

ESG POSITIVE IMPACT AWARDS

Embracing Sustainability Solutions

The inaugural ESG Positive Impact Awards is a celebration of sustainable initiatives, recognising and honouring companies making significant strides in environmental, social, and governance practices in driving a clean and inclusive future.



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MGTC

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FOREWORD

Advancing the sustainability agenda

I am honoured to have been invited to share my thoughts on the Star Media Group's inaugural ESG Positive Impact Awards, which recognises the collective efforts undertaken by the industries in our country in support of the sustainable development agenda spearheaded by the Ministry of Natural Resources, Environment and Climate Change (NRECC). On behalf of the Ministry, I would like to extend my heartfelt appreciation to the organiser and my heartiest congratulations to all the winners.

The climate change and energy security agenda have become global imperatives that now increasingly shape geopolitics, economics, and investment decisions. Therefore, all stakeholders, including businesses, must quickly adjust to these shifting realities, which prioritise responsible environmental, social, and governance (ESG) practices, to not only remain competitive but also to ensure business survival into the future.

From a macro perspective, Malaysia has pledged in our Nationally Determined Contributions (NDC) under the Paris Agreement to reduce the intensity of greenhouse gas emissions to GDP across our economy by 45% in 2030 compared to the 2005 level.

We have also announced under the 12th Malaysia Plan that we will seek to achieve

net-zero emissions earliest by 2050. While our contribution to global greenhouse gas emissions is less than 0.7%, we are not immune to the effects of climate change. As such, it is in the best interests of Malaysia and its people to join the global community in bringing about impactful climate action.

To address climate change systematically, we are developing targeted action-based national policies and a robust regulatory framework to chart a clear path toward fulfilling our climate change commitments and to strengthen existing climate change governance in Malaysia.

The Government also realises that reliable, affordable, and sustainable energy is the bedrock of economic growth and has committed to increase the target of renewable energy installed power capacity to 70% by 2050, harnessing the abundant solar resources that our country is endowed with. These efforts shall also present Malaysia with new economic opportunities while ensuring a secure electricity supply for all, especially businesses.

As an integral part of our economy, it is crucial that Malaysia's private sector embraces ESG and climate action. We see initiatives like the ESG Positive Impact Awards as a sign that industries are indeed responding to this challenge. I trust that more Malaysian companies will participate in the Awards in the



Nik Nazmi Nik Ahmad
 Natural Resources,
 Environment and Climate
 Change (NRECC) Minister

future and indeed, embrace sustainability as an integral part of their businesses.

As Malaysia works to realise its net zero aspiration, I likewise call upon the media to be our partners in this monumental task. With your broad reach and influence, you can rally people from all walks of life towards a greener future. By fostering public discourse, encouraging dialogue, and holding stakeholders accountable, you play a vital role in advancing the sustainability agenda.

Finally, let me again extend my warmest congratulations to all the winners. I hope that this award will act as a catalyst to continue your crucial contributions to Malaysia's net zero transformation journey.

Thank you.

Pioneering new possibilities



Tan Sri Chor Chee Heung
 Chairman
 Star Media Group

It is with great pleasure that I introduce this celebratory publication on the first ESG Positive Impact Awards 2022 (ESG PIA) which showcases the remarkable achievements of organisations that are leading the charge towards a sustainable and inclusive future. At Star Media Group (SMG), we recognise the immense responsibility corporate Malaysia has in driving collective action to combat climate change and champion sustainability. This special edition embodies our commitment to this cause.

In today's rapidly evolving landscape, the media's role extends beyond simply raising

awareness — it is about inspiring and mobilising individuals, businesses, and governments towards tangible actions that can shape a sustainable future. We understand that our power lies not only in the dissemination of information but in our ability to ignite a sense of urgency and encourage our readers to make a meaningful difference.

We are immensely honoured to have the distinguished voices of our Prime Minister as well as leading voices in sustainability such as the Minister of Natural Resources, Environment and Climate Change of Malaysia Nik Nazmi Nik Ahmad to join us in sharing their support in this issue. Their words underscore the significance of collaboration and highlight the need for concerted efforts across all facets of society.

The media serves as a catalyst for change, providing a platform to amplify the voices of experts, activists, and communities at the forefront of sustainable initiatives. By leveraging our influence and reach, we have the power to shape public opinion, raise greater awareness and more importantly, sound the clarion call for meaningful action.

This ESG PIA issue is a celebration of those companies and individuals who have recognised the power of ESG in driving positive change. It highlights their innovation, dedication, and commitment to building a more sustainable and equitable world.

These organisations have gone beyond profit-making and have become champions of meaningful transformation.

Within these pages, you will find inspiring stories of companies that have successfully integrated ESG practices into their core strategies, generating tangible, and measurable positive impacts in their communities.

These organisations have demonstrated that it is possible to generate financial returns while simultaneously making a positive contribution to society and the environment. Their success stories illustrate that doing good and doing well are not mutually exclusive, but rather mutually reinforcing.

This special issue also serves as a platform to learn from industry pioneers and innovators, encouraging the replication of successful models and the exploration of new possibilities. Additionally, this publication aims to foster collaboration and dialogue among stakeholders. By sharing their experiences, insights and best practices, they hope to inspire others and facilitate a global transition towards a more sustainable and inclusive future.

As we embark on this journey together, let us remember that the pursuit of ESG excellence is not a solitary endeavour. It requires the collective efforts of governments, businesses, civil society organisations, and individuals. By joining forces and fostering collaboration, we can overcome

the challenges we face and create a world that thrives on sustainable practices.

Together with OCBC Bank, Telekom Malaysia, endorsing Ministries and working partners, we will continue to pave the way for stronger collaboration, bigger impact, and ultimately build an ecosystem that will make our vision of a better future, a reality.

I extend my heartfelt congratulations to all the winners and participants of the ESG Positive Impact Awards 2022. Your dedication to ESG principles and your unwavering commitment to making a difference are truly commendable. May your stories inspire countless others to embrace the transformative power of ESG and join the movement towards a brighter, more sustainable future for all.

To our readers, we invite you to delve into the pages of this issue, engage in the discourse and join us on this journey towards a greener, more resilient Malaysia.

The right path forward



How blessed we are to live in Malaysia, with rich rainforests, verdant national parks, and golden beaches interspersed with cities and towns.

Being a multi-ethnic and multicultural nation, Malaysian society is an amalgamation of a multitude of characteristics making it unique, vibrant and dynamic.

Faced with climate change and environmental challenges, we have embraced the sustainability and green agenda prioritising the environment, social and governance (ESG) principles. We remain unwavering in this commitment. We recognise the profound impact it has on the well-being of our people, the strength of our economy, and the health of our planet.

This is the right path forward, a strategic choice that will lead to long-term prosperity and resilience. This commitment requires action, collaboration, and collective effort, exemplified by Malaysia Madani, underscoring sustainability, prosperity, innovation, respect, trust and compassion.

The Government alone cannot achieve the goals we have set. To drive sustainable change, there must be partnerships and shared responsibility to unlock the full potential of our nation's resources, expertise, and innovation. It requires robust intervention and a whole-of-government and whole-of-society approach.

The private sector has the ability to drive innovation, invest in sustainable practices, and shape markets. We encourage businesses of all sizes to embrace the principles of the circular economy, adopt exemplary business practices, and develop products and services that minimise waste and maximise resource efficiency.

In accelerating ESG adoption, we need to drive momentum in gathering data in order to implement more robust, evidence-based interventions. By doing so, this will not only contribute to our national sustainability agenda but also unlock new economic opportunities and enhance resilience.

Civil society brings valuable perspectives, local knowledge, and grassroots initiatives to the table, catalysing change, raising awareness, and fostering community engagement. Their efforts are instrumental in mobilising public support to mitigate climate change and in driving widespread adoption of sustainable behaviours amongst the rakyat.

Together, the Government, private sector, and civil society can amplify the impact of efforts and create powerful synergies. With collective power, we can address complex challenges, capitalise on opportunities, and pave the way for a more prosperous, resource-efficient, environment-centric and inclusive economy.

We welcome the crucial role that the media plays in educating and driving public awareness. The ESG Positive Impact Awards (ESG PIA) by Star Media Group and its partners is indeed a step in the right direction towards encouraging corporate Malaysia to embody ESG principles in their operations, for mutual learning and improvement, and contribute towards the ideal future we envision for all Malaysians.

The time to act is now.

The health of our planet, the future of our nation and the well-being of generations to come depend on our collective commitment and actions taken today.

Together, let us create a legacy of progress, prosperity, and compassion towards our planet for us and for our future generations.

Datuk Seri Anwar Ibrahim
Prime Minister

MESSAGE FROM PARTNERS

ESG is inevitable; change is a must



Datuk Wira Arham Abdul Rahman
 Chief Executive Officer
 Malaysian Investment Development
 Authority (MIDA)

The sustainability awareness in Malaysia is growing and inspiring action across all segments of society. The nation's businesses are adopting the principles of environmental, social and governance (ESG) practices, to secure early foothold in the green transition.

MIDA proudly commends the Star Media Group for their ESG Positive Impact Awards (ESG PIA), showcasing Malaysian companies' advancements in sustainability. Participating in platforms like ESG PIA offers invaluable insights and empowers companies to innovate and stay competitive.

The prioritisation of ESG as a core focus by companies of all sizes is truly encouraging. As we move towards a greener and low-carbon future, we must forge a new social compact to adapt to changing lifestyles in how we live, work, and play.

In today's inter-connected world, where

global supply chains are subject to stringent standards of responsible organisational behaviour, the rise of ESG is not only desirable but inevitable.

As citizens, we must reflect upon the changes we are willing to make to our lifestyles. Across the economy, we must boldly drive transformation and seize the opportunities presented by the green transition. As a nation, we must engage in thorough deliberations on the trade-offs and strive for consensus on optimal balance.

Notably, major Government-Linked Companies (GLCs) like KWAP, EPF and others are demonstrating remarkable commitment by pledging substantial investments in the ESG space, which will significantly shape their future investment portfolios.

Sustainability is an unstoppable force, whether at home or abroad, across industries and geographies. By embracing global stand-

ards, Malaysia stands to gain a competitive edge for its companies in the international marketplace, while also positioning itself favorably within the global community.

These efforts are aligned with the National Investment Policy (NIP), showcasing the government's relentless dedication to attracting investments that prioritise inclusivity and sustainability.

Sustainability is a long-term imperative relevant to all.

As the nation's principal investment promotion agency, MIDA is fully committed to encouraging and facilitating our local companies on this journey, elevating the visibility of our sustainability initiatives.

We have established an interactive process to ensure effective calibration of our initiatives, leaving no one behind. Together, we can shape a brighter future for all and generations to come.



Khairil Anuar Sadat Salleh
 Chief Commercial Officer
 Malaysian Research Accelerator for
 Technology & Innovation (MRANTI)

As the chief judge for small-medium enterprises and mid-tier companies for Star Media Group's ESG Positive Impact Awards (ESG PIA), I have witnessed firsthand how this recognition programme has inspired and motivated companies to embark on their ESG journey.

The ESG PIA serves as a platform to showcase and celebrate businesses that are making positive environmental, social, and governance contributions to society. The awards not only recognise the efforts of these companies but also inspire others to adopt sustainable

Collaboration for success

practices and integrate ESG considerations into their operations.

The success of ESG implementations depends on collaborative efforts from multiple parties. Recognising this, at MRANTI, we have been actively engaging with partners from academia, NGOs, and industry experts to bolster our ESG initiatives through our Master Plan and programmes.

We have set clear ESG goals aligned with the Sustainable Development Goals (SDGs), focusing on areas such as eco-urbanism, value creation, and smart township. By incorporating these goals into the MRANTI Park Master Plan Design Principles, MRANTI is demonstrating its dedication to environmental stewardship, social well-being, and responsible governance.

In addition to the broader sustainability goals, we have also developed specific programmes that promote ESG practices and drive sustainable change. One of our key ESG effort is to uplift the community through impact driven innovation through initiative such as MRANTI Impact Challenge Accelerator (MICA). MICA is designed with a clear intention to promote ESG principles and SDGs. It serves as an accelerator programme that supports technology and social innovators by offering them capacity-building, funding, and networking opportunities.

By integrating ESG into the commercialisation ecosystem, MRANTI aims to generate social impact through technology, aligning with its commitment to foster innovation, inclusivity, and sustainable development. Our active participation through initiatives like our flagship events: I-Nation and World Engineering Day further demonstrates our

dedication to driving positive change and creating a sustainable future.

These programmes provide platforms for collaboration, knowledge sharing, and the promotion of sustainable practices among entrepreneurs, thought leaders, policy makers, and various stakeholders.

As for Malaysia's SME sustainability journey, it has been encouraging to see a growing awareness and adoption of ESG practices among small and medium-sized enterprises. A growing number of businesses have realised the importance of sustainability not only from an ethical standpoint but also from a business perspective. Integrating ESG considerations into their operations can enhance their competitiveness, attract investors, and contribute to long-term success.

However, there is still work to be done to accelerate the SME sustainability journey in Malaysia further. Access to funding, capacity building, and resources remain challenges for many SMEs, especially when it comes to implementing sustainable practices. Therefore, it is crucial to continue supporting initiatives like the ESG PIA that provide SMEs with the necessary support and resources to embark on their ESG journey.

ESG PIA has played a pivotal role in encouraging companies to embrace ESG principles and make positive impacts. The path toward sustainability demands ongoing commitment and concerted partnerships.

By joining forces, we can pave the way for a future that is not only economically prosperous but also socially inclusive and environmentally conscious. Let us seize this opportunity to shape a better world for generations to come.

MESSAGE FROM SPONSORS

Creating a ripple effect of positive change

The inaugural Star Media Group ESG Positive Impact Awards shines a spotlight on Malaysian companies in ESG practices

IN A world grappling with pressing environmental and social challenges, the need for businesses to embrace sustainability has become paramount. Recognising that all sectors have to come together in realising a sustainable Malaysia, the inaugural ESG Positive Impact Awards (ESG PIA 2022) aims to not only acknowledge the companies leading the way in environmental, social and governance (ESG) practices but also incentivise Malaysian organisations to embark on their sustainability journey. By celebrating sustainable initiatives, the awards pave the way for a greener, more inclusive future.

The inaugural ESG PIA 2022 is the product of Star Media Group with OCBC

Bank as main sponsor and TM as co-sponsor, to recognise and showcase Malaysian companies whose ESG practices have made a demonstratively positive impact on the community. The awards initiative also aims to provide external, independent validation to businesses that adopt exemplary sustainable business practices.

The submissions were evaluated by a panel of judges based on a set criteria across three ESG pillars. The maiden ESG PIA 2022 presented 60 awards to 100 companies for driving positive change and inspiring others in the country to embrace sustainability.

The winners of the awards across 15 categories were announced during the ESG

PIA 2022 gala night on June 8 at M Resort & Hotel Kuala Lumpur, with Geomax Rubber Innovative Products Sdn Bhd and Heineken Malaysia Bhd winning "The Most Outstanding ESG Initiatives of The Year" award in the "SME to mid-tier" and "large companies" categories, respectively.

These awards celebrate innovative strategies that reduce carbon footprints, promote renewable energy sources, enhance workplace diversity and inclusion, foster community development, and exhibit transparent and accountable governance practices. By showcasing these trailblazers, the awards inspire other businesses to follow suit, creating a ripple effect of positive change throughout the Malaysian corporate landscape.

Full list of winners on pages 16-17

Become thought leaders in ESG



Tengku Muneer Tengku Muzani
Chief Corporate and Regulatory Officer
Telekom Malaysia (TM)

The ESG Positive Impact Awards (PIA) recognises companies that show achievements in their sustainability efforts and adopt the best environmental, social, and governance practices.

Recognition from The Star gives organisations a boost for them to expand their ESG-related initiatives and accelerate their sustainability journey.

We hope that ESG PIA will encourage more Malaysian companies to embed sustainability into their business, as ESG has become an imperative for investors and stakeholders at large. For the winners, it is an opportunity for them to become thought leaders in ESG.

As a co-sponsor, TM is proud and excited to be part of this awards ceremony as it reflects our support towards a more sustainable and responsible future. The government has been promoting corporate and environmental responsibility by introducing initiatives and policies that encourage businesses to adopt sustainable practices. Malaysian businesses have also become increasingly aware that sustainability means good business practice and is critical to their long-term success.

This is further underpinned by requirements set by governing institutions such as Bursa Malaysia. The private sector plays a key role in realising this national agenda, including reducing carbon emissions and developing innovative solutions to combat climate change.

TM views sustainability as a moral obligation and an opportunity to create value for our various stakeholders. In our commitment to nation building, sustainability is at the heart of what we do. Our business objectives are focused on improving people's lives while finding a balance between profit and purpose.

We are incorporating sustainability in every aspect of our business. We have integrated ESG-related Key Performance Indicators (KPIs) throughout our business operations to monitor our progress while fostering a culture of sustainability throughout the company. In addition, we have also aligned our sustainability commitments with the United Nations Sustainable Development Goals (UN SDGs) to drive positive outcomes that contribute to the global sustainability agenda.

Ultimately, our vision is to humanise technology by making it accessible to all Malaysians in a sustainable manner, transforming TM into a human-centred TechCo that shapes digital Malaysia.



Tan Chor Sen
Chief Executive Officer
OCBC Bank (Malaysia) Berhad

Emulate winners, a starting point

starting point for moulding a company's own efforts. The noble purpose they have fulfilled lies in their open sharing of secrets to success so that others can learn from their contributions in facilitating the country's transition towards a better governed, and more environmentally and socially sustainable economy.

As more and more companies begin to witness the emergence of peers who are getting it right in the ESG space, they will find themselves compelled to do what is right. The more we talk about what is good, the better the chance we have of ensuring that the desired agenda stays in the minds of our key audiences.

While larger corporations may lead the way in charting their transition journeys, the Awards have done well to showcase SMEs' diversity in innovative efforts across industries and sustainable focus areas. This should spur more emerging enterprises to develop new products and services in carrying out their crucial role as change-makers or disruptors, providing impetus for climate action at scale.

On our part, as a main sponsor of the Awards who is actively involved in sustainable financing, we will always be seeking out ways to further enable the creation and adoption of ground-breaking solutions that are not only economically viable, but also environmentally and socially sustainable over the longer term. To deliver on our own sustainability and climate commitments, we must encourage as many companies as we can to strengthen the management of material ESG factors within their businesses.

We would like to thank Star Media Group for their partnership in ensuring the success of the inaugural ESG Positive Impact Awards, which serves to solidify the nation's focus on always acting for the good of our community, sustainably.

Companies often approach us in our capacity as a leading player in sustainable financing to ask where they should start on an ESG journey. We can point them in the direction of established frameworks, documented best practices and even our own solutions where applicable. Yet, to the newcomer in the sustainability journey, nothing beats emulating an established role model.

This is the direction in which the ESG Positive Impact Awards points.

The Awards have unearthed winners from numerous industries and company sizes – judged by an independent panel – who have done well enough to attain the right to be looked up to as entities from which all can learn.

The deserving winners that you will read about in this pullout of the inaugural ESG Positive Impact Awards provide a fitting



OCBC Malaysia, comprising OCBC Bank (Malaysia) Berhad (OCBC Bank) and its Islamic banking subsidiary OCBC Al-Amin Bank Berhad (OCBC Al-Amin), is on a sustainability journey with its customers – both businesses and individuals – to help them in their sojourn in the world of environment, social and governance (ESG).

Their message has been consistent – individuals and business do well by doing good. The Star spoke to some of the key leaders at the Bank on their recent ESG-linked offerings to customers.

A prime mover and pioneer

In the sustainable finance space, OCBC Malaysia has emerged as a prime mover in pioneering various innovative funding structures in the Malaysian loan and capital markets, arranging numerous award-winning Islamic green and sustainable financing transactions, thus helping to establish Malaysia as a regional Islamic sustainable finance hub.

“As one of Malaysia’s leading banks for responsible and sustainable finance, we are passionate about further advancing the adoption of ESG best practices amongst our business partners by offering holistic and value accretive financing solutions as well as playing a key role in the sustainability ecosystem,” says Tan Ai Chin who serves as OCBC Bank’s managing director, senior banker and Investment Banking head.

Early this year, OCBC Malaysia advised and lead-arranged the issuance of Sustainability Sukuk Wakalah for KPJ Healthcare Group, the first-of-its-kind to be issued by a private healthcare provider in Malaysia. The offering of both features – Islamic and Sustainability or ‘double green’ – under the Sukuk received overwhelming response from investors with more than 10 times oversubscription.

“We also structured Malaysia’s first Islamic ESG-linked financing for Gamuda Berhad, with the unique added feature of an ESG-linked derivative solution. This kind of innovation is a key differentiator for OCBC and further strengthens our position as one of the leaders of Islamic sustainable finance in the region,” Tan added.

Partnership to help businesses in their ESG journey

OCBC Malaysia recently became the first financial institution in the country to formulate specific plans to help businesses decarbonise their greenhouse gas (GHG) emissions using Malaysian Green Technology and Climate Change Corporation’s (MGTC) online carbon management platform Low Carbon Operating System (LCOS).

This is part of its strategic partnership initiative to help its customers in their ESG journey, with the platform guiding corporate and SME customers to improve efficiency, reduce wastage in their business activities and ultimately achieve long-term cost savings as part of a transition financing plan.

LCOS helps businesses measure their carbon footprint, so emissions are well managed. Using a report that LCOS generates, companies can take impactful action to mitigate the amount of carbon their operations produce.

OCBC Bank managing director and Corporate & Commercial Banking head Jeffrey Teoh said the Bank is progressively aligning its financing and investing activities with global sustainability standards and partnering with its customers to strengthen their businesses against climate risks.

“Our tie up with MGTC is aligned to our strategic thrust of building greater awareness of climate change among our customers and how it impacts their business. We also seek to

positively influence their behaviour by engaging them to further adopt appropriate sustainable practices to meet the more stringent industry expectations for ESG over time and ultimately achieve the Green Code of practice,” he said.

Greener investment and financing options for retailers

To encourage ownership of “green” homes among Malaysian consumers, OCBC Bank began offering special financing rates and speedier approvals through its Green Home Financing scheme in 2022. The special rates, lower than the Bank’s standard home loans, and speedier fast lane approvals of within 48 hours are for those who opt to purchase a residential property that is either certified as a “green” building or is (or will be) installed with solar panels. The green buildings may be completed or under construction.

A “green” building is one that has been certified to be such by accreditation bodies Green Building Index (GBI), GreenRE, Leadership in Energy & Environmental Design (LEED) or BCA Green Mark. Those applying for the financing scheme based on solar panel installation need only submit a copy of their latest TNB bill indicating the installation has taken place as part of the application process.

OCBC Bank had also earlier introduced its residential solar panel financing plan for individuals as part of its thrust to make sustainable practices even more accessible to homeowners in the country. Residential homeowners may apply for either the Bank’s solar panel financing plan, 0% Instalment Payment Plan (IPP) of up to 48-month tenure, or Easy Payment Plan (EPP) by credit card.



OCBC Bank managing director and Corporate & Commercial Banking head Jeffrey Teoh emphasises the importance of partnership and collaboration to “further adopt appropriate sustainable practices to meet the more stringent industry expectations for ESG over time and ultimately achieve the Green Code of practice”.



OCBC banking on a sustainability journey with its customers

OCBC offers cutting-edge solutions for corporate customers, individuals and SMEs



OCBC Bank managing director and Emerging Business head Wong Chee Seng strongly encourages small and medium enterprises to shift to more sustainable business practices, with help from OCBC Bank’s solutions.

The initiative rides on the Bank’s strategy and commitment to significantly increase its offerings in green financing and investment options by 2025.

According to OCBC Bank Managing Director and Global Treasury head Stanley Tan, the Bank’s heightened emphasis on sustainability in recent times has caused it to consider sustainability from more angles than before, the latest being through a FRNID.

“A significant number of customers have started to actively pursue ESG-based investments and we are committed to ensuring the needs of those with conservative risk appetites are met through our principal-protected FRNIDs. “The CIC FRNID is suitable for investors looking for a low-risk investment that is 100% principal-protected when held to maturity while seeking potentially higher returns compared to fixed deposits,” he said.

Note: This product (CIC FRNID) is principal guaranteed by the issuing bank upon maturity only. If the product is redeemed or sold prior to maturity, the customer may lose part of the initial deposit amount. The returns on this product are uncertain and the customer risks earning no returns at all. The customer is reminded that this product is not protected by The customer is reminded the this product is not protected by Perbadanan Insurans Deposit Malaysia.



OCBC Bank managing director and Global Treasury head Stanley Tan believes that the Bank’s heightened emphasis on sustainability in recent times has caused it to consider sustainability from more angles than before, the latest being through a FRNID.

“This is embodied in our special rates and speedier approvals. We hope that the potential homeowners out there will take full advantage of this scheme,” she said.

On the investment products front, OCBC Bank continues to offer products that take ESG into consideration mainly in unit trusts and retail bonds. As of the first quarter of 2023, OCBC Bank has 92 ESG sustainable funds and 212 ESG sustainable retail bonds, representing 78% of its Unit Trust product offering and 75% of its retail bonds product offering.

Sustainability-linked FRNID for retail investors

Retail customers of OCBC Bank are able to invest in the Bank’s maiden principal-protected interest rate-linked floating rate negotiable instrument of deposits (FRNID) that incorporates environmental, social and governance (ESG) elements.

The Callable Interest Cumulation Floating Rate Negotiable Instruments of Deposit (CIC FRNID) is an ESG investment that allows the Bank’s customers to earn a potentially higher return than a fixed deposit, by taking a view on KLIBOR rates. The sustainability goals are fulfilled by ensuring the funds collected from the structured investment are invested into assets that fulfil the Bank’s internal ESG framework.



OCBC Bank managing director and Consumer Financial Services head Anne Le Geok Meng hopes that the introduction of the Green Home Financing option will spur retailer customers to exercise their commitment to ESG-related practices.

Bringing sustainable finance options to Malaysian SMEs

In the small and medium enterprise (SME) space, OCBC Malaysia is offering sustainable finance options through green loan proceeds for financing or re-financing, in whole or in part, for new or existing projects under development, construction and operations.

According to OCBC Bank managing director and Emerging Business head Wong Chee Seng, the goal is to help businesses shift to greener business approaches and develop sustainably.

“SMEs are often under the impression that sustainable practices are for the larger businesses. But this is far from the truth. We invite them all to engage with us so we are able to offer to them something that fits into their current journey,” he said.

Banks play an important role in allocating funds and directing private investment towards the transition to a climate-neutral, resource-efficient, resilient and equitable economy.



OCBC Bank managing director, senior banker and Investment Banking head Tan Ai Chin says: “As one of Malaysia’s leading banks for responsible and sustainable finance, we are passionate about further advancing the adoption of ESG best practices amongst our business partners by offering holistic and value accretive financing solutions as well as playing a key role in the sustainability ecosystem.”

LARGE COMPANIES WINNERS

ENVIRONMENT



LIEW TIAN WEI
 Chairman
 EcoWorld Green Council
 Eco World Development Group Berhad

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

Our approach towards creating sustainable ecosystems is best demonstrated by EcoWorld's largest development Eco Grandeur. It is the most comprehensive expression of our sustainability aspirations from an Environmental, Economic and Societal standpoint. Spanning 2,400 acres, the lands were part of several projects that were abandoned for more than 20 years before we acquired the site in 2016, via a joint venture with EPF. From the onset, we embedded ESG into the development – biodiversity masterplan, preservation of native flora and fauna, RM300mil infrastructure investment, green product features and more.

How do you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

To measure our sustainability performance and

track progress, we have KPIs based on operational goals and targets such as:

- 1) Green Certifications – 89% of EcoWorld projects are green-certified
- 2) EV Charging – 93% of EcoWorld projects have EV charging facilities
- 3) Green Spaces – 23% of total developed area comprise open spaces + water bodies
- 4) Valuable & Quality Foliage – 27% edible shrubs + 27% edible fruit trees

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

One of the great things about being a young company is that from Day 1, we're able to set a message and tone that's not only right but relevant and current. The EcoWorld brand emerged in 2013, helmed by industry veterans determined to make a mark on the property scene with positive societal impact wherever we operate. Our vision of Creating Tomorrow & Beyond and our No.1 Core Value of Sustainability – have

been the guiding principles for Team EcoWorld. Coupled with our culture of teamwork and the EcoWorld DNA, we have been quick to pivot and innovate through sticky situations.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

EcoWorld aims to not only maintain long-term financial viability and growth within the property development industry, but to be adaptable and sensitive to the dynamic needs of our stakeholders and the communities. As we advance on our sustainability journey, we aim to contribute towards the establishment of a sustainable society for all generations. We are aware that this is a journey no one can undertake alone, so we strongly believe in partnerships, particularly in the area of sustainability. In line with our adoption of SDG17: Partnership for the Goals, we have pursued collaborations with NGOs and other like-minded organisations to drive ESG initiatives.



ALESSANDRO MONICA
 Executive Director, Technical & Production
 Nestlé Products Sdn Bhd

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

Championing water efficiency is crucial to our environmental strategy. We have strategies and measures in place across our manufacturing facilities to ensure the sustainable usage of water and drive water efficiency. In 2022, we established an Energy and Water Network, appointing champions to collaboratively implement and oversee best practices for energy and water management within our factories.

How do you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

We track our water usage reduction based on the absolute water savings delivered via our water efficiency projects. Our key initiative includes setting a clear target of reducing our water usage by 35% by 2025. In 2022, we achieved 68,613m3 of absolute

ENVIRONMENT

Water Management and Efficiency

water savings, surpassing our target of 67,000m3 of water savings. We aim to achieve 109,000m3 water savings in 2023. We monitor water withdrawal through metering equipment alongside regular water balance assessments and water audits which allows us to identify areas for improvement. Our operational level KPIs include tracking daily and weekly water consumption per tonne of product, measuring weekly and monthly absolute savings achieved by completed water saving projects and validating actual savings post-implementation.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

We explore opportunities to drive water savings at our production sites. The challenge is in expanding our efforts while upholding the performance of our production process and quality of our products. It is a priority for us to achieve sustainable water savings without compromising consumer experience.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

Our ESG commitment is intrinsically tied to our purpose: to unlock the power of food to enhance quality of life for everyone, today and for generations to come. We believe in leveraging our global scale, resources and expertise to contribute to a healthier future for people and the planet. In addition to prioritising water stewardship, we are working on other important areas such as implementing sustainable packaging and circularity solutions, ensuring sustainable sourcing of our key ingredients and promoting regenerative agriculture practices through our Farmer Connect Programmes, amongst others. Internally, we are fostering a positive work environment that embraces diversity, transparency and ethical behaviour, allowing our employees to thrive. Our business approach and decisions are guided by the belief that they should benefit not only us and our shareholders, but also society and the planet.



RENUKA INDRARAJAH
 Corporate Affairs & Legal Director
 Heineken Malaysia Berhad

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

As part of our Brew A Better World sustainability strategy, we are committed to ensure Zero Waste to Landfill, which we have achieved since 2017. In 2022, we recycled and upcycled over 35,000 tonnes of organic and inorganic wastes.

How do you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

We track and record the types of waste according to categories and weight. Our target is to ensure that 100% of our waste is recycled and upcycled responsibly, with zero waste going to a landfill. The data of our waste management initiatives including the types, weight and total revenue generated is reported in our Annual Report 2022.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

A challenge for all organisations is to balance the need for sustainability and profitability in business. We must identify sustainable alternatives and promote circular economy practices to address natural resource depletion. At Heineken Malaysia, we engage with our stakeholders closely in order to build support for sustainability initiatives by engaging with communities and vendors creating a shared vision for sustainability and encouraging collaborations. We believe that sustainable solutions can unlock new efficiencies and create new value across the value chain. Previously considered a niche concern, sustainability has now become a mainstream issue that is integrated into many aspects of business operations. We cannot do this alone and the challenge for us is to inspire our stakeholders along the supply chain "from

barley to bar" to take action as well.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

Our priority in line with our Brew A Better World sustainability strategy is to reach net zero carbon emissions in production (Scope 1 & Scope 2) by 2030. We are working on this by transitioning our energy use to renewable sources. Since 2022, we have subscribed to the Green Electricity Tariff programme, which enables our Sungei Way Brewery to be powered by renewable electricity. Thus, we reduced 49% of carbon emissions vs our 2018 baseline. We are also working Towards Healthy Watersheds, and earlier this year, we announced a RM6mil investment towards supporting water stewardship initiatives that help in the conservation of our water sources. Moving forward, we remain guided by Heineken's purpose – to brew the joy of true togetherness to inspire a better world.

Building trust through transparency

Sunway Group ensures long-term business resilience through its commitment to the ESG agenda

By **JESSIE LIM**
ESGeditorial@thestar.com.my

It has been eight years since the Paris Agreement where the world agreed to limit global warming to 1.5°C by 2050.

Where are we now on the course of ensuring that we achieve this target?

On this, the UN Climate Change Conference – United Arab Emirates (COP28 UAE) will be held in November this year to take stock and assess the world's progress on climate action while aligning efforts to close any gaps that will hinder it from achieving the goal.

While nations grapple with the task of meeting the deadline on global warming, businesses worldwide on the other hand have had to up their ante on incorporating sustainable practices within their value chains.

After all, it has been 17 years since the issues of environmental, social and governance (ESG) first came to the fore, and businesses are now concerned over the consequences of losing out on trust-building due to lack of transparency.

In providing evidence for transparency and accountability in business decisions and operations to investors, Bursa Malaysia in 2016 made ESG reporting mandatory for listed companies.

Disclosure and transparency

For Sunway, while disclosure and transparency are crucial, the core of reporting is not so much for profitable gain but more a part of its philosophy in conducting business.

Founder and chairman Tan Sri Dr Jeffrey Cheah believes that Sunway should operate its business with a conscience as part of its

commitment to the people and planet.

"We believe that transparency builds trust.

"We firmly believe that no corporation can live apart from the communities that it serves. What we are doing at Sunway is strongly based on the principle that we can all do well by doing good."

Sunway had sustainability incorporated into its DNA when the conglomerate was first established in 1974, so it was familiar and ready to embrace the United Nations Sustainable Development Goals (SDGs).

Sunway aligned its business practices with the SDGs and integrated the ESG framework to manage and mitigate risks, allowing the group to demonstrate transparency and accountability among its stakeholders.

The group's commitment to ESG could be seen through diverse efforts such as increasing the number of electric vehicle charging stations within Sunway premises nationwide to address range anxiety, building renewable energy capacity for a carbon neutral future, and bringing pesticide-free produce to the cities via vertical urban farms to promote food security.

Actions in place

Strict and strong governance is evident as each business division within the group is given a decarbonisation target to hit. Under this carbon-reduction strategy, business divisions need to find solutions to cut carbon emissions, or pay a carbon price by having an amount deducted from their bonus pool.

The transformation journey across the group's business operations including retail, healthcare, leisure and more has not been an easy one, but it follows five goals to bench-

mark against its yearly performance.

To transform its portfolios into low carbon sustainable cities, the group is turning to renewable energy generated through solar panels installed at its shopping malls, hospitals and hotels; diverting waste from landfills by having food composting machines and e-bins to collect old and obsolete gadgets and digital devices for recycling, and having its building materials certified with ISO 14001:2015, which optimises the use of resources, among others.

The group's suppliers must comply with all relevant laws, regulations and standards – or risk being removed from the supply chain. To-date, there has been zero incidences of non-compliant cases while about 7,131 tonnes of carbon emission have been avoided through the practice of sustainable purchasing of goods from 2015 to 2021.

The group has also positively impacted close to one million beneficiaries through its #SunwayforGood corporate responsibility initiatives – addressing social inequalities by providing support and assistance to the underserved and B40 communities.

Recognising that good governance is imperative to establish a resilient foundation of sustainability practices, Sunway formed a board sustainability committee in 2020 to identify and provide advice on key ESG elements for all business divisions.

The committee plays a crucial role in ensuring accountability from every business division towards Sunway's sustainability plan as it seeks to develop evidence-based goals for continued progress.

The vision and commitment to the ESG agenda across the board has brought recog-

nitition to the group with not one but five awards at the recent Star Media Group ESG Positive Impact Awards (ESG PIA). The categories are Responsible Consumption and Production, Transformation, Water Management and Efficiency, Diversity, Equity and Inclusion, and Supply Chain Management.

50 years and counting

Next year, Sunway is celebrating its golden anniversary. It has grown with a presence in over 50 locations worldwide and a 16,000-strong workforce across several industries.

While it has taken half a century to be where it is today, Sunway will not rest on its laurels but intensify its efforts in achieving its sustainability goals and strengthening its leadership position in ESG.

Sunway Group chairman's office executive director Ong Pang Yen expresses the group's hope in setting an example to inspire other companies to embrace the ESG agenda.

"The ESG measurements and compliance framework are seen as one of the more effective tools in communicating a company's sustainability strategies and vision towards creating long-term value for its stakeholders.

"We are very much committed to sharing and reporting our sustainability strategy, framework and initiatives so that our stakeholders can see the way Sunway addresses pressing environmental, social and governance matters.

"We are driven internally by a strong and deep conviction to keep doing the right things the right way, and such is reflected in our business philosophy and core values of 'integrity, humility and excellence'," says Ong.



"What we are doing at Sunway is strongly based on the principle that we can all do well by doing good," said Sunway Group founder and chairman Tan Sri Dr Jeffrey Cheah.



Sunway City Kuala Lumpur prides itself as a model low-carbon township in the country.



Sunway took home five awards at the Star Media Group ESG Positive Impact Awards.

LARGE COMPANIES WINNERS

ENVIRONMENT



GOLD

DATUK NAZRUL MANSOR
Group Chief Executive Officer
FGV Holdings Berhad

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

Since the early 2000s, FGV has undertaken several renewable energy projects:

- a) Renewable electricity from biogas – six projects
- b) The first plant in the world to generate renewable electricity and steam from a co-generation plant using oil palm empty fruit bunch (1 IPP in Sahabat)
- c) The first in the world to produce bio-compressed natural gas from palm-based biogas (one project)
- d) Composting projects that utilise palm waste to be converted into sustainable organic crop fertiliser

These projects serve as evidence of FGV's exceptional commitment to renewable energy, which is uncommon for plantation companies.

How did you measure the success and

effectiveness of your ESG initiatives in creating a positive impact?

We look at the impact they made to the economy, social, environment and the people. For example, the projects installed in our facilities have resulted in the annual reduction of more than 100,000mt of CO2 eq of carbon emissions, the largest reduction achieved among plantation companies. Additionally, we inject approximately 30 million kWh of renewable electricity into the National Grid and Rural Electrification facilities each year. These initiatives have created over 200 "green jobs" for the locals who are working in our facilities.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

We faced several challenges during the implementation of our ESG initiatives, including inadequate FFBs (Fresh Fruit Bunch) affecting the targeted feedstock volume, frequent ma-

chinery outages due to ageing assets, inconsistent energy demand from the local grid affecting electricity supply, and rising costs of parts and consumables due to global trends. Despite these challenges, we proactively addressed them through effective planning, maintenance strategies, collaboration with various stakeholders and continuous monitoring and adaptation.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

FGV has a clear vision for advancing our ESG targets and goals per our sustainability framework and its three pillars; promoting economic growth, respecting human rights and protecting the environment. For carbon management, we are intensifying our efforts in methane capture by exploring various technologies to maximise efficiency. We are actively incorporating Photovoltaic alongside our existing biogas and biomass initiatives.

ENVIRONMENT

Renewable Energy



A member of UEM Group



SILVER

SYAHRUNIZAM SAMSUDIN
Managing Director / Chief Executive Officer
UEM Edgenta Berhad

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

We showcased our Green Performance Contracts (GPCs), which we have implemented in commercial buildings and healthcare assets. GPCs are meticulously designed, data-driven energy management programmes that complement traditional Facilities Maintenance (FM) work, aiming to enhance the sustainability of assets and built environments. Notable contracts featuring renewable energy solutions include the Grade-A Government Complex in Putrajaya and several public hospitals in the northern states of Malaysia, including our flagship asset, an acclaimed public hospital in Langkawi.

How did you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

Success is gauged by internationally recognised

energy and resource efficiency metrics. The Grade-A Government Complex stands as a prestigious asset, achieving platinum-standard recognition from the Green Building Index. In the healthcare sector, the installation of solar panels at various hospitals under our maintenance has yielded promising outcomes.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

We have encountered a multitude of challenges in managing renewable energy projects within the commercial buildings and hospitals under our supervision. The implementation of renewable energy infrastructure necessitates substantial upfront investments, primarily attributed to significant material costs. Unfortunately, many clients are hesitant to make such investments due to a perceived lack of immediate benefits. In certain cases, our clients require us to engage in co-investment, particu-

larly for large infrastructure assets like hospitals. To address this, we propose innovative funding models, such as upfront Capital Expenditure (CapEx) models, enabling clients to leverage our financial resources and repay investments through tariff reductions.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

We plan to increase our sustainable solutions in our suite of services, through which we will offer our clients more end-to-end renewable energy management products. Our value proposition now contains net-zero carbon roadmaps for clients with clear baselines and achievable targets. We are also actively exploring establishing Green Facilities Management practices and expanding our ESG practices to our supply chain. Internally, we are also exploring renewable energy as a key initiative to reach Edgenta's corporate climate aspirations.

ENVIRONMENT

Energy Efficiency



A member of UEM Group



GOLD

SYAHRUNIZAM SAMSUDIN
Managing Director / Chief Executive Officer
UEM Edgenta Berhad

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

Our achievements include developing the High-Performance Green Building of a Grade-A Government Complex, upgrading the building management systems at a renowned skyscraper in KL to achieve the Green Building Index Gold Rating, and providing Energy Performance Contracting (EPC) solutions for government and private hospitals, industries, retailers, and commercial sectors. We have secured and managed contracts totalling RM110mil, executing over 11 EPC projects. These efforts resulted in energy savings of up to 201 million kWh, equivalent to RM114mil in electricity savings.

How did you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

We excel at deploying an Energy Management

System (EMS) to support sustainability, utilising IoT sensors, data analytics and machine learning for optimised asset performance. Stakeholders benefit from our customised sustainability dashboard, providing clear visibility.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

Our challenges include stakeholders' limited awareness of the benefits of energy efficiency initiatives and financial constraints associated with upfront investments and specialised expertise. Additional hurdles include lengthy approval processes, low electricity tariffs impacting ROI, and external factors. To overcome these challenges, we prioritise stakeholder alignment across organisational levels. We host events and workshops to raise awareness and highlight the advantages of energy efficiency. Our solutions offer perfor-

mance guarantees and financing options, with investment recovered over time through EPC and asset life cycle costing considerations. Staff development is a key focus, with our academy unit coordinating internal and external training. This ensures our team has the required qualities to deliver high-quality work.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

We have a dedicated funding strategy for ongoing research and development on sustainability initiatives. By investing in new technologies and partnering with solution providers, we develop and implement innovative solutions. Sustainability services are integrated into our Facilities Management Services, guided by key performance indicators and metrics. This ensures the delivery of tailored, sustainable solutions to our clients.

Progress is not measured by our successes today, but what we can positively contribute *to the future.*

At RHB, our unwavering commitment to building a sustainable future has driven us to incorporate sustainable practices into our business operations and guide our customers on their journey towards a sustainable and low-carbon economy.

The prestigious ESG Impact Award that was recently awarded to us by Star Media Group will continue to motivate us to persistently drive meaningful progress for all our stakeholders and make a lasting, positive impact for the communities that we serve.

Learn more at www.rhbgroup.com



Together We Progress

RHB 

LARGE COMPANIES WINNERS

ENVIRONMENT

RHB

SILVER
**NORAZZAH
SULAIMAN**

 Group Chief Sustainability and
Communications
RHB Banking Group

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

The RHB Sustainability Strategy and Roadmap comprises three main pillars and has five key performance indicators that are closely monitored, tracked and disclosed as part of good corporate governance practice. In addition, a key sub-pillar – Pathway to a Climate Resilient Future – details our commitment towards minimising our carbon footprint.

How did you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

Our target for 2022-2026 is to reduce greenhouse gas (GHG) emissions by 50%, towards achieving a 60% reduction by 2030. We continuously assess carbon offset programmes to remove the residual 40% emissions. I am pleased that our efforts resulted in RHB winning the Silver award in the "Energy Efficiency"

Energy Efficiency

category, and the positive outcomes generated, including a 42% GHG emissions reduction for our Malaysian operations as of December 2022 compared to our 2016 baseline.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

There are many aspects to implementing ESG initiatives, each with unique challenges.

– Adopting the Right Strategy:

Developing a well-designed and robust sustainability strategy requiring strategic alignment to the business model. Hence, the need to get buy-in from various internal stakeholders within the organisation in developing the strategy and determining Key Performance Indicators.

– Knowledge and Awareness:

One of the challenges we also face is the lack of the requisite knowledge to help drive the Group's ESG and climate aspirations and goals. To mitigate this, we launched the Group's

Sustainability Capability Building Framework in March 2023 to identify the knowledge and skills needed to achieve our ESG aspirations.

– Driving Accountability:

As sustainability cuts across the Group's business and operations, driving ownership and accountability across the Bank was a big challenge. To address this, we enhanced the sustainability governance structure in 2022 to be in line with international best practices and meet increasing stakeholders' expectations.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

– Developing a pathway to Net Zero by 2050: Establishing our financed emissions baseline and developing a decarbonisation strategy for selected economic sectors in which we have exposure.

– Advancing and Supporting customers: Facilitating customers' transition to sustainable business practices.

MRCB

GOLD
IMRAN SALIM

 Group Managing Director
Malaysian Resources Corporation
Berhad

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

We embarked on our anti-bribery and corruption initiative long before the Malaysian Anti-Corruption Commission Act Amendment was gazetted in 2018, and successfully achieved an ISO 37001 internationally certified Anti Bribery Management System in 2019.

Through the years, we consistently went beyond compliance, benchmarking our governance practices against globally recognised standards, including ensuring our operations are ISO-compliant, our stakeholders are safeguarded through robust policies, and that we remain transparent to our stakeholders. Our eventual win at the ESG PIA 2022 was a culmination of all our efforts throughout the years.

How did you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

GOVERNANCE

Governance, Reporting and Transparency

Our Board and Senior Management are responsible for overseeing the development and adoption of the Group Sustainability Strategy. To ensure accountability, key sustainability matters are also embedded in the KPIs of the Senior Management team and linked to their remuneration. The Board's responsibility to promote sustainability is also included in the Board Charter. A Sustainability Management Committee was established to address ESG matters, with updates provided at the quarterly Board meetings as a permanent agenda item.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

ESG, while not entirely new, has been gaining momentum over the years and is slowly transitioning from a strictly voluntary and non-regulated area, to a semi-mandatory and closely monitored area. While buy-in into the importance of ESG has never been an issue at MRCB, the increasing demand for ESG disclosures has

indeed put a strain on our resources. Nevertheless, this is a challenge we have consistently overcome over the years with the improvements in our practices and policies.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

MRCB is committed to enhancing its governance practices for a sustainable business. One key strategy is our Climate Strategy Framework, which addresses environmental and climate challenges while promoting business growth. Our goal is to achieve Net Zero Carbon in Scopes 1 and 2 by 2040, aligning with international frameworks like Task Force for Climate-Related Financial Disclosures and Science-Based Targets. We have a strong track record in sustainable development through green buildings and transit-oriented developments (TODs). To further this, we will strengthen our Sustainable Design Policy and expand the innovative MRCB Building System.

SOCIAL

Diversity, Equity and Inclusion

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

Diversity, Equity and Inclusion (DEI) is integral to Maybank's culture and strategy, in line with our mission of Humanising Financial Services. Our focus is on continually ensuring a future-ready workforce and workplace by integrating the principles of DEI where all our employees are treated right, fairly, equitably, with dignity, and without discrimination in all aspects of employment and people practices. In 2022, Maybank's DEI initiatives focused on creating group-wide platforms for Maybankers to be engaged and lend their voice in pertinent DEI conversations, creating a shared sense of purpose and belonging for various communities, raising the foundation for inclusive leadership through a curated programme for over 5,000 managers group-wide and entrenching the governance framework for Employee Resource Groups.

How did you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

Maybank established a human capital dashboard that tracks demographic-related DEI indicators since 2010. Specific indicators around women in the workforce, internal mobility, digital upskilling, mental health support are also tracked. For our efforts, Maybank has been recognised in the Bloomberg Gender-Equality Index yearly since 2017. Our Employee Engagement Survey scores have also been on an increasing trend where we recorded a score of 90% in 2021, above global benchmarks.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

A risk we always have to be cognisant of is that DEI can be seen as rhetoric and centric to specific topics. The reality is that the scope of DEI is multi-dimensional and intersectional covering

many aspects such as gender, age, disability which can be challenging to address all at once. Hence DEI, as with any other culture-building objectives, has to strike the fine balance of awareness building, role-modelling, formal reinforcements and skill building.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

A key aspiration we have is to continue up the maturity curve where DEI moves away from being programme-led by functions to one that is led by employees. By involving employees, we aim to create a sense of shared responsibility, belonging, and inclusion. To achieve this, we provide the infrastructure for employees to drive DEI such as a women's mentoring programme called Pay it Forward, the framework to support Employees Resource Groups, to create networks, and to empower youth through our GenM platform.

Maybank

GOLD
**DATUK NORA
MANAF**

 Group Chief Human Capital Officer
Malayan Banking Berhad (Maybank)

ECOWORLD
CREATING TOMORROW & BEYOND

We're



CELEBRATING A DECADE OF
CREATING TOMORROW & BEYOND

Our 10th year celebration just got sweeter with a Gold recognition for Sustainable Ecosystems at the inaugural ESG Positive Impact Awards 2022. Thank you for journeying with us in creating a brighter, greener future for generations to come.

ecoworld.my

Eco World Development Group Berhad. (197401000725 (17777-V))

LARGE COMPANIES WINNERS

SOCIAL



KUAN MUN LEONG
Chief Executive Officer
Hartalega Holdings Berhad

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

Hartalega upholds best practices in human rights and labour standards in accordance with local and international benchmarks, including Malaysian labour laws, the UN Guiding Principles on Business and Human Rights, and the International Labour Organization's (ILO) 11 Indicators of Forced Labour, with strict policies that apply to all our people and those in our value chain. We are committed to fair and responsible recruitment, such as via our Zero Cost Recruitment Policy to protect migrant workers from recruitment fees.

How did you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

Our Social Compliance Task Force and Social Compliance Department drive the implementation of our governing policies and social

compliance strategies, including overseeing the social audits.

In FY2022, 24 external audits on social compliance were carried out at our manufacturing facilities, resulting in no major or critical findings for the ILO's 11 Forced Labour Indicators. Reflecting our steadfast commitment to care for our people, we received multiple recognitions, including Gold-rated Worldwide Responsible Accredited Production accreditation and an A rating in the amfori Business Social Compliance Initiative audit for our Hartalega NGC facility.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

A key challenge is always mindset. To drive positive change, people must be aligned on goals and expectations – both within our operations and across our value chain. To this end, we ensure alignment in the development, implementation and monitoring of our human rights and labour standard-related

policies and practices across our organisation. We have also implemented a robust supplier monitoring programme involving regular audits to ensure compliance.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

We continue to invest in the well-being of our people, demonstrated by stringent health and safety measures along with best practices in social compliance practices. In our constant effort to support UNSDGs and the climate agenda, we are enhancing our sustainability reporting with climate change-related disclosures that are aligned with the Task Force on Climate-Related Financial Disclosures recommendations. We are also undertaking multiple initiatives to reduce our carbon emissions including utilising alternative and renewable energy, as well as conducting product lifecycle assessment to measure the carbon emissions associated with our products.

SOCIAL

Talent Management

development and growth.

How did you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

The succession planning framework is tracked monthly to monitor the number of successors available for critical positions and the realisation of successors for vacancies. Across the Group our Internal Vacancy Realisation Rate (vacant positions filled internally) for senior management positions consistently exceed our target of 80% over the past five years. We also apply a rigorous post-programme tracking to measure the impact created by the participants after completing their programmes.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

With over 43,000 employees spread across 18 countries, our main challenge in implementing our talent management initiatives is ensuring

the infrastructure and ecosystem that we have put in place is available for everyone, everywhere. To overcome this challenge, we first ensured that the infrastructure of our initiatives are properly in place, applying multi-dimensional approaches for our employees' accessibility and awareness. This includes regular communication with our stakeholders, leaders and learning partners.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

Growing and maintaining a diverse talent pipeline continues to be a key priority for Maybank, alongside our commitment of developing internal talents. Hence our future plan is centred on continuing to cultivate a learning mindset and invest in the development and well-being of our employees through our offerings tailored for all job levels, to ensure that all Maybankers are given an equal opportunity to progress in their careers and personal life.

SOCIAL

Talent Management

Throughout the designated month of July, we ignite a collective spark within all Edgenta Stars, inspiring them to embrace their roles as internal innovators and catalyse transformative change across the organisation.

How did you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

Through the diverse range of initiatives orchestrated under the Programme, Edgenta Stars were afforded a remarkable opportunity to transcend their work and cultivate new skills and knowledge, irrespective of their existing job functions. This is exemplified by the impressive participation of approximately 1,700 employees, amounting to an accumulated total of 13,110 learning hours.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

The challenges we encountered encompassed the substantial investment required to facilitate the necessary development efforts in fostering an innovative culture. Additionally, expediting buy-in and enhancing the capabilities of our employees and talent posed obstacles, especially considering the relative novelty of this endeavour. However, we managed to overcome these challenges by acting consistently and transparently.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

We plan to expand The Edgenta Innovation Programme globally, starting with Singapore, the UAE, and Taiwan. Initial steps include granting digital asset platform access in Singapore and Idea Bank access in the UAE. Recurrent sharing sessions with reputable institutions will enhance skills and knowledge in ESG practices, enabling informed decisions for sustainability.



DATUK NORA MANAF
Group Chief Human Capital Officer
Malayan Banking Berhad (Maybank)

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

Our robust talent management infrastructure is designed to ensure we provide the platforms and opportunities for our people to be recognised and developed. The need to treat our employees right, fairly and equitably forms the core of this infrastructure which ensures our talent management processes provide equal opportunity for all based on merit, leave no room for discrimination, while promoting objective decision-making. Since 2009, Maybank has and continues to apply global standards and principles in our annual Talent Review and Succession Planning exercise ensuring the bank exercises inclusivity when identifying successor candidates and reviewing talents at all levels across the group. Additionally, in ensuring nobody is left behind, we also provide a variety of platforms and programmes to promote a culture of continuous learning,



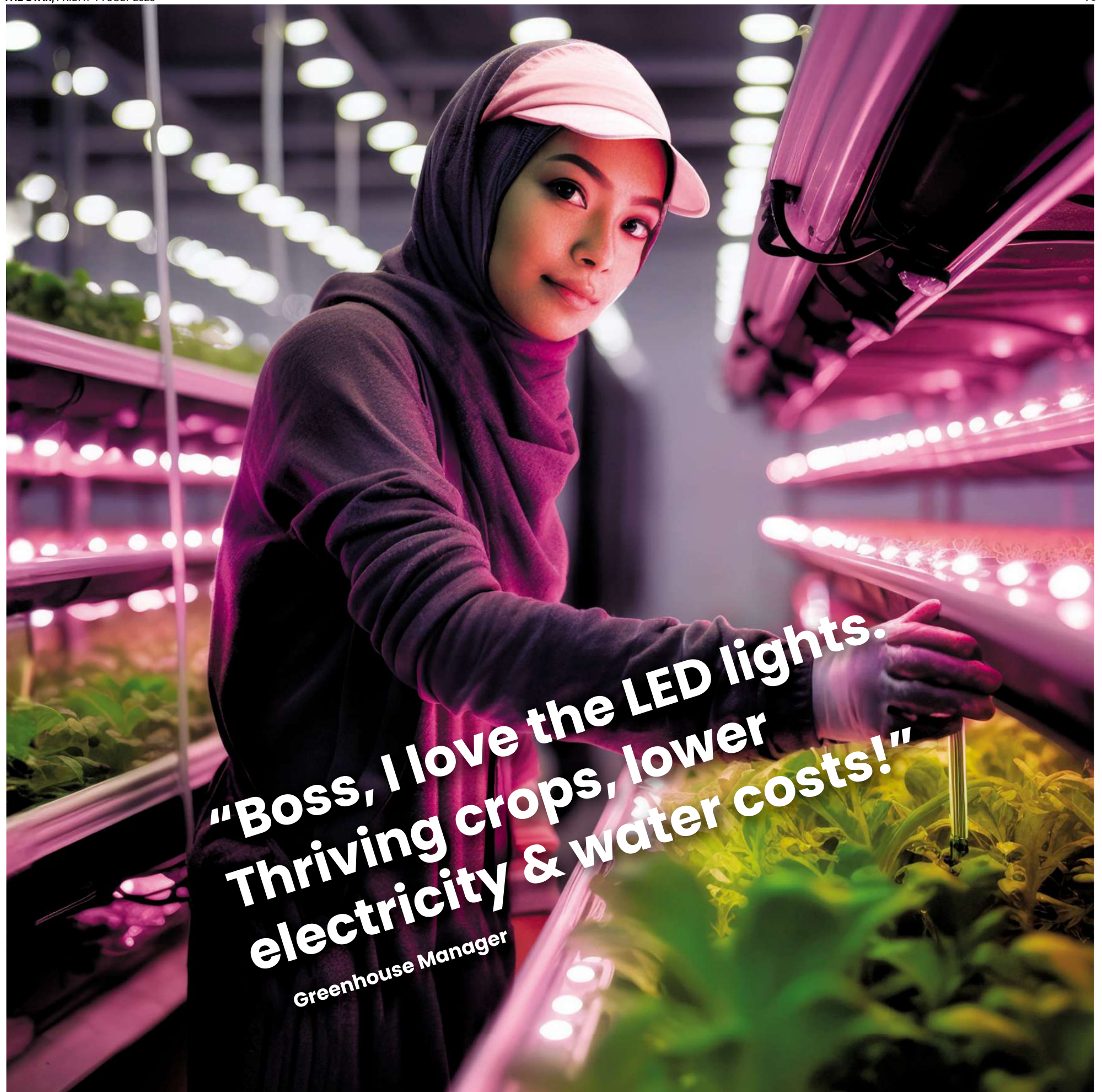
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SYAHRUNIZAM SAMSUDIN
Managing Director/Chief
Executive Officer
UEM Edgenta Berhad

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

The Edgenta Innovation Programme serves as a catalyst for the organisation's strategic transformation towards Edgenta of the Future 2025. It encompasses a range of impactful initiatives, including the Idea Bank, Innovation Passport Learning Series and Innovation Month, empowering employees to transcend their daily tasks and drive enduring impact for their teams and the organisation. The Idea Bank operates as an innovative online marketplace where employees collaborate in developing novel ideas and resolving challenges. At the heart of the programme lies the Innovation Passport Learning Series, an extensive collection of digital and innovation-focused courses designed to re-skill and up-skill all Edgenta Stars. As the pinnacle of our strategic innovation journey, Innovation Month takes centre stage.



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CONGRATULATIONS



LARGE COMPANIES WINNERS

CATEGORY: ENVIRONMENT

Sustainable Ecosystems

Gold : Eco World Development Group Berhad
Silver : MISC Berhad

Water Management and Efficiency

Gold : Nestlé Products Sdn Bhd
Silver : Sunway Berhad

Waste Management

Gold : Heineken Malaysia Berhad
Silver : Sime Darby Plantation Berhad

Responsible Consumption and Production

Gold : Sunway Berhad
Silver : Shan Poornam Sdn Bhd

Renewable Energy

Gold : FGV Holdings Berhad
Silver : UEM Edgenta Berhad

Energy Efficiency

Gold : UEM Edgenta Berhad
Silver : RHB Bank Berhad

CATEGORY: GOVERNANCE

Governance, Reporting and Transparency

Gold : Malaysian Resources Corporation Berhad
Silver : Sime Darby Plantation Berhad

CATEGORY: SOCIAL

Diversity, Equity and Inclusion

Gold : Malayan Banking Berhad
Silver : Sunway Berhad

Relations with Local Communities

Gold : Nestlé Products Sdn Bhd
Silver : Alliance Bank Malaysia Berhad

Human Rights and Labour Standards

Gold : Hartalega Holdings Berhad
Silver : Sime Darby Plantation Berhad

Talent Management

Gold : Malayan Banking Berhad
Silver : UEM Edgenta Berhad

Good Health and Wellbeing

Gold : AIA Bhd
Silver : UEM Edgenta Berhad

CATEGORY: OTHERS

Supply Chain Management

Gold : Sime Darby Plantation Berhad
Silver : Sunway Berhad

Innovative Partnerships

Gold : Heineken Malaysia Berhad
Silver (Tie) : 1. Alliance Bank Malaysia Berhad
2. Kenanga Investment Bank Berhad

Transformation

Gold (Tie) : 1. Sime Darby Plantation Berhad
2. Sunway Berhad



Most Outstanding ESG Initiative of The Year (Large Companies)

Heineken Malaysia Berhad



Most Outstanding ESG Initiative of The Year (SMEs and Mid Tier Companies)

Geomax Rubber Innovative Products Sdn Bhd

SMES AND MID TIER COMPANIES WINNERS

CATEGORY: ENVIRONMENT

Sustainable Ecosystems

Gold : Landasan Lumayan Sdn Bhd
Silver : UPM Consultancy & Services Sdn Bhd

Water Management and Efficiency

Gold : LK Durian Sdn Bhd
Silver : PLS Plantations Berhad

Waste Management

Gold : Ikano Corporation Sdn Bhd
Silver : E-Idaman Sdn Bhd

Responsible Consumption and Production

Gold : Geomax Rubber Innovative Products Sdn Bhd

Silver (Tie) : 1. Nets Printwork Sdn Bhd
2. Secret Recipe Holdings Sdn Bhd

Renewable Energy

Gold : Yongyang Sdn Bhd
Silver : Samaden Group Berhad

Energy Efficiency

Gold : Sedania Technologies Sdn Bhd
Silver (Tie) : 1. KONE Elevator (M) Sdn Bhd
2. Kuala Lumpur Golf & Country Club Berhad
3. Minconsult Sdn Bhd

CATEGORY: SOCIAL

Diversity, Equity and Inclusion

Gold : Q3 Management Solutions
Silver : Matrix Ideal Sdn Bhd

Relations with Local Communities

Gold : Salcon Berhad
Silver : Solarvest Holdings Berhad

Human Rights and Labour Standards

Gold : Juara Partners Sdn Bhd
Silver : Above Creative Events (M) Sdn Bhd

Talent Management

Gold : Veritas Architects Sdn Bhd
Silver : Vista Laser Eye Center Sdn Bhd

CATEGORY: OTHERS

Innovative Partnerships

Gold : NanoMalaysia Berhad
Silver : PLS Plantations Berhad

Transformation

Gold : Ikano Corporation Sdn Bhd
Silver : Juara Partners Sdn Bhd

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Working Partners:





(From left) Star Media Group Berhad (SMG) chief business officer Lydia Wang, OCBC Bank (Malaysia) Bhd chief executive officer Tan Chor Sen, Heineken Corporate Affairs and Legal director Renuka Indrarajah, Natural Resources, Environment and Climate Change (NRECC) Ministry deputy secretary-general (Energy) Datuk Mohamad Razif Abd Mubin and SMG chief executive officer Alex Yeow celebrating Heineken's award for the Most Outstanding ESG Initiative in the "large companies" category.



(From left) Telekom Malaysia chief corporate and regulatory officer Tengku Muneer Tengku Muzani, Yeow, Mohamad Razif, Tan and Wang.



Ernst and Young Climate Change and Sustainability Services leader and partner Arina Kok receiving a token of appreciation from Yeow.



Eco World Development Group Berhad green council chairperson Liew Tian Wei (fifth from left) and his team won gold in the Sustainable Ecosystems category for "large companies".



(From left) Wang, Tan, Geomax Rubber director Stephen Ng, Mohamad Razif, Yeow and Tengku Muneer. Geomax was named the Most Outstanding ESG Initiative Award for the "SME to mid-tier" category.



(Fourth from left) Former OCBC chief executive officer Datuk Ong Eng Bin who was part of the inaugural and momentous event.



AIA Bhd Sustainability director Junaid Iqbal (centre) receiving the gold award for Good Health and Wellbeing category for "large companies" with Tan (left) and Yeow (right).



FGV Holdings Bhd Group Sustainability head Nurul Hasanah Ahamed Hassain Malim (centre) received gold in the Renewable Energy category for "large companies", flanked by Tan (left) and Yeow (right).



Hartalega Holdings Berhad chief human resources officer Yong Siew Fai (middle) received the gold award for Human Rights and Labour Standards category for "large companies" with Tan (left) and Yeow (right).



Juara Partners Sdn Bhd managing director Aniljit Singh (first from left) and his team posing with Mohamad Razif (at front, second from left). Juara bagged two awards, a gold for Human Rights and Labour Standards and silver in Transformation, in the "SME to mid-tier" category.



LK Durian Sdn Bhd group chief executive officer Datuk Shahrul Nizam Abdul Aziz (centre) accepting the gold award for Water Management and Efficiency for the "SME to mid-tier" category from Tengku Muneer (left) and Wang (right).



Ikano Corporation Sdn Bhd centre general manager Karyn Lim (seventh from left) with her team. Ikano won gold for both Waste Management and Transformation categories for "SME to mid-tier".



Landasan Lumayan Sdn Bhd managing director Syaiful Azmen Nordin receiving the gold award in Sustainable Ecosystems for the "SME to mid-tier" category from Tengku Muneer (left) and Wang (right).



(Fourth from left) Malayan Banking Berhad strategic programme director Narita Naziree, chief sustainability officer Shahril Azuar Jimin and talent management head Natasha Wambeck and their team after winning two gold awards in Diversity, Equity and Inclusion, as well as in Talent Management for "large companies" category.



Malaysian Resources Corporation Berhad chief corporate officer Amarjit Chhina (holding award) won gold in Governance, Reporting and Transparency for the "large companies" category.



Nestle Products Sdn Bhd group corporate affairs executive director Datuk Adnan Pawanteh (far right) with his team after winning gold in two separate categories: Water Management and Efficiency, as well as in Relations with Local Communities, for "large companies".



Gold winner in the Relations with Local Communities category, Salcon Berhad corporate affairs general manager Chern Meng Gaik receiving the award in the "SME to mid-tier" segment from TM chief corporate and regulatory officer Tengku Muneer Tengku Muzani and SMG chief business officer Lydia Wang.



The overjoyed team from NanoMalaysia Berhad, headed by chief executive officer Dr Rezal Khairi Ahmad (holding award), won gold in Innovative Partnerships for "SME to mid-tier".



Q3 Management Solutions Sdn Bhd managing director Emiliawati Zainol received her gold award for Diversity, Equity and Inclusion in the "SME to mid-tier" category.



Sedania Technologies Sdn Bhd chief executive officer Daniel Ruppert (fifth from left) and his team won the Energy Efficiency gold award in the "SME to mid-tier" segment.



Sime Darby Plantation Berhad Mechanisation assistant vice president II Muhammad Hazwan Azman holding the gold award for the Transformation category, in the "large companies" segment. The company bagged a total of two gold and three silver awards.



UEM Edgenta managing director and chief executive officer Syahrnzam Samsudin (front row, fifth from left) with his team, which won a gold award in Energy Efficiency as well as three silvers in Talent Management, Good Health and Wellbeing, and Renewable Energy for the "large companies" segment.



Yongyang Sdn Bhd project director Regine Choo (fourth from left) and team celebrating their gold win for the Renewable Energy category in the "SME to mid-tier" segment.



The Sunway Berhad team won five awards, represented by (front row, fourth from left) Group Sustainability senior executive Claudia Cheah, chairman's office executive director Ong Pang Yen, chief strategy officer Faisal Ariff, Group Sustainability head Jacqueline Wong and Group Sustainability senior executive Nadhirah Zakarya.



Veritas Architects Sdn Bhd director Alif Arif Iskandar Abd Wahab receiving the gold award for Talent Management in the "SME to mid-tier" segment, with Tengku Muneer (left) and Wang (right).



ESG Positive Impact Awards Gala Night's beers were hosted by Carlsberg.

LARGE COMPANIES WINNERS

SOCIAL


GOLD

MOHAMMAD JUNAID KHALID IQBAL
 Director Sustainability
 AIA Bhd

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

AIA's Purpose of helping people live "Healthier, Longer, Better Lives" guides us in everything we do, including building a responsible and sustainable business. The ESG award recognises our AIA Vitality programme, which we have committed to help Malaysians take sustainable steps to improve their health.

How did you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

Good Health and Well-being

Backed by behavioural economics principles, AIA Vitality gamifies the health experience and rewards its members with points when they move well, eat well and rest well. AIA measured the success of this initiative via engagement levels which have risen steadily with health improvements amongst our employees.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

One of the key challenges has been getting all stakeholders on board as Malaysia transitions to a greener economy. This requires a mindset shift such that ESG considerations become part

of everything we do. To play our role, AIA has integrated ESG in a way that increasingly ensures coordinated action and allows us to track our progress across our business.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

AIA's ESG Strategy is anchored on five pillars: Health and Wellness, Sustainable Operations, Sustainable Investment, People and Culture, and Effective Governance. It builds on AIA's Purpose by integrating a clear programme of goals, commitments and actions into our business to deliver long-term sustainable value.


SILVER

SYAHRUNIZAM SAMSUDIN
 Managing Director /
 Chief Executive Officer
 UEM Edgenta Berhad

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

The initiatives include Edgenta Workplace and Wellbeing (WoW), which incorporates Project DASS (Depression Anxiety Stress Scale) and an Employee Assistance Programme.

How do you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

To ensure the success and effectiveness of the programmes, clear objectives and baseline information are gathered to facilitate target

Good Health and Well-being

setting, as well as monitoring and tracking of each programme. Results are shared internally and on social media, and continuous improvement is done based on participant feedback.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

We faced several challenges. For example, in the BeFit programme, we had to arrange multiple sessions to accommodate the annual participation numbers. To overcome this, we plan to expand our resources to ensure more efficient programme execution.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

Guided by the objective of becoming the healthiest workplace by 2025, our occupational health programmes are set up for further expansion within the range of five years to reach our goals and embed a long-lasting impact. This will be done through further expansion of existing programmes across business divisions in Edgenta to become an industry role model in workplace health and wellbeing programmes. Sustainable practices are advocated best by senior management, as seen by their active involvement.


GOLD

RASHYID REDZA ANWARUDIN
 Chief Sustainability Officer
 Sime Darby Plantation Berhad

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

Traceability of our palm oil supply chain allows stakeholders to track and monitor the origin and movement of palm oil products from the plantation to the end consumer. This ensures transparency and accountability throughout the supply chain which will help to promote sustainable, ethical and responsible practices and sourcing.

How do you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

Supply Chain and Management

creating a positive impact?

The overall goal for SDP is to achieve a 100% transparent and NDPE-compliant (No Deforestation, No Peat and No Exploitation) supply chain by 2025, which extends across non-palm supplies as well.

We measure our success by having more suppliers and smallholders within our supply chain subscribe to our sustainability commitments and best practices.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

Implementing and maintaining effective tracea-

bility systems is complex and involves multiple stakeholders, including smallholder farmers, middlemen, millers, traders and manufacturers. Tracking and monitoring the movement of palm oil products through this intricate supply chain requires cooperation and coordination among diverse actors.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

We will continue to foster collaboration among industry stakeholders, including palm oil producers, traders, processors, manufacturers and certification bodies.


GOLD

RENUKA INDRARAJAH
 Corporate Affairs & Legal Director
 Heineken Malaysia Berhad

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

Through our three-pronged strategy on water, we look beyond our operations in terms of efficiency and circularity by investing in water stewardship, where we have a target to balance 1.5 litres of water for every 1 litre of water in our products.

How do you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

Water balancing: Our water stewardship initia-

Innovative Partnerships

tives are independently quantified and verified according to the Volumetric Water Benefit Accounting method by Limnotech, a leading water engineering firm in the United States. The data of our water balancing initiatives including the different projects, impacts and volume is reported in our Annual Report 2022.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

A challenge for all organisations is to balance the need for sustainability with the need for profitability in business. We must identify sustainable alternatives and promote circular economy

practices to address natural resource depletion.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

Our priority in line with our Brew A Better World sustainability strategy is to reach net zero carbon emissions in production (Scope 1 & Scope 2) by 2030. We are transitioning our energy use to renewable sources. Since 2022, we have subscribed to the Green Electricity Tariff programme, which enables our Sungei Way Brewery to be powered by renewable electricity. As a result, we had reduced 49% of carbon emissions vs our 2018 baseline.



A Culture of Care

Hartalega is honoured to receive the Gold Award in the Human Rights & Labour Standards category at the ESG Positive Impact Awards 2022. This recognition demonstrates our steadfast dedication to upholding Environmental, Social, and Governance (ESG) principles, leading the way forward for the glove manufacturing sector via our social compliance, human rights and labour practices which are aligned with local and international benchmarks.

In our pursuit of touching lives across the globe, our commitment starts at home, with our people. We have comprehensive policies and measures in place to safeguard the well-being of all Hartanians, both local and foreign, along with those in our value chain. This is demonstrated through our strong business ethics and core values which permeate throughout the Group, responsible recruitment practices, an organisational culture that prioritises health and safety, and investing in first-rate accommodation and facilities for migrant workers, amongst other initiatives to uplift quality of life.

While this award attests that we are on the right track, we are ever-vigilant that ESG is an ongoing journey. Always striving for improvement, we are focused on continuous enhancement with ESG at the core of our growth, to instil best practices across the organisation to care for the welfare of all our people. This enables us to continue driving the sustainable growth of Hartalega and serve our purpose of touching lives.



SMES AND MID-TIER COMPANIES WINNERS

ENVIRONMENT


GOLD

SYAIFUL AZMEN NORDIN

Managing Director
Landasan Lumayan Sdn Bhd

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

The Selangor Maritime Gateway initiative, launched in 2018, aims to revive a polluted river and restore its historical significance. Landasan Lumayan Sdn Bhd, under the Selangor State Government, rolled out Phase 1 (2016-2022) that focused on river cleaning, rehabilitation, development and connectivity. In April 2022, the Klang River was then designated as Zon Ekonomi Pembangunan SMG under Rancangan Selangor 1. Phase 2 (2023-2031) includes the Integrated Water Resources Management project, ESG framework building, and a structured business model to promote a green economy that creates job opportunities, and enhance social well-being while attracting high-net investments.

How did you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

Between 2016 and March 2023, the removal of 86,021 metric tonnes of floating debris was achieved through seven log booms, waste traps, and two Interceptors. Waste extraction reduced by 63%, surpassing the Phase 1 target of 40%. Water Quality Management Systems improved the Klang River's water quality from Class V to Class III and even Class II and I on 64% of days in 2022 which resulted in the return of flora and fauna and increased visitors to SMG's River Educational Trips and urban park.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

The Selangor State Government faced challenges in unifying multiple state agencies and municipalities responsible for parts of the Klang River. Led by LLSB, the SMG project became the first model in Malaysia to manage a river by overcoming jurisdictional issues. LLSB works with a consultative council and holds round table sessions and monthly meetings to ensure

collective alignment. Adopting a structured Master Developer strategy facilitated private and NGO involvement, improved transparency, and attracted investors and collaborators.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

The establishment of ZPE SMG focuses on three areas of Sustainable Development Goals (SDGs): environmental sustainability, job creation and sustainable living. A key initiative under this is the Integrated Water Resources Management project that aims to reinforce riverbanks and increase river capacity by 40%, improve water quality that benefits the aquatic ecosystem and provides 200 million litres per day additional raw water for population consumption. Catalyst projects as a bid to revive Klang River exemplify the impact that can be achieved through technological solutions coupled with strong government mandate, progressive local management team and strong unified stakeholder commitment.


SILVER

PROF DR AZLIZAM AZIZ

General Manager
UPM Consultancy & Services Sdn Bhd

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

This award represents the commitment of UPM Consultancy and Services (UPMCS) and Universiti Putra Malaysia in implementing various initiatives related to ESG, especially aspects of consultation, extension and education programmes. The Sultan Idris Shah Forestry Education Center (SiSFEC) has been central to these initiatives by serving as the project site. Since 2020, 63 such programmes with the participation of more than 1,500 visitors (both local and international) have been conducted in SiSFEC.

How did you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

Practical programmes such as Young Forest Rangers, Nature Science Camps, Nature Camps, International Summer Camps will have measurement methods that usually involve post-pro-



gramme evaluation. The implementation of all programmes at SiSFEC is also reported annually.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

The main challenge in the implementation of the programme at SiSFEC has been in terms of funding the continuation of activities. This can be mitigated with a corporate financing approach. Recently, in an effort to strengthen

SiSFEC's functions, UPMCS together with industry partners have planned to:

- (1) redevelop the area with international standard facilities and
- (2) create a commercial forest nursery that will help SiSFEC become more self-reliant.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

UPMCS and the faculty management are working in tandem, and moving into the final stages of discussions with partners including the Selangor State Forestry Department, potential investors, local authorities such as Subang Jaya City Hall, and the Putrajaya Corporation to find measures to ensure that the sustainability of SiSFEC's resources are not affected while finding opportunities for continuous funding for the forest. As for consultancy and services in related fields, UPMCS is committed to continue exploring new ventures including carbon sequestration and offsetting.

ENVIRONMENT


GOLD

DATUK SHAHRUL NIZAM ABDUL AZIZ
Group Chief Executive Officer
LK Durian Sdn Bhd

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

In line with our Sustainability Strategy and precision farming initiatives, we invested in a high-end IOT-enabled water management system that integrates water intake, storage, distribution and irrigation to more than 52,000 individual trees in the farm. A thorough study was also done in compliance with Tanah Makmur Berhad's (TMB, parent company to LK Durian Sdn Bhd) ESG practices and full adherence to EIA report in ensuring sustainable water management, preservation of flora and fauna, and to reduce wastage in our Lembah Klau farm.

How did you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

In TMB, the Board has set a stringent mandate

Water Management and Efficiency

on the implementation of a balanced scorecard throughout the entire organisation. This includes ESG KPIs that have been defined as follows:

- i. Environmental – Tracking of energy/water demand & consumption, GHG emissions, and efficiency metrics i.e. cost/volume/reduce wastage;
- ii. Social – Full compliance on human rights, wages, health, safety and labour policies by the Department of Occupational Safety and Health (DOSH) and the International Labour Organization (ILO);
- iii. Governance – Produce Sustainability Report and rating by RAM Sustainability Services.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

Key challenges included culture transformation, knowledge acquisition/retention and disciplined execution.

We addressed these issues by:

- Obtaining professional help from third party services eg RAM Sustainability
- Investing in IOT i.e. Plantation Macro Micro Program (PMMP) to capture data
- Conducting gap analysis, workers' upskilling and continuous community engagement as part of KPI

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

Our aspiration is to achieve the full standards of ESG compliance and Sustainability Reporting by 2024.

We will continue driving these efforts via:

- Training and upskilling of employees and workers
- Investments in IOT for data capture and tracking
- Employment of consultancy services to ensure ESG compliance and improvements

JUARA



Proud Winner of TWO ESG Positive Impact Awards 2022

The Inaugural
Star Media Group
ESG Positive Impact
Awards 2022

GOLD WINNER

Human Rights &
Labour Standards

SILVER WINNER

Transformation



“DEVELOP TOMORROW, TODAY”

Juara Partners Sdn. Bhd.

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SCAN ME



SMES AND MID-TIER COMPANIES WINNERS

ENVIRONMENT

Waste Management



GOLD

KARYN LIM
Centre General Manager
Ikano Corporation Sdn Bhd
IPC Shopping Centre

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

We strengthened our waste management and recycling policy, as well as the infrastructure and facilities for all sectors.

How did you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

We tracked our Recycling Rate, Landfill/ Recyclables Waste Volume and Income & Cost Performance.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

Education and enforcement were challenging, especially when it came to promoting individual mindfulness and commitment in practising the right waste sorting know-how on what can and cannot be recycled. Operational enforcement



and getting commitment from the tenants was also tough.

There were other hurdles to cross, including the public misconception that waste is just dumping unwanted or bulky stuff and instead getting them to understand the principles of waste sorting and recycling when using our Recycling and Buy-Back Centre (RBBC) facility.

We continue to educate the community by creating relevant content which is made available on our website, mobile app and social media.

We also conduct monthly online briefings (for our tenants), hosting tours and visits to our RBBC as well as ground activities for our shoppers through our loyalty programmes.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

A key goal for us is to achieve zero landfill waste and be cost neutral on our overall waste management operational expenses.

We want to continue developing a society that is moving towards practising circular and sustainable living through waste recycling and waste management, which is not to over consume our resources.

We are developing our waste recycling partnership calendar that targets specific types of waste such as UCO, pillows, luggage, plush toys, etc so the community can send them to us in batches and they can be properly re-treated instead of ending up in landfills.

ENVIRONMENT

Waste Management



SILVER

ZAKI ABDUL AZIZ DAUD
Chief Executive Officer
E-Idaman Sdn Bhd

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

E-Idaman Sdn Bhd (EISB), responsible for solid waste management in the northern region of Peninsular Malaysia, took a leap by creating and initiating a drive-thru recycling facility named Drive Thru Recycle Centre (DTRC). It is an innovative and inclusive recycling initiative that uses technology to promote sustainability. It aims to reduce waste and sources while supporting economic, social and environmental sustainability development. Innovation and technological inclusion in recycling initiatives have been the main elements to reduce the amount of waste that goes to landfills, conserve natural resources, save energy and protect the environment.

How did you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

The project metrics and key initiatives driven by

our BOD are simply a set of measures that help gauge the performance of a project. We use the project metrics not only to track how well an initiative is doing but to foresee problems, evaluate performance and make changes as needed. Most importantly, the initiative taken aligns with our company vision and goals.

For the DTRC Project, we measure the effectiveness through the total weight of recyclables received in the DTRC and the calculation of carbon reduction to landfills. As a result, from January 2022 until May 2023, we received 831,010.92kg worth of recyclable items which is equivalent to the weight of waste diverted from landfill.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

One of the challenges that we encountered was trying to inculcate the culture of recycling in the community. To urbanise recycling practices among the community, EISB embarked on the idamanXchange programme for better

engagement in recycling initiatives along with the awareness programme for the community. These initiatives align with our mission and aspiration to spearhead sustainable solid waste management through innovation. Technically, the idamanXchange programme is a mobile app that helps users find an accessible recycling facility in the user's area and provides relevant information regarding these drop-off points. It also gives rewards through the use of the mobile app. The programme is also in line with our objective to support the Government in the Separation at Source (SAS) initiatives.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

With an encouraging collection of recyclables from 2022 until today, more opportunities have opened up for EISB to explore outside of Kedah and Perlis. As for our future plans and goals, we aim to build more DTRC through smart partnerships.

ENVIRONMENT

Responsible Consumption and Production



GOLD

STEVEN NG YONG BENG
Founder and Director
Geomax Rubber Innovative Products
Sdn Bhd

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

We are stepping forward to a better environment. An estimated 100 tonnes of gloves waste is generated monthly and ends up in landfills releasing toxic gasses. Geomax Rubber transforms these unwanted glove materials into sustainable footwear through our patent-pending green technology. Our brand, Solewell, is the first anti-slip eco sandal. Rubber qualities are kept intact with its strength, flexibility and durability, and non-slip design tested on 30% slope coated with oil and water.

For every pair of Solewell eco sandals, we are able to save 18 pairs of rejected nitrile rubber gloves from landfills or incinerators.

How did you measure the success and effectiveness of your ESG initiatives in

creating a positive impact?

Geomax Rubber's KPIs are the amount of gloves waste that is upcycled, and our charitable contributions.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

When we first started our journey, nobody believed we could achieve what we set out to do. We knew that if we kept going forward and working hard, our goals could be reached. Other challenges would be the lack of skilled workers. It is tough to get workers who have experience and knowledge about rubber manufacturing.

Furthermore, it is also difficult for us to keep up with technical advancements due to lack of funds and huge capital requirements. We engage with professionals, coaches and business owners to ask what they are observing and how they are responding to new trends.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

Our future ESG initiatives are based on 6Ps: Purpose, Planet, People, Prosperity, Partnership and Performance.

Purpose: Everyone understands their role, most importantly, listens for feedback from all to make good decisions.

Planet: To create more green products and circular economy products that are able to transform into something better – for people and the environment.

People: We build leaders from Day One as all have unique strengths.

Prosperity: With the right funding, we want to maximise our income potential.

Partnership: Collaboration with universities and government bodies to develop innovative technologies.

Performance: Utilise solar energy to improve the efficiency of the process.

SMES AND MID-TIER COMPANIES WINNERS

ENVIRONMENT

Responsible Consumption and Production



TEH SOO TYNG
Sustainability Director
Nets Printwork Sdn Bhd

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

Since 2009, we have made significant changes in machine, material and management systems to align with our sustainability direction. The initiatives include purchasing carbon neutral press machines, using eco ink with lower volatile organic compounds (VOCs), Forest Stewardship Council (FSC) certified paper, be the only printer to offer Sirim Eco Label and Carbon Footprint label for printed material, and obtaining ISO 9001, ISO 14001, FSC, PEFC and MyHijau certifications. We also installed solar panels to increase renewable energy usage.

How did you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

We voluntarily participate in the SME ESG Maturity Assessment Tool, scoring 86 out of an average of 43.5 among the SMEs in Malaysia.

Our green purchasing ensures that 90% of our products achieve eco basic and 10% achieve eco recommended levels of our eco printing. Our FSC paper suppliers have grown from one to seven suppliers over the years. Currently there are nearly 30 KPIs that assist us in monitoring the various departmental performance. Our sustainability performance also won us the Prime Minister's Hibiscus Award (PMHA), Malaysia Sustainability Reporting Award (MaSRA) and Asia Sustainability Reporting Award (ASRA).

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

Talent shortage posed a challenge in implementing ESG initiatives, and we needed to invest in training programmes to upskill employees and attract talent passionate about sustainability. Funding ESG initiatives required commitment from the top management especially for SME. We needed to constantly show results to convince people that we were on the right

path. Continuous awareness on sustainability among the employees and to get buy-in from stakeholders via sustainability communication also required time and resources. Our green factory and eco office were set up to help attract stakeholder attention.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

We have worked with Eco Sentido to offer carbon neutral print solutions to our clients. We look forward to assisting more clients to achieve their ESG targets with our ESG offerings. We are also leveraging IR 4.0 technology to offer eco and smart printing and packaging solutions. We are planning to extend our value chain, work with different experts and stakeholders to develop an Eco Living Hub, a sustainable business ecosystem to create positive solutions for the challenges that we face while moving towards achieving the sustainable civilisation mentioned in our sustainability strategy.

ENVIRONMENT

Responsible Consumption and Production



STALIN JAMES JANUM
Senior Manager, QA/QC
Secret Recipe Holdings Sdn Bhd

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

We implemented various sustainable initiatives, including replacing plastics with eco-friendly alternatives like paper boxes and biodegradable cutlery. We source papers with FSC certification, ensuring sustainable forest management. Our wastewater treatment facility treats large volumes of effluence, and the sludge is collected by a brick making company. Most of our food waste is either collected by organic farmers or composted on-site using a machine, or sponsored for environmental events, promoting responsible waste management.

How did you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

Our ESGs are measured quantitatively and qualitatively. Quantitative is we set the target and amount of our ESG initiatives such as how

many schools we engage in, how many communities we participate in the CSR activities. When it comes to qualitative measures, we carefully select our strategic partners and aim for both engagement and impact to the community. The specific matrix used is that all KPIs are set, such as how many ESG activities we roll out throughout the whole year. We work closely with all our stakeholders and strategic partners to ensure each programme is measurable and sustainable.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

On a micro level, the challenge was to establish a specific budget and then getting all parties from stakeholders and shareholders within the company to be on board with the programme and campaigns. There were also cases of time delays or unforeseen events that may have caused our activity or timeframe to be thrown off schedule from time to time. On a macro

level, it was to educate the SMEs which are our stakeholders/suppliers to be on board the ESG roadmap.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

Secret Recipe aims to inspire greener communities through CSR events collaborating with schools and NGOs. We are striving to implement new green policies, SOPs and sustainability guidelines, while adopting relevant skills and training. We seek to contribute to a greener economy by promoting sustainable innovation and green marketing and creating opportunities for environmentally practices. We are committed to becoming a green company across all aspects of the business. We also aim to raise awareness about sustainability among various societal levels, serving as an example for community and other brands. We encourage all our partners, suppliers and customers to adopt environmental sustainability.

ENVIRONMENT

Renewable Energy



REGINE CHOO
Project Director
Yongyang Sdn Bhd

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

Yongyang Solarroof is committed to sustainability and reducing carbon emissions through its environmental/social initiative. By promoting renewable energy solutions, particularly solar energy, the company aims to raise awareness and engage stakeholders in sustainable practices. The initiative includes education, outreach and direct action, providing resources and solar energy systems to customers. Positive outcomes include a cleaner environment, stronger stakeholder relationships, increased customer loyalty and new revenue streams.

How did you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

To measure the success of ESG initiatives, companies often track various metrics and key per-

formance indicators (KPIs). These include carbon emissions reduction, renewable energy capacity, energy generation from renewable sources, customer adoption rates, stakeholder engagement, cost savings, financial performance, employee satisfaction and retention, and supplier sustainability. These metrics provide insights into the impact of ESG initiatives on the environment, stakeholders, financial performance and overall sustainability practices. By monitoring and analysing these indicators, companies can assess the progress and effectiveness of their ESG initiatives and make informed decisions to drive positive change.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

When implementing ESG initiatives, one can face challenges such as financial constraints, lack of awareness, resistance to change, regulatory uncertainties, supply chain complexities,

measurement and reporting difficulties, and unexpected external factors. To overcome these challenges, companies can explore financing options, educate stakeholders, engage early and provide incentives, monitor regulatory changes, collaborate with suppliers, implement robust data management systems and build resilience through contingency planning.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

To further ESG targets and goals, companies can set ambitious sustainability targets, embrace innovation, engage with suppliers and stakeholders, enhance transparency, collaborate with policymakers and industry peers, and continuously monitor and improve performance. By pursuing these strategies, companies can build on their current achievements, drive sustainable practices and positively impact their organisation and surrounding community.

SMES AND MID-TIER COMPANIES WINNERS

ENVIRONMENT



DANIEL RUPPERT
 Chief Executive Officer
 Sedania Technologies Sdn Bhd

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

Sedania Technologies Sdn Bhd (STSB) catalyses the green energy transformation of corporations by offering clients various types of energy efficiency and renewable energy technologies, enabling clients to have the best energy-saving solutions catered to their respective businesses. Overall, we term what we do as providing Energy-Sustainability-As-A-Service so that corporations can achieve sustainability progress fast and continuously, avoid financial and operational risks, avoid capital expenditure, reduce operating expenses, improve cash flow and thus, avoid significant business disruptions.

How did you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

From the perspective of our business operations, we constantly measure how much carbon

emissions are prevented and will potentially be avoided in the future via green energy generated from our many projects with different clients. This consistent, in-depth tracking of energy efficiency metrics ensures that our sustainable energy solutions for clients are effectively fulfilling their aspirations to become green corporations and decelerating climate change to indirectly improve the quality of lives for every single individual on this planet.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

Our cash flow can be impacted by halts in project works which prevent revenue recognition as we invest CAPEX early on and recoup earnings over time. We address this potential risk by carefully selecting clients and conducting in-depth analysis when assessing whether projects are feasible.

It can also be a challenge to determine which is the most suitable sustainable energy technology

for each of our clients as different companies have different energy consumption patterns. We navigate this issue through the combination of expertise from our well-experienced engineering team and our multiple energy contracting partners.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

Going forward, STSB is focused on leading the way in preserving humanity's future by unlocking our green technologies' potential to play a more pivotal role in combating climate change over the long term.

With our track record already spanning banks, telecommunications companies and government institutions, we are also set to expand our ESG-enabling net to encompass companies of different sectors and sizes such as manufacturing, hospitality and leisure, as well as various SME companies as we aim to reduce carbon emissions on a larger scale.

ENVIRONMENT

Energy Efficiency



TEOH TZE PING
 Managing Director
 KONE Elevator (M) Sdn Bhd

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

Our innovations are known globally to have a significant role in advancing climate action. We support smart and sustainable construction through our energy-efficient and innovative offering, functional and sustainable materials. Lifetime energy consumption is one of the main considerations in green buildings and it is also the single most significant environmental impact of KONE's products overall. This underlines the importance of eco-efficient solutions. We took another step in getting our products certified by MyHijau Mark, an official green recognition endorsed by the government of Malaysia.

How did you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

KONE Malaysia has recently obtained the Malay-

sia Green Building Certificate – MyHijau Mark – for seven products. We are going to be the sole lift provider in Malaysia to have successfully obtained this certification, solidifying our position as a leading sustainable building solutions provider in Malaysia. With this certification, we can offer our customers cutting-edge technologies that enhance building efficiency and contribute to a greener and more sustainable future.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

A common view against green buildings involves higher operation and maintenance costs in comparison to conventional buildings. However, the truth is, by optimising some key solutions such as lighting, air-conditioning, electrical and vertical transportation, green buildings can over a longer term help reduce energy consumption and operation costs thanks to their higher operational efficiency. Additionally, the popularity of green buildings is still hindered somewhat

by funds and budget constraints of owners and developers, limited awareness of operation and maintenance requirements, and most importantly the environmental and financial benefits green buildings can offer in the long term.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

More than ever, energy efficiency and environmental protection are essential components for a building's success. We would want to support sustainable and green building through our energy-efficient and innovative offering, healthy, functional and sustainable materials. We help our customers meet various green building requirements even better with our KONE solutions. With energy consumption reaching all-time highs, more and more builders are looking for green alternatives. Whether upgrading your current system or installing new elevator technology, KONE has all the right expertise and solutions that could fit everyone's needs.

ENVIRONMENT

Energy Efficiency



DATUK DR DENNIS GANENDRA
 Chief Executive Officer
 Minconsult Sdn Bhd

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

For our 60th anniversary, we added a "Sustainability Drive" as our sixth governing pillar. We were the first in the Asean construction sector to commit to the Science Based Targets initiative (SBTi) Climate Pledge. Ahead of schedule, we submitted our targets, focusing on energy efficiency and other initiatives to fulfil our ESG objectives.

How did you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

Minconsult employs several strategies to effectively reduce greenhouse gas (GHG) emissions through energy efficiency. Strategy 1 focuses on

energy conservation and includes components such as behavioural change, thermostat adjustment, LED lighting replacement, and the use of inverter-type air conditioners.

Strategy 2 involves fleet management, aiming to replace vehicles with energy-efficient alternatives. Strategy 3 explores renewable energy installation and aims to transition to a Zero Energy Building (ZEB).

These strategies have resulted in significant reductions in electricity consumption, Building Energy Index (BEI), and carbon dioxide emissions.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

Overcoming fear and ignorance, our company committed to ambitious goals. We formulated

strategies, leveraging our environmental and engineering knowledge. A 50% carbon reduction by 2030 through engineered solutions was targeted, with the remaining 50% relying on emerging technologies. Challenges will be overcome with the right mindset.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

In pursuit of our ESG targets, we will build on current achievements and launch the Zero-Plastics initiative. We aim to help clients achieve their ESG goals through the MiST Minconsult Sustainability Toolbox, mapping UN SDGs. Key projects include the world's first Autonomous Rapid Transit Hydrogen Vehicle (KUTS) and a significant Animal Waste Biogas Plant in Penang, Malaysia.

SMES AND MID TIER COMPANIES WINNERS

SOCIAL



EMILIAWATI ZAINOL
Managing Director
Q3 Management Solutions Sdn Bhd

GOLD

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

For Q3 Management Solutions Sdn Bhd, we set out to implement ESG initiatives in our business management and processes. We incorporated SDGs and CSR initiatives into our long-term strategy, advocating for diversity, equity and inclusion (DEI). We designed and implemented SDG-aligned initiatives in collaboration with our partners and stakeholders and we constructed a DEI framework encompassing six key areas; leadership development, equal pay, equal opportunities at work, training and development, gender-responsive business culture, and community-building to ensure fair and inclusive management for our employees and stakeholders.

How did you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

To ensure the achievement of our DEI aspirations, we have strengthened our internal assets

Diversity, Equity and Inclusion

and resources, identified gaps, streamlined processes and determined the most effective and efficient systems to implement. The success and effectiveness of our ESG initiatives are embedded in the Performance Management System (PMS) that we have put in place. KPIs that are aligned to Financial, Customer, Business Process, and Learning and Growth are the cornerstone of how we ensure that our employees understand and embrace the initiatives implemented and the positive outcome achieved, individually and for the company.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

We embarked on our sustainability journey since our establishment years ago. Our business management approach has always emphasised human resources, finance, corporate governance, customer satisfaction and employee growth and; retention; which is critical for business success. The main challenge we faced was adapting existing ESG frameworks that

were designed for larger companies. As such, we modified and constructed a sustainable ESG framework that is suitable for our business.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

The award is a recognition that we have made significant strides in driving sustainable practices and promoting DEI within our organisation and the community. Moving forward, we will promote and advocate our customised ESG Framework for SMEs to bring about positive change to our clients, partners and stakeholders. We will urge them to adopt sustainable measures aligned with ESG principles where continual assessment, improvement and new initiatives will address evolving challenges faced by SMEs. Our commitment to a sustainable future guides our decision-making, emphasising adherence to the ESG principles. With steadfast dedication, we are confident in our ability to make a lasting impact, fostering sustainability and driving positive change in the ESG landscape for years to come.

SOCIAL

Diversity, Equity and Inclusion



What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

We introduced the EVOLET mobile app which provides access to basic financial services allowing transparency and inclusiveness for migrant workers.

We also have International Services which allow users to not just remit money back to their families but also product and services. This allows migrant workers to have better control of their money. It also provides them a secure solution to keep their hard-earned money.

How did you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

We employ comparative metrics to gauge users' inclination, so we can compare data between those who receive their salary directly into the app and those who are still receiving cash. We are able to see the way they spend and also

of the initial challenges but through effective education and translation with clear symbols we were able to break down those barriers. Implementing UI/UX from surveys with our users helped in creating a very user-friendly application.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

We want to work with partners who are aligned with our goals and aspirations in providing a holistic product and services to migrant workers to stretch and maximise their hard-earned money to improve and create a sustainable ecosystem for them.

We will continue to lobby with all employers that employ foreign workers on the importance of providing digital solutions that will bring inclusion and diversity via transparency and security.

what they spend on with or without access to our app. Users are beginning to think beyond remittance, and asking for products and services that are related to everyday needs.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

Language and lack of digital adoption were two

SOCIAL

Relations with Local Communities

How did you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

As at December for the fiscal year 2022, more than 3,000 students from 61 schools and four orphanage homes benefited from the programme, with more than 98% of participants satisfied with the programme and would like to recommend it to their friends and families. We also conduct pre- and post-programme surveys for every session. The surveys conducted show a positive impact in terms of knowledge improvement among students, with an average improvement rate of 17.48%.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

During Covid-19, when physical sessions were not allowed, we launched the Water Genius Challenge (WGC) in July 2020 as an extension of the SSWP. The WGC aims to empower

school communities to take a proactive role to promote innovative and creative ways to reduce water consumption in their respective schools. Through this programme, participating schools are required to fulfil a 7-Step Process comprising water audit, establishing and executing action plan, integrating water topics into subjects, and progress and results carried out creatively in social media. More than 120 students and teachers from five schools participated.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

Salcon extends the SSWP to school teachers through a "Train the Trainers" Programme. Teachers are trained to be facilitators so that they can organise their own programme based on their availability. Through this, the programme can be more sustainable, reach a bigger crowd of stakeholders and create a bigger impact.

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

Salcon Smart Water Programme (SSWP), is Salcon's flagship Corporate Responsibility Programme organised in collaboration with a non-governmental organisation, Water Watch Penang (WWP). SSWP aims to produce long-term outcomes in best water conservation practices by increasing awareness and inculcating a sense of responsibility amongst schoolchildren in the Klang Valley.

Through SSWP, we provide river water conservation education to the younger generation, to ensure water conservation and sustainability.

The programme is conducted through practical hands-on activities and is designed to train observation and interactive skills among children, through physical, chemical and biological water testing.



DATUK ROSLI MOHAMED NOR
Independent Non-Executive Director
Salcon Berhad

GOLD

SMES AND MID-TIER COMPANIES WINNERS

SOCIAL



DAVIS CHONG
 Executive Director
 and Group CEO
 Solarvest Holdings Berhad

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

The awareness of ESG adoption in Malaysia has gradually increased, however the business environment does not encourage the cultivation of more innovative ideas to promote the adoption of clean energy.

Through Solarvest Innovation Lab (SIL) – our programme dedicated at supporting our local entrepreneurs in the fields of green technology – financial technology and renewable energy, we hope to build a holistic ecosystem for the industry and eventually speed up the adoption of ESG.

How did you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

Since SIL2021, we have received more than 100 submissions from start-ups. As many of the ide-

Relations with Local Communities

as implemented by the start-ups are in line with the clean energy verticals we intend to venture into, the new business ideas can be synergistic with the current business model of Solarvest. Other than that, we also believe the publication of the programme could bring awareness to the public and welcome more big corporations to join the effort in creating better opportunities and making a more encouraging business environment for the start-ups in the clean energy space.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

Recognising the lack of technological support available during SIL2021, we proactively pursued strategic partnerships for SIL2023 to provide tailored assistance and resources, bridging gaps in knowledge and technological capabilities. This approach enhances the potential for success and growth of the participating start-ups,

further enriching the SIL experience.

With the intention to improve the programme and bring more benefits to the final participants, we hope the pitches in SIL2023 that are not selected for funding but are equally good will stand a chance to work on their business plan with the support provided.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

Over the past year, we have undertaken various ESG initiatives that have yielded positive results, prompting us to expand our efforts further. One notable collaboration involved the Centre for Technology Excellence Sarawak and Huawei Malaysia.

Together, we have established the Green Energy Lab in Sarawak through which we aim to deliver comprehensive green-energy learning programmes, fostering the development of skilled local talents in the green energy sector.

SOCIAL

Human Rights and Labour Standards

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

Guided by a clear social sustainability mission, we took a comprehensive approach that considered the needs of both our internal and external stakeholders. We initiated a three-fold strategy that revolved around a Transformative HR programme, a customer well-being initiative and an extensive community outreach effort.

Our aim was to holistically embrace the human element within our business operations. By empowering our workforce, prioritising customer satisfaction, and actively engaging with our local community, we endeavoured to create a sustainable positive impact. Through these integrated programmes, we fostered a meaningful connection between our business and the people we serve.

How did you measure the success and effectiveness of your ESG initiatives in

creating a positive impact?

We created a holistic evaluation framework that included policies, initiatives and strategies. Through stakeholder feedback, quantitative metrics and industry benchmarking, we measured outcomes and continuously improved our commitment to human rights and labour standards.

A good mix of focused activities, commitment to run them continuously and KPI progress tracking helped us remain on track.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

We believe that office culture precedes strategy. The overall workplace environment and values exert a substantial influence on the efficacy and achievement of boardroom strategies. They enhance operational efficiency, execution capabilities and ensure the delivery of sustainable outcomes.

We found our workplace culture to be instru-

mental in acquiring knowledge about ESG strategies. We have enthusiastic volunteers who champion the cause, and as leaders we are committed to integrating ESG principles into our existing business practices. We firmly believe that when genuine intent is present, ESG initiatives drive favourable business outcomes.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

ESG initiatives themselves must be sustainable. To accomplish this, we will focus on a few key areas. Firstly, we plan to deepen the integration of ESG considerations into our core business strategies. Secondly, we will continue to invest in advanced measurement and reporting frameworks to accurately track progress and identify improvement areas. Additionally, we will continue to embrace a culture of innovation while encouraging employees to contribute fresh sustainability ideas.

SOCIAL

Human Rights and Labour Standards

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

To promote the Human Rights and Labours Standard, we have been very focused on Human Rights Protection and Human Capital Development.

The objective of Human Rights Protection is to continuously achieve zero incidents of unfair employment, violation of labour law, unfair harassment and unlawful discrimination practices in 2025 (our 10-year goal), while the objective of Human Capital Development is to invest in our people.

How did you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

In 2020-2022, we had zero incidents of unfair

employment, labour law violations, harassment, child labour, or forced labour. We promote a fair society where everyone has an equal chance to succeed, fostering a competitive environment and boosting employee morale. We eliminate discrimination, allowing employees to freely participate in company activities. Equal opportunities for work and education lead to a skilled and diverse workforce, increasing innovation and productivity. Our achievements in virtual events have been recognised twice in the *Malaysia Book of Records*.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

We took three years to develop and implement effective human rights and labour standards policies. Our process included conducting assessment on current practices, developing

clear policies, conducting employee training, monthly Objectives & Key Results reporting and regularly tracking progress. I received the "Female Entrepreneur Award" at The Star Outstanding Business Awards 2020 for upholding these standards, and we continue to strive to communicate with stakeholders, and improve our supply chain and business operations.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

Despite challenges, Above Creative Events aims to lead the ESG campaign in Malaysia with our strong core values. Our strategy includes raising awareness, fostering dialogue, and setting measurable targets. Success will be demonstrated by stakeholder engagement, satisfaction, policy changes and community impact.

JUARA



ANILJIT SINGH
 Managing Director
 Juara Partners Sdn Bhd

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MICKY NG
 Chief Imagination Officer
 Above Creative Events (M) Sdn Bhd

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

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SMES AND MID-TIER COMPANIES WINNERS

SOCIAL

Talent Management

as the Executive Committee (EXCO), has taken specific steps.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

One common challenge is attracting and retaining talent with the necessary skills and passion for sustainability.

We overcame this hurdle by developing the Veritas brand that emphasises the organisation's commitment to ESG, showcasing career development opportunities in sustainability roles, and implementing diversity and inclusion initiatives to attract diverse talent.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

Veritas Architects continues to engage in various activities to sustain and foster programmes, inspire new ideas and extend its positive impact. These activities include regular training and development, mentorship programmes, idea generation sessions, community outreach and sustainability reporting. Through training, employees stay updated with industry trends, mentorship programmes facilitate knowledge sharing, whereas community outreach and sustainability reporting demonstrate the company's commitment beyond its operations.

SOCIAL

Talent Management

27.16% in 2021 and 34.06% in 2022 (Highest ever, comparing to average 10% growth rate over previous eight years)

- Our headcount increased 32% in two years despite the pandemic, with 4.8/5 score in April 2019 to 6,628 and 5/5 score.
- WOW service experience

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

Upon the implementation of the Talent Management plan in mid-2019, there was relatively little resistance to the programme and gamification, likely due to the business slowdown caused by

lockdowns. As the MCO progressed and the healthcare sector reopened, our business gradually returned to normal levels and eventually soared to new heights. Initially, the additional workload resulting from the extra training and projects posed a burden.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

Recognition from winning the award will unlock new avenues for collaborations and opportunities with our partners and various stakeholders, as we actively seek ways to expand and amplify our ESG initiatives.

OTHERS

Transformation

- Growth of green-maker (using our shopping centre app) and loyalty members
- Landfill waste volume (community and tenants)
- Overall Centre's Recycling Rate

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

There was no similar facility available in the local market that we could use as a reference for both software and hardware. Other challenges included finding a weighing system that would be able to accurately measure the weight from the deposited waste by many green-makers, as well as creating governance SOPs and a loyalty

rewards scheme.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

Our goals are to achieve zero landfill waste and be cost neutral in the waste management of our centre as well as to inspire more businesses and communities to practise proper waste handling and recycling. We collaborate with different waste recyclers, community groups and business partners to drive sustainability. We host tours for schools and selective corporate partners to visit and understand our waste recycling processes and learn to use our digitalised RBBC.

OTHERS

Transformation

of our ESG-driven transformation initiatives by closely monitoring key metrics and performance indicators. The focus was on quantifying the positive impact created through our efforts. We tracked KPIs such as resource utilisation, operational efficiency and enhanced speed of processes. We monitored indicators related to social inclusion and environmental utilisation.

What challenges did you encounter while implementing your ESG initiatives and how did you overcome them?

The implementation of initiatives required careful navigation and resolution. One scenario was the shift from traditional operational methods

to innovative tech-driven approaches. This transformation necessitated gaining agreement and adoption from all levels of our workforce and end users, ensuring their confidence in the process.

Looking ahead, what are your future plans and goals in terms of furthering your ESG targets and goals?

As we set our sights on the future, technology will play a pivotal role in the journey towards furthering ESG targets and goals. Since digital adoption presented numerous ESG aligned benefits, we will continue to leverage cutting-edge technologies.

VERITAS



CHU JIA JUN
Architect and ESG
Coordinator
Veritas Architects Sdn Bhd



TAN CHIN-CHING
Chief Executive Officer
Vista Laser Eye Center Sdn Bhd



KARYN LIM
Centre General Manager
Ikano Corporation Sdn Bhd
IPC Shopping Centre

JUARA



ANILJIT SINGH
Managing Director
Juara Partners Sdn Bhd

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

Veritas Architects strives to attract, develop and retain a diverse and talented workforce that shares our values and commitment to our core values of Integrity, Design, Environment, Audacity and Service principles or IDEAS.

How did you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

To drive talent management policy metrics, Veritas Architects' management team, known

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

We introduced a unique Upskilling programme integrating gamification principles, centred around three primary objectives: Growth, 10x Fun Learning and Engagement, and creating WOW experiences.

How did you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

We measured based on our three key priorities:

- Sales growth during pandemic period of

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

We conceptualised and launched the first digitalised and loyalty programme-integrated Recycling & Buy-Back Centre in Malaysia (RBBC).

How did you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

- These were the metrics we used:
- Recyclables collection volume (from the community and tenants)
 - Cost and income performance

What initiatives or projects did you undertake to achieve the ESG PIA 2022 win for which you were recognised with this award?

We embarked on initiatives focused on efficiency and operations improvement, with business transformation at the forefront. To achieve this, we made significant investments and introduced digital solutions that completely transformed accessibility and convenience for our customers.

How did you measure the success and effectiveness of your ESG initiatives in creating a positive impact?

We measured the success and effectiveness



ADVANCING SUSTAINABILITY FOR ASEAN AND BEYOND



From humble beginnings to becoming one of ASEAN’s leading corporations in championing sustainable development, we are deeply committed to the ESG agenda towards a net zero future.

As Sunway celebrates five decades of excellence in 2024, we remain steadfast in our embrace of the 17 United Nations Sustainable Development Goals, which are fully integrated into our businesses.

These accolades stand as testament to our efforts in building a brighter tomorrow for generations to come.



SUNWAY COMMITTED TO:
SUSTAINABLE DEVELOPMENT GOALS

| Property | Construction | REIT | Healthcare | Malls | Building Materials | Trading & Manufacturing | Quarry | Digital | Hospitality | Education | Leisure | Investment & Financial Services |

Star ESG

ENVIRONMENTAL SOCIAL GOVERNANCE



Eye on Circular Economy

Transitioning to a sustainable economy brings many new opportunities to be explored. But transitioning to this circular economy means changing consumer behaviour and business models

Cover story on pages 6 & 7

Accountability for Manufacturers

'Extended producer responsibility' as a growing discourse among consumers, industry players and governments

8

Growing Demand for Green Finance

Rise in green financial products and services with growing awareness of their economic and environmental benefits

10

Circular Economy Litter-Acy

KDEB Waste Management looks to ramp up recycling efforts, but not all stakeholders have subscribed to the circular economy just yet

11



One of the many rivers that WWF-Malaysia patrol team need to cross during their trails. — Photos courtesy of WWF-Malaysia

SEEING STRIPES

Human-wildlife conflict: A snaring problem



Filepic of the Malayan tiger adopted by Sime Darby Oils under Zoo Negara's Wildlife Sponsorship Programme is one of two siblings in the zoo with no more than 200 out in the wild as of 2018.

By WWF Malaysia



ROAMING gracefully through the lush rainforests of Malaysia, the Malayan tigers embody the very essence of majesty and resilience. These remarkable creatures, with their vibrant orange coats adorned with distinctive black stripes, command our attention and captivate our hearts. Categorised as critically endangered, the Malayan tigers are not just magnificent symbols of wild beauty; they are also powerful ambassadors of conservation and the emblem of our nation. Distinguished by our unwavering commitment to conserving our national animal, we showcase another testament to our triumphs: the captivating tale of a resilient mother and her thriving trio of cubs. These magnificent felines have thrived, revelling in robust health and playful antics. Guided by their vigilant mother, who fearlessly hunts for their sustenance and shields them from the perils of the forest, including the insidious poachers.

These poachers intrude into our beautiful, lush forest, stealthily setting traps with malicious intention to harm and kill the animals to fuel illegal trade. Their motivation lies solely in profit, caring little for the lives and the natural ecosystems they disrupt or extinguish. Every part of the tiger including claws, pelts, teeth, and bones, all become mere commodities to satisfy their insatiable greed and beliefs. To combat these illegal and profoundly detrimental activities, we have partnered with the local indigenous Orang Asli community in establishing anti-poaching initiatives - the Stampede project. Comprising 20 teams with more than 100 dedicated Orang Asli rangers, they patrol the tiger habitat and their target is to intimidate and serve as a deterrent against these poachers. Through their vigilant efforts, traps are dismantled, and the fragile ecosystem is protected, ensuring the harmonious balance within our natural world. Recently, an incident unfolded in Kelantan, where Mek Blau, a female tiger weighing 80kg and estimated to be between four and five years old, fell victim to a poacher's snare. Trapped and injured, her left leg bore the brunt of this cruel encounter. Swift action was taken

as 21 Department of Wildlife Protection and National Parks of Peninsular Malaysia (Perhilitan) staff embarked on a mission to locate and rescue her. The determined staff braved through the bad weather and by noon, Mek Blau found herself safely ensconced in an enclosure, receiving the necessary medical attention. While Mek Blau's rescue ended on a positive note, the fact that she was observed near human settlements prompts us to reflect on our collective responsibility to safeguard the natural food resources and habitats of Malayan tigers. An unfortunate example of our lack of collaboration in tandem with the diminishing habitat rears its ugly head just this week between a farmer, his cattle, and a once healthy adult male Malayan tiger. It was reported that the farmer was protecting his herd of cattle and had heard the sounds of struggle before letting loose a bullet in fear. This adverse encounter has caused the life of a Malayan tiger. We must confront the realities of diminishing forest cover, driven by economic gain and the alluring guise of progress. The increase in recent encounters of wild Malayan tigers outside of their habitat should also prompt thorough



Snare traps confiscated during WWF-Malaysia team's patrols. Snare traps are one of the most destructive hunting techniques due to how cheap and easy they are to make.



A previously ensnared female sambar deer that was released and fitted with radio-collared to track her movements.



“Malayan tigers are protected under the Wildlife Conservation Act 2010 (Act 716) as a totally protected species.”

(Below) WWF-Malaysia team members setting up a camera trap to monitor Malayan tigers and other wildlife.



ESG

in the news

JUNE 22

• **CEO Action Network (CAN)**, together with **WWF-Malaysia**, will organise "CAN Nature Retreat 2023" to bring together leaders from various industries to help shape the role of Malaysian businesses in sustainable development and protection of nature.

The programme, to be held in Genting Highlands from July 17-18, will feature a series of high-level dialogues to pool knowledge as well as galvanise support to operationalise commitments and amplify collective actions to combat climate change and nature loss.

• The capital market can play a pivotal role by facilitating funding access to support the growth of sustainability-related investment products.

Securities Commission (SC) chairman Datuk Seri Awang Adek Hussin said one of the SC's key priorities is ensuring that the capital market is able to channel funds as well as capital towards meeting sustainability targets.

"To do so, investors and lenders will require more transparent, comparable and reliable information from companies on their sustainability journey.

"These data and information will allow investors to better price such risks and opportunities," he said in his opening address at the Sustainable and Responsible Investment (SRI) Virtual Conference 2023.

• **Bumi Armada Bhd** has inked a non-binding memorandum of understanding with Navigator Holdings Ltd to establish a joint venture to provide CO2 shipping and injection solutions in the United Kingdom.

The Bluestreak CO2 joint venture is to be held in equal stakes by offshore services provider Bumi Armada and Navigator, the owner and operator of the world's largest fleet of handysize liquefied gas carriers.

Bumi Armada said it is anticipated that the Bluestreak CO2 Joint Venture will design and implement a value chain of shuttle tankers delivering to a floating carbon storage and injection unit.

JUNE 26

• A consortium made up of Sarawak's TSG Group and Singapore's Cyclect Group will develop Borneo's largest renewable energy (RE) park in Kota Samarahan in southern Sarawak.

A 200MW green data centre and a host of other facilities such as healthcare and education as well as high-end residential properties have been planned by FutureData Sdn Bhd in an integrated green district dubbed "FutureGreen District".

The FutureGreen District is a new township of mixed development to be fully powered by green infrastructure.

FutureData, set up by TSG group, will partner with Cyclect, a regional Singaporean power and engineering firm, to develop the data centre park.

JUNE 27

• **IJM Corp Bhd**, via its wholly-owned subsidiary **IJM Construction Sdn Bhd**, has been awarded a RM653.6mil contract for the design, execution and construction of phase one of the Shah Alam International Logistics Hub (SAILH).

In a statement, IJM Corp said the project, commissioned by Global Vision Logistics (GVL), will establish the country's first green-certified logistics hub, one of the largest in Asean.

"The facility will feature cutting-edge logistics infrastructure, advanced technology and systems and a range of sustainable elements, showcasing IJM Construction's commitment to sustainable development and innovative solutions that meet clients' evolving needs while contributing to environmental goals."

• **The Securities Commission's (SC) Audit Oversight Board (AOB)** has urged auditors of public interest entities (PIEs) to uphold a high level of audit quality by investing in adequate resources to ensure audit effectiveness.

Every year, the AOB inspects major audit firms that have more than 50 PIE audit clients with a total market capitalisation of above RM15bil, whereby these firms collectively audit 95% of the market capitalisation of public listed companies (PLCs) in Malaysia.

The SC said the AOB's inspections are risk based and aimed at responding to emerging risks in a timely manner.

According to the AOB's Inspection Report 2022 released, there was an increase in the number of audit engagements inspected by the AOB that required significant improvements.

"The AOB observed that the complexity of the PIE's portfolio has posed challenges to the firms' audit planning, judgement and execution, particularly in identifying and managing potential risk areas.

"The report provides insights into the common findings affecting auditors during the AOB's inspections of firms and audit engagements of PIEs that year," it said.

• **OCBC Bank (M) Bhd** is collaborating with five electric vehicle (EV)-related companies to provide EV owners with affordable options for their green journey.

Through this tie-up with EV Connection, CarputZap, GoCar, Renault and Solarvest Holdings' unit PowerBee, OCBC cardmembers will have 0% instalment payment plan (IPP) options of up to 24 months on EV chargers, the bank said in a statement, Bernama reported.

They will also enjoy discounts on EV chargers, car-sharing rides, and daily to yearly subscription of EVs.

JUNE 28

• **Khazanah Nasional Bhd** will be spearheading a green investment platform to attract domestic and overseas investments.

In a statement, the sovereign wealth fund said the platform will be mobilised under UEM Group Bhd, a wholly owned subsidiary of Khazanah.

It said the platform will look to invest and build businesses in green sectors such as renewable energy and storage, green building technology and energy efficiency, as well as an e-mobility ecosystem.

"In line with Khazanah's Advancing Malaysia strategy and as part of its nation-building and value-creation initiatives, the platform is aimed at delivering Khazanah's societal, strategic and financial mandates.

"Khazanah plans for the platform to drive Malaysia's decarbonisation agenda while also upskilling Malaysians in green sectors over the long term."

• **AirAsia Group Bhd** will be upgrading its fleet by bringing in 362 new A321neo aircraft as one of its four pathways towards decarbonisation and meeting future growth needs.

Capital A Bhd chief sustainability officer Yap Mun Ching said at the AirAsia Sustainability Day 2023 that the A321neo aircraft is known to be the most fuel-efficient aircraft in the market today, making it an ideal choice for AirAsia to broaden and intensify its fuel-efficiency programme.

The A321neo aircraft is said to emit 24% less carbon emissions per seat compared to the classic A320 model as well as 50% less nitrogen oxide and noise. The new A321neo aircraft, which will replace AirAsia's entire fleet, is expected to be delivered between 2024 and 2035.

• **The national industry environmental, social and governance framework or i-ESG** for the manufacturing sector, to be launched by September 2023, could tap into the growing green businesses in South-East Asia estimated at US\$200bil (RM933.2bil) by 2030.

Investment, Trade and Industry Minister Tengku Datuk Seri Zafrul Abdul Aziz said the framework comprised four key components – standards, financial support and incentives, capacity building and market mechanisms.

"What we are looking to do is also to promote and nurture green manufacturing.

"Note that green businesses in South-East Asia present up to an estimated US\$200bil (RM933.2bil) opportunity by 2030," he said in his keynote address at the Second Malaysian Banking Conference, as reported by Bernama.

JUNE 29

• **Citaglobal Bhd** has entered into a memorandum of understanding (MoU) with PETRONAS Global Technical Solutions Sdn Bhd, a wholly owned subsidiary of Petroliaam Nasional Bhd (PETRONAS), for the strategic collaboration in a wide range of renewable energy (RE) technologies and applications.

The areas of collaboration between Citaglobal and PETRONAS will include RE technologies and applications comprising battery energy storage system (BESS), biogas engine, biomass engineering, waste to energy (WTE), heat to energy (HTE) and carbon capture and utilisation (CCU), among others.

• **The Selangor State Development Corp (PKNS)** will develop the Centralised Labour Quarters (CLQ) in Bandar Sultan Suleiman, Klang, solidifying the state's commitment to nurturing a vibrant and sustainable living environment for migrant workers in Selangor.

In a statement, PKNS said the quarters, on 1.76 ha under the Laman Lestari development, are estimated to be completed in three years with the award date set for 2024 and the certificate of completion expected in 2028.

It added that the units would be equipped with essential amenities such as light fixtures, fans, electric stoves, tables and chairs, beds, mattresses, pillows and lockers.

JUNE 30

• As **Malaysia** and neighbouring nations strive to meet their decarbonisation goals, interconnecting the electricity grids can aid efficient resource sharing.

Policymakers face an "energy trilemma" of ensuring energy security, affordability and sustainability. The Asean Power Grid (APG), envisioned to connect the national grids of Asean members, can play a role in solving this "trilemma", experts said.

• **The European Union (EU) and Malaysia** will continue discussions on establishing an ad hoc task force to support the implementation of the EU Deforestation Regulation (EUDR) in Malaysia. The director-general for the environment of the EU, Dr Florika Fink-Hooijer, said the bloc and Malaysia are strategic partners that share a common objective to protect nature and biodiversity, in line with the commitments made at the historic biodiversity COP15 meeting in Montreal.

JULY 3

• **Sarawak Energy Bhd (SEB)** has awarded its first large-scale floating solar farm project to China's Trina Solar Co Ltd. The 50MW floating solar photovoltaic project on Batang Ai hydroelectric dam in Sri Aman Division spans over 190 ha. Batang Ai, which has an installed capacity of 108MW, was the first hydroelectric dam built in 1980s by SEB.

• **UEM Group Bhd**, a wholly-owned subsidiary of Khazanah Nasional Bhd, has unveiled its diversification into "green industries" with an initial investment of RM7bil.

UEM Group is already in talks with several

foreign investors to invest in the local renewable energy (RE) scene. Details about potential collaborations will be announced within the next six months.

Apart from RE and storage infrastructure such as solar farms, mini hydro plants and biogas, UEM Group is also looking at venturing into green or electric mobility, including electric vehicle charging infrastructure maintenance and services. The company also plans to undertake projects in the area of integrated energy solutions such as distributed energy generation technologies and energy efficiency-related services, as well as waste management and recycling.

UEM Group's foray into green industries, underpinned by its five-year plan (2023 to 2027), will be led by its newly established unit, UEM Lestra Bhd.

The investments to be undertaken by UEM Lestra will be financed by tapping into the Islamic sukuk market, particularly via a RM7bil sustainable and responsible investment sukuk programme.

• **G Capital Bhd (GCAP)** expects to generate a potential revenue of RM688mil over 21 years via its wholly-owned subsidiary, Northern Star Hydropower Sdn Bhd's (NS Hydropower), renewable energy power purchase agreement (Reppa) of a total capacity of 26 megawatts (MW) with Tenaga Nasional Bhd (TNB).

In a statement, GCAP executive director Datuk Yap Yee Ping said the revenue forecast is on the back of an estimated annual electricity production of 142.72 gigawatt-hours from an investment in project costs of about RM300mil.

"We are excited to make a meaningful contribution towards Malaysia's sustainability goals. This is a momentous development for us as it signifies our dedication to sustainability and clean energy," she said.

The renewable energy solutions provider said NS Hydropower had successfully secured four Reppas with TNB, consisting of four high-head small hydropower plants in Pahang located at Hulu Dong (12.5MW) and Batu Talam (13.5MW).

The company said each Reppa spanned a period of 21 years from the commercial operation date, with operations scheduled to commence on Dec 6, 2027.

ESG opportunities

> **Senior Executive, Corporate Governance and Sustainability – Bursa Malaysia Berhad, Kuala Lumpur**

Responsibilities include assisting in the assessment of the state of ESG-related disclosures and practices, undertaking initiatives to raise the standards of ESG in the capital market, and more.

> **Senior Executive, Risk Governance, Group Risk – Malayan Banking Berhad (Maybank), Kuala Lumpur**

As a key liaison party, persons to coordinate the management of the Bank Negara Malaysia (BNM) Composite Risk Rating process to lead consolidation, review and assess issue owners' updates for presentation to GERC or RMC or Board's approval prior to submission to BNM, on quarterly basis, to track the progress of CRR until closure including liaising with Group Audit for independent validation and to conduct annual review of the Regulatory Risk Procedure.

Responsibilities also include oversight in the governance of Group Risk documents and its application across Group Risk.

Write to us and submit your views on our stories, or on ESG-related issues that matter to you.

Email us at ESGeditorial@thestar.com.my

YOUR
OPINION
MATTERS



Save our source of seafood

The impact of human actions on the oceans

Single-use plastics end up being long-term death sentences to many marine wild life.

By ERIC QUAH
ESGeditorial@thestar.com.my

MORE than two-thirds of our sapphire-blue planet's surface is water and has been a major source for food, energy and more.

Biologists and geologists have proof that life may have begun from the ocean, in the depths around geothermal vents, which may mean our oceans could very well be a cradle of life.

Mankind has instead returned that favour by dumping much of our refuse into the seas, from chemical and human wastes to the worst pollutant of all, plastics.

Ironically, we still regard the oceans as a main food source yet have overfished our waters, despite these seafood being affected by microplastics and toxic wastes.

Some of the more serious contaminations come from oil spills or fertiliser runoffs that can affect whole marine ecosystems and definitely the quality or even quantity of our food supply.

Because of that, the United Nations declared World Oceans Day on June 8 starting from 2009, in order to highlight the impact of human actions on the oceans, develop a worldwide movement of citizens for the ocean, then mobilise and unite the world's population on a project for the sustainable management of the world's oceans.

This year's theme, which is "Planet Ocean: Tides are Changing" is a call to take action and encourage Earth's citizens to do their part.

Halting the dumping

Since the rise of plastics, our seas and oceans have been littered with anything from drinking bottles to used straws — bits of plastic that not just mar the pristine coastlines, but end up being long-term death sentences to many marine life.

As was covered in last month's article Microplastics: An invisible threat to our environment and waters (StarESG June 30), plastics also come in various sizes and

smaller ones end up being either ingested or breathed into the system and will end being deposited in the body.

Ways to replace plastics include opting for plastic-free alternatives and to swap single-use plastics, like straws, plastic water bottles, plastic bags and more with greener substitutes.

Besides plastics, greenhouse gases also end up changing the oceans that make it conducive for marine life to thrive. One large culprit is carbon dioxide.

By reducing our carbon footprint, such as cutting fuel consumption and turning off electricity when not in use, less carbon goes into the atmosphere and causes less acidity to the oceans.

As an individual, you can stop the beachside accumulation by just being aware of the amount of trash that you have with you when you visit any natural recreational spots like the beach or even the park.

Remember to keep all your trash with you, so you can either recycle or to properly dispose of later when you leave.

Sustainable sources

Another way to support World Oceans Day is to choose sustainably caught wild seafood. Look out for

markets that source their fishes directly from local fishermen.

Not only will you be supporting the local fishing industry, wild-caught seafood is more sustainable than those from wholesale trawler fishing, which usually results in overfishing and reduces the chance for the ecosystem to regenerate.

Another problem with large trawler fishing is that the rate of bycatch — catching of non-target species during fishing that can include dolphins, marine turtles and seabirds — is a shocking 40%.

Also, be wary of products that are directly linked to the endangerment or harming of a threatened species, the consumption of certain threatened species as delicacies, or toilettries that incorporate microplastics as part of their ingredients.

Make it an issue

Another way to support World Oceans Day is to keep an eye out for trends and social issues that affect the community and to take a stand on supporting the oceans.

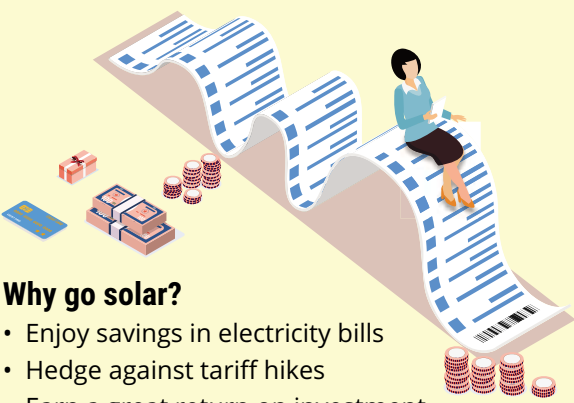
Becoming active on policies and laws that ensure the protection of the seas and oceans near you is one good way to show that concern, as well as to support groups and candidates that stand for positive ecological change.



One problem with large trawler fishing is the high rate of bycatch. — Picture by NOAA

Becoming a Residential Prosumer of Solar Energy

Producer + Consumer = **Prosumer**
A **Prosumer** is a consumer who produces their own electricity using clean solar energy while consuming the energy generated.

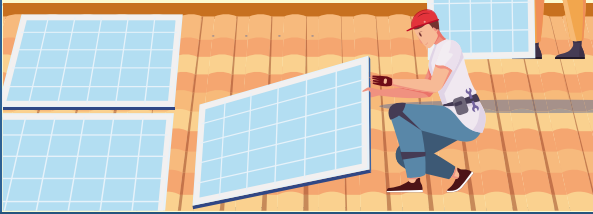


Why go solar?

- Enjoy savings in electricity bills
- Hedge against tariff hikes
- Earn a great return on investment
- Go green, save the Earth

GSPARX's service offerings for residential consumers

- Zero upfront cost
- Long-term savings on electricity bills via NEM Rakyat scheme
- 2-year FREE maintenance
- 1-year FREE solar insurance
- Interest-free instalment plan



SOLAR SOLUTIONS FOR RESIDENTIAL CONSUMERS

Financing Scheme	Capital Upfront	Zero Upfront	
	Cash	Credit Card (Zero Interest)	Personal Loan
Payment cycle	One Off	Monthly up to 36 months	Monthly up to 120 months
Debt incurred	✗	✓	✓
Workmanship warranty	2 years	1 year	1 year
Inverter Product warranty	Extended Product Warranty to 10 years		

Brought to you by:



By **CHOW ZHI EN**
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IMAGINE, if instead of discarding things after using them, we find ways to give them new life.

That's the idea behind a circular economy – creating a system in which we make the most of our resources by reusing, repairing and recycling items, rather than continuously producing and disposing of them.

The linear economy, which has been the norm of our societies for decades, follows a linear path whereby resources are extracted, transformed into products and eventually discarded as waste.

However, this linear approach has proven to be unsustainable, depleting natural resources, polluting ecosystems and exacerbating climate change.

The presents a radical departure from this status quo, offering an alternative framework that emphasises the regenerative use of resources and the reduction of waste.

The big shift

The circular economy is a transformative approach that aims to shift from the traditional linear “take-make-dispose” model to a closed-loop system.

This system focuses on keeping resources in use for as long as possible, extracting maximum value from them before recovering and regenerating materials at the end of their life cycles.

One of the fundamental principles of the circular economy is designing out waste and pollution. This involves reimagining product design and manufacturing processes to minimise the use of virgin resources, eliminate harmful chemicals, and ensure products are durable, repairable and recyclable.

Experts posit that by decoupling economic growth from resource consumption, and by shifting our focus from a linear “take-make-dispose” mindset to a more sustainable closed-loop system, it will help create a society that values circularity, resilience and sustainability.

This model also addresses a profound shift in how we produce, consume and interact with our natural resources.

Clean growth expert Devni Acharya points out that that by decoupling emissions from economic growth, it will aid in the transition to a low carbon economy while increasing our national wealth and lowering carbon emissions.

“The circular economy is really about decoupling economic growth from resource consumption.

“It’s very different from what we’ve seen historically or currently where we extract materials from the Earth and manufacture products from them which we then, at best, recycle, and at worst throw them out,” says Devni who is Sustainability Strategy South-East Asia lead at Arup, a global sustainable development consultancy.

But shifting to a new system requires effort from all parties, not only manufacturers and consumers but also governments.



Driving clean growth for a sustainable Malaysia



We need to decouple economic growth from resource consumption

“When it comes to government, it’s about setting boundary conditions to make sure everyone has a level playing field.

“For instance, putting in place eco-design directors to help manufacturers and product designers in how they design products that get put onto the market.

“There are also areas of extended user responsibility in which manufacturers and waste management industries have a role to play alongside new industries like remanufacturers and recyclers, and these are areas where governments can step in,” she says.

Initiatives in place Although the transition to circular economy and green growth is still in its early stages in Malaysia, there are concerted efforts by industry leaders and smaller players in exploratory pilot projects and new business models – such as clean energy company Gentari which is exploring clean, renewable energy, and EARTH which collects e-waste and sees to its refurbishment, remanufacturing or recycling.

We have national ambitions and policies to achieve this transition to a low-carbon economy though. This is reflected in the policies and strategies in place at federal, regional, state and local levels – with an emphasis on decarbonisation.

The government has also committed to reducing our greenhouse gas (GHG) emissions intensity against our gross domestic product (GDP) by 45% from 2005 baseline levels by 2030.

Parallel to ambitions and plans, there needs to be a coordinated effort between individual industries and sectors to ensure we meet our nationally determined contributions (NDCs) target based on emissions intensity.

In December 2022, Bursa Malaysia established the Bursa Carbon Exchange (BCX)

which serves as the country’s voluntary carbon market (VCM) exchange to promote Malaysia’s low carbon transition.

Being the first shariah-compliant carbon exchange, the BCX provides sustainable and shariah-compliant solutions for investors too.

The VCM enables companies to generate, purchase and sell voluntary carbon credits, with the BCX facilitating transparent prices for high-quality carbon credits derived from nature-based solutions and technologies that reduce or remove carbon emissions.

The BCX held its inaugural carbon credit auction earlier on March 16 this year which saw 15 buyers from various industries purchasing a total of 150,000 Verra-registered carbon credits.

VCMs have the capacity to catalyse and provide financial incentives for nature-based solutions such as reforestation mangroves and wetlands, avoiding deforestation, facilitating

improved or sustainable forest management, or technology-based solutions that support emissions avoidance, reduction or removal.

According to the UK-Malaysia Clean Growth Handbook* co-produced by Arup, platforms like the VCM and BCX will help to increase “demand for high-quality removal credits as companies in the hard-to-abate sectors and those with high financed emissions will need offset strategies to meet emissions reduction targets.”

The BCX auction provides a clear signal to potential project owners and developers on the economic viability of carbon credits by establishing a market-based price for carbon credits, thereby encouraging local project owners to develop carbon credit projects that will have a significant impact in the race to decarbonisation.

Of course, this is just one way that policies and regulations can spur the transition towards a circular, sustainable economy.

Beyond waste management

Devni, who co-authored the UK-Malaysia Clean Growth Handbook, tells StarESG that “different countries have different entry points into the circular economy.”

“The majority of countries see the concept of the circular economy as a waste management method, which it is part of, but it’s much more than that,” she added, acknowledging that waste management is the most common in-route for countries beginning their circular economy journey.

“The circular economy is also about business growth, economic growth, social values and social cohesion which is missing from the dialogue in Malaysia currently.

“So there are ways to expand and understand what the circular economy means in the wider economy, and not only from the waste management perspective,” she says.

For instance, by prioritising eco-design and embracing innovative technologies, Malaysian businesses can explore new avenues and create products that have a longer lifespan and can be easily disassembled and repurposed at the end of their useful life.

“Manufacturers have a role in designing products and materials that either have durability as a key factor, or if they are designed for a short life, to ensure that the products are easily returned back into the economy,” says Devni, adding that “design for deconstruction” or “design for disassembly” ensures that the product can be returned into the material stream.

This shift not only reduces waste but also paves the way for new business models centred around product-as-a-service and sharing economies.

“Alternatively, manufacturers can explore

new avenues like ‘product-as-a-service’. Rather than sell products, they can claim their products at the end of their life to potentially remanufacture these products and ensure the materials re-enter their supply chain, creating resilience in their supply chain,” says Devni, sharing that one of the hurdles in this case would be with the logistics sector in coordinating the retrieval of used products.

Samsung Electronics, for instance, recently announced the expansion of its Galaxy Upcycling programme Galaxy Upcycling at Home – an initiative that gives new life to older Galaxy smartphones by converting them into a variety of IoT (Internet of Things) devices through a simple software update – to India, Morocco and Papua New Guinea.

In principle, this encourages the extension of product lifespan through repair, refurbishment and remanufacturing, thereby reducing the premature disposal of goods and maximising their value over time while creating resilience in times of material shortages.

“While Malaysia continues to grow in the manufacturing space, we also need to look at the remanufacturing space,” says Devni.

New energy systems

One key area of focus for Malaysia is the development of solar energy. With abundant sunlight throughout the year, we have favourable conditions for solar power generation.

The government has set ambitious targets for solar capacity installation, aiming to increase renewable energy’s (RE) share in the energy mix. This includes the implementation of large-scale solar projects and the promotion of rooftop solar systems for residential and commercial buildings.

In addition to solar, Malaysia is exploring other RE sources such as wind, biomass and hydropower. Our rich biodiversity also presents hydropower potential through the development of small and micro-hydropower projects.

On the other hand, Malaysia Investment Development Authority (MIDA) has begun work on biomass derived from agricultural waste and plant materials as opportunities for sustainable power production.

Presently, MIDA facilitates the BioHub Port Project in Sarawak in collaboration with the Sarawak Economic Development Corporation (SEDC), Bintulu Port Holdings, the Port of Rotterdam – Europe’s largest port – and other consortium partners.

The intention is to build a fully bio-based symbiotic industrial complex and integrated seaport in Bintulu, a coastal town 610km north-east of Kuching.

Malaysia has implemented various policies and incentives such as feed-in tariffs and net energy metering schemes to promote renewable energy generation, and encourage investment in clean energy projects.



The Malaysian government has set ambitious targets for solar capacity installation, aiming to increase renewable energy’s share in the energy mix.

The government also established the Sustainable Energy Development Authority (SEDA) to oversee and coordinate the development of renewable energy in the country.

According to SEDA chief executive officer Datuk Hamzah Hussin, SEDA produced the Malaysia Renewable Energy Roadmap (MyRER) that the government published in 2021, which included examining the baseline of RE installed capacity and possible sources, defining particular RE technology targets and scenarios, and developing a strategic roadmap.

“MyRER is our primary reference for targets and action plans until 2035, namely to achieve 31% of RE share in national installed capacity mix by 2025 and 40% (including major hydropower) in national electricity supply by 2035.

“MyRER is capable of effectively contributing to socioeconomic development, which is expected to provide green jobs as well as private investments. By 2035, the government hopes to have created 44,068 jobs and invested RM31.88bil, he says.

Alongside this are active measures in promoting energy efficiency and conservation measures to reduce overall energy demand. This includes implementing energy efficiency standards for buildings and appliances, and raising awareness among businesses and consumers about the importance of energy conservation.

Devni states that building the right infrastructure to transition to RE takes time, adding that national ambitions have a role in spurring divestment and investment into RE sources.

“In terms of infrastructure, we have to consider more than just RE generation, there’s also transmission and distribution of said energy for large-scale RE.

“Infrastructure upgrades to the grid can cause stability challenges and that’s where we need to consider battery storage or reserves to ensure that there is power on hand.

“So if there’s an excess of RE produced, the energy can be stored or if there is a shortage, that energy can then be returned to the grid,” she says.

In a report by the International Renewable Energy Agency titled Malaysia Energy Transition Outlook, an estimated US\$23mil worth of investments till 2030 is expected to be on storage solutions, with current focus largely only on utility scale battery energy storage systems (BESS). According to the Energy Commission of Malaysia, a 500MW BESS pilot project will first be implemented, while 100MW of BESS capacity will be added each year between 2030 and 2034.

“While there have been pilot projects, we need more wide-scale adoption like what the UK currently has done such as the creation of battery storage facilities because it signals to RE developers that their products will have stable returns with a stable grid,” says Devni.



The circular economy is really about decoupling economic growth from resource consumption.

Arup Sustainability Strategy Southeast Asia lead
Devni Acharya

** The UK-Malaysia Clean Growth Handbook is a collaboration between our country and the United Kingdom in innovating and investing in the energy and manufacturing sectors to help the nation reach its net zero emissions target with practices to promote clean growth in the sectors, while promoting green finance and sustainable infrastructure development.*



An old electronic device that has been disassembled can re-enter the supply chain as repurposed products.

Extended producer responsibility: Stepping stone to Malaysia's circular economy



Incentives are needed to encourage more producers to invest in eco-friendly designs while legislation will help curb egregious waste of resources.

THE recent implementation of the mandatory extended producer responsibility (EPR) project is one of the major strategies highlighted in the Malaysian Plastics Conservation Framework 2021-2030 as part of the country's endeavour to find a solution to post-consumer wastes such as plastics.

In recognising the importance of effective waste management strategies, EPR emerges as a practical solution – encouraging producers to take responsibility for the entire lifecycle of their products.

It was reported that fast moving consumer goods (FMCG) companies in the country have been placed as among the leaders for environmental sustainability agenda in Malaysia.

There needs to be a multi-sectoral approach to EPR which is why the establishment of the Malaysian Recycling Alliance (Marea) in January 2021 is in line with the Natural Resources, Environment and Climate Change Ministry's (NRECC) goal to achieve a recycling rate of 25% of post-consumer plastic packaging by 2025.

By shifting the onus of waste management onto producers, EPR promotes a circular economy, where resources are conserved, waste is minimised and environmental impacts are reduced.

Understanding EPR

EPR is a policy approach that holds producers accountable for the environmental impacts of their products throughout their entire lifecycle, including disposal

and recycling.

Under EPR, producers are responsible for the design, production and end-of-life management of their products.

This approach aims to internalise the costs of waste management – incentivising producers to adopt sustainable practices, reduce waste generation and promote recycling and resource efficiency.

By incorporating environmental considerations into product design like “design for disassembly”, EPR encourages producers to use eco-friendly materials and implement sustainable production methods.

KPMG Sustainability Advisory Services head Phang Oy Cheng has reportedly described the EPR as “being responsible not only for the quality of the product, but what happens after. How it is disposed of, how it is recycled, and what happens to it.”

In a talk organised by Futurise, she pointed out that voluntary EPR does not work in Malaysia.

She said that that has been attempted time and time again, for example with the aluminium recycling programmes back in the 1990s, and more recently wastes sorting programmes.

She stressed on the need for legislation and how we should also focus on food waste and other areas, and not just plastics with the EPR framework.

Legislative encouragement

To achieve successful implementation of EPR in Malaysia, governments and municipalities need to develop robust legislation that mandates EPR implementation across various sectors.

The legislation should clearly define

the responsibilities of producers, establish recycling targets, and outline penalties for non-compliance. It should also encourage collaboration among government agencies, industry players, and stakeholders.

In WWF-Malaysia's EPR Policy Review Booklet published in 2021, the review examined existing policies and laws related to EPR for packaging in Malaysia and other countries, highlighted potential legal barriers to implementation of EPR in Malaysia, and provided policy recommendations for EPR schemes for packaging waste in Malaysia.

The review also listed gaps in our current segregation, collection and recycling of municipal solid waste (MSW) and plastic including:

- > Unstandardised waste collection system due to the different jurisdictions, legal mechanisms for MSW management in Malaysia.
- > Lack of enforcement and awareness of waste segregation or waste separation at source.
- > Inefficient environmental laws in plastic waste management.
- > Insufficient recycling facilities and infrastructure.
- > Lifestyle considerations like high single-use packaging use for take-away and food delivery.

> Absence of market and technology for collection and recycling of low-value recyclables.

> Absence of producer responsibility in waste management.

> Absence of subsidies, incentives or rewards for producers to apply eco-designs in products and recycling initiatives such as take-back programmes.

Legislation will play a key part in spurring investment and divestment into eco-design and product innovation on the producer end.

For instance, IPC Shopping Centre has been running its Recycling and Buy-Back Centre (RBBC) since 2009. The centre started with six recyclable categories – cardboard, newspaper, paper, plastics, metal, and aluminium. It has since upgraded to a digitalised version to accept a wider variety of recyclables such as drink cartons, polystyrene and textiles.

Legislation also signals to investors to explore new markets like recycling infrastructure and channel funds to develop a well-established collection and recycling infrastructure to support EPR objectives.

This includes establishing convenient collection centres, promoting separate waste streams, and investing in recycling facilities and technologies to encourage the establishment of material recovery facilities to maximise resource recovery.

As Malaysia embraces the vision of a circular economy, implementing some form of framework on EPR will be crucial. Legislation can foster collaboration, promote eco-design, drive investment in the appropriate infrastructure so we can move towards a low carbon, circular economy sooner rather than later.



One example of EPR in the food and beverage (F&B) industry is the development of environmentally safe straws made from metal, wood, rice, or even paper.

ISS ESG provides advance notice on environmental, social disclosure

QualityScore methodology enhancements expected in Q3

IN A statement released on June 8, ISS ESG, the sustainable investment arm of Institutional Shareholder Services (ISS), announced planned methodology enhancements to its Environmental & Social Disclosure QualityScore solution for global institutional investors.

The Environmental & Social Disclosure QualityScore measures and identifies risk in environmental and social areas of concern through thorough analysis of company disclosures. Scores can also indicate best-in class disclosure practices and save time in performing peer comparisons.

Similar to ISS' Governance QualityScore, the Environmental & Social Disclosure QualityScore uses a numeric, decile-based score that indicates a company's risk. Overall environmental and social scores indicate a company's risk relative to their peers in their industry.

The planned enhancements, expected to take effect in the third quarter, will at a high-level provide an improved measure of corporate disclosure practices and augment coverage of material issues. The changes come against the backdrop of advances in industry disclosure standards.

More than 150 factors underlying the scoring will be revised for greater relevance, close to 50 factors retired and more than 60 new factors will be added. These additions are driven by the expansion in coverage of corporate disclosures and the inclusion of new, material topics.



Founded in 1985, Institutional Shareholder Services group of companies (ISS) empowers investors and companies to build for long-term and sustainable growth.

As a result of this methodology update, the Environmental & Social Disclosure QualityScore will be supported by 360 comprehensive and refined factors. The update will also include a review of the model's materiality assessment, comprising an adjustment of category and factor-specific weights to better capture the depth and the extent of corporate disclosures.

Topics and enhancements in scope include the following:

- > Expansion of included topics to allow for more in-depth assessments of labour relations and occupational health disclosures.

- > Improved tracking of disclosures in the areas of workforce diversity and equality, with the addition of gender pay gap factors.

- > Enhanced assessment of disclosures concerning human rights for companies and their suppliers.

- > Introduction of new participation factors in social and environmental initiatives and frameworks including Women's Empowerment Principles, RE100, ILO 169, among others.

- > Update to existing assessments of companies' natural resources profiles.

- > Increase in granularity of reviewing carbon- and climate-related disclosures. A data verification period will run from

July 10 to 21, allowing companies to verify and submit changes to their data on all factors, including those added for this release, before scores are calculated and made available under the updated methodology. Access to the data verification portal is provided free-of-charge and available year-round.

In a separate FAQ on the Environmental & Social Disclosure QualityScore, ISS notes that while companies are duly credited for their policies and associated environmental and social disclosure, participation in relevant and reputable ESG-focused initiatives is also prized. This is because such initiatives have a "threshold of conduct for participation, give access to shared learning on best practice from industry peers, and confirm and reaffirm the company's commitment to expected standards". In addition to standard industry initiatives, multi-stakeholder initiatives provide a risk-management framework supported by stakeholders.

Furthermore, international initiatives enable a standardised and comparable disclosure structure across markets. The selection process of initiatives is stringent and only a few are considered both reputable and relevant.

In the same FAQ, ISS emphasises the importance of voluntary disclosure too.

"When backed by the growing, and developing body of normative frameworks evaluation of disclosure practices is clearly informative. If disclosure is so robust, why are there so many initiatives focused on it? Why do so many investors continue to seek better disclosure?"

"The reality is the market sees benefits in ratings that are more disclosure focused, and ratings that are more 'materiality' based. Environmental & Social Disclosure QualityScore's focus on depth of disclosure on metrics most material to the company's specific industries and peers resonates with investors," it said.

As ESG disclosures become more popular as an investment strategy, being able to evaluate a company's long-term financials by identifying potential hazards is a crucial stage in stock screening and portfolio construction. Businesses that integrate ESG disclosures effectively into strategy planning are better poised and prepared to build on enhanced shareholder value and create resilience in consumer-conscious and investor-conscious backdrop.

Although financial analysis and evaluation are always a component of the investment process, ESG has proven to be a valuable predictor of long-term, sustainable financial success. Investors are increasingly gravitating towards ESG investment and analysing ESG ratings and disclosures to have a better understanding of a company's long-term prospects and projects in the pipeline.



Maybank will commit RM80bil in sustainable investment finance by 2025, says Maybank chief sustainability officer Shahril Azuar Jimin.

By JESSIE LIM

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THE average amount of domestic waste, or municipal solid waste (MSW), collected in a day by KDEB Waste Management (KDEBWM) across Selangor is about 7,000 tonnes – equivalent to the maximum weight of about 17 Boeing 747-400 Jumbo Jets.

That is how much the state's seven million population generates a day that goes to the three landfills in the state; not counting those from Kuala Lumpur, Putrajaya and Cyberjaya.

Improper waste management can lead to various negative impacts on the environment, and have adverse health effects on communities living near waste disposal sites.

When landfills reach their capacity and have to be closed for 30 years for recovery and restoration, where will the MSW and the 3,000 tonnes collected daily from public cleansing and bulky waste, be disposed of?

The task set out for KDEBWM, a wholly owned subsidiary company of Menteri Besar Selangor Incorporated (MBI), to ensure that everyone has a clean and healthy environment to live in is not a walk in the park.

KDEBWM managing director Datuk Ramli Mohd Tahir recalls the time when the company was asked to oversee the entire waste management operations of the local municipalities in Selangor seven years ago.

"We made sure we first got our basics right, and that meant putting in place a standardised system and operating procedure so fair and timely services were extended to customers across Selangor.

"We also purchased more and newer machines for efficient collection, sorting and processing of rubbish as well as public cleansing at parks, drains and more. As a result, our collection rate has increased by 96%," Ramli points out.

Smart and sustainable waste management

From very early on, KDEBWM has taken several initiatives in implementing sustainable practices. This includes prioritising a sustainable supply chain, optimising transportation routes for the trucks, and implementing recycling and waste management programmes.

KDEBWM launched the iClear Selangor smart application to facilitate and monitor the work of its



Educating the public about the importance of recycling is essential to achieve a circular economy. – AZMAN GHANI/The Star

Circular economy litter-acy, a long way to go

KDEB Waste Management looks to contribute to the circular economy chain, but it cannot be achieved without the help of everyone.

workers, and improve on performance and optimise overall operation using data collected.

Recently, the Selangor state government approved the building of four waste-to-energy (WTE) plants, one of which will be built by KDEBWM in Rawang.

MSW will be brought to the plant and treated in a large incinerator; steam is then produced in a boiler to power a turbine that will generate electricity.

By 2026, the first stage of the Rawang plant is expected to process 2,400 tonnes of waste from Selangor, and produce 50 megawatts of sustainable energy that is expected to power up about 9,000 households.

Waste is not dirty, waste is money

KDEBWM is ramping up its efforts in recycling, in line with the First Selangor Plan by the Selangor state government to increase the state's

recycling rate target to 15% by 2025.

Currently, the recycling rate is 10%, and KDEBWM wants to expand its recycling facilities to help achieve that goal, Ramli adds.

"We play a huge part within the circular economy to recover recyclable materials as precious resources from post-consumer generation. Not all waste is supposed to be sent to sanitary landfills but instead be given new life.

"Our plan is to set up at least one recycling collection facility in each of the 12 local municipalities in Selangor," Ramli points out.

He shares that a Material Recovery Collection Facility has been established in Klang (MPKlang), Bukit Puchong (MBSJ) and Kuala Langat (MPKL); each facility can collect up to 20 tonnes of recyclable materials a day and will be sorted by their own crew.

Meanwhile, the Cyberjaya Recycling Centre in collaboration with Sepang Municipal Council

adopts the buyback approach where KDEBWM buys back recyclable materials from the community as an incentive to increase awareness and inculcate the recycling habit within.

KDEBWM has also just launched a drop-off centre in Hicom, Shah Alam, with plans to work with other agencies and companies to provide more of such facilities.

KDEBWM is also finalising its partnership with a leading integrated chemicals producer in Malaysia to supply them plastics collected from waste.

The goal is to convert single-use plastics to hydrocarbon oils, known as TACOIL, that can be used as an ingredient to recreate plastics for packaging. The project is expected to start in 2025.

What a waste

Despite KDEBWM's efforts in contributing to the circular economy chain, Ramli laments on how it is difficult to change people's mentality because to them, "waste is dirty".

Low levels of awareness and participation among the public can also hinder the effectiveness of recycling especially if there is no segregation at source resulting from improper disposal or the inclusion of non-recyclable items.

Educating and engaging the public, including students at schools about the importance of recycling and providing clear recycling guidelines are essential to overcome this challenge, Ramli stresses.

"There is also a need for regulatory frameworks to enforce proper waste management practices or strict punishment on illegal dumping caused by both the public and irresponsible parties to prevent the generation of problematic waste.

"We, too, hope that the federal



Ramli says that KDEBWM plays a huge part within the circular economy.

government can help us in terms of funding for better infrastructure and technology like more recycling facilities, WTE plants and automated sorting systems," Ramli shares.

He adds that when it comes to sustainable practices, it has to be subscribed by all stakeholders and are in agreement to have a cleaner state, reduce carbon emissions, make money to pump into the economy, generate more job opportunities, and ensure less complaints when it comes to public amenities and services.

"We need everyone to understand their statuses and roles, but the problem is that we don't realise what our status is.

"For example, a taxpayer would demand their waste to be collected as scheduled. But it is also their responsibility to segregate waste or reduce waste generation prior to the collection by virtue that it is their waste.

"If they can help us, indirectly, they are helping conserve the environment," Ramli concludes.



The recyclable materials at each facility will be sorted out by the KDEBWM crew. – AZMAN GHANI/The Star



Empowering youth on World Youth Skills Day

Building and developing skills for a transformative future

Compiled by ONG HUEY ERN
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THE United Nations General Assembly had declared July 15, 2014 as the first observance of WYSD, celebrating the importance of equipping young people with skills for employment, decent work and entrepreneurship.

This year's theme of the annual World Youth Skills Day (WYSD) is "skilling teachers, trainers and youth for a transformative future".

The purpose of this day is to raise awareness of the importance of investing in our future generations and supporting their growth of skills and providing opportunities in order for them to build a sustainable future.

This aspect of investing in the youth to invest in the future falls under the social pillar of ESG.

What is youth unemployment?

Global youth unemployment is defined as "when 15 to 24 year olds are actively looking for a job but are unable to find one".

The fact that global youth unemployment exists, illustrates a gap between skills needed and employment that has to be addressed, which will be tabled at this year's UNESCO-UNEVOC, WorldSkills WYSD event.

Youth unemployment is consistently higher than adult unemployment, reports the Department of Statistics Malaysia (DoSM), especially in this post-pandemic period where many employers have suffered massive revenue losses that resulted in business closure, owing to a smaller pool of jobs.

Some people are left with little choice but to reskill to attend to a completely different job scope or upskill to keep abreast of the continuous developments in this transformative job landscape.



Why is it necessary to address youth unemployment?

Economic growth and stability

Youth unemployment can hinder economic stability and growth in both local and global contexts due to burdens on social welfare systems and reduced productivity. Economies can unlock the potential of a larger, active workforce, leading to increased productivity, and economic stability by reducing youth unemployment.

Empowerment and self-sufficiency

Employment empowers young people by providing them with a sense of purpose, financial independence and self-sufficiency. Meaningful employment opportunities enable young individuals to develop essential skills, gain experience and build a solid foundation for their future.

Social and economic equality

Youth unemployment is intertwined with the broader concept of the Sustainable Development Goals (SDGs) of eradicating poverty, promoting decent work and economic growth, reducing inequalities and ensuring inclusive and quality education.

Enhanced innovation and creativity

Addressing youth unemployment gives corporations a bigger pool of available talent, fresh perspectives and innovative ideas.



How do we tackle youth unemployment?



Enhance education and skills training

Filling the unmet demand of skills needed in the market by upskilling or reskilling, matching these skills with the evolving job market requirements.

Technical and vocational education and training (TVET) programs offer practical training in specific industries: automotive, construction, hospitality, information technology, and manufacturing.

These courses validate the expertise and provide hands-on training and certifications that align with industry demands, enhancing employability prospects for young individuals.

Resources such as 'National Training Week' launched by the Human Resources Ministry or 'Upskill Malaysia' offer a plethora of assets to learn, or relearn, new skills.

Foster entrepreneurship and innovation

Creating an enabling environment for entrepreneurship by offering mentorship programs, and access to funding, entrepreneurship education and training can empower young individuals to become job creators rather than job seekers.

Encouraging innovation and supporting the development of startups and small enterprises also creates job opportunities.

Improve access to employment opportunities

Fostering partnerships between government agencies, educational institutions, and private sector employers to facilitate job placement and internship programs breaks down another barrier to entry.

Promote targeted job fairs and career counselling services to bridge the gap between young job seekers and employers.

Strengthen support systems and social protection

Establish social safety nets to provide financial assistance and support to unemployed youth, especially during transition periods.

Sometimes, the hardest part of getting started in the workforce is not knowing one's options or having a plan.

Offering career guidance and counselling services to facilitate informed decision making about education and career paths is a step forward.

If you personally don't have need for these courses then consider helping someone by giving them a hand up, providing them with the opportunity to start.

Together, let us continue to invest in the youth and the future, today. To quote American writer Alvin Toffler, "the illiterate of the 21st century will not be those who cannot read and write, but those who cannot learn, unlearn and relearn."

