POWERED BY







ADVANCING SUSTAINABILITY IN GREATER KUALA LUMPUR CASE STUDIES

INTRODUCTION

The ESG & Sustainability ConneXion Centre (ESGS CXC) will serve as a hub to drive sustainable business in Greater Kuala Lumpur. Through the Centre, InvestKL will create new possibilities in community engagement, policy advocacy, and build leading capabilities by sharing industry knowledge in sustainability. The Centre will catalyse collective action by scaling impact and inspiring positive change towards a more sustainable future in Malaysia.

In this publication, we showcase a comprehensive compilation of case studies from leading global companies under our portfolio, highlighting the positive impact achieved through sustainable business practices.

CONTENT

All Paths Lead to ESG Progress at ABB	4
AECOM Uses ESG Practices to Benefit Malaysian Communities	8
Air Liquide Advances Towards a Sustainabe Future	11
Alcon Enabling the World to See Brilliantly	14
Securing your Future with Allianz	17
Honeywell Hurdles ESG Challenges with Innovative Solutions	20
Lenovo PCCW Transforms Businesses and Communities Through ESG principles	23
McDermott Innovates for Sustainable EPCI Project Delivery	26
SLB's Three-Pronged ESG Campaign for a More Balanced Planet	29
Veolia Water Technologies - Resourcing the World with Innovative Water Solutions	33
Shaping a Sustainable Fashion Ecosystem with Zalora	37

ALL PATHS LEAD TO ESG PROGRESS AT **ABB**



GLOBAL CORPORATE HO Zurich, Switzerland



BUSINESS

Electrification, Process Automation, Motion and Robotics & Discrete Automation



UN GLOBAL Compact member Yes



ESG INITIATIVES Sustainability 2030 Energy Efficiency



Movement ESG REPORT

Sustainability Report 2022



YEAR INVESTED IN GREATER KL

1904 when MFO Oerlikon installed the first power generator



ABB Malaysia introduced the first fast charger, Terra 53, at its head office in Subang Jaya to encourage wider acceptance and adoption of e-mobility.

One of the constants of modern civilisation is the harnessing of energy for use in our daily lives. Energy is critical for today's society to develop and thrive. Yet, coal and oil, the main resources that fuel our power needs, are not inexhaustible and also have an adverse effect on the environment.

ABB, as one of the world's leading companies in electrification and automation, understands and embraces the need for sustainable development. It has crafted its Environmental, Social and Governance (ESG) policies beyond sustainability to include driving social progress and instilling a culture of integrity and transparency along the entire value chain.

The company laid down its commitment to sustainability in 2020 when it detailed its Sustainability 2030 strategy. In its Sustainability Report 2022, ABB revealed that it managed to reduce GHG emissions by 43%.

ABB also realised the need to move beyond Environmental sustainability to address and drive social progress. The company is firm on its policy to reduce employee and contractor injuries resulting in time away from work and improve employee engagement.

ESGS CXC CASE STUDIES Its social policy also includes a comprehensive diversity and inclusion framework and aims to increase the proportion of women in senior management roles to 25% by 2030.

With regard to Governance, ABB has taken steps to boost integrity and transparency by implementing new procedures to address integrity and human rights matters associated with third-party management and introducing awareness training to drive ethical practices.

In Malaysia, ABB has launched several initiatives to increase the uptake of energy and promote carbon neutrality.

• 2017: ABB Malaysia introduced the first fast charger, Terra 53, at its head office in Subang Jaya to encourage wider acceptance and adoption of e-mobility.

This initiative formed part of ABB's efforts to support Malaysia's EV charging ecosystem and educate the public about electric vehicles.

It also supports the government's aim to accelerate the adoption of electric vehicles by Malaysians.

• 2019: ABB opened the region's first robotics Digital Operations Centre to unlock the full potential of digital manufacturing and industrial robots by harnessing Industry 4.0 technologies.

The combination of digitalization and robotics allows factories to conserve resources, improve safety, reduce energy use and help drive sustainable operations.

This is also in line with Malaysia's efforts to achieve the goals set forth in the National Fourth Industrial Revolution (4IR) Policy to enable local industries to increase efficiency and productivity and develop talent in high-tech sectors.



ABB signed a memorandum of understanding (MoU) with the Malaysian Green Technology and Climate Change Corporation (MGTC) to collaborate on energy efficiency.

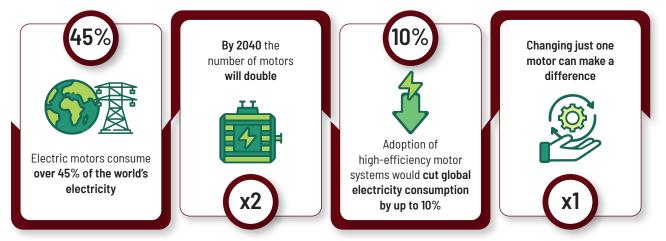


Energy Efficiency Movement, a global multi-stakeholder initiative launched by ABB in 2021 is a platform to share ideas, best practices and commitment to create a more energy-efficient world to combat climate change.

Managed by a team of experienced engineers, the Digital Operations Centre offers real-time monitoring and technical support for ABB robots across ASEAN as well as Taiwan and India by leveraging cloud computing, big data analytics and end-to-end connectivity.

• 2021: ABB signed a memorandum of understanding (MoU) with the Malaysian Green Technology and Climate Change Corporation (MGTC) to collaborate on energy efficiency, a vital component of Malaysia's net zero goal. The MoU is a cornerstone of ABB's commitment towards energising the transformation of societies for a sustainable future and accelerating Malaysia's pivot towards a clean energy future.

The MoU is aligned with the Energy Efficiency Movement, a global multi-stakeholder initiative launched by ABB in 2021 which comprises around 350 organisations to date sharing ideas, best practices and commitment to create a more energy-efficient world to combat climate change.



SOURCE: ABB

The MoU also includes building a collaborative ecosystem involving the government, investors, industries and businesses to accelerate and drive Malaysia's clean energy revolution adoption by establishing partnership networks to help industries identify the best energy-efficient technology and solutions.



R NARAYANAN Country Managing Director

As a Group, ABB in Malaysia is geared towards working with key stakeholders through our four leading business areas namely Electrification, Process Automation, Motion and Robotics & Discrete Automation. Every industry sector is different. However, ABB's expertise and complete portfolio enables us to offer unique solutions that allow local industry players to optimize their processes without causing irreversible damage to the environment.

In growing Malaysia's talent pool, ABB offers financial assistance to talented engineering students through the Jürgen Dormann Foundation. The global programme was initiated in 2011 in Malaysia with University Malaya as a partner university. The foundation has since supported 22 students who have graduated to pursue their engineering ambition while nine more are still undergraduates in various academic sessions.

ABB's innovations have helped customers use electrical power more efficiently, increase industrial productivity and lower environmental impact to meet their ESG goals.

The company's initiatives highlight its commitment towards carbon neutrality in its operations, reducing its supply chain's emissions and supporting customers to be more sustainable.

Sustainability cannot be achieved by any single entity and requires the commitment of all parties to cooperate and drive towards a better future, and this is illustrated by ABB's multi-stakeholder ESG initiatives.



AECOM USES ESG PRACTICES TO BENEFIT MALAYSIAN COMMUNITIES



GLOBAL CORPORATE HO Dallas, Texas, United States



BUSINESS

Infrastructure Consulting Firm: Architecture & Design, Urban Planning, Construction, Engineering, Environmental Services, Planning & Consulting, Programme Management/ Construction Management, Risk Management & Resilience



UN GLOBAL Compact member



ESG INITIATIVES

Yes

Sustainable Legacies: AECOM's ESG Strategy

AECOM's Solutions for Per- and Polyfluroalkyl Substances (PFAS) 100 Resilient Cities Initiative

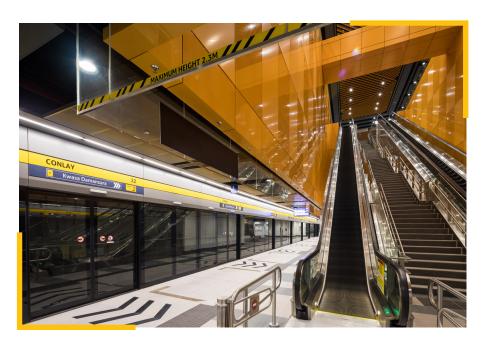


ESG REPORT Environmental Sustainability Policy



YEAR INVESTED IN GREATER KL

2012 HQ: Damansara City, Kuala Lumpur



KVMRT Putrajaya

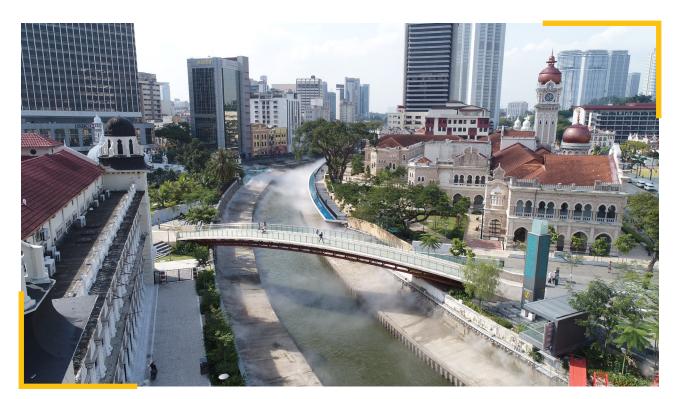
Construction is not just about making a building, it is about building the future. At every stage from concept to design and delivery, U.S. infrastructure consulting firm AECOM is committed to ESG initiatives and practices to build a better future for Malaysia, and for our world.

Globally, AECOM anchors its mission to deliver sustainable legacies in four key objectives: embedding sustainable development and resilience across its work, improving social outcomes, achieving net zero, and enhancing governance.

These objectives allow AECOM to effectively identify and provide future-ready solutions via ESG practices to enhance Greater KL.

ENVIRONMENT

Globally, AECOM aims to achieve Science-Based Targets of at least 50% reduction in Scope 1, 2, and 3 emissions by 2030, and 90% by 2040. Its unique platform to help guide strategic decisions for clients in their projects is called ScopeX. It is a combination of technically deep methodologies and data-driven tool, with a mission to reduce by 50% to potential Scope 1, 2, and 3 emissions in every major project AECOM is involved in.



River of Life (RoL)

- The Tun Razak Exchange (TRX) is aligned to international Leadership in Energy and Environmental Design (LEED) and Green Building Index (GBI) guidelines. The 70-acre international financial district weaves together complex building and infrastructure systems to reduce energy use and enhance mobility. A quarter of the site is dedicated to open space, integrated smart water management, and water recycling. The landmark is a showcase of AECOM's sustainable civil, mechanical, and electrical engineering leadership.
- In 2012, AECOM was appointed as a delivery partner of the River of Life (RoL) project and the company's pioneering green infrastructure focus supported by local material sourcing, helped transform 10.7km of the Klang River in the heart of Greater KL. The project enhanced the relevance and longevity of the public and riverfront spaces in the historical quarter of the capital city.
- AECOM was appointed Lead Consultant for Underground Works for the Klang Valley Mass Rapid Transit (KVMRT) Putrajaya Line, in addition to being the civil and structural engineering detailed design consultant for six underground stations, and mechanical electrical, and plumbing detailed design consultant for the entire underground works package. AECOM collaborated with the client to reduce the amount of infrastructure needed (read: concrete and steel) to achieve even better performance and coverage than planned along the 13.5km underground section. Design optimisation is also adopted for E&M services and ABWF material, and adopting BIM as a design tool to greatly reduce abortive and rework on site, which allows projects like KVMRT to save vast amounts of energy and material, and bring dozens of local contractors and businesses along to build Malaysian technical capacity.

SOCIAL

- Engages local communities to anchor social sustainability and impact targets that benefit communities.
- Focuses on sustainable mobility corridors: transport and transit-oriented infrastructures improving the lives of millions across entire metropolitan areas.

- In 2022, AECOM introduced global training for hiring managers designed to build more diverse teams through talent acquisition, and to hold leaders accountable to help foster its inclusive culture.
- Across the company, workforce diversity improved in 2022, with women comprising more than 19% of leaders, putting AECOM closer to achieving its near-term target of 20%.
- In terms of employee safety, AECOM safeguards its people, projects and reputation by striving for zero employee injuries and illnesses, while operating and delivering work responsibly and sustainably. It maintains the industry's best-in-class lost workday case and recordable incident rates, and its safety performance is consistently recognised by key clients across the regions where AECOM works as well as by recognised safety organisations.

GOVERNANCE

- Leaders at AECOM promote ethical behaviour through a global ethics committee as well as through regional ethics committees. Its employees take part in annual Code of Conduct training, which achieved 100% completion in the fiscal 2022 year. AECOM has been recognised six times by Ethisphere as a World's Most Ethical Company.
- AECOM adheres to the International Bill of Rights and International Labour Organisation's Declaration of Fundamental Principles and Rights at Work, which underscores its commitment to abiding by and promoting international human rights. AECOM's Human Rights Statement and Modern Slavery Act Statement detail its policies and commitments related to ensuring fundamental rights at work, such as reasonable working conditions and wages and the right to collective bargaining, and combatting human rights abuses, such as modern slavery and child labour.

A recipient of the Terra Carta Seal for sustainable business practices, AECOM brings worldclass construction methodologies to every project harnessing renewable energy and reducing waste, while creating opportunities for local business participation in their supply chain.

AECOM drives these reductions through optimised design and programme management, and working closely with their clients to deliver best practices with improved social impact and governance.



SYLVESTER WONG VP, Asia ESG Services Business Lead

If you look at the geographical location of Kuala Lumpur, it is the most centrally located city among the major economic hubs of Southeast Asia. You are able to reach every spot in the region in less than four hours.

AIR LIQUIDE ADVANCES TOWARDS A SUSTAINABLE FUTURE



GLOBAL CORPORATE HO Paris, France



BUSINESS Oil and gas



un global compact member Yes



ESG INITIATIVES ACT for a sustainable

Dow Jones Sustainability Europe Index



ESG REPORT

future

Sustainability Report 2022



YEAR INVESTED IN GREATER KL

1927 HQ: Bandar Utama, Petaling Jaya, Selangor



The Air Liquide group strives to ensure that everything it does is in the interest of its stakeholders and of society as a whole. This affirmation has led to the group striving to implement strategic environmental, social and governance processes that positively impact both their market share and the environment.

Air Liquide has been in Malaysia since 1927 and is deeply invested in making internal changes towards sustainability as well as providing its expertise in carbon capture and storage (CCS).

The Air Liquide group is on a mission to place sustainable development at the heart of the group's strategy. To accomplish this, the group launched ADVANCE - a new strategic plan for 2025. Not only is this plan a milestone in Air Liquide's long history, it is a new chapter linking the company's growth to a sustainable future.

ADVANCE has four pillars:

- To deliver a strong financial performance
- To decarbonise the planet
- Technological innovation to open new markets
- Acting for all.





PATRICK FRANCHINARD Business Services Malaysia Managing Direct & CEO

Malaysia offers huge opportunities for Air Liquide. As a key player in oil production, Air Liquide intends to keep decarbonising the oil and gas industry, deploying CCS across oil production platforms. Considering the volume of palm oil production, Air Liquide is also investigating synergies with palm biomass to upgrade biogas into biofuels.

ENVIRONMENT

- The group aims to reduce GHG emissions by 33% by 2035, and to reach carbon neutrality in 2050. However, at an operational level, Air Liquide relies heavily on energy instream. Thus, reducing GHG emissions at its production sites will require decarbonisation of electricity powering its sites.
- Air Liquide Malaysia has committed to purchasing renewable energy via the Green Electricity Tariff (GET) Programme by Tenaga Nasional Berhad (TNB). This will enable Air Liquide Malaysia to reduce their Scope 2 emissions (~24 kilo tonnes/year) for their Air Separation Unit (ASU) operations.
- Signed a 20-year solar power purchase agreement with TotalEnergies to supply renewable power to its plant in Senai, Johor Bahru. This will enable the company to supply eco-friendly and sustainable gas to its customers.
- Utilising their maritime and terrestrial logistics to monitor GHG emissions to make its transportation fleet more sustainable. These efforts range from prioritising larger capacity trucks to reduce the carbon footprint generated by transportation as well converting the Air Liquide Malaysia Rawang site forklifts into electric vehicles. The forklift conversion will save 2.5 kilo tonnes in GHG emissions per year.
- Provides CCS expertise to national oil company Petronas. The carbon emitted at the subsurface of oil and gas production platforms will then be reused for other applications, contributing to a virtuous cycle respectful of the environment.

SOCIAL

- In Greater KL, Smart Innovative Operations measures and transmits instantaneous data, including carbon emissions to integrate suppliers into an overall approach to help them achieve environmental excellence and meet key performance indicators.
- Nearly 20 different nationalities are collaborating across Air Liquide Malaysia's operations.
- Women make up 63% of the Air Liquide talent in Malaysia, with half of its management committee represented by women.

AIR LIQUIDE ADVANCES TOWARDS A SUSTAINABLE FUTURE

The company depends on its committed workforce to make its strategic plans into reality and thus, provides many opportunities for the workforce to develop their skills in a safe and inclusive work environment. Inclusion is a synonym for growth to Air Liquide Malaysia.

To support and enforce its Energy Transition Strategic Plan and ambition, Air Liquide has organised its team at global, zone and local levels, and coordinates the sustainability of its processes at a strategic level. The Air Liquide team provides the direction and key performance indicators to frame the operations of each site head. In Malaysia, its operational and E&C (engineering and construction) teams keep abreast with Energy Transition developments in with various government-linked companies and agencies.



ALCON ENABLING THE WORLD TO SEE BRILLIANTLY



GLOBAL CORPORATE HO Geneva, Switzerland



BUSINESS Eye care, medical devices



UN GLOBAL Compact member

No. Third-party code of conduct based on the UN Global Compact and other global best practices.



ESG INITIATIVES

AlconCares, Alcon Foundation Responsible Business Practices



ESG REPORT

2022 Corporate Responsibility Report



YEAR INVESTED IN GREATER KL

HQ Section 13, Petaling Jaya, Selangor



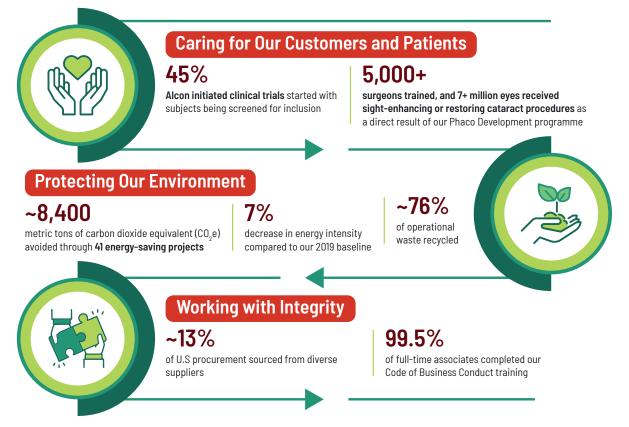
The unmet need for quality eye care remains acute globally and has a major impact on people and society, resulting in an estimated loss of more than US\$400 billion in productivity annually. With more than 75 years of experience in the eye care industry, Alcon realises that the best way to make quality eye care more available and accessible is by cultivating self-sustaining eye health ecosystems.

Alcon Social Impact and Sustainability strategy is focused on three pillars -Brilliant Lives, Brilliant Innovation and Brilliant Planet.

In Brilliant Lives, Alcon believes everyone, regardless of age, location or circumstance, should have access to quality eye care. The company has provided training and education programmes for surgeons in developing markets and on developed partnerships to improve access and affordability. Its charitable and product donations — managed by Alcon Foundation and Alcon Cares — lay the groundwork to treat vision loss in underserved parts of the world.

The Brilliant Innovation pillar pillar is focused on developing best-in-class products that change lives and are more sustainable, increase inefficiencies and enhance patient safety. The company has also developed a scorecard that integrates key sustainability ideas into new product development.

Alcon is committed to reducing emissions and operational waste, and the Brilliant Planet pillar fully aligns with this purpose. It plans to be carbon neutral across global by 2030 and expand the use of renewable energy sources. Several of Alcon's manufacturing sites are zero waste to landfill certified, and it targets 100% non-hazardous waste landfill diversion at all manufacturing sites and distribution centers by 2030.



source: Alcon 2021 Corporate Responsibility Report

Within Malaysia, Alcon has embarked on several Social Impact and Sustainability initiatives in line with its global policies, namely:

ENVIRONMENT

- Adopted paperless initiatives such as e-invoicing and e-claims to help reduce its carbon footprint and drive sustainability. By adopting electronic signatures, the need to print document hardcopies, sign and then scan the signed copy has been eliminated.
- Alcon Johor entered into a Solar Power Purchase Agreement with Cleantech Solar. More than 8,700 solar modules were installed on the roof of the Alcon Johor manufacturing facility, generating 4,000 MWh of renewable energy per year and displacing over 2,400 tonnes of CO2 from the Malaysian electricity grid. This is in line with the Malaysian government's policy to increase the use of renewable energy sources within the country's power generation mix.



SOCIAL

- Established policies to support a healthy work-life balance, parental needs, and a hybrid work model. Flexible working hours and work-from-home options give the employees the freedom they need for their families and for themselves. Additionally, a dedicated Mother's Lounge is provided to cater to the needs of nursing mothers and Family Care Leave was introduced to care for their unwell family members.
- Introduced several wellness initiatives such as sports activities, WorkWell webinars, Alcon in Action, and World Sight Day to ensure a healthy, energetic and productive workforce. An assistance programme for employee mental health is also available.
- Gender equality is important to Alcon. Around 68% of the employees in Alcon Global Services Kuala Lumpur are women and take on vital roles within the organisation.
- Supported the development and upskilling of its employees through approved training providers via the Human Resources Development Fund (HRDF).



Our success depends on maintaining the trust of our stakeholders. No amount of progress can come at the expense of our company values or integrity

DAVID ENDICOTT CEO



GOVERNANCE

- Alcon is committed to conducting its business ethically, fairly and with integrity. An ESG Assurance team was formed to support Social Impact and Sustainability.
- Workiva tool was introduced and will potentially be used in Alcon in 2023 to provide a transparent data management experience.
- Globally, Alcon has implemented a Code of Business Conduct, Third Party Code of Conduct and an Integrity and Compliance Programme.

Beyond providing innovative and high-quality eye care products to those in need, Alcon places a strong focus on conducting business ethically, supporting sustainability, and reducing environmental impact.



SECURING YOUR FUTURE WITH ALLIANZ



GLOBAL CORPORATE HO Munich, Germany



BUSINESS **Multinational Financial**

Service including Insurance and Asset Management



UN GLOBAL COMPACT MEMBER Yes



ESG INITIATIVES Allianz ESG Integration Framework



ESG REPORT Sustainability Report

2022

Malaysia: Embedded in 2022 Annual Report (pages 34-79)



YEAR INVESTED IN GREATER KL

2001 HQ: Plaza Sentral, Kuala Lumpur



Allianz Group is one of the top insurers and asset managers globally, with 122 million private and corporate customers in over 70 countries and total revenues of over RM740 billion in 2022. On top of that, the group's asset managers - PIMCO and Allianz Global Investors - manage RM7.8 trillion worth of third-party assets.

Allianz's purpose, based on its vision of 'We Secure Your Future', shapes the group's approach to sustainability as the nature of the business contributes to the creation of secure and sustainable economies and societies by pooling, investing and managing risks to help protect and grow lives, assets, and businesses.

The group's approach towards sustainability is based on the UN Sustainable Development Goals (UN SDGs), particularly SDG 13 Climate Action, SDG 8 Decent Work & Economic Growth, and SDG 17 Partnerships for the Goals. Environmentally, the group is committed to decrease greenhouse gas emissions from its operations by 50% by 2025 and reach net zero by 2030.

Socially, Allianz understands that a thriving work environment is one that is welcoming and inclusive. The group drives gender balance and promotes an inclusive culture, as seen by its leading position in the Refinitiv Index for Diversity and Inclusion and in the German Diversity Index.

Allianz has implemented a robust system of Governance to verify and monitor its operations and business processes, as well as compliance with regulatory requirements. Its Group Sustainability Board supports the Board of Management on sustainability issues and policies.



SEAN WANG CEO

Our initiatives in these areas support our purpose to "Secure your Future" by securing people's lives and giving courage to our customers for what's ahead. This means being a fair partner that provides solid and sustainable solutions and helping to shape the global ESG landscape

Since 2021, Allianz Malaysia has established a standalone Sustainability Department that coordinates the group's overall sustainability reporting. The department focuses on ESG integration within the group and sustainability reporting. Allianz Malaysia has launched various initiatives to support its ESG and sustainability goals, including:

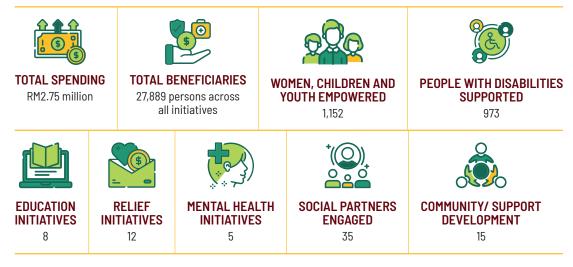
ENVIRONMENT

- Monitoring carbon and environmental footprint in 5 areas (energy, paper, travel, waste and water), with a net-zero operations target by 2030.
- Targets 100% renewable energy use for its operations by 2023, which has been achieved since 2020 by purchasing i-Renewable Energy Certificates and installing solar panels in suitable branch locations.
- Moving towards a hybrid work environment to reduce office space and Allianz Malaysia's overall environmental footprint, in addition to digitalisation to reduce paper consumption.
- Applies ESG screening criteria for investment and insurance solutions that fall under 13 sensitive business areas.
- Applies an ESG scoring threshold on investee companies, while phasing out fossil fuel investments in line with the group's objective to reach a net-zero investment portfolio by 2050.

SOCIAL

- Provides insurance solutions that support the low-carbon economy and that promote social inclusion and protection, supported by expedited claims processes, particularly during natural disasters such as floods. Allianz extended a one-off flood relief benefit to a segment of lower-income customers in a bid to improve their climate resilience through financial protection.
- Enhanced services available to motorcycle insurance customers, including free roadside assistance, cashless repairs, and access to an industry-first panel of motorcycle workshops.
- Targets the underserved communities that are most vulnerable during times of crisis by developing and distributing accessible insurance solutions to promote financial protection for all.
- Partners with the National Sports Council to support national para-athletes and sponsorship of the Abilympics (coined from the phrase Olympics of Abilities) to help empower and promote the inclusion of people with disabilities.
- Allianz4Good Department delivers strong community engagement and outreach initiatives.

Allianz Malaysia 2022 Corporate Responsibility Spending



source: Allianz4Good 2022 Report

GOVERNANCE

- Established cross-departmental ESG Taskforce to implement sustainability actions, with the local ESG Board playing a decision-making role, guided by the Board of Directors.
- Takes an inclusive approach toward awareness raising and knowledge sharing with partners on the benefits of good ESG practices and its Vendor Code of Conduct.
- Launched a global sustainability training programme for all employees to raise awareness and change from a business-as-usual mindset.on ESG topics.

Allianz Malaysia will continue to build on its ESG initiatives and refine its sustainability approach to drive further action in its roles as an insurer, investor, employer and responsible corporate citizen.



Allianz partners with the National Sports Council to support national para-athletes and sponsorship of the Abilympics to empower and promote the inclusion of people with disabilities.

HONEYWELL HURDLES ESG CHALLENGES WITH INNOVATIVE SOLUTIONS



GLOBAL CORPORATE HO

Charlotte, North Carolina, United States



BUSINESS

Aerospace, building technologies, performance materials and technologies, safety and productivity solutions



UN GLOBAL Compact member



ESG INITIATIVES Technology solutions

for sustainable businesses

Inclusion & Diversity Global philanthropic initiatives



ESG REPORT



YEAR INVESTED IN GREATER KL

1985, HQ: Bangsar South, Kuala Lumpur



Honeywell offers many sustainable solutions to its clients in multiple industries globally and here in Malaysia. The U.S.-based multinational has centred sustainability in the ESG best practices it has adopted at all levels from solutions for clients, to internal processes like employee education on waste recycling and energy usage.

ENVIRONMENT

- Its Greater KL headquarters, which doubles up as the heart of Honeywell's ASEAN operations, internally walks the ESG talk. The Bangsar South building features energy usage measurement and tracking programmes, paper waste shredding and recycling bins at multiple locations, as well as motionsensor LED lighting. These measures have already reduced the energy usage of the site by 10,500 kWh compared to 2018 baseline figures.
- Furthermore, Honeywell's MK Electric plant in Shah Alam features waste reduction and recycling programmes to reduce scrap and minimise use of packaging; HVAC (heating, ventilation, and air conditioning) and AHU (air handling unit) systems improvements; installation of thermo hygrometers for optimum working temperature; reduction of air leaks and energy wastage; and the reduction of regular lamp usage while increasing solar-powered lamp usage.

21 ESGS CXC CASE STUDIES

- Externally, Honeywell Forge Sustainability+ for Industrials is a sustainable solution for emissions monitoring and optimisation. This system is for methane emission monitoring and reporting in real time with the ability to automate data collection, visualise emissions in real time, utilise emissions factor library, incorporate into an enterprise-wide view, and significantly simplify reporting requirements.
- Global adoption of Solstice[®] refrigerants, blowing agents, and aerosols has averted the potential release of more than 250 million metric tonnes of carbon dioxide into the atmosphere. This is the equivalent of taking more than 52 million cars off the road for one entire year.
- Honeywell CO2 solutions enable more than 90% emission reduction from energy and industrial carbon dioxide point sources, including enabling 'blue' hydrogen production from natural gas as well as capture and sequestration in the power, steel, cement, and oil and gas industries.
- Diesel from the EcofiningTM process can reduce greenhouse gas (GHG) emissions by 60% on a total lifecycle basis, compared to petroleum-based diesel.

SOCIAL

- Honeywell requires all suppliers to adhere to the Supplier Code of Business Conduct. Part of adhering to this Code is the expectation that suppliers will internally engage in environmentally sound and sustainable manufacturing processes. This includes environmental permits, waste and pollution management, labelling and warning requirements, hazardous substance management and reporting, and appropriate programs to understand and mitigate greenhouse gas emissions in their operations, facilities, and supply chain.
- Honeywell actively supports the local supply chains to live up to their high standards of excellence by providing resources for sustainable practices and technologies, training and development of local suppliers in disclosure and sustainability reporting best practices.
- Honeywell's annual Global Volunteering Month is a tradition that encourages its entire workforce to put their time and talents to work for the greater good. With hundreds of activations occurring around the globe in just 30 days, Honeywell employees quadrupled its previous investment in local communities, totaling more than 4,000 volunteer hours in 2021.
- Globally in 2021, employees completed over 663,000 learning and training hours and achieved 100% completion of a comprehensive Code of Conduct certification.



LIM YEONG-CHUAN Country President for Malaysia and Singapore With sustainability taking the spotlight in the last two years, we had a glimpse of what a cleaner future can look like. Honeywell Aerospace is keen to build on democratising sustainable solutions for more wide scale adoption of innovative sustainable solutions

GOVERNANCE

- Honeywell's Code of Business Conduct, which has been translated into 30 languages, affirms the group's commitment to: workspace respect, diversity, and inclusion; a work environment in which employees can communicate openly and voice concerns without fear of retaliation, intimidation, or harassment; a safe and healthy workplace; honest and fair business practices, avoiding conflicts of interests, and prohibiting improper payments; accurate books and records; robust data privacy and sound cybersecurity practices, and compliance with international trade laws.
- The ACCESS Integrity Helpline is a 24-hour, multilingual service operated by an independent third-party provider that is open to all internal and external stakeholders.
- Integrity and Compliance Councils operate at the corporate, business unit, and regional levels.
- The Ethics Ambassador Programme empowers business leaders around the globe to champion integrity and compliance topics with employees.
- Implemented a suite of digital tools and processes to enable the anti-corruption programme, including a Honeywell-unique risk map based upon over 1,000 data elements. Honeywell uses a risk assessment to allocate resources and implement standard risk mitigation actions based upon the anti-corruption risk profile of its business that includes tailored in-person and online annual anti-corruption training.

Honeywell has taken an active role, both on the grand scale and local scale, to practise what they preach about their commitment to protecting the environment, their people, and their communities, while creating value for Honeywell's shareholders. This climate change-stricken world has yet more challenges that will need to be overcome, but Honeywell's stakeholders can rest assured that they are in safe hands highly capable of meeting any challenge with an innovative solution.



LENOVO PCCW TRANSFORMS BUSINESSES AND COMMUNITIES THROUGH ESG PRINCIPLES



GLOBAL CORPORATE HO Hong Kong, China



BUSINESS

Integrated IT services, devices, and digital infrastructure, System integration, Application development and operation, IT outsourcing, Managed services, Digital solutions, and Technical services



UN GLOBAL COMPACT MEMBER Yes (Lenovo)

es (Lenovo)



ESG INITIATIVES ESG Intelligence Solution



ESG REPORT

2021/22 PCCW ESG Report 2022

Lenovo ESG Report



YEAR INVESTED IN GREATER KL

2019, HQ: Bangsar South, Kuala Lumpur



Lenovo PCCW Solutions Limited is not quite one year old since its inception as a strategic partnership between two global powerhouses. However, in this short time, Lenovo PCCW has made clear its commitment to building a smarter, brighter, and more sustainable future.

The company sees the rapidly changing world as a signal flare to the global business community to respond with more innovative and responsible operations, seizing every opportunity to act with a larger purpose in mind.

Lenovo PCCW's mission is to utilise its solutions and services to empower, connect and transform businesses and communities by:

- minimising the environmental impacts of its business, and helping customers to do the same through Lenovo PCCW solutions and services;
- valuing and developing young talent;
- promoting corporate social responsibility principles throughout its operations and supply chain; and
- pioneering products and services that make people live better and help businesses thrive.

ENVIRONMENT

- Minimise the environmental impacts of its business as well as help its customers to do
 the same via its solutions and services; such as the ESG Intelligence Solution: a cloudagnostic solution designed to help enterprises proactively monitor, measure and enhance
 its ESG performance and strategies to drive sustainability and efficiency in its day-to-day
 operations.
- Lenovo PCCW Solutions collaborated with local recycling centre Klothcare on a recycling programme to collect and recycle household items. Employees of Lenovo PCCW Solutions in Malaysia collected and donated 558kg of textiles ensuring that the equivalent of 1,027kg of carbon dioxide equivalent would not be emitted into the environment.

SOCIAL

- Works to cultivate IT talent in Malaysia via the Tech Talent Development Programme. The 18-month long programme grooms talented fresh graduates from diverse academic backgrounds into future leaders. It consists of mentoring, on-the-job training and assignment, knowledge and skills transfer workshops, and more across the Asia Pacific region, all designed to cultivate a sustainable business and technical talent pool. ESG is a long-term goal within the company, it has been incorporated in the Tech Talent Development Programme selection criteria to fulfil specific needs.
- The company is also exploring the possibility of collaborating with local universities on the development of Internet of Things and robotics solutions.



Website: www.lenovopccwsolutions.com Email: lenovo@pccwsolutions.com







WONG KOK GUAN General Manager

With Lenovo PCCW Solutions capabilities and smart solutions, we help businesses realise their digital transformation goals and position companies to withstand competition and grow into new areas.

GOVERNANCE

- As a digital enabler, Lenovo PCCW has been driving smart city development through incorporating innovative IT infrastructure and solutions to optimise the efficiency of city operations and services. It aims to drive smart, integrated IT applications in e-Government, parking, retail, and lifestyle to enrich citizen experiences.
- Lenovo PCCW has policies in place to guide suppliers in complying with labour, health and safety, personal data and privacy, and environmental regulations.
- It requires suppliers to commit to upholding the basic rights of workers as set by local and international guidelines and the adoption of preventative measures that minimise environmental impacts.
- Lenovo PCCW monitors supplier performance and conducts annual performance reviews to ensure that they are enabling best practices in sustainability development and reporting.

Lenovo PCCW Solutions Malaysia is a Malaysia Digital Status Company. As part of the Malaysia Digital family, Lenovo PCCW Solutions is committed to accelerating the country's digital economy by advancing its solutions and services and delivering them to customers. The transition to a digitally driven business model is critical for business sustainability and digital economy growth.

MCDERMOTT INNOVATES FOR SUSTAINABLE EPCI PROJECT DELIVERY



GLOBAL CORPORATE HQ

Houston, Texas, United States



BUSINESS

General contracting services, engineering, and construction solutions for the energy industry



UN GLOBAL Compact member No



ESG INITIATIVES Sustainable Solutions Diversity, Equity & Inclusion

Community Development



ESG REPORT

Sustainability Report 2021



YEAR INVESTED IN GREATER KL

2015 HQ: Jalan P Ramlee, Kuala Lumpur, Malaysia Malaysia is the engineering room, and Centre of Excellence for Houston-based contractor McDermott, a premier provider of engineering and construction solutions to the energy industry that is celebrating its 100th anniversary in 2023.

As a large engineering, procurement, construction and installation (EPCI) company, McDermott is uniquely positioned to influence a full value chain of ESG initiatives starting with its upstream suppliers, and its own operations all the way through to the operating facilities the company designs and builds for its customers in the energy industry.

ENVIRONMENT

- McDermott believes that innovation is critical to solving some of the world's greatest challenges in the transition to a lower-carbon future. They are committed to finding innovative and technology-led solutions to help the company reduce the overall carbon footprint of its projects both onshore and offshore. Sustainable solutions are focused on three areas:
 - Low Carbon Delivery: Sustainable Engineering; Smart Modularisation; Renewable or Hybrid Energy Integration; Energy Efficiency; and Embedded Carbon Reduction.
 - New Energies: Offshore Wind including HVDC (high-voltage direct current) and HVAC (heating, ventilation, and air conditioning); Green and Blue Hydrogen Production; Liquefaction, and Storage; Carbon Capture, Utilisation, & Storage; Biofuels; Energy Storage (Liquids, Gases, CAES).
 - Circular Economy: Waste to Chemicals; Petrochemical Innovation; Waste Management Studies; and Lifecycle Impact Assessments.
- In 2022, McDermott kickstarted an initiative to achieve 'Net Zero Subsea' in collaboration with Baker Hughes. This study aim to identify opportunities to reduce the carbon footprint of field development
- Also in 2022, McDermott continued to implement measures to minimize its carbon footprint and the environmental impact of projects it designs and builds for customers. McDermott also expanded its partnerships and collaborations to draw on cross-functional expertise and thinking to support customers navigating the energy transition.



 McDermott's KL engineering center, supports strategic oil and gas projects around the world delivering comprehensive engineering services from conceptual design through startup and operation. With a focus on digitalisation, McDermott developed SubseaXD and the digital twin platforms for project execution. These allow the automation of engineering processes and everything about a project facility.

SOCIAL

- McDermott contributes to community development by creating site-specific strategies to build local training capacity, employ local residents, and promote opportunities for local and diverse businesses in its supply chain. These strategies support four UN Sustainable Development Goals (SDGs): No Poverty (SDG 1), Quality Education (SDG 4), Decent and Economic Growth (SDG 8), and Reduced Inequalities (SDG 10).
- McDermott is actively collaborating with Monash University to develop the next generation of talent through a virtual internship initiative. With a focus on fostering collaboration and helping students gain a deeper insight into sustainability within the marine sector, the company is supporting two projects and works with students based in Malaysia, Australia and the UK, all locations which have a McDermott presence.



McDermott's progress in 2022 in the company's effort to achieve its sustainability goals.



MAHESH SWAMINATHAN Senior Vice President (Subsea & Floating Facilities)

Sustainability is at the core of our business, driving our decisions and shaping our practices in Malaysia and beyond. We do this, for our people, our communities, and the world.

- Over the last 10 years, McDermott globally has maintained a Total Recordable Incident Rate (TRIR) below the industry average. In 2022, its TRIR was 0.13—well below.
- For 2023, McDermott's global social responsibility targets include:
 - Local content is considered excellent at 75% of significant sites* (significant sites are valued at US\$1 billion or more).
 - Signature social investment programs are implemented at 80% of significant sites.
 - 100% participation in human rights due diligence for significant sites.

GOVERNANCE

• All stakeholders, including employees, contractors, suppliers, and community members, are encouraged to report concerns, questions, or suspected violations of McDermott's Code of Business Conduct through an independent, third party maintained Ethics Helpline. The Ethics Helpline is available 24/7, with translation and interpretation support in more than 30 languages.



SLB'S THREE-PRONGED ESG CAMPAIGN FOR A MORE BALANCED PLANET



GLOBAL CORPORATE HO

Houston, Texas, United States

BUSINESS

Energy services and equipment: seismic data processing, formation evaluation, well testing and directional drilling, well cementing and stimulation, software and information management, carbon capture and storage, geothermal, greenery, hydrogen, Lithium



UN GLOBAL Compact member



ESG INITIATIVES

Yes

Climate action: Commitment to Net Zero Decarbonising Customer Operations New Energy

People:

Creating In country Value Respecting Human Rights Promoting Diversity, Equity, and Inclusion

Nature:

Safeguarding Biodiversity Protecting Natural Resources Enabling Circularity



ESG REPORT

SLB Sustainability Report 2022



YEAR INVESTED IN GREATER KL

1935, Kuala Lumpur, Malaysia



SLB is a global technology company driving energy innovation for a balanced planet. We are focused on innovating in oil and gas, scaling new energy solutions, delivering digital at scale and decarbonising industry, to accelerate progress in a complex energy transition.

SLB has been operating in East Asia for more than 85 years. Its operations in the region began in 1935 in Malaysia, when SLB engineers and equipment arrived from France to perform measurements on Sarawak oil wells.

Today, SLB collaborates with customers, suppliers and peers in delivering measurable social and environmental progress. Its sustainability goals are distilled into three priority areas: Climate Action, People, and Nature.

ENVIRONMENT

- SLB is committed to achieve net zero emissions across all three scopes by 2050, with
 interim targets in 2025 and 2030. As well as addressing our own emissions, SLB is also
 supporting our customers with technology and innovation to help their decarbonization
 journey. Initiatives from the SLB East Asia roadmap focus on transition technologies for our
 customers, reducing power consumption, educating the workforce on energy conservation
 best practices, to promote behavior change, implementing renewable energy solutions at
 sites such as manufacturing plants and key operational bases in East Asia.
- SLB has introduced the Transition Technologies portfolio to help customers reduce their Scope 1 emissions while in turn enabling SLB to meet its Scope 3 emissions targets. SLB has developed an impact quantification methodology to calculate customer avoided emissions which allows us to recognize the value we provide for our customers. Globally, using our impact quantification methodology, our TransitionTechnologies[™] saved more than 700,000 metric tons of CO2e emissions for our customers' operations in 2022. This portfolio aims at reducing emissions by addressing industry priorities such as methane emissions, flaring reduction, electrification etc.
- SLB has identified three significant key nature priorities for its operations: safeguarding biodiversity, protecting natural resources, and enabling circularity. Its efforts are centered around managing operations to minimize the impact on local ecosystems, reducing natural resource consumption and emissions and enabling circularity through responsible resource procurement and promoting longevity of product use.
- In East Asia, SLB has many initiatives aligned with these efforts such as: rainwater harvesting for facility use (water circularity), repurposing of drilling cement for facility usage, tree planting campaigns, and beach cleaning projects with local communities, removal of single use items etc.



MENG KEONG LEE Managing Director East Asia

In Malaysia and by extension for the East Asia region we are focused on operationalising our sustainability efforts. By operationalizing sustainability, we seek to drive alignment of business decisions with our sustainability objectives, where consistent, timely and detailed data is needed and have sustainability embedded in our processes.





SOCIAL

- We put people first by acting ethically, respecting human rights, keeping people safe, building a more diverse and inclusive workplace, driving positive social and economic outcomes, and managing our approach to climate change and energy transition in a fair and socially inclusive way.
- Creating in-country value is a key component of SLB's people-first strategy and can be seen in its work to build competencies of the future in its East Malaysian workforce by: actively working to increase local workforce in Sarawak and Sabah, constantly refreshing its target university pool to diversify the workforce, training where they work, sourcing from local suppliers and, creating regional technology strategies.
- Engagement on sustainability priorities is integrated into SLB's supplier communication plans and often works most effectively through a blend of different channels including tender process, kickoff meetings, business reviews, training etc.
- SLB sustainability engagement efforts focus on continuously improving suppliers' performance in relation to worker welfare, health, safety and environmental performance and goals to reduce the company's GHG emissions and support GHG emissions reduction for SLB customers.
- SLB conducts routine audits of critical suppliers, which may incorporate supplier performance, finance, contract, HSE (Health, Safety, and Environment), quality, ethics and compliance components including human rights, and labour questions.
- All potential suppliers are informed of SLB's Supplier Disclosure policy to better manage the environmental footprint of its supply chain. This policy includes education and encouragement for suppliers on its own journey towards a low carbon economy via the CDP Supply Chain programme.

GOVERNANCE

 Our sustainability reporting is aligned with key sustainability frameworks, including the Sustainability Accounting Standards Board (SASB), Task Force on Climate-Related Financial Disclosures (TCFD), and United Nations Sustainable Development Goals (SDGs) and Guiding Principles. We use these standards to drive added value for our stakeholders through our sustainability performance measurements and disclosures in the areas of economic, environmental, and social impact. We have embedded the management of sustainability risks and opportunities at all levels of our company, including robust and effective Board oversight. An important part of our governance framework is our enterprise risk mapping program that identifies material risks that could impact our strategy. In 2022, we conducted an Al enabled assessment of potential ESG risks and stakeholder concerns. Our executive management team is responsible for the development and implementation of our sustainability strategies and programs, with the oversight of our Board and its committees. 91% of the Board at year-end 2022 self-identified having substantial knowledge, skills, or experience in energy transition and sustainability matters.

VEOLIA WATER TECHNOLOGIES -RESOURCING THE WORLD WITH **INNOVATIVE WATER SOLUTIONS**



GLOBAL CORPORATE HO Paris, France



RUSINESS Water and Waste Management



UN GLOBAL COMPACT MEMBER Yes



ESG INITIATIVES Impact 2023 programme The Veolia Foundation The Veolia Institute

Veolia

ESG REPORT



2022 YEAR INVESTED IN GREATER KL

Integrated Report

Bangsar, Kuala Lumpur



Although an estimated 70% of the Earth's surface is covered by water, fresh water for consumption and agriculture and industrial needs is a finite resource with growing demand. The resulting water scarcity is a growing global problem as economies expand and populations increase.

Veolia Water Technologies, a subsidiary of the Veolia Group, specialises in water treatment technologies and services for sustainable development. The company is committed to supporting UN Sustainable Development Goals (UN SDGs) as part of its business operations. This includes supporting SDG 6 Clean Water and Sanitation and SDG 13 Climate Change, by providing clean and safe drinking water and Environmentally conscious wastewater treatment to support sustainability.

OBJECTIVES AND ASSOCIATED INDICATORS	2019 Reference	2020 RESULTS	2021 RESULTS	2022 RESULTS	2023 Target
HUMAN RESOURCES PERFORMANCE					
Employee commitment Rate of engagement of employees, measured through an independent survey	84%	87%	87%	89%(1)	≥80%
Safety at work Lost time injury frequency rate	81.2%	6.60	6.65	5.61	5
Employee training & employability Average number of training hours per employee per year	18h	17h	21h	26h	23h
Diversity Proportion of women appointed among Executive Resources from 2020 to 2023 ⁽²⁾	NA	28.3%	30.4%	30.3% ⁽¹⁾	50%
ENVIRONMENTAL PERFORMANCE					
Combination dimate change Reducing GHG emissions: progress of the investment plan to phase-out coal in Europe by 2030	NA	81% of investment to be achieved	17% of investment to be achieved	30% of investment to be achieved	30% of investment to be achieved ⁽⁴⁾
Avoided emissions: annual contribution to avoided GHG emissions (assessed with regard to a reference scenario) - EF IEA 2013 ⁽⁶⁾⁽⁶⁾	12.1 million metric tons of CO2 eq	12.5 million metric tons of CO ₂ eq	12.4 million metric tons of CO ₂ eq	14.1 million metric tons of CO ₂ eq	15 million metric tons of CO ₂ eq
Circular economy: plastic recycling Volume of recycled plastic in Veolia transformation plants ⁽⁷⁾	350 thousand metric tons	391 thousand metric tons	476 thousand metric tons	490 thousand metric tons	610 thousand metric tons
Protection of environments and biodiversity Progress rate of action plans aimed at improving the environment and biodiversity footprint in sensitive sites ⁽⁸⁾	NA	1.7%	30%	66%	75%
 Sustainable management of water resources Efficiency of drinking water networks⁽⁹⁾ (volume of drinking water consumed/volume of drinking water produced) 	72.5%	73.4%	75.6%	76.3%	75%
ENVIRONMENTAL PERFORMANCE					
Job and wealth creation in the territories Socio-economic footprint of Veolia's activities in the countries where the Group operates, with regard to jobs supported and wealth created	NA	1,105,388 jobs supported €51 billion of added value created in 51 countries	1,033,623 jobs supported €49 billion of added value created in 52 countries	1,147,238 jobs supported €53 billion of added value created in 50 countries	Annual assessment of impacts, overall and by geography in at least 45 countries
• Ethics and compliance Rate of positive answers to this question of the engagement survey "Veolia's values and ethics are put into practice within my entity"	92% of Top 5000	83% of all respondents	84% of all respondents	85% of all respondents	≥80% of all respondents
 Access to essential services (water and sanitation) Number of inhabitants benefiting from inclusive measures for access to water or sanitation within contracts 	5.71 million inhabitants	5.71 million inhabitants	5.71 million inhabitants	5.71 million inhabitants	5.71 million inhabitants

source: Veolia Integrated Report 2022-2023 (page 59-60)

35 esgs cxc case studies



OLIVIER ESTIENNE Country Director

The past few years, some parts of Malaysia such as Klang Valley and Johor have been gripped by water disruptions and pollution. In hopes of improving the water security of our nation, we are keen on building more conversations around water stewardship by sharing our best practices from across the globe with local industrial players as well as public authorities.

The Veolia Group has a diverse set of Corporate Social Responsibility initiatives focusing on climate change, environment and development via its Veolia Foundation and Veolia Institute.

The group understands that its success in environmental business areas is only possible through committed Governance. It formed a Purpose Committee in 2021 to monitor and drive Veolia's purpose of Ecological transformation.

In Malaysia, Veolia Water Technologies is keen on building more conversations around water stewardship by sharing its best practices from across the globe with local industrial players as well as public authorities.

- 2012: Veolia Water Technologies was selected by Felda to deliver a biogas plant to treat the effluents of the Serting Hilir palm oil mill. The plant captures the gas emitted from the treatment process and generates about 1.2 megawatts (MW) of electricity per hour for its own operations and the local electricity grid.
- The high-efficiency system installed by Veolia has a chemical oxygen demand (COD) removal above 85% and can treat 770 m3 /day of palm oil mills effluents, operating with a capacity of 60 tonnes per hour of Fresh Fruit Bunches (FFB).
- 2014: Veolia Water Technologies won a 20-year concession agreement for wastewater treatment and recycled water supply in the Tun Razak Exchange (TRX). This involved the construction of Malaysia's first water recycling plant, estimated to recover at least 80% of the expected 3.8 million cubic metres of sewage generated yearly for reuse, consequently reducing site-wide fresh water demand by more than 50%.

The wastewater treatment plant will be a key component of TRX's sustainability framework, supplying recycled water and cutting water demand by more than 50% and is in line with TRX's objective to establish a state-of-the-art green business district.

 2022: Swedish healthcare products manufacturer Mölnlycke launched its RM233 million new surgical glove manufacturing plant located at the Kulim Hi-Tech Park, Kedah, which was constructed in partnership with Veolia Water Technologies and global energy and services group ENGIE.

Veolia's digitalised water management solutions are expected to reduce the plant's water consumption by 50%, potentially further reducing it by 30% when it is fully operational in 2026.

As a green technology company committed to ecological transformation, Veolia Water Technologies has been enabling industrial and municipal clients in achieving sustainability targets through proprietary technologies necessary to deliver consistent ultrapure water, compliant wastewater, as well as to reclaim and reuse water. Veolia helps clients achieve their sustainability targets by offering services such as its Full Water Cycle Audit, including digital monitoring solutions, by:

- Mapping out current water footprint and the water cycle.
- Identify water reclamation and recycling opportunities.
- Risk evaluation and red flagging for water security and regulatory compliance.
- Reporting sustainable manufacturing KPIs concerning water, energy and chemical consumption.

Veolia Water Technologies is committed to moving forward with its stakeholders across Greater KL and Malaysia — industry and agriculture, local and national authorities, NGOs, individuals and citizens — to achieve sustainability by delivering purified water, compliant wastewater and the ability to reclaim and reuse water.





ESGS CXC CASE STUDIES

38

SHAPING A SUSTAINABLE FASHION ECOSYSTEM WITH **ZALORA**



GLOBAL CORPORATE HO Singapore (part of the Global Fashion Group)



BUSINESS

Online e-commerce fashion and lifestyle platform



UN GLOBAL COMPACT MEMBER



ESG INITIATIVES



ESG REPORT GFG 2022 Sustainability Report 2020 Sustainability Report



YEAR INVESTED IN GREATER KL

KL Eco City, Kuala Lumpur



Not everyone needs a car, a television, a laptop or the latest iPhone. But almost everyone needs to wear clothes, and the apparel industry was estimated to bring in US\$1.53 trillion in global revenue in 2022.

Every new season, every Black Friday, consumers are flooded with new fashions and encouraged to buy more, throw away and move on. This has resulted in a waste crisis where it is estimated a truckload of clothes or textiles is dumped in a landfill or incinerated every second.



GUNJAN SONI CEO

In line with GFG's global sustainability strategy, we established ZALORA's sustainability strategy in 2020, and we've been encouraged by the deepening impact of our initiatives across Southeast Asia's fashion ecosystem, particularly in helping customers make more sustainable fashion choices

ZALORA, part of the Global Fashion Group (GFG), is one of Southeast Asia's leading e-commerce fashion platforms, with a strong regional presence, especially in Hong Kong, Indonesia, Malaysia, the Philippines, Singapore and Taiwan.

Following a survey of ZALORA customers that revealed that 90% of participants are interested in shopping for sustainable products, ZALORA assessed its operations and supply chain in environmental impact terms. ZALORA established its five-year Sustainability Strategy in 2020 and launched its inaugural Sustainability Report in 2021. The strategy sets forth ambitious areas covering all aspects of its business based on the four pillars of Ethical Sourcing, Environmental Footprint, Sustainable Consumption, and Responsible Workplace & Community Engagement.

ENVIRONMENT

- As of December 2022, 91% of ZALORA's directly purchased packaging is made from more sustainable materials, including 100% responsibly sourced cardboard boxes, 100% responsibly sourced paper and honeycomb fillers replacing bubble wrap, plastic courier bags made from 80% recycled content and garment bags made from 60% recycled content.
- Introduced Earth Edit, the platform's sustainable shopping option, where products are made using at least one material or process that is better for people or the environment or is from a brand making contributions to impoverished or vulnerable communities. By end-2022, Earth Edit offered more than 180,000 products and contributed to 12% of ZALORA's sales.
- Piloting a supplier engagement module to collect consumption data from manufacturing and logistics suppliers to improve data accuracy on carbon emissions from ZALORA's operations.



ZALORA collaborates with the Salvation Army (TSA) Malaysia for Clothes Re:Newed programme in October 2022



SOCIAL

- Partnered with The Salvation Army (TSA) Malaysia in October 2022 for a clothing donation
 programme called Clothes Re:Newed. Consumers help the environment by diverging old
 clothing from landfills and reducing resource use through reuse or recycling. The programme
 also helps fund TSA's charitable causes and social programmes. Within three months,
 ZALORA had after the launch in October 2022, ZALORA had collected nearly 300 kg of used
 fashion items from its customers.
- Appointed an Ethical Sourcing Manager to lead the social compliance audit programme for Zalora's private label factory and drive the evolution of ZALORA's sustainability programmes in the supply chain including labour service providers, grievance mechanisms, living wages, material traceability, sustainable packaging and worker training.
- Continuously identifying community and charitable causes and establishing partnerships to support these causes.

GOVERNANCE

- Educating and training factory partners to meet ZALORA's ethical trade standards, as well as conducting regular social compliance audits.
- Commitment to transparency in reporting and taking required remedial actions to resolve issues discovered.
- Achieved ISO 37001 Anti-Bribery Management Systems certificate in 2022.

Driving these and many more future initiatives is a team of dedicated sustainable talents: Arvind Devadasan (Head of Sustainability), Jasmine Peng (Ethical Sourcing Manager), Rachel Wong (Sustainability Associate Manager), Amelia Ismar (Sustainability Executive), and Eva Poon (Community Engagement Executive).

By pursuing commitments and concrete targets, ZALORA hopes to influence customers and stakeholders towards a shift in Malaysia and Southeast Asia towards embracing sustainable fashion.





InvestKL is the investment promotion agency for Greater Kuala Lumpur (Greater KL) under the Ministry of Investment, Trade and Industry (MITI). Guided by the National Investment Aspirations (NIA) framework, InvestKL attracts and facilitates the establishment of global services hubs by the world's leading companies. As a holistic partner, InvestKL is involved in every stage of the investment process, from a partner in early project implementation to post-investment services. InvestKL supports Malaysia's ambition to become a technologydriven green nation through quality investments, transfer of knowledge, and the creation of high-skilled executive jobs for Malaysians.

Start your investment journey with us.

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Let's Talk About Responsible Business

