

Welcome to your CDP Water Security Questionnaire 2022

W0. Introduction

W0.1

(W0.1) Give a general description of and introduction to your organization.

Established in 1974, Sunway Group is one of Southeast Asia's leading conglomerates with 13 business divisions across more than 50 locations worldwide. Our 16,000-strong team is committed to sustainable development and socio-economic progress through our diverse businesses including core interests in real estate, construction, education, healthcare, retail and hospitality. Sunway is committed to advancing the United Nations Sustainable Development Goals and continues to align them with our Environmental, Social and Governance (ESG) targets as part of our corporate strategy and social responsibility towards driving the group's long-term success and deepening our commitment to nation-building.

In line with our aspiration to build a sustainable future, Sunway aims to achieve net zero carbon emissions by 2050 with an interim target to halve emissions by 2030. Sunway is the first corporation in Malaysia, and among the first in Asia, to introduce a carbon pricing framework into its business, putting it in the company of some 40 other countries around the world. Sunway Berhad has been listed on the ESG-themed FTSE4Good Bursa Malaysia Index since 2014.

Sunway's unique Build-Own-Operate business model also makes us an integral stakeholder of the communities in which we operate namely Sunway City Kuala Lumpur, Sunway City Ipoh in Perak and Sunway City Iskandar Puteri in Johor, and a host of other integrated developments which collectively span more than 5,000 acres across Malaysia. Underscoring Sunway Group's long-standing commitment to sustainable development, founder and chairman Tan Sri Dato' Seri Dr. Jeffrey Cheah AO through his eponymous Jeffrey Cheah Foundation endowed US\$10 million to the United Nations to set up the Jeffrey Sachs Center on Sustainable Development at Sunway University. In 2020, the Foundation committed another US\$10



million to further advance the sustainability agenda in Malaysia and Asia. The Center, chaired by Professor Jeffrey D. Sachs, a world-renowned economist and special advisor to the UN Secretary-General, aims to create and deliver the world’s best academic and executive programmes on sustainable development.

Sunway City Kuala Lumpur is one of only three overarching United Nations Sustainable Development Solutions Network (UN-SDSN) centres alongside New York City and Paris to coordinate continent-wide sustainability initiatives for Asia, the Americas and Europe as well as Africa respectively. This centre serves as the UN-SDSN Asia headquarters and hosts the SDG Academy, which will play a fundamental role in the global initiative Mission 4.7 that aims to accelerate the implementation of education for sustainable development worldwide. To further advance the sustainability agenda in a holistic manner throughout the region, the Sunway Centre for Planetary Health was established in 2021. Based at Sunway University, this Centre will work closely with existing institutions at the University to address pressing planetary challenges at the confluence of human and environmental health. Jeffrey Cheah Foundation, Malaysia’s largest education-focused social enterprise, has awarded close to US\$150 million worth of scholarships and grants to thousands of deserving students as of 2021.

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	January 1, 2021	December 31, 2021

W0.3

(W0.3) Select the countries/areas in which you operate.

Malaysia

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

MYR



W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which operational control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

No

W0.7

(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization.	Provide your unique identifier
Yes, an ISIN code	MYL521100007

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain

Sufficient amounts of good quality freshwater available for use	Vital	Important	Water is one of the most important natural resources for our business operations. Water supply is vital for Sunway’s managed properties and industrial sites for their respective business operations which are water-intensive such as F&B outlets at retail operations and banquets at hotels. In Sunway, more than 95% of the water consumption comes from freshwater supply sourced from municipal supply and lake water from Sunway South Quay, a lake situated within Sunway City Kuala Lumpur. In 2019, Sunway invested in a water treatment plant at the Sunway South Quay lake. Currently, our managed properties situated within Sunway City Kuala Lumpur are able to reduce water dependency from municipal supply as these properties receive treated lake water from the Sunway South Quay lake.
Sufficient amounts of recycled, brackish and/or produced water available for use	Not very important	Not very important	Sunway’s managed properties and industrial sites does not depend on recycled, brackish and/or produce water for their daily business operations. The best practice instilled at our properties are to install water-efficient fittings such as sensor taps, new faucets and water-efficient taps to ensure efficient water usage. In addition to that, some of our managed properties have installed rainwater harvesting system to reduce dependency on potable water for indirect use. The harvested rainwater is utilised mainly for non-essential usage at our operational sites, such for cleaning outdoor areas, landscape maintenance and flushing toilets, thus reducing our dependence on municipal supply.

W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	100%	The majority of our business divisions consume water from municipal water supplies and some of our operational sites consume water from harvested rainwater, groundwater and lake water. The withdrawals from each source is measured and monitored regularly.

Water withdrawals – volumes by source	100%	<p>Municipal potable water The total withdrawal from municipal water supplies are recorded in the form of monthly utility bills issued by respective state’s municipal water supplier.</p> <p>Lake water The water from Sunway South Quay lake (situated in Sunway City Kuala Lumpur) is treated by our own water treatment plant and supplied to Sunway’s managed properties within Sunway City Kuala Lumpur. The amount of water produced and supplied to the properties are measured and monitored regularly through water meter readings. The lake water is also utilised for landscape watering and is measured based on estimated amount supplied to the landscape tanker lorry.</p> <p>Rainwater harvesting Rainwater harvesting system is implemented at some of our managed properties, where practicable. The amount of harvested rainwater is measured through water meter readings.</p> <p>Groundwater Groundwater withdrawal occurs at our theme park operations and is measured through water meter readings.</p>
Water withdrawals quality	100%	Since majority of our business divisions consume water from municipal water supplies, the respective municipal water supplier are responsible to measure and monitor the quality of the water.
Water discharges – total volumes	Not monitored	
Water discharges – volumes by destination	Not monitored	
Water discharges – volumes by treatment method	Not monitored	

Water discharge quality – by standard effluent parameters	100%	Water discharge quality by standard effluent parameters is monitored at our Building Materials, Quarry and on-going construction sites. We comply with all the necessary environmental rules and regulations to ensure the quality of surface water run-off is within the permissible limit. Periodic monitoring of total suspended solids (TSS) is conducted at each final discharge point to control the quality of our wastewater at our industrial sites. Silt traps are used to trap sediment from water runoff, separating silt and other particles before the water is discharged into the drainage system. Our quarry and building materials business divisions conduct water sampling tests at the various identified water discharge points, ensuring that the water samples are within specifications as per the Environmental Management Plan (EMP) under the Department of Environment.
Water discharge quality – temperature	100%	Water discharge quality by standard effluent parameters (including temperature) is monitored at our Building Materials sites, where relevant. Similar to standard effluent parameters, the building materials business divisions conduct water sampling tests at the various identified water discharge points, ensuring that the water samples are within specifications as per the Environmental Management Plan (EMP) under the Department of Environment.
Water consumption – total volume	100%	The majority of our business divisions consume water from municipal water supplies and some of our operational sites consume water from harvested rainwater, groundwater and lake water.
Water recycled/reused	Not relevant	There is no direct recycling and reuse of water at our managed buildings, hence water recycled/reused is not measured
The provision of fully-functioning, safely managed WASH services to all workers	100%	Sunway's managed properties are supplied with potable water from municipal suppliers which are provided with adequate water, sanitation and hygiene (WASH) services based on regulatory requirements. The services are accessible to all employees, tenants, visitors and customers.

W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	3,309.75	Lower	Our water withdrawal has steadily decreased since 2020 due to reduced operation hours during the MCO periods.
Total discharges			Not applicable. We only measure water discharges based on the qualitative parameters (such as Total Suspended Solids, BOD, COD, etc.) at our industrial and on-going construction sites.
Total consumption	3,309.75	Lower	Our water consumption has steadily decreased since 2020 due to reduced operation hours during the MCO periods. In 2021, the Group's water consumption reduced by 17% to 3,309,758 m ³ . Going forward, we will continue with our water conservation initiatives to reduce water consumption and minimise our environmental impact.

W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.

	Withdrawals are from areas with water stress	Identification tool	Please explain
Row 1	No		We do not operate within water stress areas.

W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Relevant	960.9	Higher	Sourced from lake water and harvested rainwater
Brackish surface water/Seawater	Not relevant			

Groundwater – renewable	Relevant	2.44	About the same	
Groundwater – non-renewable	Not relevant			
Produced/Entrained water	Not relevant			
Third party sources	Relevant	2,346.41	Lower	Sourced from municipal water supplies

W1.3

(W1.3) Provide a figure for your organization’s total water withdrawal efficiency.

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	3,717,308,000	3,309.75	1,123,138.60563487	<p>We anticipate an increase in the total water consumption as the business recovers from pandemic. However, we aspire to maintain the overall water use efficiency and to reduce dependency on municipal water supply. Sunway has developed a Water Management Policy to move towards best water management practices.</p> <p>Sunway Berhad Water Management Policy (https://www.sunway.com.my/wp-content/uploads/2021/12/Sunway-Berhad-Water-Management-Policy-211015.pdf)</p>

W1.4

(W1.4) Do you engage with your value chain on water-related issues?

Yes, our suppliers

W1.4a

(W1.4a) What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?

Row 1

% of suppliers by number

76-100

% of total procurement spend

76-100

Rationale for this coverage

Sunway Group has adopted the 17 United Nations Sustainable Development Goals (UNSDGs) and is committed to establish a best practice approach to sustainable procurement. In line with the commitment, we have developed a Sustainable Procurement Policy. This policy shall cover all employees of Sunway Group. This Policy is also applicable to the following external parties; including but not limited to Sunway Group's suppliers.

Sunway Sustainable Procurement Policy (<https://www.sunway.com.my/wp-content/uploads/2021/11/Sunway-Sustainable-Procurement-Policy.pdf>)

Impact of the engagement and measures of success

The supplier selection process will favor suppliers that adopt sustainability practices in their organisation based on the following categories:

a) Environmental

- i. Minimizes environmental footprint of the goods and services over the life cycle (e.g. choosing products and services that have lower adverse impacts associated with any stage in their production, use or disposal.)
- ii. Environmental footprint includes but not limited to climate change, energy use, water use and biodiversity.
- iii. Provides goods and services that are certified with eco labels.
- iv. Introduces take-back service at the products' end of life.

b) Social

- i. Provides non-discriminatory, healthy and safe environment to the employees.
- ii. Supports the right to freedom of association and collective bargaining.
- iii. Provides goods and services that are certified with social labels.
- iv. Prohibits slavery and use of forced or child labor across supply chain.
- v. Zero tolerance on supplier violation of Employment Act 1955.

Suppliers are advised to make a declaration if they are aware that their products consist of hazardous components and/or materials (e.g. chemicals, toxic, require special handling of waste). Beginning in 2021, all suppliers who have completed the supplier registration form are required to declare their current ESG practices via the Supplier Environmental and Social Risk Assessment forms. The information provided will be recorded and kept by all business divisions. We introduced sustainable procurement best practices to our employees and suppliers. Our suppliers are able to refer to the Sustainable Procurement Policy as a guideline to benchmark their ESG practices against industry best practices. All Sunway suppliers must comply with all relevant laws, regulations and standards, and any supplier found to have violated the law will be removed from our supply chain.

Sunway Sustainable Procurement Policy (<https://www.sunway.com.my/wp-content/uploads/2021/11/Sunway-Sustainable-Procurement-Policy.pdf>)

Comment

W1.4b

(W1.4b) Provide details of any other water-related supplier engagement activity.

Type of engagement

Onboarding & compliance

Details of engagement

Other, please specify
Sustainable Procurement Policy

% of suppliers by number

76-100

% of total procurement spend

76-100

Rationale for the coverage of your engagement

In line with the commitment, we have developed a Sustainable Procurement Policy. This policy shall cover all employees of Sunway Group. This Policy is also applicable to the following external parties; including but not limited to Sunway Group's suppliers.

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Sunway Sustainable Procurement Policy (<https://www.sunway.com.my/wp-content/uploads/2021/11/Sunway-Sustainable-Procurement-Policy.pdf>)

Comment

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?

Yes

W2.1a

(W2.1a) Describe the water-related detrimental impacts experienced by your organization, your response, and the total financial impact.

Country/Area & River basin

Type of impact driver & Primary impact driver

Acute physical

Flood (coastal, fluvial, pluvial, groundwater)

Primary impact

Increased operating costs

Description of impact

Flooding at Trading & Manufacturing site in Kota Kinabalu due to heavy rainfall.

In September 2021, heavy rainfall occurred at West Coast of Sabah including Kota Kinabalu area causing water level to rise at the river and monsoon drain. The flooding disrupted internet connection, wiring and phone system. It also caused minor damage to company assets and products.

Primary response

Other, please specify

Total financial impact

605,000

Description of response

Short-term solution to place pallets to prevent water from damaging products.

Country/Area & River basin

Type of impact driver & Primary impact driver

Acute physical

Heavy precipitation (rain, hail, snow/ice)

Primary impact

Increased operating costs

Description of impact

Landslide at Quarry site in Rawang due to heavy rainfall.

On 19 December 2021, a landslide occurred at a quarry site in Rawang due to continuous heavy rain for 3 days. The landslide did not occur in area that is directly related to quarry operations. The heavy rain made the soil super saturated (>70% moisture content). When workers began to move heavy machineries when the rains weakened, the vibration triggered the landslide. The landslide caused damages to company assets such as cabins and company vehicles.

Primary response

Other, please specify

Total financial impact

552,000

Description of response

Constructed rock barrier at the foothill of the landslide area of the quarry site as protection for potential landslides.

Country/Area & River basin

Type of impact driver & Primary impact driver

Acute physical
Pollution incident

Primary impact

Increased operating costs

Description of impact

Pollution at water source results in shutdown of operation of the municipal supply in order to treat the water.

Primary response

Secure alternative water supply

Total financial impact

Description of response

The Group has developed a Water Management Policy to move towards best water management practices. The policy ensures that the Group is committed to:

- Reviewing and addressing water-related risks and opportunities regularly
- Ensuring regulatory compliance across all buildings and operation sites
- Ensuring effluents discharged at buildings and operation sites are within permissible limits

- Ensuring every Standard Operating Procedure is in place to address water crises in every business division
- Ensuring water-efficient fittings at all buildings and operation sites to optimise water consumption

Sunway Berhad Water Management Policy (<https://www.sunway.com.my/wp-content/uploads/2021/12/Sunway-Berhad-Water-Management-Policy-211015.pdf>)

Country/Area & River basin

Type of impact driver & Primary impact driver

Chronic physical
Rationing of municipal water supply

Primary impact

Increased operating costs

Description of impact

Pollution at water source results in shutdown of operation of the municipal supply in order to treat the water.

Primary response

Secure alternative water supply

Total financial impact

Description of response

The Group has developed a Water Management Policy to move towards best water management practices. The policy ensures that the Group is committed to:

- Reviewing and addressing water-related risks and opportunities regularly
- Ensuring regulatory compliance across all buildings and operation sites

- Ensuring effluents discharged at buildings and operation sites are within permissible limits
- Ensuring every Standard Operating Procedure is in place to address water crises in every business division
- Ensuring water-efficient fittings at all buildings and operation sites to optimise water consumption

Sunway Berhad Water Management Policy (<https://www.sunway.com.my/wp-content/uploads/2021/12/Sunway-Berhad-Water-Management-Policy-211015.pdf>)

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

No

W3. Procedures

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Value chain stage

Direct operations

Coverage

Full

Risk assessment procedure

Water risks are assessed as part of other company-wide risk assessment system

Frequency of assessment

Annually

How far into the future are risks considered?

More than 6 years

Type of tools and methods used

Other

Tools and methods used

Internal company methods
Scenario analysis

Contextual issues considered

Other, please specify

1. Water-related risks and opportunities 2. Regulatory compliance 3. Standard Operating Procedure to address water crises 4. Water-efficient fittings to optimise water consumption

Stakeholders considered

Customers
Employees
Investors
Local communities
NGOs
Regulators
Suppliers
Water utilities at a local level

Comment

W3.3b

(W3.3b) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

Sunway's approach is focused on optimising efficiency across our value chain and identifying areas for improvement across the life cycle of all our business areas. The life cycle approach is integrated into all our sustainable building designs and management systems, centring on water conservation through reducing, recycling and reusing. All business divisions were required to draft a Standard Operating Procedure (SOP) by the end of 2021 on how to handle a water crisis. The SOP details the emergency response process flow when a water disruption occurs, as well as information such as the capacity of tank(s) and how long the water supply would last during a disruption.

W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes, only within our direct operations

W4.1a

(W4.1a) How does your organization define substantive financial or strategic impact on your business?

As part of risk management of climate-related issues, Sunway appointed the Jeffrey Sachs Center on Sustainable Development (JSC) to conduct a climate Value at Risk (VaR) assessment on all our 74 properties to assess Sunway's risk exposure to climate change. JSC has categorised the levels of VaR as below:

Low: Low vulnerability to physical risks due to sea-level rise or higher rain intensity



Medium: Vulnerable to physical risks due to sea-level rise or higher rain intensity AND NOT Vulnerable to large potential damage physical risks (i.e. max. historical annual damages cost ratio < 5% or max. RM annual historical losses < RM5 mil)

High: Vulnerable to physical risks due to sea-level rise or higher rain intensity AND Vulnerable to large potential damage physical risks (i.e. max. historical annual damages cost ratio ≥ 5% or max. RM annual historical losses ≥ RM5 mil)

The JSC also discussed the potential financial implications of climate-related physical risks and transition risks for Sunway in the short term (1-5 years), medium term (6-10 years) and long term (≥ 11 years) based on the Taskforce on Climate-Related Financial Disclosures (TCFD) framework.

Transition Risks

Transition risks are changes that a firm is expected to navigate as society transitions to a low-carbon economy. Under the TCFD framework, there are four types of transition risks, namely policy and legal risk, technology risk, market risk and reputation risk.

Physical Risks

The risks of climate events physically damaging the properties in Sunway's portfolio. In the Malaysian context, material physical risks consist of:

- Sea-level rise, which can lead to more coastal and riverine floods.
- Increased rainfall intensity, which can lead to more flash floods, water seepages into buildings and landslides.

Climate Report: Net Zero by 2050, Sunway Berhad Sustainability Report 2021, page 19-25 (<https://www.sunway.com.my/sustainability-report/>)

W4.1b

(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?

	Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
Row 1	14	1-25	Based on the climate VaR study, Sunway's property portfolio was assessed to be low VaR because 60 of the 74 properties evaluated were low VaR. The study also noted that 7 properties were medium VaR because of close proximity to coasts or rivers and another 7 properties were medium VaR because they had experienced material historical climate-related damage. Sunway will continue to monitor all properties

			closely to ensure that they are safe against material climate-related physical risks (floods, increased rainfall intensity, landslides) and put in place mitigation measures as appropriate.
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W4.1c

(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?

W4.2

(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

Type of risk & Primary risk driver

- Acute physical
- Pollution incident

Primary potential impact

- Increased operating costs

Company-specific description

Water pollution that occurs at water source would result in the shutdown of the municipal water supply for treatment procedures. This causes water disruption to our managed properties.

Timeframe



More than 6 years

Magnitude of potential impact

Medium

Likelihood

Likely

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial impact

Primary response to risk

Secure alternative water supply

Description of response

In 2021, Sunway has developed a Water Management Policy to move towards best water management practices. In one of the commitments, the business divisions have to ensure Standard Operating Procedure is in place in all buildings and operations to address water crises.

Cost of response

0



Explanation of cost of response

No cost of response.

W4.2c

(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1	Not yet evaluated	

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized

W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

Type of opportunity

Efficiency

Primary water-related opportunity

Improved water efficiency in operations

Company-specific description & strategy to realize opportunity

The Group has developed a Water Management Policy to move towards best water management practices. The policy ensures that the Group is committed to:

- Reviewing and addressing water-related risks and opportunities regularly
- Ensuring regulatory compliance across all buildings and operation sites
- Ensuring effluents discharged at buildings and operation sites are within permissible limits
- Ensuring every Standard Operating Procedure is in place to address water crises in every business division
- Ensuring water-efficient fittings at all buildings and operation sites to optimise water consumption

Estimated timeframe for realization

More than 6 years

Magnitude of potential financial impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?

Yes, we have a documented water policy that is publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

	Scope	Content	Please explain
Row 1	Company-wide	Description of business dependency on water Description of business impact on water Other, please specify 1. Water-related risks and opportunities 2. Regulatory compliance 3. Standard Operating Procedure to address water crises 4. Water-efficient fittings to optimise water consumption	In 2021, Sunway has developed a Water Management Policy to move towards best water management practices. The policy ensures that the Group is committed to: <ul style="list-style-type: none"> • Reviewing and addressing water-related risks and opportunities regularly • Ensuring regulatory compliance across all buildings and operation sites • Ensuring effluents discharged at buildings and operation sites are within permissible limits • Ensuring every Standard Operating Procedure is in place to address water crises in every business division • Ensuring water-efficient fittings at all buildings and operation sites to optimise water consumption 📎 1

📎 1Sunway-Berhad-Water-Management-Policy-211015.pdf

W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual	Please explain
Board-level committee	Sunway Berhad’s sustainability governance is led by the Group’s Board Sustainability Committee (BSC), which comprises four Directors from the Group’s Board of Directors. The BSC was established in 2020 to review, supervise and recommend Sunway’s sustainability strategy and issues, key environment, social and governance (ESG) targets and performance, progress and scorecard to advance the Group’s sustainability leadership. The BSC plans to meet at least twice a year to review Sunway’s sustainability plans.

W6.2b

(W6.2b) Provide further details on the board’s oversight of water-related issues.

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - all meetings	Monitoring implementation and performance Overseeing major capital expenditures	At the highest governance level, The Board of Directors has ultimate oversight on ESG risks including water-related issues. Meanwhile, BSC review, supervise and recommend to the Board on Sunway’s sustainability strategy and issues, key environment, social and governance (ESG) targets and performance, progress and scorecard to advance the Group’s sustainability leadership.

		<p>Reviewing and guiding annual budgets</p> <p>Reviewing and guiding business plans</p> <p>Reviewing and guiding major plans of action</p> <p>Reviewing and guiding risk management policies</p> <p>Reviewing and guiding strategy</p> <p>Reviewing and guiding corporate responsibility strategy</p> <p>Reviewing innovation/R&D priorities</p> <p>Setting performance objectives</p>	<p>Some of the key agendas on water-related issues discussed in the BSC meetings are:</p> <ol style="list-style-type: none"> 1. Endorsement of framework / strategies to achieve Sunway Sustainability 2030 Goals and Targets. In September 2021, BSC appointed JSC to assess physical risks due to Climate Change for all assets owned by Sunway Property Investment. JSC has presented to BSC in April 2022 on the Climate Value at Risk (VaR) of all assets owned by Sunway Property Investment and the potential financial implications of climate-related physical risks and transition risks to the Sunway Berhad using the Task Force on Climate-Related Financial Disclosures (TCFD) framework. 2. Establishment of new policies to be implemented / update existing policies. In September 2021, BSC has endorsed proposal and strategy on water management and for all business units to have their respective water crisis SOPs in place. 3. Progress against target and performance to achieve Sunway Sustainability 2030 Goals and Targets.
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W6.2d

(W6.2d) Does your organization have at least one board member with competence on water-related issues?

	Board member(s) have competence on water-related issues	Criteria used to assess competence of board member(s) on water-related issues
Row 1	Yes	The BSC is responsible to review, supervise and recommend Sunway’s sustainability strategy and issues, key environment, social and governance (ESG) targets and performance, progress and scorecard - which included water-

		related issues. The BSC is able to address water-related issues raised and advise practicable strategy and implementations during BSC meetings and recommends to Board of Directors.
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W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)

Sustainability committee

Responsibility

Assessing future trends in water demand

Assessing water-related risks and opportunities

Managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Half-yearly

Please explain

Board Sustainability Committee

Established in 2020, the Board Sustainability Committee (BSC) reviews, supervises and makes recommendations to the Board of Directors for approval in the areas of sustainability strategy and issues, key environmental, social and governance (ESG) targets and performance, progress and scorecard. The BSC meets at least twice a year to review Sunway's sustainability strategies

Name of the position(s) and/or committee(s)

Environment/Sustainability manager

Responsibility

- Assessing future trends in water demand
- Assessing water-related risks and opportunities
- Managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Half-yearly

Please explain

The Group Sustainability (GS) helps the BSC make informed decisions that will drive the integration of sustainability strategies into business operations in order to achieve the Group's sustainability goals. GS also oversees reporting, key sustainability risks and opportunities, stakeholder engagement and the assessment of our material issues, while monitoring sustainability trends.

Name of the position(s) and/or committee(s)

- Other committee, please specify
Management Sustainability Committee

Responsibility

- Assessing future trends in water demand
- Assessing water-related risks and opportunities
- Managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Half-yearly

Please explain

The Management Sustainability Committee (MSC) comprises of all business divisions' heads. The Group Sustainability chairs and communicates the Group's sustainability direction to the MSC to be cascaded into their respective operations. This is where MSC will incorporate sustainability initiatives as part of their business plan in order to achieve Group's goals and targets.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	No, not currently but we plan to introduce them in the next two years	In 2021, Sunway Berhad integrated sustainability in senior management performance evaluations and Key Performance Indicators (KPIs), which are linked to remuneration. This includes linking the remuneration for senior executives to ESG performance including climate change matters. The KPIs are aligned to the Sunway Sustainability 2030 Goals and Targets: Every year, selected targets will be included as part of the senior management performance evaluations and KPIs and will be cascaded to employees within the organisation. As Sunway recently initiated this, a few sets of targets related to energy efficiency, waste management, occupational health and safety, learning hours and corporate governance were selected. Sunway is looking into expanding the KPIs to in the upcoming years.

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

Yes, direct engagement with policy makers

W6.5a


(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

We publish annual sustainability report to meet the mandatory requirements by Bursa Malaysia Main Market Listing Requirements on sustainability reporting for all public listed companies. We ensure that the criteria on water-related issues by Bursa is addressed in our sustainability reporting. In addition to that, Sunway is one of the companies that have been invited by Bursa to provide feedback on the proposed amendments to the Main Market Listing Requirements in relation to Sustainability Reporting Framework.

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

Yes (you may attach the report - this is optional)

 Interactive-Page-Sunway-SR2021.pdf

 Sunway Berhad Sustainability Report 2021 (page 16-17, 35-37)

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	5-10	Sunway has set future value goals and 2030 targets to transform portfolios to low-carbon sustainable cities. For water-related issues, Sunway has set target to reduce overall water intensity by 10% by 2030 (Baseline year: 2015).
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	5-10	Our approach is focused on optimising efficiency across our value chain and identifying areas for improvement across the life cycle of all our business areas. The life cycle approach is integrated into all our sustainable building designs and management systems, centring on water conservation through reducing, recycling and reusing. Sunway has developed a Water Management Policy to move towards best water management practices

Financial planning	Yes, water-related issues are integrated	5-10	The targets set at Group level is cascaded to the respective relevant business divisions. The business divisions are responsible to monitor and track the progress and performance of their targets. In order to manage risks and identify opportunities, the business divisions incorporate financial planning on water-related investments in their annual business plan.
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W7.2

(W7.2) What is the trend in your organization’s water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)

Anticipated forward trend for CAPEX (+/- % change)

Water-related OPEX (+/- % change)

Anticipated forward trend for OPEX (+/- % change)

Please explain

W7.3

(W7.3) Does your organization use scenario analysis to inform its business strategy?

	Use of scenario analysis	Comment
Row 1	Yes	

W7.3a

(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.

	Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
Row 1	Climate-related	<p>Transition risks</p> <ul style="list-style-type: none"> • Transition risks are changes that a firm is expected to navigate as society transitions to a low-carbon economy. • Under the TCFD framework, there are four types of transition risks, namely policy and legal risk, technology risk, market risk and reputation risk. <p>Physical risks</p> <p>The risks of climate events physically damaging the properties in Sunway's portfolio. In the Malaysian context, material physical risks consist of:</p> <ul style="list-style-type: none"> o Sea-level rise, which can lead to more coastal and riverine floods. o Increased rainfall intensity, which can lead to more flash floods, water seepages into buildings and landslides. 	<ul style="list-style-type: none"> • Increased demand for green products and services due to government mandate. • Cost savings from operating efficient green buildings (reduced water usage) • Technology to retrofit more efficient systems (reduced water usage) • Recycling technologies 	<p>Our approach is focused on optimising efficiency across our value chain and identifying areas for improvement across the life cycle of all our business areas. The life cycle approach is integrated into all our sustainable building designs and management systems, centring on water conservation through reducing, recycling and reusing. Sunway has developed a Water Management Policy to move towards best water management practices. The policy ensures that the Group is committed to:</p> <ul style="list-style-type: none"> • Reviewing and addressing water-related risks and opportunities regularly • Ensuring regulatory compliance across all buildings and operation sites • Ensuring effluents discharged at buildings and operation sites are within permissible limits • Ensuring every Standard Operating Procedure is in

	<p>In the Business-as-Usual (4°C) scenario, the organisation is highly impacted by physical risks, while in the Aggressive mitigation (2°C or less) scenario, the organisation is highly impacted by transition risks. Physical risks are most material in a 4°C warming scenario when global efforts fail to limit the emissions of carbon. Conversely, transition risks are most material in the 2°C or less warming scenario due to stakeholder demands for businesses to speed up the transition to low-carbon production processes.</p>	(rainwater harvesting)	<p>place to address water crises in every business division</p> <ul style="list-style-type: none"> • Ensuring water-efficient fittings at all buildings and operation sites to optimise water consumption
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W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

No, and we do not anticipate doing so within the next two years

Please explain

W7.5

(W7.5) Do you classify any of your current products and/or services as low water impact?

	Products and/or services classified as low water impact	Primary reason for not classifying any of your current products and/or services as low water impact	Please explain
Row 1	No, but we plan to address this within the next two years	Other, please specify Not monitored	

W8. Targets

W8.1

(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row 1	Company-wide targets and goals Business level specific targets and/or goals	Targets are monitored at the corporate level	Sunway has set future value goals and 2030 targets to transform portfolios to low-carbon sustainable cities. For water-related issues, Sunway has set target to reduce overall water intensity by 10% by 2030 (Baseline year: 2015). The relevant business divisions are responsible to monitor and track the progress and performance of their targets.

W8.1a

(W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.

Target reference number

Target 1

Category of target

Water use efficiency

Level

Company-wide

Primary motivation

Cost savings

Description of target

To reduce overall water intensity by 10% by 2030

Quantitative metric

Other, please specify

% reduction in water intensity

Baseline year

2015

Start year

2020

Target year

2030

% of target achieved

100

Please explain

Sunway has set future value goals and 2030 targets to transform portfolios to low-carbon sustainable cities. For water-related issues, Sunway has set target to reduce overall water intensity by 10% by 2030 (Baseline year: 2015). The relevant business divisions are responsible to monitor and track the progress and performance of their targets.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

Yes



W9.1a

(W9.1a) Which data points within your CDP disclosure have been verified, and which standards were used?

Disclosure module	Data verified	Verification standard	Please explain
W1 Current state	Sunway Berhad Sustainability Report 2021	ISAE 3000	Independent Assurance Statement by third-party
W2 Business impacts	Sunway Berhad Sustainability Report 2021	ISAE 3000	Independent Assurance Statement by third-party
W3 Procedures	Sunway Berhad Sustainability Report 2021	ISAE 3000	Independent Assurance Statement by third-party
W4 Risks and opportunities	Sunway Berhad Sustainability Report 2021	ISAE 3000	Independent Assurance Statement by third-party
W6 Governance	Sunway Berhad Sustainability Report 2021	ISAE 3000	Independent Assurance Statement by third-party
W7 Strategy	Sunway Berhad Sustainability Report 2021	ISAE 3000	Independent Assurance Statement by third-party
W8 Targets	Sunway Berhad Sustainability Report 2021	ISAE 3000	Independent Assurance Statement by third-party

W10. Sign off

W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

No further additional information.

W10.1

(W10.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Manager - Sustainability	Environment/Sustainability manager



W10.2

(W10.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate’s Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

Yes

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms