

CLIMATE CHANGE

# VELESTO'S SUSTAINABILITY AGENDA

## Company focuses on producing cleaner energy, reducing emissions, says president

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**V**ELESTO Energy Bhd remains committed to its sustainability agenda as the world is putting more urgency into producing cleaner energy and reducing carbon emissions, said president and executive director Rohazad Darus.

He said as global stakeholders were putting more emphasis on addressing the changing business climate, energy providers had to continue providing sufficient energy to the ever-hungry world as well as finding ways to address the climate change

problems.

"The expectation now is to include measuring emissions and recognise the risks of climate change. It is no longer optional for the companies to adopt ESG (environmental, social and governance) values that support climate change agenda.

"Although it is not mandatory, it is something you have to do in order to ensure that you will continue to be backed by banks and other stakeholders.

"We cannot stop producing oil and gas (O&G) until renewable energy such as wind and solar are capable of meeting the energy demand, which will take a longer time.

"There are two ways — we ei-

ther produce more clean energy, which is catching up right now, such as solar and wind, or you continue to produce O&G but must try to do it with lower emission," Rohazad told the *New Straits Times* recently.

He said from 2019 to last year, the group's total carbon emissions had been reduced by eight per cent.

Moving forward, he said the company planned to reduce this number even further.

In ensuring that it was doing as much as possible to reduce emissions, Velesto had installed an automated power management system on its rigs, he added.

The system, he said, automatically controlled the number of engines running based on the amount of power required at any particular time.

"This makes our operation more efficient, with reduced fuel

consumption besides reducing emissions.

"Besides that, we are studying to include further improvements on the rigs. For example, battery storage on our rigs, which may allow us to conserve energy while we operate.

"We are also looking at the possibility of generating solar power on our rigs and facilities. It will not be sufficient to fully meet our requirements but at least it will reduce the energy that we generate and purchase," he said.

Velesto is also part of the FTSE4Good Index Series constituent and a winner of the MSWG-Asean Corporate Governance Award 2020 (under the Asean Asset Class Award category).

The FTSE4Good Index Series is a series of benchmark and tradable indices for ESG investors that was launched in 2001.



Velesto Energy Bhd president and executive director Rohazad Darus says the company is looking at generating solar power on its rigs and facilities.