

TOWARDS CIRCULARITY: SHAPING A SUSTAINABLE FUTURE FOR PLASTICS

19th February 2025

9:00am - 12:00pm (GMT+8) Sheraton Petaling Jaya Hotel

Topic Title

ESG Assurance and its Relevance in Recycling Industry

Presented by

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Program Manager – Sustainability Control Union Malaysia







Introductions to ESG Landscape

ESG, short for Environmental, Social, and Governance, is a framework used to assess the sustainability and ethical impact of a company.

An ESG framework is essential for assessing companies by investors, consumers, and stakeholders. It goes beyond traditional financial metrics to evaluate how a company performs in areas that affect society and the environment.

This approach helps investors make informed decisions that align with their values and long-term goals.



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SUSTAINABLE GCALS DEVELOPMENT GCALS

17 GOALS TO TRANSFORM OUR WORLD





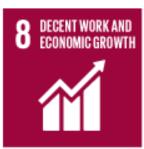


































Sustainable Development Goals (SDGs)

- 17 interlinked global goals
- designed to be a "shared blueprint for peace and prosperity for people and the planet, now and into the future".
- Set up in 2015 by the United Nations General Assembly (UN-GA) and are intended to be achieved by 2030.
- They are included Agenda 2030.



Our Ranking in the 100th nation based on SDG 2023



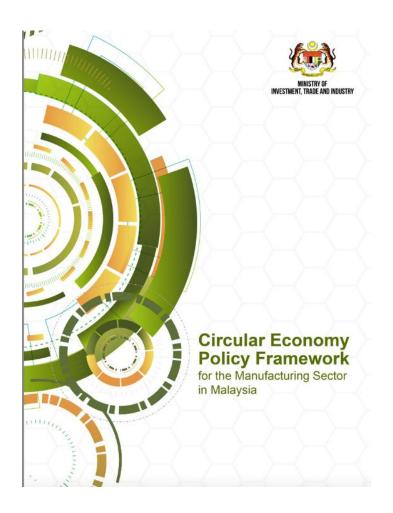


Frameworks Introduce by Malaysia Gov't





Frameworks Introduce by Malaysia Gov't



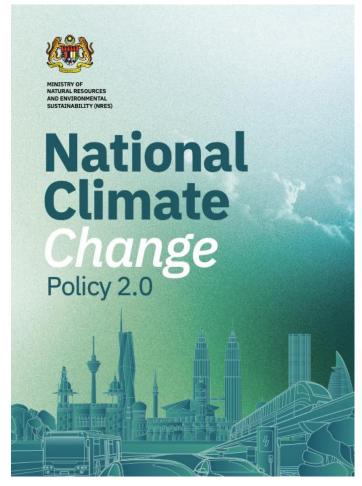


NATIONAL
SUSTAINABILITY
REPORTING FRAMEWORK

















Updates on ESG Initiatives





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Media Release/Announcement > Malaysia Launches New Funds to Drive Automation, Digitalisation, and Sustainable ESG Practices

Launches New Funds to Malaysia Drive Automation, Digitalisation, and Sustainable ESG **Practices**







(2)

Kuala Lumpur, 9 October 2023 - The Malaysian Investment Development Authority (MIDA) is proud to announce the launch of new funding facilitation initiatives aimed at catalysing Malaysia's industrial growth and fostering economic development. These initiatives include the Domestic Investment Accelerator Fund (DIAF), the MADANI Smart Automation Grant (SAG MADANI) and the Foreign Investment Accelerator Fund (FIAF), which are set to play a pivotal role in advancing Malaysia's economic landscape.



Grant / Initiatives











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Home > Export To The World > Trade Facilitation

Market Development Grant (MDG)

What is MDG

The Market Development Grant (MDG) is a support initiative in the form of a reimbursable grant. MDG was introduced in 2002 with the objective of assisting exporters in their efforts to promote Malaysian made products or services globally. The lifetime limit of MDG is RM300,000 and it is specifically formulated for Malaysian SME Companies, Professional Service Providers, Trade and Industry Associations, Chambers of Commerce, Professional Bodies and Co-operatives.

[Note: MDG reimbursements are subject to the availability of the government funds]



Overview of Plastic Industry in Malaysia





Key points about the Malaysian plastic industry:

Major market segments:

Packaging (largest share), electrical and electronics, automotive, construction

Main products:

Plastic packaging (rigid and flexible), components for electronics, automotive parts

Economic impact:

Significant contributor to Malaysia's GDP, with a substantial export value

Growth drivers:

Increasing demand for food and beverage packaging due to e-commerce growth, expansion of the electronics manufacturing sector

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Challenges and Sustainability Initiatives:

1) Plastic waste management:

High volume of plastic waste generated, with a need to improve recycling infrastructure and practices

2) Environmental concerns:

Public pressure to reduce single-use plastics and promote sustainable alternatives

3) Circular economy focus:

Development of biodegradable plastics, recycling technologies, and initiatives to reuse plastic materials



Materiality is a concept that defines why and how certain issues are important for a company or a business sector

Sample ESG material factors			
Environmental issues	Social issues	Governance issues	
Carbon emissions	Labor management	Board diversity	
Product carbon footprint	Health and safety	Executive pay	
Financing environmental impact	Human capital development	Ownership	
Climate change vulnerability	Supply chain labor standards	Accounting	
Water stress	Product safety and quality	Business ethics	
Biodiversity and land use	Chemical safety	Anti-competitive practices	
Raw material sourcing	Financial product safety	Corruption and instability	
Toxic emissions and waste	Privacy and data security	Financial system instability	
Packaging material and waste	Responsible investment	Tax transparency	
Electronic waste	Health and demographic risk		
Opportunities in clean technology	Controversial sourcing		
Opportunities in green building	Access to communication		
Oportunities in renewable energy	Access to finance		
	Access to healthcare		
	Opportunities in nutrition and health		



SUSTAINABLE PLASTIC DIALOGUE

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CMM launches Simplified ESG Guide (SEDG)

Español தமிழ்

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BUSINESS

CMM LAUNCHES SIMPLIFIED ESG DISCLOSURE GUIDE FOR SMES IN SUPPLY CHAIN



18/10/2023 09:53 PM

KUALA LUMPUR, Oct 18 (Bernama) — Capital Markets Malaysia (CMM) today launched a Simplified ESG Disclosure Guide (SEDG) to provide small and medium enterprises (SMEs) within global supply chains with a streamlined and standardised set of guidelines in relation to environmental, social and governance (ESG) disclosures.

CMM is an affiliate of the Securities Commission Malaysia (SC) and the launch makes Malaysia the first country globally to issue such guidelines for SMEs.



Simplified ESG Disclosure Guide (SEDG)

for SMEs in Supply Chains









Simplified ESG Disclosure Guide (SEDG) for SMEs in Supply Chains

SEDG Sector Guides SEDG Sector Guides Full Guide Disclosure Templates Agriculture Agriculture Construction and Real Estate Construction and Real Estate Energy Energy Manufacturing Manufacturing **Transport and Logistics** Transport and Logistics

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SEDG Human Rights and Labour Practices Guide

Full Guide

SEDG Human Rights and Labour Practices Guide

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Disclosure Template



Simplified ESG Disclosure Guide (SEDG) for SMEs in Supply Chains



	BASIC	INTERMEDIATE	ADVANCED
SEDG-E1	SEDG-E1.1: Report total Scope 1 (direct) GHG emissions in metric tonnes of CO ₂ equivalent SEDG-E1.2: Report total Scope 2 (indirect) GHG emissions in metric tonnes of CO ₃ equivalent	SEDG-E1.3: Report total Scope 1 GHG emissions reduced as a direct result of reduction initiatives, in metric tonnes of CO ₂ equivalent SEDG-E1.4: Report total Scope 2 GHG emissions reduced as a direct result of reduction initiatives, in metric tonnes of CO ₂ equivalent	SEDG-E1.5: Report total Scope 3 (other indirect) GHG emissions in metric tonnes of CO ₂ equivalent SEDG-E1.6: Report total Scope 3 GHG emissions reduced as a direct result of reduction initiatives, in metric tonnes of CO ₂ equivalent
SEDG-E2 ENERGY	SEDG-E2.1: Report the consumption of the following in joules or watthours: Renewable fuel sources Non-renewable fuel sources Electricity Heating (if applicable) Cooling (if applicable) Steam (if applicable)	SEDG-E2.2: Report the reduction in consumption of the following (achieved as a direct result of conservation and efficiency initiatives) in joules or watthours: Non-renewable fuel sources Electricity Heating (if applicable) Cooling (if applicable) Steam (if applicable)	
SEDG-E3 WATER	SEDG-E3.1: Report the total water withdrawn from all areas, and a breakdown of this total by type in litres: Purchased water Surface water (if applicable) Groundwater (if applicable) Seawater (if applicable) Seawater (if applicable)		





ENVIRONMENTAL DISCLOSURES

	BASIC	INTERMEDIATE	ADVANCED
SEDG-E1 EMISSIONS	 SEDG-E1.1: Report total Scope 1 (direct) GHG emissions in metric tonnes of CO₂ equivalent SEDG-E1.2: Report total Scope 2 (indirect) GHG emissions in metric tonnes of CO₂ equivalent 	 SEDG-E1.3: Report total Scope 1 GHG emissions reduced as a direct result of reduction initiatives, in metric tonnes of CO₂ equivalent SEDG-E1.4: Report total Scope 2 GHG emissions reduced as a direct result of reduction initiatives, in metric tonnes of CO₂ equivalent 	 SEDG-E1.5: Report total Scope 3 (other indirect) GHG emissions in metric tonnes of CO₂ equivalent SEDG-E1.6: Report total Scope 3 GHG emissions reduced as a direct result of reduction initiatives, in metric tonnes of CO₂ equivalent



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SEDG-E2.1: SEDG-E2.2: SEDG-E2 ENERGY Report the consumption of Report the reduction in the following in joules or consumption of the watthours: following (achieved as a direct result of conservation Renewable fuel sources and efficiency initiatives) in Non-renewable fuel joules or watthours: sources Non-renewable fuel Electricity sources Heating Electricity (if applicable) Heating Cooling (if applicable) (if applicable) Cooling Steam (if applicable) (if applicable)

Steam

(if applicable)



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	BASIC	INTERMEDIATE	ADVANCED
SEDG-E4 WASTE	SEDG-E4.1: Report total waste in metric tonnes: • Generated • Diverted from disposal • Directed to disposal	Report total waste generated, diverted from disposal, and directed to disposal, each broken down into metric tonnes of: Hazardous and non-hazardous waste Sector specific waste streams Material composition	SEDG-E4.3: Report total hazardous and non-hazardous waste diverted from disposal broken down into the following recovery streams in metric tonnes: Preparation for reuse Recycling Other recovery options SEDG-E4.4: Report total hazardous and non-hazardous waste directed to disposal broken down into the following disposal streams in metric tonnes: Incineration (with energy recovery) Incineration (without energy recovery) Landfilling Other disposal options





SOCIAL DISCLOSURES

	BASIC	INTERMEDIATE	ADVANCED
HUMAN RIGHTS AND LABOUR PRACTICES	SEDG-S1.1: Report the number and nature of child labour and forced labour incidents, if any	 SEDG-S1.2: List the operations and suppliers considered to have significant risk for incidents of child labour and forced labour, including: Type of operation or supplier Locations at risk 	
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SEDG-S2 EMPLOYEE MANAGEMENT	SEDG-S2.1: Report the average hours of training per employee	SEDG-S2.2: Report the total number of employees and the turnover rate	
SEDG-S3 DIVERSITY, EQUITY AND INCLUSION	SEDG-S3.1: Report the percentage of the company's employees by: Gender Age	 SEDG-S3.2: Report the percentage of the company's directors by: Gender Age 	





GOVERNANCE DISCLOSURES

	BASIC	INTERMEDIATE	ADVANCED
SEDG-G1 GOVERNANCE STRUCTURE	SEDG-G1.1: Report the number of directors in the company	SEDG-G1.2: List the governance structure of the board, including committees of the board and management, if applicable	
SEDG-G2 POLICY COMMITMENTS	SEDG-G2.1: List the company's policies; including but not limited to: Code of Conduct Anti-Corruption Policy Whistleblowing Policy Health and Safety Policy		



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SEDG-G3
RISK MANAGEMENT
AND REPORTING

SEDG-G3.1:

Report the year of the last submitted audited financial report

SEDG-G3.2:

List the risk of company operations and activities, including but not limited to:

- Regulatory compliance risk
- Business continuity risk

SEDG-G3.3:

List the sustainability risks of the company if applicable, including but not limited to:

- Climate-related physical risk
- Climate-related transition risk

SEDG-G4
ANTI-CORRUPTION

SEDG-G4.1 :

Report the total number and nature of confirmed incidents of corruption, if any

SEDG-G4.2:

Report the total number and percentage of employees who have received training on the company's anti-bribery and anti-corruption policy

SEDG-G4.3:

List the significant risks related to corruption



CONTROLUNION

Control Union Services and what we offer?

ESG Capacity Building

- i) Training Capacity building, workshop, knowledge development and awareness towards ESG
- ii) Gap Analysis comparing for current standards/ framework being used

ESG Assurance Services

i) Assuring your ESG Report based on international and local framework / standards such as SEDG, BURSA, GRI and IFRS



Type of Assurance standards used



Assurance of Sustainability Reports, Public disclosures

Assurance Standards



ISAE 3000 (Revised)

Issued March 2015; Updated July 2022

International Standard on Assurance Engagements™

Assurance Engagements other than Audits or Reviews of Historical Financial Information

Phase: Information; Contracting; Assessment and Execution; Feedback and Reporting

Assurance of Sustainability Claims

Seeking assurance has lot of internal and external benefits:

- ✓ Bring a greater sense of confidence in disclosures by increased recognition, trust and credibility
- ✓ Stand apart in the eyes of investors, rating agencies and other analysts a better investment and rating decisions.
- ✓ Reduced risk and increase value of sustainability reports.
- ✓ Improved Board and CEO level engagement for better internal decision making.
- ✓ Strengthened internal reporting and management systems.
- Improved stakeholder communication.





CONTROLUNION

INDEPENDENT ASSURANCE STATEMENT

Control Union was commissioned by Apical Group to conduct an independent assurance of Apical Sustainability Report 2019.

The information in the Sustainability Report is the exclusive responsibility of Apical group. Control Union was not involved in the preparation of any material included in this document.

The responsibility of Control Union is to express an opinion concerning the information including graphs, tables and statements included in the report, within the assurance scope mentioned below, with the purpose to inform all the interested parties. This Assurance Statement applies to the related information included within the scope of work described below and within the boundaries specified in the Report.

Assurance Scope

The sustainability report was developed using the Global Reporting Initiative (GRI) standards. The assurance process involves verification of the following aspects:

Inclusivity:

Engagement with stakeholders in the report development process and their involvement in arganizational decision making

Apical has a complete stakeholder engagement process that aims to obtain insight into sustainability expectations across its different business operations. The results are incorporated into the organization's strategy and target setting and serve as an important input as to how issues are prioritized at the highest organizational level.

Apical has continued to seek feedback on its Sustainability report from an external stakeholder panel. The publication of their full statement demonstrates the willingness of the organization to respond to stakeholder input and adds to the transparency of the Report.

Materiality:

Identification of Issues in the report that are relevant and significant to the organization's stakeholders, the presence of and the extent to which these material issues are disclosed in the report.

Apical's materiality topics were selected based on surveys conducted on their 2018 materiality issues to ensure that those issues were still important and relevant for their stakeholders in 2019. We found that the management approach for priority issues was well embedded within the business and feeds into the founder's philosophy of doing what is good for the community, country, climate, customer and company.

Responsivenes

Acting an stakeholder issues and provision of feedback through decisions, actions, performance and communication

Apical engages with their stakeholders through various channels (conference calls, presentations, oneon-one) and this ensures a two-way dialogue between both parties. In this way Apical is able to directly address the concerns of stakeholders by explaining their sustainability practices to them particularly

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"Sustainability is a journey, not a **DESTINATION**"



C.S. Lewis

Spirit Science

Further information, please contact General; malaysia@controlunion.com