

PLUS' UNGC Communication of Progress (COP) 2022

September 2021 – 2022 Period



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5	Advancing the United Nations Sustainability Development Goals in PLUS

14 September 2022

Dear stakeholders,

Our mission at PLUS Malaysia Berhad (PLUS) is to connect communities to shape a safe and sustainable future. We operate a highway spanning over 1,130 km facilitating economic activities throughout Peninsular Malaysia, hence we play a significant role in driving sustainable practices in the ecosystem. We firmly believe and are committed to conduct our business and operations in an environmentally conscious and socially responsible manner, while upholding good governance.

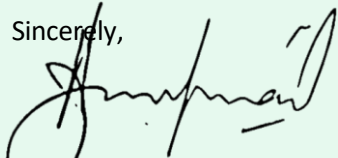
We have embedded sustainability thinking by identifying and integrating 25 Material Matters covering Environmental, Social and Governance aspects into our business planning and daily operations. These Material Matters are aligned to UNGC's ten (10) principles and United Nations Sustainable Development Goals (UNSDG) which place us in a better position to understand stakeholders' requirements and steer the organisation towards sustainable future for all.

In this Communication of Progress (COP), we intend to provide the readers with an understanding of our operational footprint and assets, as well as address key pertinent areas to UNGC and UNSDG. We have selected to highlight four (4) Material Matters namely Energy Management, Air Pollution, Labour Rights & Practices and Ethics & Integrity, in which we showcase our progress, aspirations and achievements. In the final section of the COP, we take the opportunity to demonstrate the opportunities that we have capitalised on by integrating UNSDG into our business and operations.

As we progress further in our sustainability journey, we welcome support from our stakeholders in order for us to realise greater accomplishments for a better future.

We welcome your views on the progress thus far.

Sincerely,



DATUK AZMAN ISMAIL
Managing Director,
PLUS Malaysia Berhad

Headquarters: Menara Korporat, Persada PLUS, Persimpangan Bertingkat Subang
KM15, Lebuhraya Baru Lembah Klang, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia



PLUS' Headquarters (Persada PLUS) is powered by 442.08kWp solar photovoltaic (solar PV) systems as part of our sustainability efforts in reducing CO₂ emissions.



PLUS' Local Community Business Partners at Bukit Gantang RSA, a testament of our commitment towards economic empowerment.



Overview of PLUS Malaysia Berhad's Business & Operations (1/2)

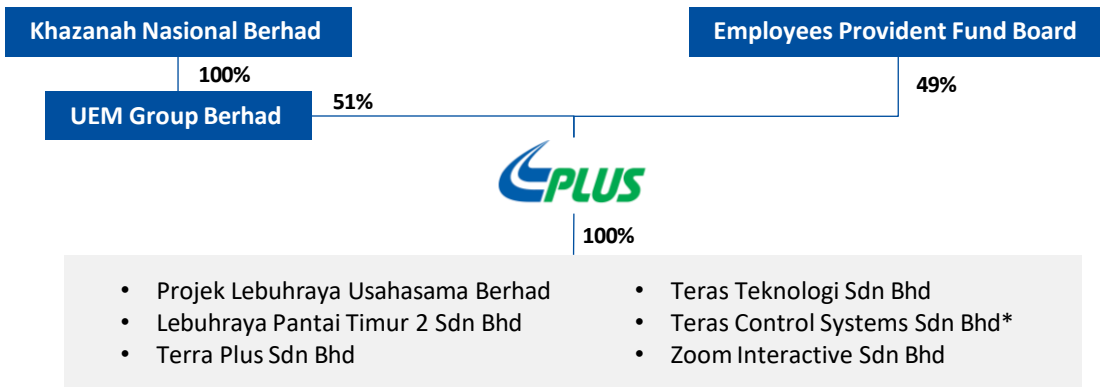
Introduction to PLUS Malaysia Berhad

- PLUS Malaysia Berhad (PLUS) was incorporated on 29 November 2010 and is the **largest tolled expressway operator in Malaysia and one of the largest in Southeast Asia**. PLUS has been the essential source of transportation in peninsular Malaysia, with a **footprint covering 9 states, 2 federal territories spanning over 1,130km**, and is dubbed as the 'backbone' of Peninsular Malaysia.
- As the largest toll expressway operator in Malaysia, PLUS is committed on a path of sustainable growth by balancing profitable growth and social and environmental responsibilities through provision of safe transportation of goods & services, enabling job creation and ensuring freedom of movement for all citizens.

Our Highways

- | | |
|---|---|
| 1 North-South Expressway (NSE) | 5 Penang Bridge (PB) |
| 2 New Klang Valley Expressway (NKVE) | 6 North-South Expressway Central Link (ELITE) |
| 3 Seremban-Port Dickson Highway (SPDH) | 7 Butterworth-Kulim Expressway (BKE) |
| 4 Malaysia-Singapore Second Crossing (Linkedua) | 8 Kuala Terengganu – Jabor (LPT2) |

Our Corporate Structure



*note: 100% subsidiary of Teras Teknologi Sdn Bhd

Our Customer Journey

- 1 Toll Plaza CCTV
- 2 High Mast Lighting
- 3 Street Lighting
- 4 PLUS Ronda Patrol Vehicle
- 5 Variable Messaging Sign
- 6 Speed Limit Road Sign
- 7 Directional Signage
- 8 Motorcycle Shelter
- 9 Vista Point
- 10 UAV Drone (first stage trial)
- 11 Highway CCTV
- 12 TMC Emergency Telephone
- 13 Rest Service Area/Over Bridge Restaurant/Lay-By
- 14 Landscaping
- 15 PLUS Mobile App

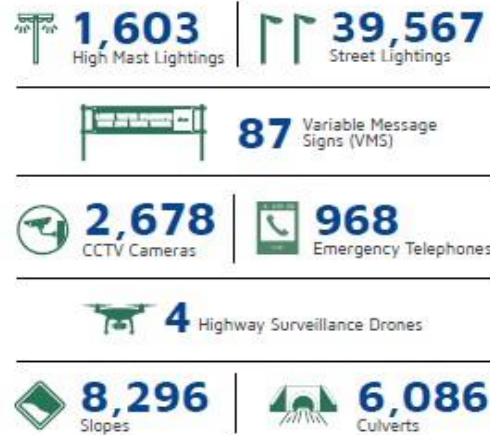


Our Infrastructure and Activities

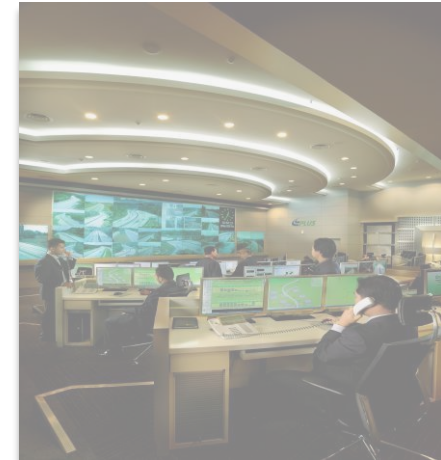
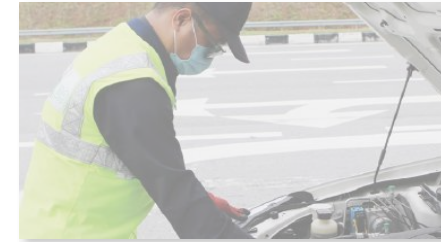
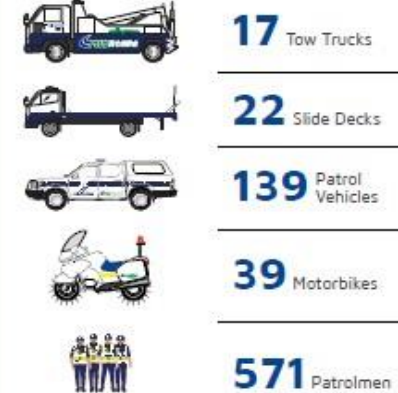
Facilities



Assets



Patrolling Services



Integration of PLUS' ESG Agenda with UNGC Principles & UNSDG

Out of our 25 Material Sustainability Matters, we have selected four (4) to be highlighted in our inaugural Communication of Progress (COP) to UNGC. Details of each Material Sustainability Matter are highlighted in the following pages of this submission.

ESG Factors	Environmental	Social		Governance
Material Matters	<ol style="list-style-type: none"> Energy Management Air Pollution (GHG Emissions) Water Management Waste Management Sustainable Materials Ecological Impact 	<ol style="list-style-type: none"> Road Safety Traffic Congestion Management Occupational Safety & Health Infrastructure Development Customer Experience Branding and Reputation Agile Workforce 	<ol style="list-style-type: none"> Labour Rights & Practices Human Capital Development Digitalisation and Innovation Bumiputera Empowerment Supporting Fence Line Communities Fair & Efficient Procurement Practices 	<ol style="list-style-type: none"> Financial Management Compliance to Laws/ Regulations Responding to Crisis and Emergency Risk Management Ethics & Integrity Data Security
UNGC Areas	Environment	Human Rights	Labour	Anti Corruption
UNGC Principles	<ol style="list-style-type: none"> Support a precautionary approach to environmental challenges; Undertake initiatives to promote greater environmental responsibility; Encourage the development and diffusion of environmentally friendly technologies. 	<ol style="list-style-type: none"> Support and respect the protection of internationally proclaimed human rights; and Make sure that they are not complicit in human rights abuses; Uphold the freedom of association and the effective recognition of the right to collective bargaining; Eliminate all forms of forced and compulsory labour; Effective abolition of child labour; and Eliminate discrimination in respect of employment and occupation. 	<ol style="list-style-type: none"> Work against corruption in all its forms, including extortion and bribery. 	
Selected Material Matters for Communication	<ol style="list-style-type: none"> Energy Management Air Pollution – Greenhouse Gas Emissions 	<ol style="list-style-type: none"> Labour rights and practices – Human Rights Risk Assessment (HRRA) & Policy 		<ol style="list-style-type: none"> Ethics & Integrity – our commitment towards anti bribery & corruption
Selected Mapping to UNSDG				

PLUS' ASPIRATION

To achieve energy savings of 3% annually and 15% from 2018 – 2022, compared to our 2016 Greenhouse Gas (GHG) Baseline Assessment Report, by adopting green technologies and practices through the Energy Pyramid approach.

UNSDG ALIGNMENT



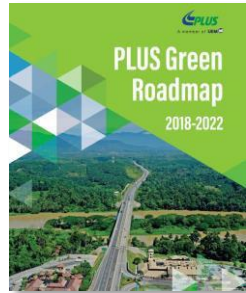
Ensure Access to Affordable, reliable, Sustainable and Modern Energy For All
Accelerate our efforts to significantly improve energy efficiency and considerably increased our investments in harvesting renewable sources of energy.



Take Urgent Action to Combat Climate Change and Its Impact
Incorporate sustainability factors in our strategies & operations to increase our effort to reduce the impacts of climate change.

UNGC PRINCIPLE

1. Support a precautionary approach to environmental challenges;
2. Undertake initiatives to promote greater environmental responsibility;
3. Encourage the development and diffusion of environmentally friendly technologies



PLUS Green Roadmap 1.0

Our environmental sustainability journey is governed by the PLUS Green Roadmap 1.0 (2018 – 2022) which addresses key challenges in meeting the growing needs of the transport sector while growing sustainably, reducing our carbon footprint and staying competitive throughout the journey.

Energy Pyramid

Our Energy Pyramid outlines three (3) category of approaches, providing a guide in assessing the different dimensions that the organisation can consider in its efforts to optimise energy consumption.



Energy Management Standards

We adhere to the following standards to guide our efforts in energy usage.

- ✓ MS 1525 : 2019 Energy Efficiency and Use of Renewable Energy for Non-residential Buildings
- ✓ ISO 50001 : 2001 Energy Management System
- ✓ ASEAN Energy Management Scheme (AEMAS)
- ✓ ISO 14001 : 2018 Environmental Management System

Awards & Recognition



Winner of the Energy Management for Large Building category at the National Energy Awards 2020



1st runner-up of the ASEAN Energy Awards 2020 for Energy Management (Large Building category)

Progress



29,000+
LED lights retrofitted since 2018

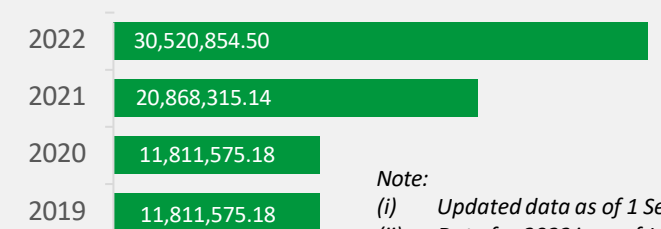


1,000+
Air-conditioning units upgraded since 2018

Energy Savings



Savings from energy saving initiatives (kWh / year)

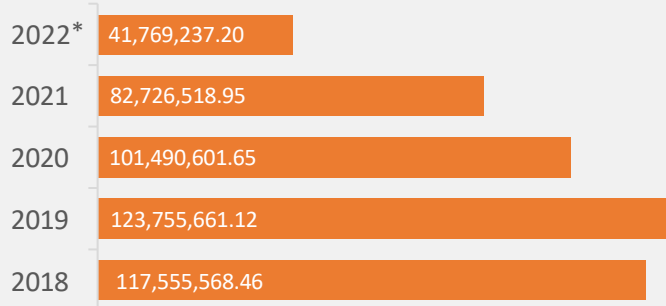


Note:
(i) Updated data as of 1 Sept 2022.
(ii) Data for 2022 is as of June.

Energy Consumption



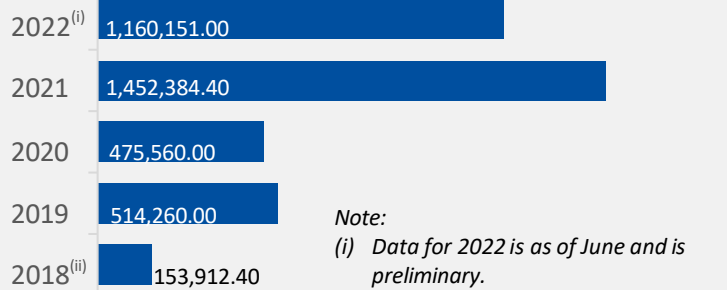
From utility providers (kWh)



*Note: Data for 2022 is as of June and is preliminary.



From solar photovoltaic (PV) (kWh)



Note:

(i) Data for 2022 is as of June and is preliminary.

(ii) Solar PV commissioned in Sept. 2018.

7 Rest & Service Areas (RSAs) fitted with solar PV panels, giving back 368,919.00 kWh of power to the national grid.



Scan this QR to view our video on solar-powered RSAs along the highways.

Selected Energy Management Initiatives

Initiatives	Annual Savings (kWh)	Emissions Savings (tCO ₂)
Retrofitting of LED lights	26,837,315.13	18,625.10
Installation of solar photovoltaic (solar PV) systems	2,717,304.00	1,885.81
Replacement of air-conditioning inverters to reduce power output	271,938.01	188.72
Installation of motion sensor lighting to prevent lights from being left on unnecessarily	76,860.00	53.34
Removal of lamps to reduce over-lighting (delamping)	23,105.00	16.03

Utilising Technology Systems to Manage Our Energy (not limited to)

PLUS MyUtilities Portal



Centralised data collection platform to track, record & analyse monthly utilities consumption and cost

Building automation System (BAS)



Energy efficient controlling system that monitors building's electrical & mechanical functions to optimize supply & usage

Energy Monitoring System (EMS)



Displays electricity consumption trends, enabling rectification action to be taken in preventing potential energy wastage

Smart Asset Management System (SAMS)



Digitalises maintenance work processes by enabling on-field access to asset historical data & real-time performance monitoring

PLUS' ASPIRATION

Measure and reduce air pollution (including Greenhouse Gas (GHG) emissions) generated from our operations and advocate for the provision of green infrastructures along our highway.

UNSDG ALIGNMENT



Ensure Access to Affordable, reliable, Sustainable and Modern Energy For All
Accelerate our efforts to significantly improve energy efficiency and considerably increased our investments in harvesting renewable sources of energy.



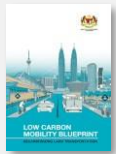
Take Urgent Action to Combat Climate Change and Its Impact
We incorporate sustainability factors in our strategies & operations to increase our effort to reduce the impacts of climate change.

UNGC PRINCIPLE

1. Support a precautionary approach to environmental challenges;
2. Undertake initiatives to promote greater environmental responsibility;
3. Encourage the development and diffusion of environmentally friendly technologies

Alignment with National Policies & Plans

- We aspire to reduce air pollution in-line with the plans and frameworks introduced as part of Malaysia's national agenda in advancing green growth.



Low Carbon Mobility Development Plan (LCMB)

- Entails the energy and GHG reduction plan within the transportation sector
- Focus Area B - Usage of EVs, Action Plan 3.4 is to ensure EV charging infrastructure is adequate for consumer use



Green Technology Master Plan Malaysia 2017–2030

- To strengthen framework institutionalization in providing a conducive environment for the development of green technology
- Intensify green technology research and innovation



The 12th Malaysia Plan

- Anchored to the main theme of increasing sustainability initiatives
- Highlights the shared responsibility in moving towards a low carbon nation through smart mobility including electric vehicles

PLUS Green Roadmap 2.0

- PLUS Green Roadmap 1.0 (2018-2022) was rolled out to map our pathway in addressing key challenges in meeting the growing needs of the transport sector while growing sustainably.
- As a demonstration of continued efforts in transforming into a green organisation, we are currently developing PLUS' Green Roadmap 2.0 (2022 and beyond) in collaboration with Malaysian Green Technology and Climate Change Corporation (MGTC).

Scope

- Review of PLUS Green Roadmap 1.0, highlighting achievements and areas for enhancements.
- Formulate action plans and initiatives for environmental Material Matters.
- Provide technical capacity building, understanding & knowledge transfer.
- Strengthening data collation mechanism for calculation of GHG emissions (Scope 1, 2 & 3).
- Emission projections and reduction requirements to achieve net zero.

Expected Outcome



- PLUS Net Zero target.
- Mitigation pathways and action plans.
- Prioritization of initiatives for environmental Material Matters.

Collaboration to Mitigate GHG Emissions within our Operations

- We are committed to explore opportunities and collaborate with the following parties to reduce air pollution within our operations.



Malaysian Green Technology and Climate Change Centre (MGTC)



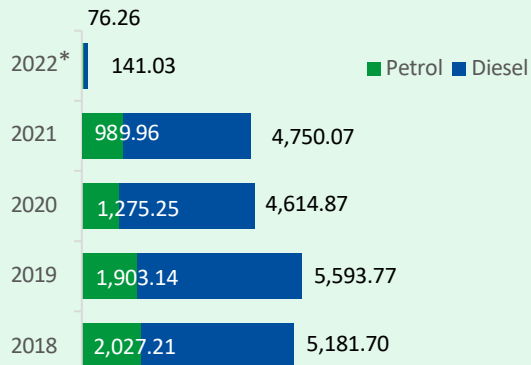
United Nations Industrial Development Organisation



Global Environment Facility (GEF-5)

Scope 1 GHG Emissions

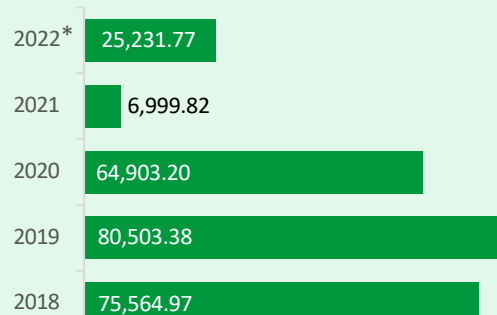
Type of input: Pooled vehicles and PLUSRonda Vehicles
Unit: Metric Tonne (1,000kg) of CO₂ equivalent



*Note: Data for 2022 is as of June and is preliminary.

Scope 2 GHG Emissions

Type of input: Electricity consumed from utility provider
Unit: Metric Tonne (1,000kg) of CO₂ equivalent



*Note: Data for 2022 is as of June and is preliminary.

EV Charging Stations to Facilitate Green Mobility for our Highway Customers

- We have outlined mitigation actions to reduce GHG emissions by promoting the expansion of the nationwide ChargeEV network.



33 Units

Electric Vehicle Charging Stations installed at 31 locations throughout our highways

➤

6

Solar Powered units at RSA

27

Units at Petrol Stations

- We have established our EV Charging Station Masterplan (2022 – 2025), outlining targets and action plans to increase the installation of EV Charging Stations along our highways, covering the Northern, Central & Southern regions and Lebuhraya Pantai Timur 2 (LPT2) in the East Coast.
- Based on the estimation made in our Masterplan, there will be approximately 24,000 registered Battery Electric Vehicles (BEVs) in Malaysia by 2025. In meeting the future increase in charging capacity demand, we aim to facilitate the installation of 100 EV charging stations along our highways.



Aerial view of Solar PV system installed at Machap RSA Northbound



Solar EV Charging station at Ayer Keroh Overhead Bridge Restaurant (OBR)

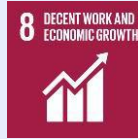
Scan this QR to view our Green Roadmap & EV Charging video



PLUS' ASPIRATION

Uphold good labour practices and ensure the rights of PLUS personnel, contractors and sub-contractors are protected.

UNSDG ALIGNMENT



Promote Sustained, Inclusive and Sustainable Economic Growth, Full and Productive Employment and Decent Work For All

Provide fair and reasonable work for all PLUS personnel regardless of their gender, race or any disabilities. Promote the growth of MSMEs that we work with and provide development opportunities in areas of mutual interest.



Reduce Inequalities Within and Among Countries

Proactively reduce inequalities and promote inclusion irrespective of age, gender, disability. Increasing our roles to support the growth of the B40 of the population through targeted assistance and collaborations.



UNGC PRINCIPLE

1. Support and respect the protection of internationally proclaimed human rights; and
2. Make sure that they are not complicit in human rights abuses;
3. Uphold the freedom of association & the effective recognition of the right to collective bargaining;
4. Eliminate all forms of forced and compulsory labour;
5. Effective abolition of child labour; and
6. Eliminate discrimination in respect of employment and occupation.

Primary Guidance for HRRR

- Human Rights Risk Assessment (HRRR) is a globally recognised methodology to facilitate organisations in identifying potential human rights impacts on external & internal stakeholders arising from their business and operations.
- We have undertaken a HRRR exercise, guided by the following references:

- 1 Universal Declaration of Human Rights (UDHR)
- 2 UN Guiding Principles on Business and Human Rights
- 3 The Danish Institute on Human Rights
- 4 Global Compact Network Germany

PLUS Human Rights Dimensions

- As a socially responsible organisation, we strive to consistently drive, uphold & integrate human rights principles into our business and operations.
- We have identified seven (7) human rights dimensions (supported by 39 sub-areas) which serve as a guiding framework in our HRRR:



HRRR Rights Holders

- The HRRR encapsulates identification of human rights impacts to the following external & internal stakeholders:



HRRRA Stages and Outcomes

We conducted the HRRRA in the following 3 stages:

	Methodology	Stakeholders	Outcome	Respondents
Stage 1	Research, document review & online interviews	Management representatives of internal business functions	Identified the following: <ul style="list-style-type: none"> • Areas of business operations affecting Human Rights • Existing processes meeting Human Rights requirements • Areas for improvement 	 60+ Management representatives
Stage 2	Engagements, online survey, interviews & clarification sessions	PLUS personnel	<ul style="list-style-type: none"> • Identified areas of business operations affecting Human Rights • Formulated action plans and enhancements. 	 1700+ personnel
Stage 3	Questionnaire, online survey, interviews & clarification sessions	External Human Rights Holders (i.e. business partners, vendors, customers, etc.)	<ul style="list-style-type: none"> • Identification of potential areas where PLUS' ecosystem can affect Human Rights • Formulated action plans and enhancements. 	 600+ individuals/ parties



Engagement activities at HQ and Regional Offices

PLUS Human Rights Policy

We established a Human Rights Policy taking into consideration the following:

- 1 International good practice guidelines**, which include United Nations (UN) International Bill of Human Rights and International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work
- 2 Local laws & regulatory requirements**, which include the Malaysian Employment Act 1955
- 3 Benchmarked practices** of local and international highway companies, government-linked companies and organisations renown for leading human rights practices
- 4 Expectations from PLUS' key stakeholders**, taking feedback from Human Rights Risk Assessments
- 5 Existing PLUS policies, procedures and guidelines**

Human Rights Key Action Items

 Strengthen grievance mechanism	 Enhance awareness on bullying & harassment	 Increase safety measures at Rest & Service Areas	 Heighten community engagements
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PLUS' ASPIRATION

Embed ethics as a cultural fabric, with zero tolerance for misconduct, fraud and bribery, towards maintaining a bribery-free ecosystem

UNSDG ALIGNMENT



Promote Peaceful and Inclusive Societies for Sustainable Development, Provide Access to Justice For All and Build Effective, Accountable and Inclusive Institutions at All Levels

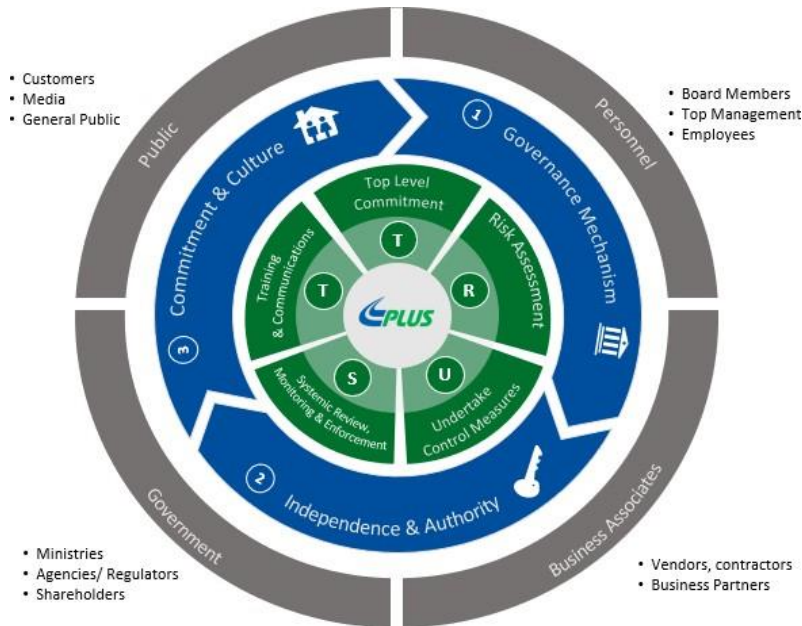
Undertake measures to be free from bribery and corruption via robust decision-making processes, due diligence and strengthened accountability and transparency.

UNGC PRINCIPLE

Work **against corruption in all its forms**, including extortion and bribery.

Our Integrity Ecosystem

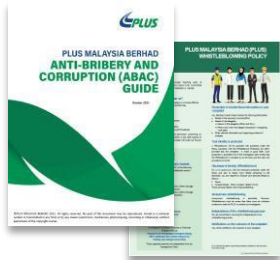
Our integrity practices anchor upon the concept of 'TRUST' introduced by the Prime Minister's Department in the Guidelines on Adequate Procedures Pursuant to Subsection (5) of Section 17A under the Malaysian Anti-Corruption Commission (MACC) Act 2009 (GAP).



Key Activities	Guided by PLUS' 10 ABAC Principles	
<ul style="list-style-type: none"> T Top Level Commitment R Risk Assessment U Undertake Control Measures S Systemic Review, Monitoring & Enforcement T Training & Communications 	1 Zero-tolerance position against all forms of bribery and corruption	
	2 Dealing with Business Associates & Government Officials	
	3 Declaring Conflict of Interest	
	4 No Gift Policy, subject to limited exceptions	
	5 Dealing with Facilitation Payments	
	6 No Hospitality, subject to limited exceptions	
	7 Dealing with Support Letters	
	8 Charitable Donations and Sponsorships	
	9 Conducting Due Diligence	
	10 Whistleblowing	
Key Enablers		
Governance Mechanism	Independence & Authority	Commitment & Culture

Top Level Commitment

- We developed an Anti Corruption and Bribery (ABAC) Guide and manual to be complied to by PLUS personnel and all parties engaging PLUS.
- We established a Whistleblowing Policy to enable the reporting of improper conduct, within PLUS, without fear of retaliation or reprisal.



Scan this QR to view our ABAC Guide



Scan this QR to view our Whistleblowing Policy

Risk Management

We have a comprehensive process to address key bribery risk exposures guided by, our Organisational Anti-Corruption Plan (OACP) as required by MACC. Periodic activities include the following:

- Perform enterprise-wide bribery risk assessment.
- Review business functions' SOPs to ensure that bribery risks are mitigated.
- Update existing controls and propose action plans for each functional bribery risk profile.

Undertake Control Measures

- In demonstrating our dedication towards uncompromising standards of ethics and integrity, PLUS obtained the ISO 37001 : 2016 Anti-Bribery Management System (ABMS) certification in June 2020.
- Two (2) of our personnel hold CeIO (Certified Integrity Officer) qualification.



Systematic Review, Monitoring & Enforcement

- In 2020, we introduced an Annual Mandatory Declaration as an avenue for PLUS personnel to make declarations on conflict of interest, giving & receipt of goods and hospitality via the Integrity Portal.



99.9%
Completed the mandatory declaration (as at 1H 2022)

Training & Communications

- Efforts to uphold ethics and integrity are further reinforced through multiple training, refresher and engagement sessions.

- 72** Refresher Trainings
- 137** New joineer Trainings
- 5** Engagement Sessions



Scan this QR to view our video on Anti Bribery and Corruption ("ABAC")

- All PLUS personnel are mandated to take the integrity pledge.
- 4,327 PLUS personnel (current & previous) have gone through Integrity training and signed the Integrity pledge.



Anti-Bribery and Corruption pledge led by our Managing Director, Datuk Azman Ismail, during PLUS Integrity Day 2020

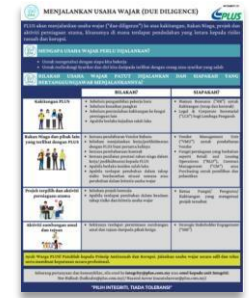
- We conduct regular engagement sessions with PLUS personnel across the country, our business partners and vendors.
- We leverage on our various communication channels including our internal platforms i.e. Let's Chat ("Jom Sembang"), buzz@PLUS and external platforms, website, social media to further engrained integrity best practices amongst our stakeholders.








Jom Sembang session conducted on bribery and anti-corruption



ABAC communication posters on buzz@PLUS



Opportunities Resulting from the Integration of UNSDGs into PLUS' Business & Operations

UNSDG	Selected Material Matters	Opportunities
 	<ol style="list-style-type: none"> 1. Energy Management 2. Air Pollution – Greenhouse Gas (GHG) Emissions 	<ul style="list-style-type: none"> • Increased energy self-sufficiency by leveraging on solar energy as alternative. • Energy savings (in kWh) and emission avoidance (in tCO₂) from green transformation initiatives. • Promote technology utilisation in energy management.
 	<ol style="list-style-type: none"> 3. Labour rights and practices – Human Rights Risk Assessment (HRRA) & Policy 	<ul style="list-style-type: none"> • Fair, safe & conducive work environment. • Secured grievance mechanism to report misconduct and foster trust. • Intensified advocacy and promotion of human rights best practices across value chain.
	<ol style="list-style-type: none"> 4. Ethics & Integrity – our commitment towards anti bribery & corruption 	<ul style="list-style-type: none"> • Heightened integrity and ethics awareness amongst PLUS personnel, promoting transparent and fair business practices. • Boost stakeholders' confidence and reputation. • Catalyst for strengthened integrity practices across the industry and ecosystem.

Integrating into PLUS' Business & Operations

We continuously seek guidance, feedback and collaborate with various stakeholders to improve our sustainability ecosystem amongst our business partners and vendors.



Reporting of sustainability progress & targets quarterly to the Top Management and Board.



Appointment of material matter sponsors and champions across the business to foster collaboration and accountability.



Aligning practices with shareholders' policy & national agenda.



Continuously seek guidance from UNGC, UNDP & the government.



Solicit feedback from our stakeholders through materiality assessments.



Closely collaborate with various governmental agencies and NGOs.



Conduct periodical awareness, communication, training programmes.

THANK YOU

We welcome your views / feedback on our journey thus far.
Kindly email us at sustainability@plus.com.my.

