

SUNWAY

REIT



Sunway REIT

Our Sustainability Journey So Far





Why our focus on Sustainability?

Asia

Malaysia's 'once in 100 years' flood exposes reality of climate change, better disaster planning needed: Experts



Amir Yusof @AmirYusofCNA

21 Dec 2021 06:03AM (Updated: 21 Dec 2021 06:55PM)



MALAYSIA

You're not just imagining it: Malaysia really is hotter by day (and night)



Malaysia facing 4-fold surge in heatwave, says Unicef analysis

FMT Reporters - 14 Aug 2024, 08:00 AM

The severity of heatwaves has also intensified, with temperatures rising from 0.35°C above the average in the 1960s to 0.69°C above average in the 2020s.

WORLD NEWS

Malaysia says landslide that killed 31 people last year was caused by heavy rain, not human activity



ALJAZEERA

News War on Gaza US Election Opinion Sport Video

News | Climate Crisis

Climate change pushes Malaysia's coastal fishermen away from the sea

Going to sea in small boats has become increasingly risky as the weather becomes unpredictable.



A file photograph shows people sheltering under umbrellas in Kuala Lumpur. — Bernama pic

ESG and the Economy

at ESG Solutions: Collaborating for a Sustainable Future
Sunway-MAPAN Sustainability Plenary



MR. ONG PANG YEN
EXECUTIVE DIRECTOR OF CHAIRMAN'S OFFICE
SUNWAY GROUP

Why our focus on Sustainability?



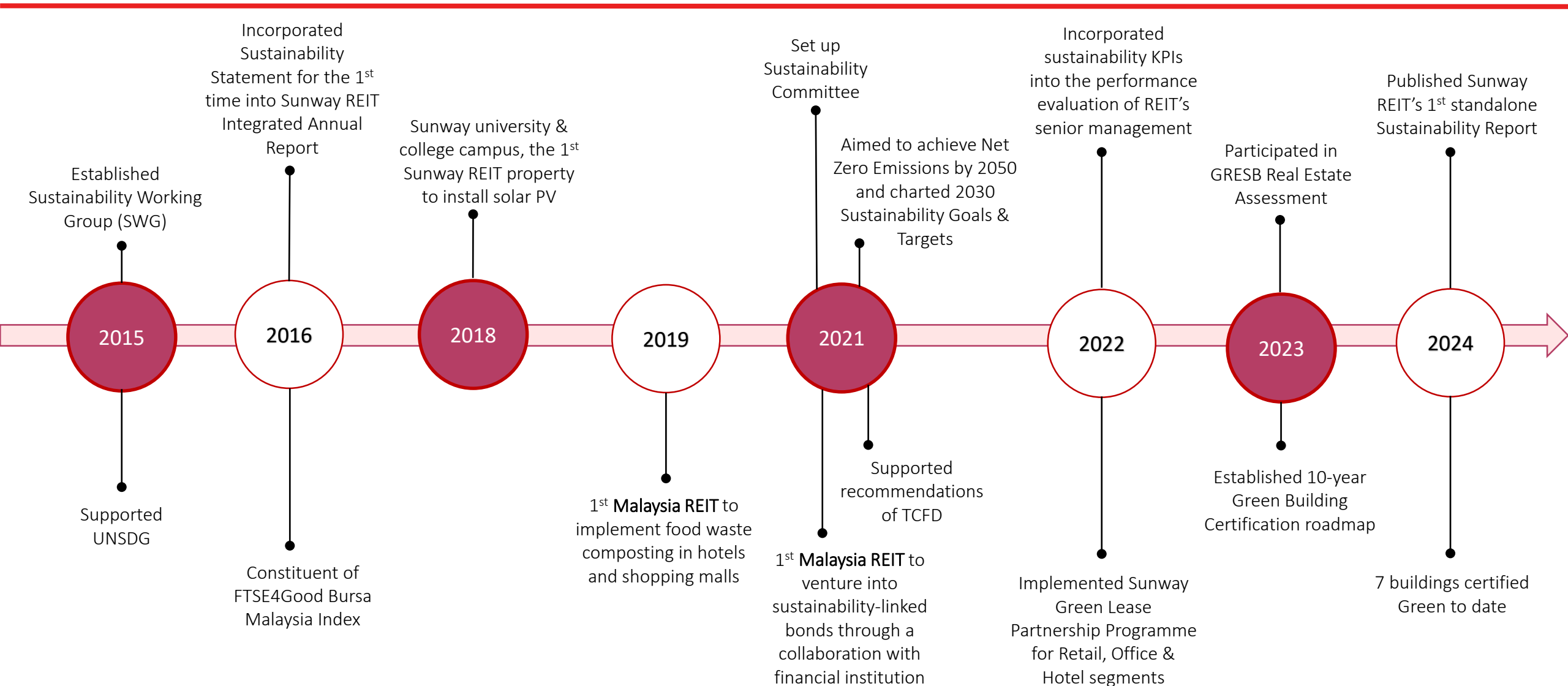
Ensures the sustainability of our business

- Ensuring compliance to regulatory requirements (preparing for the change from nudges to stricter adherence)
- Driven by stakeholder requirements (tenants / suppliers / investors)
- Protect bottom line (reduce opex / maintenance / operational disruptions)



Sunway REIT's Sustainability Journey

Sunway REIT's Sustainability Journey



Sunway REIT's Sustainability Pillars

Goal 1:

Transforming our portfolio to low-carbon assets

Goal 2:

Advocating a responsible value chain

Goal 3:

Investing in community inclusivity

Goal 4:

Respecting ethical principles

Sunway REIT's Green Buildings Commitments

Goal 1:
Transforming Our Portfolio to Low Carbon Assets

Green Building Certifications



Established Green Building Policy in 2023

Laid out 10-year Green Building Certification roadmap with a commitment to certify all Sunway REIT's existing buildings by 2034

Aim to convert and certify at least 2-3 buildings as green buildings every year



Sunway REIT's Green Buildings

Goal 1:
Transforming Our Portfolio to Low Carbon Assets



Sunway Pinnacle
Green Mark (Renewal) **GOLD**



Sunway Lagoon Hotel
GBI (Provisional) – Certified
Green Mark (Provisional) **GOLD**



Sunway Resort Hotel
GreenRE (Final) **PLATINUM**



Sunway Carnival Mall
Green Mark (Provisional) **GOLD PLUS**
GreenRE (Provisional) **GOLD**



Sunway Putra Mall
GreenRE (Final) **GOLD**

As of 2023, 34.2% of our overall GFA have been certified as green buildings.

Building Energy Intensity (BEI) 2030 Targets

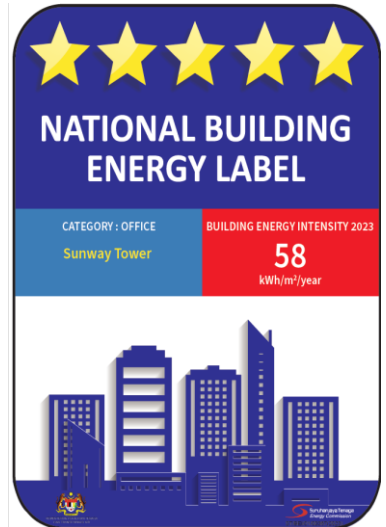
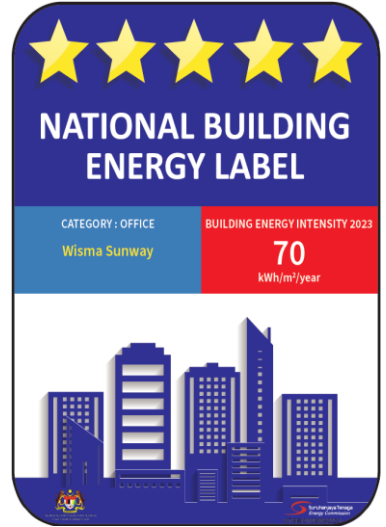
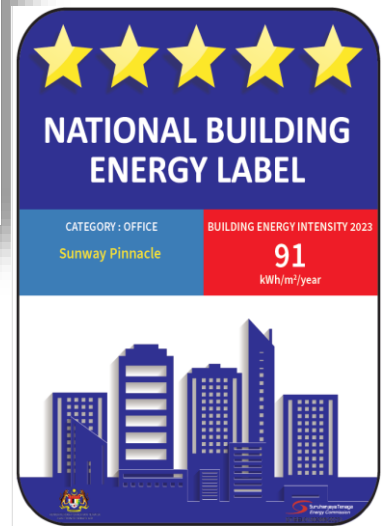
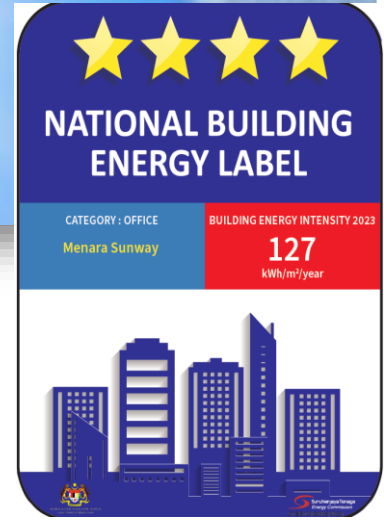
Goal 1:
Transforming Our Portfolio to Low Carbon Assets

Malaysia takes a significant step towards its net zero goals: Dewan Rakyat passes Energy Efficiency and Conservation Bill 2023

Building Energy Intensity (BEI)

4% on a y-o-y till 2030
To align with the Intergovernmental Panel on Climate Change (IPCCS)'s target of 45% reduction in carbon emissions by 2030

	Baseline	2023 Target	2023 Actual
Retail	350	336	288
Hotel	290	278	182
Office	150	144	139



Annual Renewable Energy Generation 2030 Targets

Goal 1:
Transforming Our Portfolio to Low Carbon Assets

Annual Renewable Energy Generation (MWh)

At least of **40%** of electricity from renewable energy sources by **2030** (5% locally generated, 35% purchased from green sources/solar farms)

1.92% locally generated
6.37% purchased via GET



Installed Capacity

Sunway university

631 kWp

2019

Sunway Pyramid Mall

1,001 kWp

2020

Sunway Medical Centre

430 kWp

2021

- Menara Sunway
- Sunway Resort Hotel
- Sunway Carnival Mall

983 kWp

2022

- Sunway Putra Mall
- Sunway Resort Hotel (solar heat system for the Kids Club)

182 kWp

2023

Sunway REIT's Climate Change Mitigation

Goal 1:
Transforming Our Portfolio to Low Carbon Assets

- Started Electricity, Waste and Water Data Collection

- Introduced the nation's first Internal Carbon Pricing framework
- Engage with stakeholders to reduce Scope 3 emissions
- Carried out VaR studies for all REIT properties and new acquisition properties



- Flood barrier

Our managed assets should continue to stay below the set target, reducing **3.5% to 4%** annually

Getting to Net Zero

- Plan to explore Corporate Green Power Programmes and Virtual Power Purchase Agreements

Target to reach **NET ZERO**

2015

2019

2021

2023

2024

2030

2050

- Invested RM18 mil. in a water treatment plant in Sunway South Quay
- Supply up to 8.5 mil. litres of water to 51,500 people per day by recycling water from the city's lakes



- Established Green Building Roadmap
- Energy efficiency improvement

Target to reduce **45%** of our residual emissions

Sunway REIT Is Malaysia's First REIT To Introduce Green Lease Partnership Programme

- Sunway REIT aims to achieve 100% tenant participation with more than 1,300 tenants in Sunway Green Lease Partnership Programme before or by 2030.
- Prominent tenants including The Body Shop, Muji, L'OCCITANE, Starbucks Coffee, Roche (Malaysia), Accenture Technology Solutions and Sunway Hotels have committed to partner Sunway REIT in the Sunway Green Lease Partnership Programme to contribute towards a more sustainable future.
- Tenants and hotel lessees will commit to working together with Sunway REIT to improve energy efficiency, water saving measures, and diversion of waste from landfills.



Green Lease Partnership Programme

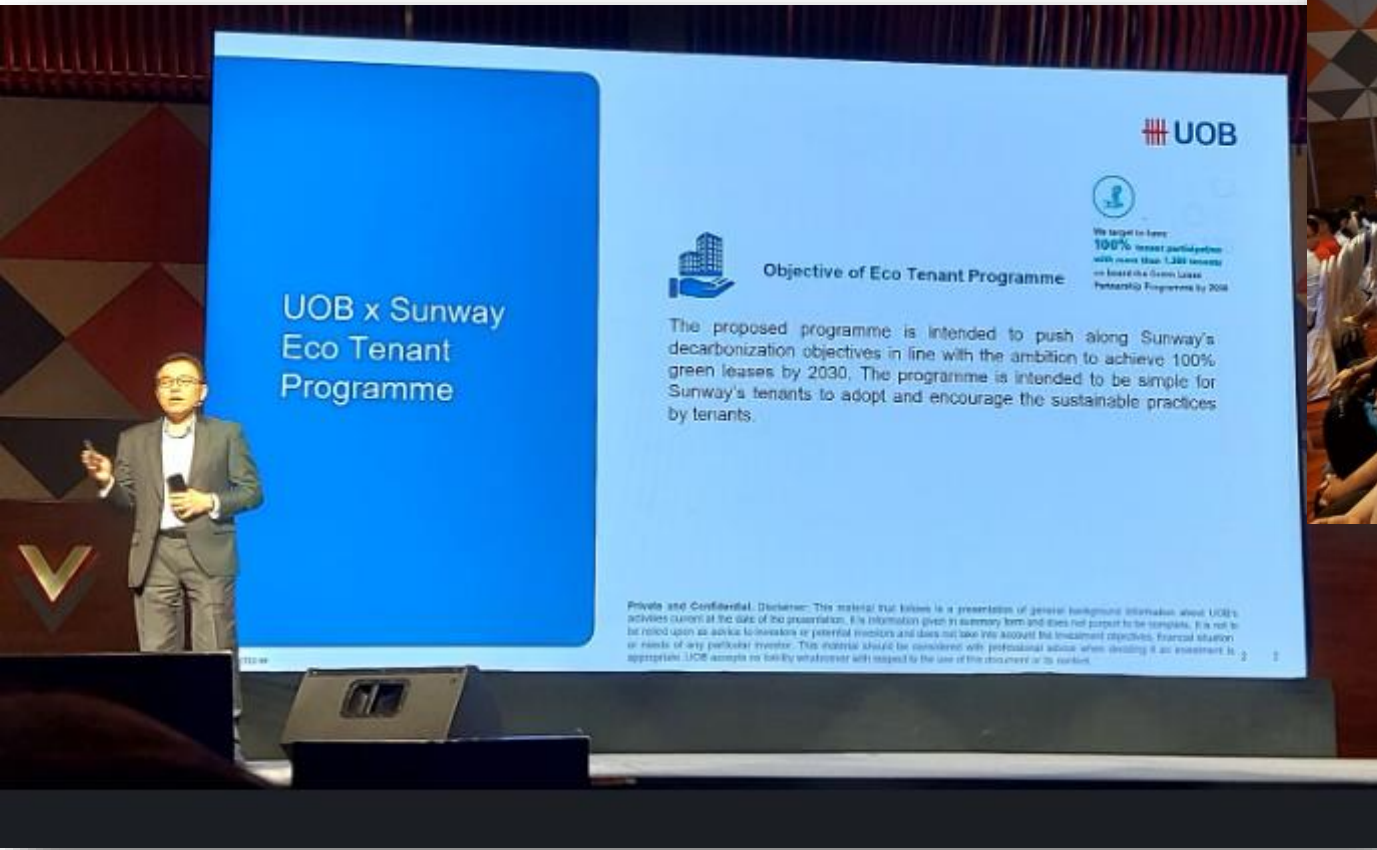
Achieve and maintain **100%** tenant participation in Sunway Green Lease Partnership Programme

100% hotel lessees
91% retail tenants
82% office tenants

Green Financing for Tenants

Goal 2:
Advocating a Responsible Value Chain

UOB x Sunway Eco Tenant Programme – a Green Finance Loan designed exclusively for Sunway Malls Business Partners



Strengthening Value Chain Engagement

Goal 2:
Advocating a Responsible Value Chain



1. Creating awareness among our suppliers to encourage ESG disclosure via SEDG programme

SUNWAY SUSTAINABILITY DATA COMPILATION FORM

Home > Admin View > Submission Progress - Electricity

10 Property Name Business Division REIT 2024

PROPERTY NAME	BUSINESS DIVISION	TYPE OF DEVELOPMENT	REGION	ENTITY NAME	YEAR	MONTH	STATUS	PENDING BY	SUBMITTED BY	APPROVED / REJECTED BY
Corporate Suites @ Level 19	Office	Sunway City Kuala Lumpur	Central	Berhad / REIT	2024	January	Approved	NURUL SYAHIRAH BINTI SHAHARUDDIN	NURUL SYAHIRAH BINTI SHAHARUDDIN	MURUGAN A/L SUBRAMANIAM
Menara Sunway	Office	Sunway City Kuala Lumpur	Central	Berhad / REIT	2024	January	Pending Submission/Amendment	ANIS SYUHADA BINTI SHARIZAL	ANIS SYUHADA BINTI SHARIZAL	VASANTAKUMAR A/L MACHAP
Monash University	Education	Sunway City Kuala Lumpur	Central	Berhad / REIT	2024	January	Approved	RIZALHISHAM MUDA	RIZALHISHAM MUDA	RAJEEV SUBERAMANY
Sunway Carnival Shopping Mall	Retail	Standalone	Northern	Berhad / REIT	2024	January	Approved	CHUAH PUI XI	CHUAH PUI XI	CHAI WEN YEW
Sunway Clio Retail	Retail	Sunway City Kuala Lumpur	Central	Berhad / REIT	2024	January	Submitted (Pending Approval)	abdullahm@sunway.com.my	ABDULLAH MAT	HEW WEI TYNG
Sunway College	Education	Sunway City Kuala Lumpur	Central	Berhad / REIT	2024	January	Pending Submission/Amendment	PHILIP TAN SHIEN MING	PHILIP TAN SHIEN MING	CHAN YIT SUN

2. Platform for data collection – Cloudapps

People at the Core

Goal 3:
Investing in Community Inclusivity

Family-Friendly Policies	Work + Life Integration	Flexible Working Arrangement	Education Assistance	Health and Well-being Initiatives
<p>Supporting Working Mothers</p> <ul style="list-style-type: none"> Reserved parking spaces for expectant mothers Lactation Room 	<p>Childcare Subsidy</p> <p>Subsidised tuition fees for employees' children who attend affiliated childcare centres</p>	<p>Leave</p> <ul style="list-style-type: none"> Maternity / Paternity leave Medical / Hospitalisation leave Special leave (e.g. marriage leave, birthday leave, etc.) 		
<p>Kelab Sosial Sunway</p> <p>A social club for Sunway employees that organises various activities such as:</p> <ul style="list-style-type: none"> Blood donation drives Corporate Social Responsibility (CSR) activities Donation drives Health talks Sports and recreational activities 	<p>Tuition Fee Reimbursement</p> <p>Available for confirmed employees with a minimum of one year of service, upon successful completion and passing of the course</p>	<p>Staff Discounts</p> <p>We encourage Sunway employees to be a healthy part of the communities they live, learn and play in through the following initiatives:</p> <ul style="list-style-type: none"> Live: discounts on property purchases, corporate discounts Learn: discounts on selected educational programmes in all our learning institutions. Play: discounts on theme park tickets, hotel room rates and food & beverage. Health: discounts on healthcare services. 		
	<p>Tuition Fee Discount</p> <p>Eligible for confirmed employees with at least one year of service with Sunway REIT on courses taken at participating institutions</p>			
<p>Flexible Working Schedule</p>	<p>Dental & Optical Benefits</p>	<p>Employee Health Screening</p>	<p>Staff Medical & Life Coverage</p>	

Priority Areas

- Equal opportunities for all
- Employees' training & upskilling
- Employees' health & wellbeing

In 2023,

Average training hours by gender:

MALE **43** hours FEMALE **34** hours

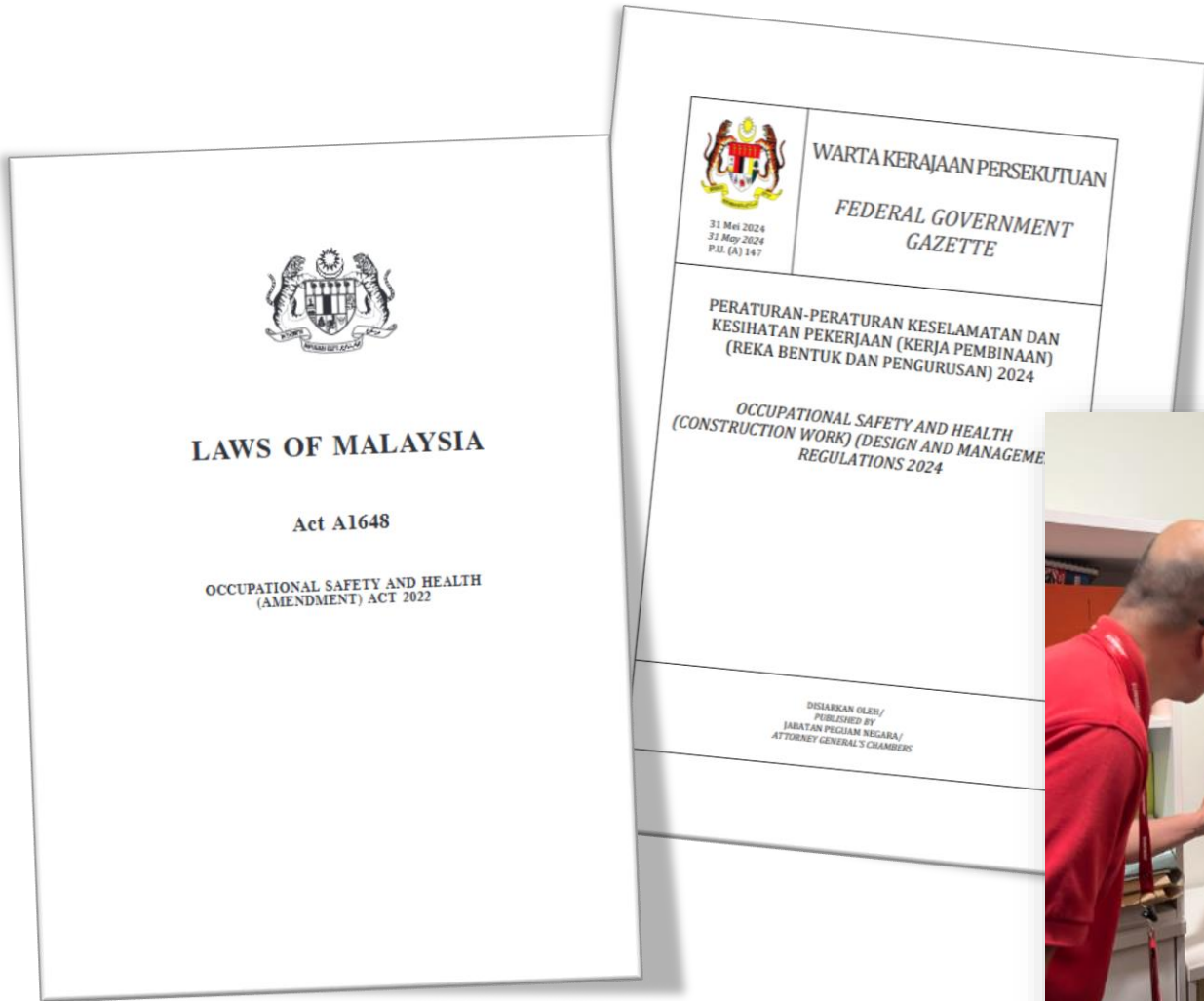
Average training hours by employee category:

Senior Management	Manager & Senior Manager	Senior Executive & Assistant Manager	Executive
28 hours	44 hours	34 hours	42 hours

Total Learning Hours:	Average Training Hours Per Employee Per Year:	Training & Development Investment:
815 hours	35 hours	>RM41,000

Occupational Safety and Health (OSH)

Goal 3:
Investing in Community Inclusivity



- OSH walkabout annually
- LTI and accidents tracking
- OSH Audits

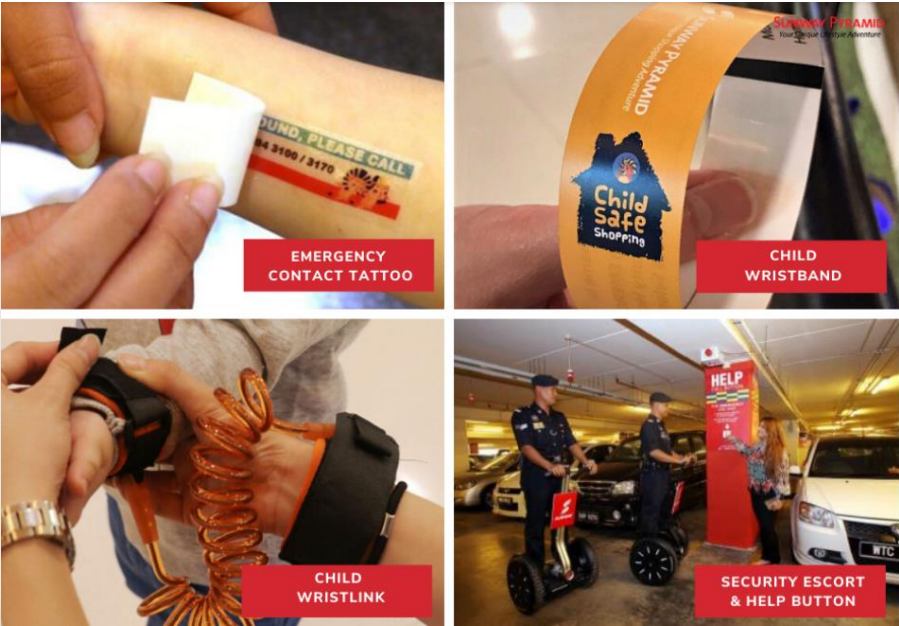
MSOSH Occupational Safety and Health Awards 2023

- Sunway Pyramid Mall **GOLD CLASS 2**
- Sunway Carnival Mall **GOLD CLASS 2**
- Sunway Putra Mall **GOLD CLASS 2**
- Menara Sunway **GOLD CLASS 2**

Sunway Safe City

Goal 3:
Investing in Community Inclusivity

- Sunway launched Safe City Initiative in partnership with the Royal Malaysian Police, Malaysian Crime Prevention Foundation (MCPF) and the State of Selangor.
- Sunway Pyramid is the first shopping mall in Malaysia to provide child safety services as well as equip with panic buttons to combat crime.
- Sunway has its own security force comprising 800 personnel, 350 are Auxiliary Police.



Child safety service & panic buttons installed

Sunway REIT's Sustainability Governance

Goal 4:
Respecting Ethical Principles

BOARD OF DIRECTORS

SUSTAINABILITY COMMITTEE



Sarena Cheah
Yean Tih, S.M.S.

Member



Yeo Kar Peng

Chairperson



Clement Chen

Member



JEFFREY SACHS CENTER
on Sustainable Development
SUNWAY UNIVERSITY, Malaysia

The Jeffrey Sachs Center on Sustainable Development (JSC) at Sunway University acts as an advisor to the Sustainability Committee, supporting its recommendations with academic research.

SUSTAINABILITY WORKING GROUP



Clement Chen

CEO



Ng Bee Lien

CFO



Angeline Sie
Ing Swan

Head of
Sustainability



Crystal Teh
Lay Ling

Head of Investor
Relations of Sunway
Berhad



Chong Sau Min

Head
Office Segment



Chan Hoi Choy

Head
Retail Segment



Alex Castaldi

Head
Hotel Segment I



Wilfred Yeo

Head
Hotel Segment II

Established in 2021

Established in 2015

Sunway REIT's Sustainability Policies

Goal 4:
Respecting Ethical Principles

OUR POLICIES

Sunway REIT's sustainability efforts are guided by its Sustainability Policy, Board & Corporate Policies and other policies that are aligned with Sunway Berhad's policies.

SUSTAINABILITY POLICIES

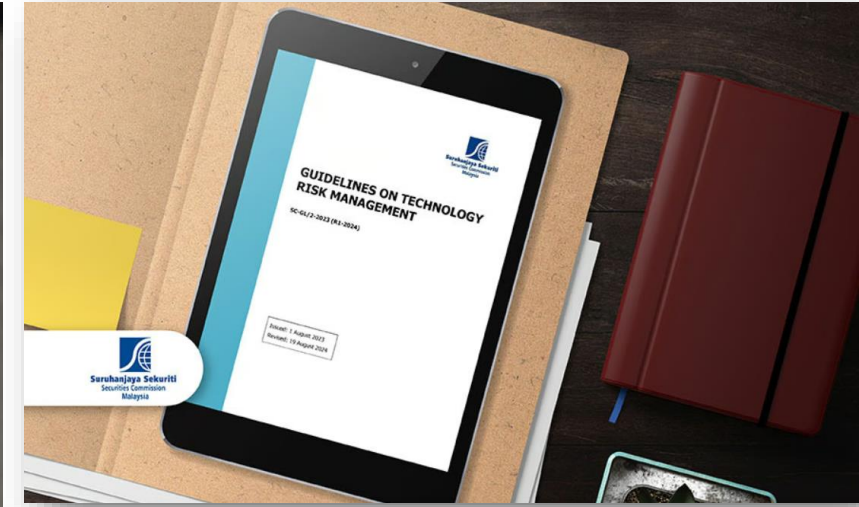
- Sustainability Policy
- Donations, Sponsorships & Corporate Responsibility Policy
- Universal Accessibility Policy
- Diversity & Inclusion Policy
- Water Management Policy
- Human Rights Policy
- Biodiversity Policy
- Green Building Policy
- Sustainable Procurement Policy
- Sustainable Events Management Policy

OTHER POLICIES

- Occupational Health, Safety And Environment Policy

BOARD & CORPORATE POLICIES

[Read More](#)



Sunway REIT Cybersecurity Awareness Session



Sustainable Finance

Sunway REIT's Sustainable Finance



2024 Achievements

¹ Issuance of the **first-in-the-industry Rated Sustainability-linked MTN**
in July 2024

Issued at 25 – 30 bps spread to MGS
5-year RM250mil @ 3.97% (coupon rate)
7-year RM150mil @ 4.06% (coupon rate)
Blended Coupon Rate: 4.00%









² Issuance of the **first-in-Malaysia Rated Sustainability-linked Perpetual**
in October 2024

Issued at 100 bps spread to MGS
5-year RM150mil @ 4.51% (coupon rate)
7-year RM350mil @ 4.68% (coupon rate)
Blended Coupon rate: 4.63%



Recognition & Awards

Sustainability Rating Achievements

	2023	2024
		
 <p>FTSE4Good</p>	<p>3.2 (Ranked top 25% amongst peers)</p>	<p>3.6 (Ranked top 21% amongst peers)</p>
	<p>B Climate Change 2023 C Water Security 2023</p>	<p><i>Pending</i></p>
<p>MSCI ESG RATINGS</p>		
 <p>a Morningstar company</p>	<p>Low Risk</p>	<p>Negligible Risk</p>

Recognition & Awards



Minority Shareholder Watchdog Group's National Corporate Governance & Sustainability Awards 2024
REITs Excellence Award



The Star ESG Positive Impact Awards 2023
SILVER AWARD – Innovative Partnership category



The Edge ESG Awards 2024
GOLD AWARD – REIT category



Australasian Reporting Awards 2024
BRONZE AWARD – Distinguished Achievements in Sustainability Reporting

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Thank you