

## MSM PLEDGES TO THE SCIENCE BASED TARGETS INITIATIVE (SBTi) AND NET-ZERO AMBITION

Further strengthen its ESG commitment and target to be carbon neutral

**KUALA LUMPUR, 14 March 2022** – MSM Malaysia Holdings Berhad (MSM), the leading refined sugar producer in Malaysia has ratified and committed to the Science Based Targets Initiative (SBTi) and Net-Zero Ambition (Business Ambition for 1.5 Celsius (1.5°C)) by the United Nations Global Compact (UNGC) on 3 March 2022, which calls for limiting global warming to 1.5°C. The signing of the SBTi and Net-Zero initiative is part of the step-up Environment, Social and Governance (ESG) framework of MSM.

MSM is the second food-based company in Malaysia after parent FGV Holdings Berhad to support the commitment, where Science-based targets provide a clearly-defined pathway for companies to reduce Greenhouse Gases (GHG) emissions, helping prevent the extreme impacts of climate change and future-proof business growth.

Subsequent to the Commitment Letter, MSM has 24 months to submit the science-based emissions reduction targets (near-term targets) set and have it validated and published by the SBTi. Targets submitted to the SBTi shall go through an initial screening to ensure basic criteria are met.

MSM's Group Chief Executive Officer, Syed Feizal Syed Mohammad said, "MSM has started collecting data and monitoring trends of its carbon footprint as well as GHG emission since year 2018, hence the existing efforts should be continued, with improvement and synchronisation via digitalisation to ensure MSM's plan to be carbon neutral is achieved even much ahead before 2050."

"MSM realizes its role to mitigate climate change risks, as well as sustainability matters and has taken crucial steps by incepting a dedicated ESG department and a group wide taskforce with experienced key personnel and external expert support to monitor GHG emissions and inventory, waste generation, resource conservation, and various other initiatives and programmes. We shall be closely tracking Scope 1 and 2 related carbon activities to work towards being carbon neutral on an accelerated programme while extending the outreach subsequently into Scope 3 within our business ecosystem. All these efforts are not just about compliance but simply the right thing to do." added Syed Feizal.



Some of MSM ongoing initiatives finds opportunities in greener manufacturing operations such as solar rooftop, biomass boilers and considering substitute for fossil fuel by using B20 fuel mix for logistic as part of the Group commitment to combat climate change across all operations namely, MSM Prai Berhad, MSM Sugar Refinery (Johor) Sdn Bhd and MSM Logistics Sdn Bhd.

MSM Group is committed to actively pursuing these initiatives and beyond to neutralise its GHG emissions in addressing climate change through its operational approaches to achieve committed targets in line within the Group, national and international aspirations.

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#### **About MSM Malaysia Holdings Berhad (MSM)**

MSM Malaysia Holdings Berhad (MSM) is Malaysia's leading refined sugar producer and one of the biggest sugar refiner in Asia. MSM is involved in producing, marketing and selling refined sugar products under the "Gula Prai" brand. The company conducts its business principally through two operating subsidiaries, MSM Prai Berhad and MSM Sugar Refinery (Johor) Sdn Bhd. In addition, MSM also operates a logistics company – MSM Logistics Sdn Bhd.

At present, MSM's annual production capacity is up to 2.05 million tonnes of refined sugar. In 2020, MSM produced 1,010,215 tonnes of refined sugar, of which 270,628 tonnes are catered for the export market. Currently, MSM corroborates up to 60% of the domestic market share. MSM has been listed on the Main Market of Bursa Malaysia since 2011 and has a market capitalisation of RM 401 million as at 31 December 2020. MSM combines economic success with environmental protection and social responsibility for a sustainable future.

MSM offers a variety of products ranging from white refined sugar of various grain sizes to soft brown sugar. These are marketed and sold in a variety of packaging options under its flagship brand - Gula Prai. MSM also sells molasses, a by-product of the refining process, to distilleries and producers of ethanol, animal feed and yeast, among other products. Aside from household consumers, MSM sells to a wide range of customers in Malaysia and in other countries directly and indirectly through traders, wholesalers and distributors. Its customers include major companies in the beverage and confectionery industries, hotels, restaurants and food outlets.

For more information, please visit [www.msmsugar.com](http://www.msmsugar.com)

#### **Forward Looking Statements**

Certain statements in this media release regarding MSM's operations may constitute forward-looking statements. These statements can be identified by key words such as "believes", "estimates", "anticipates", "expects", "intends", "may", "will", "plans", "outlook" and other words of similar meaning in connection with a discussion of future operating or financial performance. These statements relate to the plans, objectives, goals, strategies, future operations and performance of MSM. Actual results and outcomes may differ materially from those projected in any forward looking statements due to various events, risks, uncertainties and other factors. We neither intend to nor assume any obligation to update or revise any forward looking statements, whether as a result of new information, future events or otherwise.

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