to 1.5°C with mitigation efforts, in line with the Paris Agreement goal.

By 2030, we will reduce our residual emissions by **45%**

By 2050, we target to reach **NET ZERO**

— Net zero pathway
 --- Business as usual

2021 2022

2030

2050

