

ZERIN HABITAT

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WEEKLY UPDATES

ESG IN REAL ESTATE



Sunway Malls Strengthens ESG Commitment Through Innovation and Collaboration

Sunway Malls continues to lead in sustainability with Malaysia's first food digester and new SIRIM certifications, reinforcing its strong ESG commitment. Launched with the *From This to That* campaign on United Nations Day, the initiative encourages recycling and creative reuse. The food digester, now at Sunway Velocity and soon at Sunway Pyramid, converts food waste into greywater, later upcycled into liquid fertiliser — advancing its earlier composting efforts.

Sunway Pyramid also became the first Malaysian mall to earn the SIRIM 55 ESG certification, along with ISO 14001, ISO 45001, and ISO 9001. Chief Executive Officer HC Chan said ESG remains central to the group's growth, ensuring ethical, inclusive, and sustainable outcomes for all stakeholders.

Alongside these milestones, Sunway Malls upgrades smart systems for water, parking, and energy while expanding EV and solar facilities. Through partnerships with eco-brands and community programmes, it continues turning retail spaces into catalysts for sustainable living. [READ MORE](#)



IOI Properties Strengthens ESG Leadership and Accelerates Net-Zero Transition

IOI Properties Group Bhd won gold in the property sector for the third straight year at The Edge Malaysia ESG Awards 2025, reflecting its strong commitment to sustainability. Group CEO Lee Yeow Seng said the group's solar initiatives, including the 7.57MWp rooftop system at IOI City Mall and installations at sales galleries, have avoided 7,582 tonnes of CO₂ emissions. These efforts lifted IOI Properties' ESG score to 4.3 out of 5, ranking it among the top 3% of FTSE4Good-rated Malaysian companies.

In late 2024, the group launched the IOI Sustain Roadmap 2030, outlining 12 core strategies aligned with national goals and the UN Sustainable Development Goals. The roadmap charts a clear path to achieve net zero by 2050 through climate action, biodiversity conservation, waste management, and responsible finance.

The group continues to foster ESG literacy, advocate sector-specific guidance, and support Malaysia's low-carbon transition by promoting access to clean technologies and industry-wide cooperation for resilient and sustainable growth. [READ MORE](#)



AEON Strengthens Decarbonisation to Drive Malaysia's Sustainable Retail Growth

AEON Co (M) Bhd secured the gold award for the most improved ESG performance among mid-cap public-listed companies at The Edge Malaysia ESG Awards 2025. The recognition highlights AEON's strong progress in sustainability, anchored by the AEON Sustainability Charter, which was refined in 2024 to include clear and accountable climate targets. The company aims to achieve net-zero carbon emissions by 2050 and a 70% reduction in Scope 1 and 2 greenhouse gas emissions by 2035, using 2019 as its baseline year.

From 2022 to 2024, AEON installed solar photovoltaic systems at 11 malls, generating over 8,000 MWh of renewable energy. Simultaneously, it advanced energy-efficiency initiatives across 28 malls, improving chiller operations, escalator scheduling, and lighting systems. These efforts delivered a 17% reduction in absolute emissions and lifted AEON's FTSE4Good Bursa Malaysia rating from 1.8 to 4.0.

Looking ahead, AEON plans to complete solar installations across 28 malls by 2026, while expanding participation in national renewable and efficiency programmes to embed sustainable practices across its operations and supply chain. [READ MORE](#)



Malaysia Accelerates Green Building Initiatives to Achieve Net-Zero Vision

Malaysia is advancing steadily toward its renewable energy goals under the National Energy Transition Roadmap (NETR), targeting 40% renewable capacity by 2035 and 70% by 2050. Deputy Prime Minister and Minister of Energy Transition and Water Transformation Datuk Seri Fadillah Yusof said the country has already achieved 30% renewable capacity, led by over 5,000 megawatts of solar power. The next step focuses on decarbonising the electricity sector by reducing coal capacity by 50% by 2035 and phasing out coal entirely by 2044, while ensuring energy security and affordability.

The NETR outlines Malaysia's path to net-zero carbon emissions by 2050, combining government policy, industry action and climate goals. The transition also emphasises a people-centred approach, securing affordable energy and creating quality jobs while strengthening national energy resilience.

To accelerate progress, Fadillah launched Malaysia's Green Energy Future — Energy Sector Decarbonisation Dialogue Series, jointly led by PETRA and the World Economic Forum. Running through 2026, the initiative gathers experts to develop practical solutions for an equitable and viable transition through technology, financing, and innovation. [READ MORE](#)



Malaysia Launches World's First Climate Sukuk to Drive Green Finance

Malaysia has achieved a new milestone in Islamic finance with the launch of the world's first RMB 200 million (RM118.6 million) Climate Sukuk, combining Shariah principles with green finance, digital tokenisation, and carbon credit monetisation. Jointly issued by Unity Group and Tek Securities Ltd under the Labuan IBFC framework, the sukuk was introduced at the Global Islamic Finance Forum (GIFF) 2025 to position Labuan as a global hub for digital Islamic finance. The issuance is backed by 40,400 tonnes of verified carbon credits from Selangor's Green Initiative Programme, reflecting real carbon reduction through energy-efficient ESG lighting.

Proceeds will fund green infrastructure and low-carbon projects led by Synergy ESCO (M) Sdn Bhd, targeting the conversion of six million lighting tubes and the generation of four million tonnes of carbon credits over ten years.

Unity Group chairman and CEO Mansfield Wong said the sukuk sets a new benchmark for Islamic finance to advance climate action while supporting Malaysia's net-zero transition. This innovation, endorsed by our Prime Minister, strengthens Malaysia's leadership in sustainable finance under Labuan IBFC's robust regulatory framework. [READ MORE](#)



Malaysia and China Deepen BRI Partnership to Boost Sustainable Investment

Malaysia is strengthening its partnership with China under the Belt and Road Initiative (BRI), reinforcing shared goals for sustainable and inclusive economic growth. Deputy Finance Minister Lim Hui Ying said the BRI has delivered strong results since its inception, supporting Malaysia's Madani economy framework. Trade between both nations surged from RM181 billion in 2012 to RM484 billion in 2024, with China remaining Malaysia's largest trading partner. Major projects such as the 665-kilometre East Coast Rail Link (ECRL) continue to generate long-term benefits by opening new market investment corridors.

Looking ahead, Malaysia plans to deepen cooperation in high-value industries such as semiconductors, automotive, and aerospace, while enhancing financial transparency under the Regional Comprehensive Economic Partnership (RCEP). This synergy strengthens Malaysia's position as a production and innovation hub within Asia.

Lim also highlighted expanding opportunities in green finance and renewable energy. Through the BRI, both nations aim to scale investment in solar, electric vehicles, battery storage, and clean transport infrastructure, driving Malaysia's transition toward a low-carbon economy. [READ MORE](#)



Terengganu Secures RM4.3 Billion Investments to Power Renewable Energy Projects

Terengganu has secured RM4.3 billion in committed investments as of September 2025, driven mainly by renewable energy projects that reinforce investor confidence in the state's role within the East Coast Economic Region (ECER). The investments are set to create nearly 1,981 jobs, with manufacturing accounting for 74% of total commitments, followed by tourism, agriculture, and services. A major catalyst is the RM2.9 billion solar hybrid project at Tasik Kenyir, developed by TNB Genco and Terengganu Inc, now progressing toward full commercial operations.

Realised investments reached RM1.6 billion, including projects such as the Kertih Terengganu Industrial Park and a new three-star hotel by GEM Island Resort. The state government highlighted its strategy to build a diversified, sustainable economy across renewable energy, manufacturing, and tourism.

Supporting this growth, ECERDC is upgrading infrastructure like the Sultan Mahmud Airport-KTCC Executive Drive and developing The Promenade KTCC Phase 1. Additionally, SME and agritech projects in Kerteh and Setiu are advancing, strengthening Terengganu's position as a rising green economy hub. [READ MORE](#)

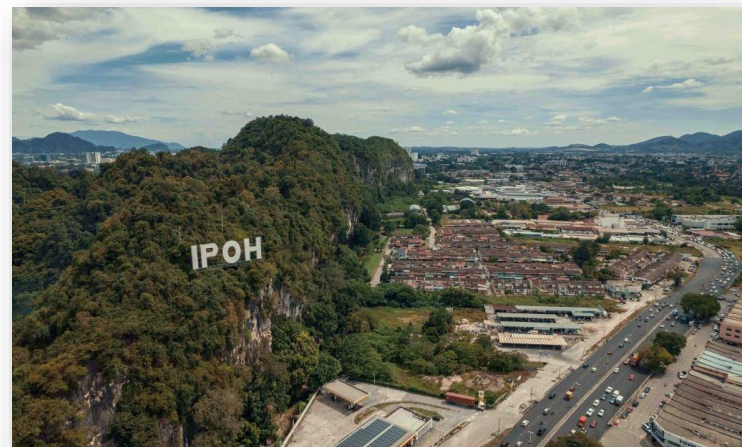


Perak Leads Malaysia's Solar Push Toward a Stronger Renewable Future

Malaysia's renewable energy capacity in Peninsular Malaysia is set to exceed 10 gigawatts by 2030 under the newly launched Large Scale Solar 6 (LSS6) programme. The RM6 billion private investment initiative, announced under Budget 2026, will add nearly two gigawatts of solar capacity, building on the success of earlier phases. Since 2016, a total of 117 projects under LSS1 to LSS5+ have been awarded, contributing 6,028 megawatts in combined capacity.

Perak leads the nation's solar expansion, hosting 28 large-scale projects with a total capacity of 1,441 megawatts, equivalent to six per cent of Malaysia's renewable energy target. Under the National Energy Transition Roadmap, the country aims to reach 23,000 megawatts of renewable energy, or 40 per cent of total capacity, by 2035.

To support integration, RM43 billion has been approved under Tenaga Nasional Berhad's RP4 plan to modernise the national grid and introduce energy storage systems. Malaysia is also exploring additional renewable sources, including nuclear energy, to achieve net zero carbon emissions by 2050. [READ MORE](#)



Johor Accelerates Clean Energy Growth through PDT–UEM Lestra Cooperation

Johor is accelerating its renewable energy ambitions with a landmark cooperation between Permodalan Darul Ta'zim (PDT) and UEM Lestra Bhd to develop a one gigawatt hybrid solar photovoltaic project in Segamat. The initiative, supported by the Johor Sustainability Centre, reinforces the state's leadership in Malaysia's clean energy transition and strengthens its role under the National Energy Transition Roadmap (NETR).

The project will combine solar systems with battery energy storage to enhance efficiency and grid reliability. Once operational in early 2028, it will generate over one million megawatt-hours of clean energy annually and cut carbon emissions by 800,000 tonnes. The initiative is also expected to create up to 10,000 jobs, advancing local expertise in green technologies and fostering inclusive economic growth.

Under the partnership, PDT will coordinate state-level engagement and corporate participation in green procurement, while UEM Lestra will lead project development through Lestra HEXA. This strategic collaboration aligns with the Johor Renewable Energy Policy 2030, positioning Johor as a regional hub for sustainable investment and innovation. [READ MORE](#)



Citaglobal Seeks RM100 Million to Power Renewable Energy Expansion

Citaglobal Bhd is seeking RM100 million over the next 18 months to fund the equity portion of its renewable energy ventures with partners from the UAE and Singapore. The group's total capital expenditure for these projects is estimated at RM3 billion, of which RM1 billion will be its share. To meet these requirements, Citaglobal plans to explore sukuk issuance, strategic partnerships, and structured financing mechanisms to strengthen its capital position.

The group is jointly developing a 200MW floating solar plant at Chereh Dam, Pahang, with Abu Dhabi's Masdar and Tiza Global under the Large-Scale Solar 5+ programme. It is also partnering Singapore's Keppel Decarb to develop bio-compressed natural gas projects in Pahang, Kelantan and Terengganu, aimed at converting waste into clean energy.

Citaglobal is further expanding into hydropower projects in Perak and developing its Bioenergy & Green Eco Park in Gebeng. These initiatives mark a strategic shift to establish Citaglobal as a diversified energy and infrastructure player. [READ MORE](#)



HSS Engineers Strengthens Renewable Portfolio through TNB Grid Connection

HSS Engineers Bhd (HEB) has taken a key step in expanding its renewable energy portfolio as its subsidiary, SM01, signed a New Enhanced Dispatch Arrangement (NEDA) connection agreement with Tenaga Nasional Bhd (TNB) on Oct 17, 2025. The agreement enables SM01 to connect and access TNB's grid system for its upcoming 29.99MWac solar photovoltaic facility.

Under the arrangement, SM01 will build, own, operate and maintain the solar plant, with the electricity generated to be sold virtually to Pearl Computing Malaysia Sdn Bhd through a separate power purchase agreement under the Corporate Green Power Programme (CGPP). TNB will provide grid access based on conditions outlined in the NEDA guidelines issued by the Energy Commission.

HEB stated that while the project will not affect its 2025 financial results, it is expected to contribute positively from FY2027 to FY2047. The agreement marks a significant milestone in HEB's long-term strategy to advance sustainable energy generation and strengthen its presence in Malaysia's growing green power sector. [READ MORE](#)



Zecon to Develop 100MW Solar Plant in Sarawak's Green Technology Park

Sarawak-based Zecon Bhd is strengthening its renewable energy footprint through its subsidiary, Zecon Renewables (Sarawak) Sdn Bhd, which will build and operate a 100-megawatt solar power plant in Kota Petra Green Technology Park, Kuching. The project, developed under a 30-year power purchase agreement with state utility Syarikat SESCO Bhd, is expected to begin commercial operations in December 2027. Although the deal's value was not disclosed, the agreement underscores growing investor confidence in Sarawak's clean energy ambitions.

This marks the fourth 100MW solar power agreement signed by SESCO in October, reflecting the state's rapid progress in expanding large-scale renewable capacity. Similar projects have been announced in Bintulu, Mukah and Tanjung Manis, led by major players including Malakoff Corp Bhd, Solarvest Holdings Bhd, Press Metal Aluminium Holdings Bhd and Leader Energy Group Bhd.

Together, these developments signal Sarawak's strong momentum toward building a robust green energy ecosystem, positioning the state as a frontrunner in Malaysia's renewable energy transformation and regional clean power supply chain. [READ MORE](#)

