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ESG IN REAL ESTATE

ISSUE 99

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Gentari Unveils 3.1MWp Solar Project, Boosting KLIA2 Sustainability and Value Growth

Gentari Sdn Bhd, the green energy arm of PETRONAS, has completed a 3.1 megawatt peak (MWp) solar photovoltaic system at gateway@KLIA2, the airport mall within Kuala Lumpur International Airport Terminal 2. The project, delivered through subsidiary Gentari Renewables Sdn Bhd, is expected to generate around 4,277 megawatt hours of electricity annually, while cutting carbon emissions by approximately 3,310 tonnes of carbon dioxide equivalent each year.

The installation was carried out under a power purchase agreement with Segi Astana Sdn Bhd, operator of gateway@klia2 and a joint venture between WCT Holdings Bhd and Malaysia Airports Holdings Bhd. Spanning about 10,500 square metres of rooftop and car park space, the system comprises 5,212 solar panels and additionally provides shaded parking for passengers and staff.

This project builds on existing clean energy efforts at KLIA T2, including 12 electric vehicle charging points already in place. Gentari country head Shah Yang Razalli noted the collaboration reflects continued integration of renewable energy across strategic assets, aligning with Malaysia's National Energy Transition Roadmap and reinforcing investor confidence in sustainable airport infrastructure.

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TNB Powers 36 Data Centres, RM43 Billion Grid Investment Ahead

Tenaga Nasional Bhd (TNB) has powered 36 operating data centres with a planned capacity of around 4.5 gigawatts (GW) through the first quarter of 2026, the Ministry of Energy Transition and Water Transformation (PETRA) confirmed. Additionally, TNB has met demand for 23 data centre projects under construction, representing 3.8GW of maximum capacity. This reflects strong momentum in Malaysia's digital growth.

Looking ahead, peak demand is projected to climb from 21.3GW in 2026 to 33.5GW by 2035, largely fuelled by data centres and high tech industries. Consequently, the data centre sector alone could account for 31%, or 73,274 gigawatt hours, of total electricity demand by 2035, a sharp rise from 7% today. The ministry shared these figures in a written reply to parliamentarian Onn Abu Bakar.

To support this growth sustainably, the government remains committed to a 70% clean energy mix by 2050, combining 58% renewable energy, 10% hydrogen and 2% nuclear. Furthermore, RM43 billion has been allocated to TNB under the Incentive Based Regulation framework for 2025 to 2027, reinforcing grid readiness for data centre investors.

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Malaysia's Renewable Energy Sector Set for Battery Storage Growth and Value

Renewable energy construction activity in Malaysia is set to pick up in the coming months, with battery storage systems emerging as the next growth engine, according to Hong Leong Investment Bank (HLIB). Ongoing construction and upcoming deliveries are expected to lift project activity, and visibility has improved following a slower first half caused by geopolitical uncertainties and material price swings.

Notably, HLIB views the rapid expansion of Malaysia's data centre pipeline as a key structural demand driver and has maintained its 'overweight' rating on the sector. Malaysia targets roughly one third of total power capacity from renewable sources by year end, rising to 35% by the end of the decade and 70% by 2050 under the National Energy Transition Roadmap.

While the Corporate Renewable Energy Supply Scheme has seen slow uptake due to elevated system access charges, stable module prices are improving cost visibility for developers. Moving forward, battery energy storage systems, now mandated for major solar projects nationwide, will drive the next phase, positioning Solarvest Holdings Bhd and Samaiden Group Bhd to capture this billion ringgit opportunity.

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MIDA, Perodua Drive ESG Adoption for Automotive Supply Chain Growth

The Malaysian Investment Development Authority (MIDA) and Perusahaan Otomobil Kedua Sdn Bhd (Perodua) jointly organised an Environmental, Social and Governance (ESG) Awareness Session for local automotive vendors, held at Perodua's headquarters in Sungai Choh, Rawang. The session brought together around 50 Perodua vendors to strengthen their understanding of ESG practices and help them meet rising global sustainability requirements.

MIDA chief executive officer Datuk Sikh Shamsul Ibrahim Sikh Abdul Majid said that as ESG becomes increasingly central to investment and sourcing decisions, Malaysian companies, particularly SMEs, must build stronger sustainability capabilities to stay competitive. Through the Domestic Investment Accelerator Fund (DIAF) ESG Adoption matching grant, MIDA is providing local vendors with knowledge, facilitation and financial support to accelerate this journey.

Perodua president and CEO Datuk Seri Zainal Abidin Ahmad added that stronger sustainability capabilities would enable vendors to participate more meaningfully in the automotive supply chain. The programme, which builds on the existing MIDA Perodua Digital Transformation Ecosystem, also featured sharing sessions on ESG transformation and the B Impact Assessment framework, alongside a briefing on funding eligibility and application steps.

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