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Media Release

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UNITED NATIONS-LINKED RECOGNITION FOR PBAHB'S "GREEN" AND SOCIALLY RESPONSIBLE INITIATIVES

- "3-star" recognition from United Nations Global Compact Network Malaysia & Brunei (UNGCMYB).
- Criteria: "Zero Waste Water Recycling Project", "250 LCD Penang Domestic Water Saving Target" and "Sustainability-linked Financing Framework".

PENANG, Monday, 12.1.2026: A United Nations-linked organisation has issued a "3-star listing" for PBA Holdings Bhd (PBAHB), the public-listed holdings company for PBAPP, in recognition of PBAHB's environment-friendly and socially responsible initiatives.

UNGCMYB is the acronym for the United Nations Global Compact Network Malaysia & Brunei. It is the Malaysia and Brunei chapter of the largest international corporate sustainability initiative in the world.

On 12.11.2025, UNGCYMB notified PBAHB that PBAHB had been listed on its inaugural ESG (environmental, social, governance) Select List for a "3-star recognition". PBAHB is the first water utility company to be selected for the ESG Select List.

Criteria for 3-star listing

The listing citation outlines PBAHB's 3-star status in accordance to the following criteria:

1. ESG Breakthrough Innovation: "Zero Waste Water Recycling Project"
 - Continuously recycling/reprocessing about 25.4 million litres per day (MLD) of "supernatant water" in the Sungai Dua Water Treatment Plant (WTP), Penang's largest WTP.
 - Conversion of WTP residue into cement bricks.
 - 74% cost reduction in WTP waste management.
 - "Saving" 91,000 tonnes per year in terms of landfill diversion.

2. North Star ESG Target Setting: “250 LCD Domestic Consumption Target”

- Promoting a 250 litres/capita/day (LCD) target for Penang in 2025, with the aim of reducing per capita domestic consumption in the state.
- Targeting a total domestic water saving of 19.8 MLD through public awareness and involvement.

3. ESG Trailblazer: “Sustainability-linked Financing Framework”

- RM5 billion Islamic medium-term notes programme with “AAA/Stable” sustainable rating.
- First of its kind “sukuk” programme launched by a Penang Government-linked company (GLC).

Impact/Benefits

With its “Zero Waste Water Recycling Project” PBAPP is continuously re-harvesting water that would normally be disposed after conventional water treatment processes. As a result, PBAPP is now effectively tapping an additional 25.4 MLD of recycled water at Sungai Dua to produce more treated water for supply to Penang water consumers.

The “250 LCD Domestic Water Consumption Target” was promoted in 2025 to gradually reduce Penang’s per capita domestic consumption. Penang’s statistic of 261 LCD was ranked as the highest in Malaysia in 2024.

The “Sustainability-linked Financing Framework” allows PBAPP to tap up to RM5 billion from Islamic funding, in stages and at favourable profit payment rates, to implement projects that will further improve water supply services in the future.

PBAHB and PBAPP is continuously striving to serve Penang better as its licensed water supply operator. We are honoured to note that our work in 2025 have been acknowledged and recognised by renowned independent 3rd parties such as the Malaysian Water Association (MWA), RAM Ratings Berhad and The Edge Media Group; and now, by the UNGCMYB as well.

Thank You.

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“Zero Waste Water Recycling Project” at the Sungai Dua Water Treatment Plant. © PBAPP 2026