
SUNWAY[®]

REIT

WATER MANAGEMENT POLICY

Version 1 (2024)

Process Owner: Sunway REIT – Sustainability

Intended Users: Sunway REIT

Process / Knowledge Area: Policy Statement

Last Updated: 05/02/2024

COMMITTED TO
**SUSTAINABLE
DEVELOPMENT GOALS**



The Board of Sunway REIT endorses the policy, and it is effective on 6th February 2024

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1. PURPOSE

- 1.1. Sunway REIT Management Sdn Bhd (hereinafter refer to as “Sunway REIT”) identifies water as a finite and irreplaceable natural resource and considers access to clean water and sanitation as a fundamental human right.
- 1.2. Sunway REIT’s ability to operate effectively and meet all the needs of its stakeholders depends on sustainable water access, management and conservation. Sunway REIT’s business operations are exposed to water-related risks such as water supply disruption from municipal supply which leads to water shortages at its buildings or sites.
- 1.3. As part of water-related risk management and water security, Sunway REIT carefully considers its responsibilities to stakeholders, employees and the community at large in addressing these water-related risks and challenges.
- 1.4. Sunway REIT’s water management strategies include ensuring efficient water usage, reducing use of potable water for non-potable uses where possible and diversify its water sources.

2. SCOPE

- 2.1. Sunway REIT Water Management Policy (the “Policy”) applies during ESG Due Diligence for new acquisitions; and in both owned and managed properties, where practicable.

3. POLICY STATEMENT

Sunway REIT demonstrates commitment to implementing best water management practices and ensuring responsible water usage by initiatives relating to water conservation, efficiency, quality and awareness at different stages of asset life cycle. Sunway REIT shall be guided by the following main principles in all aspects of its activities and businesses:

- 3.1. Comply with all relevant water-related legislation and obligations imposed by governments or water regulatory authorities
- 3.2. Integration of sustainable water management practices in development, operations, and management which begins during the conceptualisation process and extends to the design, construction, operation, and maintenance of buildings
- 3.3. Design a built environment that facilitates responsible water usage, emphasising the well-being of stakeholders by ensuring access to clean water and promoting water conservation

4. IMPLEMENTATION

Our approach to managing our water consumption and continuously improving our practices in areas we operate include but is not limited to establishing standard operating procedures to:

4.1. Risk Assessments and Compliance:

- a) Review and address water-related risks and opportunities regularly in direct operations with the potential to impart a substantive financial or strategic impact on business
- b) Monitor and ensure effluents discharged at buildings and operation sites do not exceed the compliance level imposed by the authority
- c) Evaluate water availability and quality in potential locations
- d) Consider local environmental conditions and water stress levels

4.2. Operations:

- a) Ensure buildings and operation sites implement water-efficient fittings to optimise water consumption
- b) Regularly inspect plumbing fixtures, pipes and draining systems of existing buildings to repair/ replace leaks and maintain water infrastructure
- c) Implement rainwater harvesting for irrigation purposes where practical, reducing reliance on municipal water supplies
- d) Track and report water consumption
- e) Incorporate best practices into tenants' fit-out requirements for buildings and operation sites
- f) Promote responsible water management practices throughout our supply chain and among both internal and external stakeholders through knowledge-sharing initiatives and engagement efforts

4.3. Backup Water Supply and Storage:

- a) Ensure buildings and operation sites have backup supply and water storage capacity exceeding authority requirements¹
- b) Establish standard operating procedures to address water crises at buildings and operation sites
- c) Explore feasible alternative water sources at buildings and operation sites

5. RESPONSIBILITIES AND REPORTING

- 5.1. The oversight of this Policy is led by the Board of Directors, Sustainability Committee ("SC") and Sustainability Working Group ("SWG"). The implementation and administration of this policy is Sunway REIT and the management within each Business Units ("BU").

- 5.2. Water consumption data will be reported by respective BU during the SWG meetings on a quarterly basis.
- 5.3. Water management efforts and data will be verified and disclosed in Sunway REIT's sustainability reports and website.

6. EFFECTIVE DATE

The policy was endorsed by the Board and effective as of 6th February 2024.

Notes:

1. **Suruhanjaya Perkhidmatan Air Negara (SPAN)**
<https://www.span.gov.my/document/upload/1boqOn0UyhLeIpzAj8luSne5gYCU7awQ.pdf>