

# IOI'S PATHWAY TO NET-ZERO BY 2040

## DRIVING NATURE POSITIVE IMPACTS

IOI Corporation Berhad (“IOI”) first embarked on our journey to reducing our greenhouse gas (“GHG”) emissions in 2019 through the introduction of the Climate Change Action initiative (“CCAi”). In 2021, IOI proceeded to adopt recommendations from the Task Force on Climate-Related Financial Disclosures (“TCFD”) around four thematic areas (Governance, Strategy, Risk Management, Metrics and Targets).

### OUR GOVERNANCE

The Board Sustainability Committee has oversight over the strategy and development of the CCAi and reports directly to the Board.

### STRATEGY

To achieve Net-Zero carbon emissions, IOI is committed to continuously improve our climate change action plans by:

- Reducing our climate change impact by committing to achieve Net-Zero for carbon intensity by 2040
- Promoting climate change action plans and practices through innovation, improved efficiency and support actions throughout the operations
- Increasing the resilience of our business by managing risks and opportunities, forecasting climate scenarios for climate impact valuation, incorporating our 7Rs of Circularity, and practising Precision and Regenerative Agriculture

### RISK MANAGEMENT

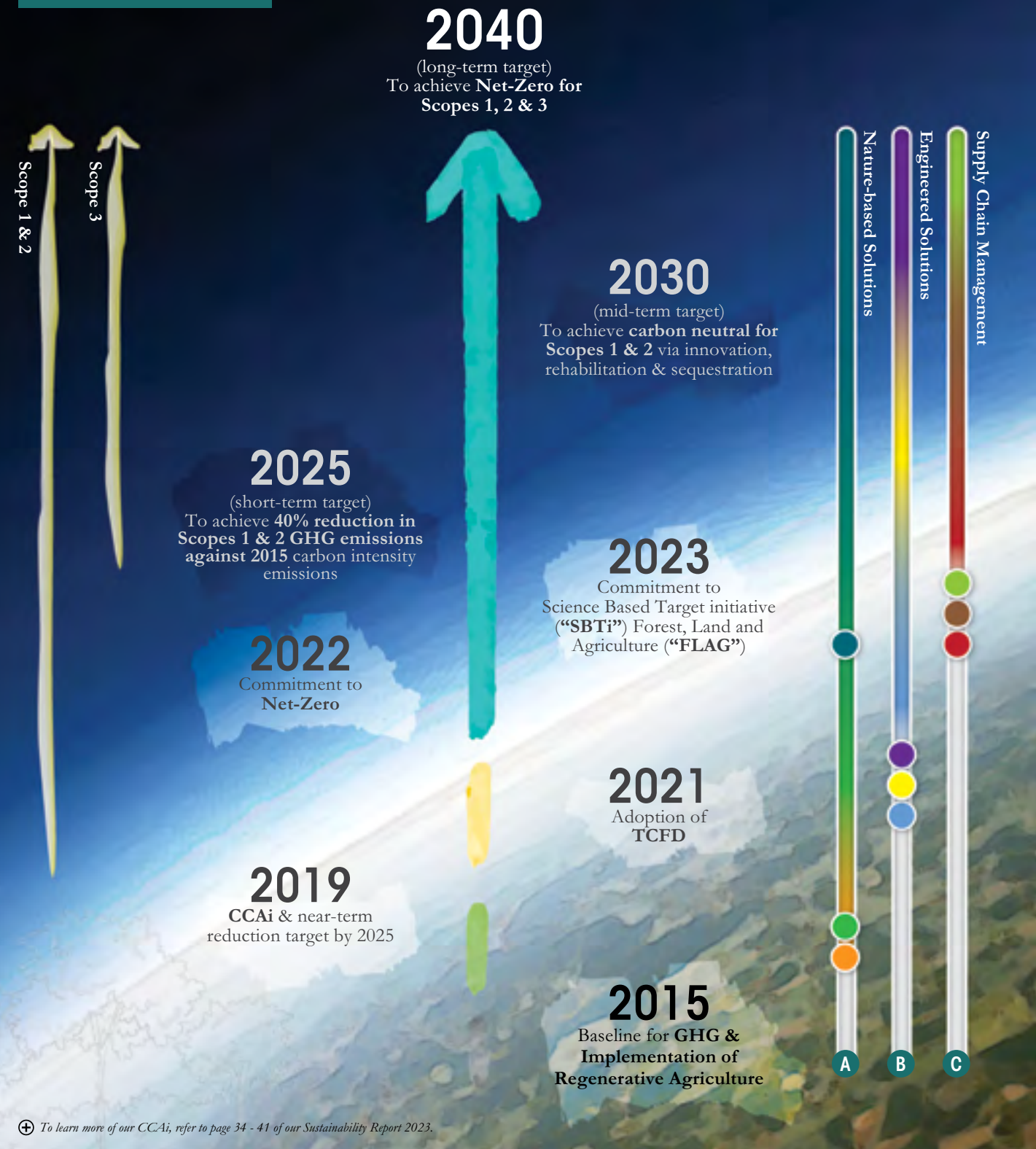
IOI conducted a quantitative Group-wide climate change assessment with an expert TCFD consultant to help identify our climate-related transition and physical risks.

Actions to manage our climate-related risks and opportunities comprise of:

- GHG emissions reduction and removal including sequestration commitments as well as increasing productivity and energy efficiency
- Managing GHG emissions from supply chain with introduction of climate-related procurement standards and principles
- Adoption and application of technologies and new innovations to mitigate risks and create opportunities

A Nature-based Solutions	B Engineered Solutions	C Supply Chain Management
<ul style="list-style-type: none"> <li>• No Deforestation, No New Planting on Peat, &amp; No Social Exploitation (“NDPE”)</li> <li>• Reforestation, Rehabilitation &amp; Protection of Conservation Areas</li> <li>• Enhance Biodiversity &amp; Ecosystem</li> </ul>	<ul style="list-style-type: none"> <li>• Technology &amp; Innovation</li> <li>• Renewable Energy</li> <li>• 7Rs of Circularity</li> </ul>	<ul style="list-style-type: none"> <li>• Supplier Awareness &amp; Capacity Building</li> <li>• Climate-related Procurement Standards &amp; Principles</li> <li>• Efficient Green Supplier Selection Process</li> </ul>

### METRICS AND TARGETS



⊕ To learn more of our CCAi, refer to page 34 - 41 of our Sustainability Report 2023.