GHG Reduction Strategies and Decarbonisation Pathway for UEM Sunrise Berhad

1.0 Advancing Our Decarbonisation Journey

Background

UEM Sunrise Berhad has publicly committed to achieving a 20% reduction in GHG emissions by 2030.

In March 2025, UEM Sunrise Berhad completed and restated its Greenhouse Gas (GHG) Emissions Inventory for the year 2023 (re-baselined) and 2024, which was officially disclosed in the UEM Sunrise Integrated Annual Report 2024.

Following the re-baselining exercise, the identified reduction initiatives will offer clear guidance on how to achieve this target. These efforts will also underscore UEMS's commitment to managing its carbon emissions across Scope 1 and Scope 2 operations.

Emissions Sources/Emissions (tCO_2eq)	2023	Under the GHG Inventory Study	
		2023 (Re-baselined)	2024
Scope 1*	**12,368.0**	**5,467.9**	**1,951.7**
Stationary Combustion	12,368.0	105.7	**125.6**
Mobile Combustion		161.0	**153.2**
Fugitive Emissions		5,201.1	**1,672.6**
Fertiliser Usage		0.1	**0.3**
Scope 2	**9,488.0**	**41,178.3**	**36,252.2**
Purchased Electricity	9,488.0	41,178.3	**36,252.2**
Scope 3**	**1,201.0**	**15,322.3**	**10,632.3**
Cat. 1 – Purchased Goods & Services		13,302.3	**8,496.8**
Cat. 5 – Waste Generated	1,098.0		
Cat. 6 – Business Travel	72.0	104.3	**182.7**
Cat. 7 - Employee Commuting	31.0	1,915.7	**1,952.8**
Absolute GHG Emissions	**23,058.0**	**61,968.5**	**48,836.2**

* *Due to the re-baselining exercise carried out, Scope 1 operational boundaries for 2023 were expanded to include mobile combustion, fugitive emissions, and fertiliser usage.*

** *For 2023 (re-baselined) and 2024, emissions from main contractors, previously recorded under Scope 1 and 2, were reclassified under Scope 3: Category 1 – Purchased Goods and Services while emissions for Scope 3: Category 5 – Waste Generated will be published pending further refinement based on the GHG Protocol and IPCC Guidelines.*

Source: UEMS IAR 2024 (pg. 186)

2.0 A Strategic and Structured Decarbonisation Pathway

Our GHG Reduction Strategies and Decarbonisation Pathway, which forms one of the core pillars of Sustainability Blueprint 2.0, received the Board of Directors' approval in August 2025. This endorsement marks a critical step in formalizing the Company's approach toward a low-carbon future.

Our decarbonisation strategy is built around two core principles:

1. Maximising Internal Operational Decarbonisation
2. Addressing Residual Emissions through Diversified Carbon Offsetting Approaches

UEM Sunrise is well-positioned to accelerate our emissions reduction initiatives, targeting a 20% reduction by 2030, as part of our long-term ambition to achieve carbon neutrality by 2050.

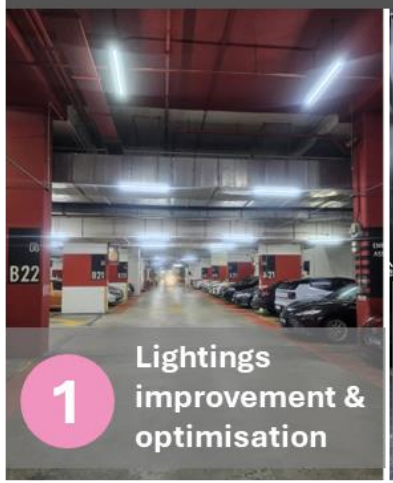
3.0 Targeted Focus: High-Impact Assets

We are prioritising Scope 2 – indirect emissions resulting from generation of purchased energy i.e. electricity at three key assets in the Central Region that contribute to over 50% of our combined Scope 1 and Scope 2 emissions i.e. Sunrise DCS, Publika Shopping Gallery and Solaris Dutamas Carpark.

Sunrise DCS

1. District cooling plant refurbishing

Publika Shopping Gallery & Solaris Dutamas Carpark

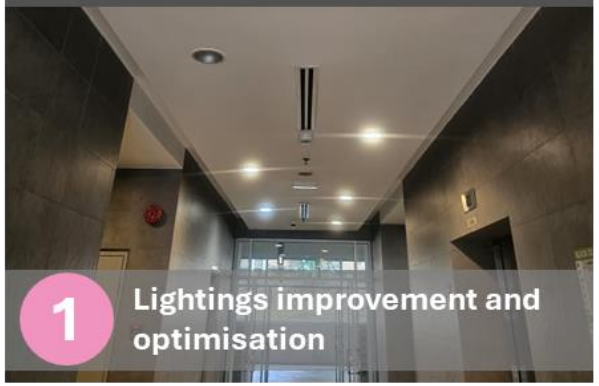


1. Lightings improvement & optimisation

2. Building Management System (BMS) enhancement

3. Ai-powered Ventilation
   Variable speed drives (VSD) installation to control the existing cooling load needed prior to system implementation

Offices - C5 & Imperia



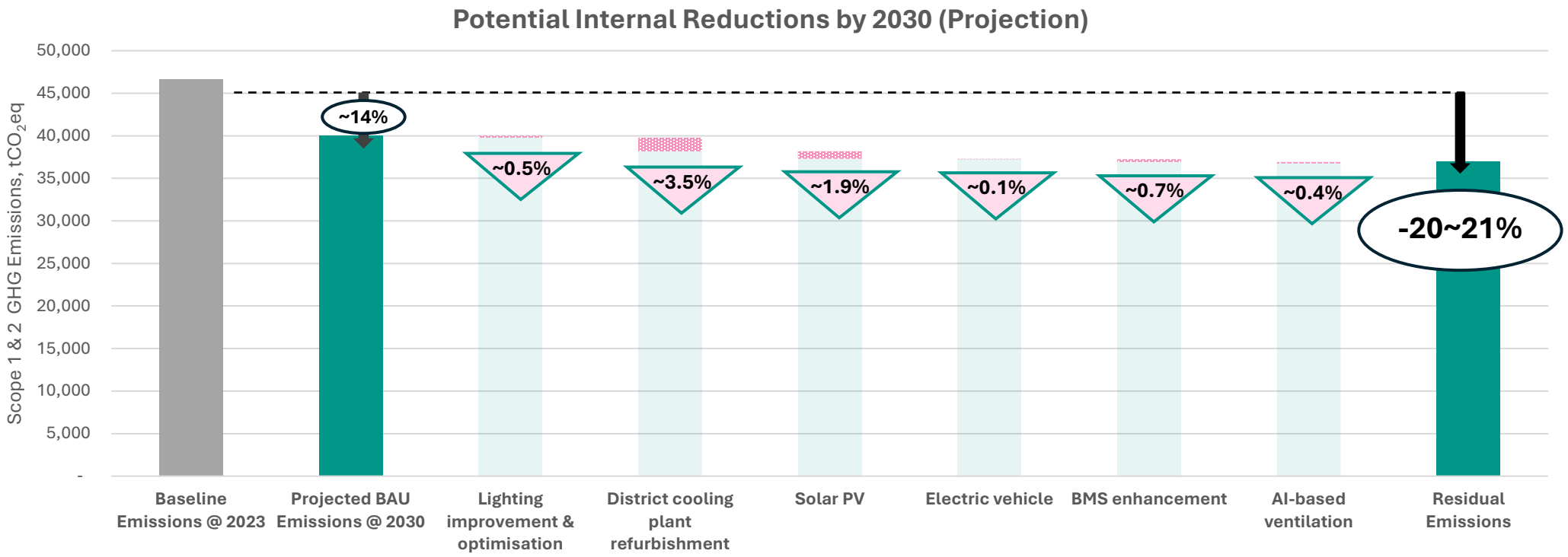
1. Lightings improvement and optimisation

Overall

1. Converting petrol/diesel car to electrical vehicles (EV)

2. Solar PV program
   Serene Heights, Symphony Hills & Gerbang Nusajaya Sales Galleries; Estuari Sports Centre & Puteri Habour International Ferry Terminal

4.0 Projected Internal GHG Emissions Reduction by 2030 for High Impact Assets



Notes:

- *GHG emissions projected based on AOP growth rate from 2024 emissions; assuming the number of sales galleries remains the same*
- *GHG reductions are estimated independently, without considering their reliance on other initiatives.*

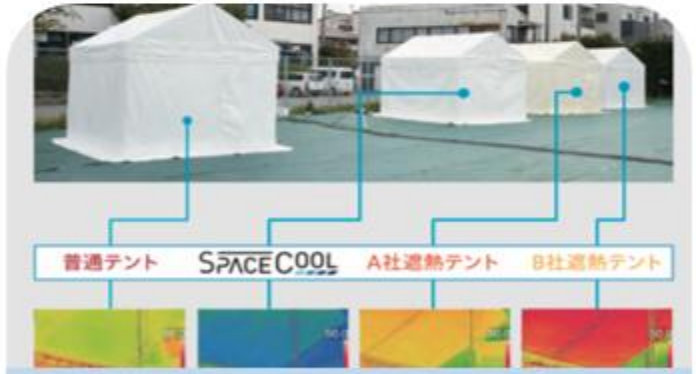
- While initial assessments indicate strong potential for emissions reductions, detailed feasibility studies are still required to validate these projections and ensure implementation viability.
- Nonetheless, based on current analysis, the target of a 20% reduction in Scope 1 and Scope 2 emissions by 2030 (from the 2023 base year) is considered achievable through the strategies identified above.

5.0 Other internal reductions for future considerations

Solar-powered EV Charging Station

Optimisation of Workspace

Green Refrigerants



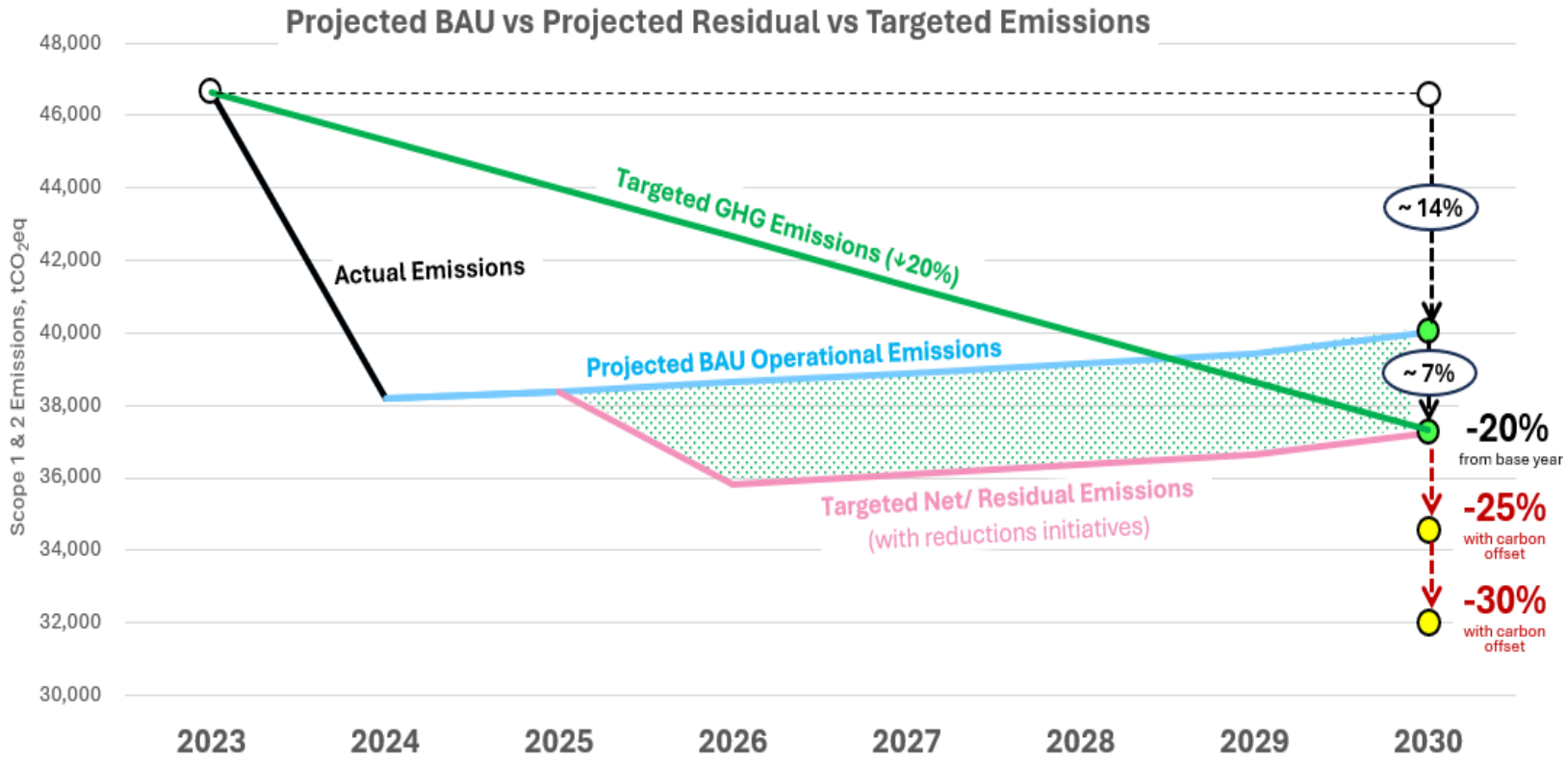
Radiative Cooling System

Pre-cooling Misting System

Low-e Glass Roof

*requires further assessment on a case-by-case basis

6.0 Closing Gaps with Carbon Offsets



Notes:
- *GHG emissions projected based on AOP growth rate from 2024 emissions*

Insights from the carbon target gap analysis indicate that additional emissions reductions can be achieved through carbon offsetting measures. These include:

- **Nature-based solutions** – such as reforestation or conservation projects, which require preliminary studies to assess potential carbon sequestration.
- **Carbon credit purchases** – aligned with international standards and ESG principles.

These offset strategies will play a complementary role in bridging the gap toward our 2030 emissions reduction target and long-term carbon neutrality goals.