FGV Sets Out Climate Action Plan to Fight Climate Change, Commits to Become a Net Zero Business by 2050





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The Group commits to Science-Based Targets through the Science Based Target initiative (SBTi)

KUALA LUMPUR, 28 September 2021 – FGV Holdings Berhad (FGV) is embarking on a group-wide climate action plan to fight climate change, in line with its commitment to becoming a net-zero emission business by 2050.

FGV is the first food and agriculture company in Malaysia to formalise the commitment by signing the United Nations (UN)-backed Science Based Target initiative (SBTi) Business Ambition for 1.5 Celsius (1.5°C) pledge, which calls for limiting global warming to 1.5°C.

The science-based targets provide a defined carbon management framework to reduce emissions in line with the latest climate science to limit the global temperature rise at 1.5°C. The commitment to science-based targets requires FGV to halve its greenhouse gas emissions by 2030 and hit net zero emissions by no later than 2050. FGV will also need to set up short and mid-term targets to ensure effective emissions tracking and consistent annual reduction.

Mohd Nazrul Izam Mansor, FGV's Group Chief Executive Officer said, the Group is initiating and embracing transformation towards zero environmental impacts.

"FGV has developed an integrated climate action plan based on six key strategic factors which include climate governance and risk management, carbon management, operational efficiency, waste management, water management, and climate awareness. The integrated climate action plan is fundamental to FGV's success in reaching our reduction target and making a real change."

"FGV was founded on the principle of poverty eradication and sustainable development. As the adverse impacts of global warming are likely to affect low-income communities first, it is FGV's obligation as a responsible business and industry leader to be on the frontline of the fight against climate change," he continued.

Besides the recent establishment of its Board Sustainability Committee, whose main role is to assist FGV's Board in fulfilling its oversight responsibilities concerning FGV Group's sustainability agenda, FGV also established a climate action unit as a dedicated management role to strategise and execute the company's climate action programmes at the working level. This restructuring reflects and reinforces FGV's heightened commitment to climate action, environmental protection and sustainability agenda.

Speaking on corporate leadership on climate awareness, Mohd Nazrul said, "Keeping the

temperature below 1.5°C is only possible through collective actions. For a company to fulfil its commitment to sustainability and net-zero economy, its employees and consumers must embody the same values."

"Therefore, we call the government and the private sector to come together to realise a net-zero economy. We also welcome any future potential collaborations and engagement with the government and the private sector to drive awareness and commitment on climate action at a national level," continued Mohd Nazrul.

In line with this, FGV has initiated a group-wide climate awareness and education programme under the umbrella branding of SMART4Climate. Programmes under SMART4Climate will target FGV's staff and the public with the aim to drive climate awareness and education at a national level. As part of its SMART4Climate programmes, FGV will soon launch its inaugural climate change national essay competition which is organised in collaboration with the Ministry of Environment and Water (KASA).

In response to the increasing urgency for climate action and the success of science-based targets to date, FGV hopes other companies will take urgent action and commit to science-based emissions reduction targets in the efforts to limit the global temperature rise to 1.5°C.

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