MENTARI PRIMA

ESG COMPLIANCE ASSESSMENT · SAMPLE REPORT

# Cempaka Industries Bhd Compliance Gap Analysis, FY2025

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⚠ ILLUSTRATIVE EXAMPLE — MOCK DATA, NOT A REAL CLIENT REPORT

**Framework:** IFRS S1 (General Requirements) & IFRS S2 (Climate-related Disclosures)

**Company shown:** fictional composite for demonstration purposes only

**All figures:** synthetic, generated to illustrate report structure and depth

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# 1. Executive Summary

| 37.5% | 6 / 16 | 10 | 0 |
| --- | --- | --- | --- |
| COMPLIANCE SCORE | INDICATORS DISCLOSED | MISSING ENTIRELY | INTENSITY-ONLY (NEEDS ABSOLUTE FIGURE) |

This assessment reviews Cempaka Industries Bhd's ESG disclosures for 2025 against IFRS S1 (General Requirements) and IFRS S2 (Climate-related Disclosures), based on the company's most recently available reporting. Of 16 disclosure items assessed, 6 were found, 0 were reported only as an intensity ratio where an absolute figure is required, and 10 were missing entirely — an overall compliance score of 37.5%, reflecting early-stage alignment with significant gaps across multiple categories.

The sections that follow set out a prioritised action plan, a risk assessment, draft disclosure language for items already supported by data, a peer benchmark, and — unique to MENTARI PRIMA — a cross-referenced renewable energy opportunity assessment powered by our sister product Tenaga's solar irradiance forecasting engine.

Strongest: Energy & Resource Use (75%) | Weakest: Governance & Oversight (0%) | 7 business days, full engagement

| CATEGORY | DISCLOSED | COMPLETION |
| --- | --- | --- |
| Energy & Resource Use | 3 / 4 | 75% |
| Workforce & Safety | 1 / 2 | 50% |
| Emissions & Climate | 2 / 6 | 33% |
| Governance & Oversight | 0 / 5 | 0% |
| **Overall** | **6 / 16** | **37.5%** |

# 2. Methodology

This assessment was prepared using a two-pass automated extraction process. The first pass reads the full content of all source documents supplied (utility bills, fuel purchase records, waste manifests, water withdrawal logs, workforce headcount records) and extracts every disclosure item defined under IFRS S1 and IFRS S2. The second pass performs a targeted verification search specifically for any item not found in the first pass, checking the source documents again before concluding an item is genuinely absent rather than simply missed.

Figures are extracted directly from source documents and, where explicitly authorised by a named, verified methodology (for example, Malaysia's published grid emission factor for Scope 2 electricity), converted from a raw activity figure into the required unit. Any such calculated figure is clearly marked as calculated, not directly reported. No figure is estimated or assumed where the source data does not support a specific, verifiable calculation.

**This assessment is based solely on the documents supplied and does not constitute an independent audit or assurance engagement.** Compliance scoring reflects disclosure completeness against the stated framework, not the accuracy of the underlying figures, which remains the reporting company's responsibility.

*All source documents, figures, and company details in this sample are synthetic and generated solely to illustrate report structure and depth — not derived from any real company's data.*

## 3. Recommended Actions

### QUICK WIN

**Scope 1 direct GHG emissions (tCO2e)**
Low effort · Facilities / Fleet

Pull 12 months of fuel purchase records (diesel/petrol/gas for vehicles, generators, boilers). Convert litres to tCO2e using the current year's official DESNZ GHG conversion factors or the equivalent GHG Protocol factor set — cite which year's factor was applied.

**GHG emission intensity**
Low effort · Finance + Sustainability

Calculate once Scope 1+2 absolute figures exist: total tCO2e divided by revenue (RM million) or production unit.

**Board gender diversity**
Low effort · Company Secretary

Pull from board composition records — typically already documented for AGM purposes, just needs including in the sustainability section specifically.

**Anti-corruption policy**
Low effort · Legal / Company Secretary

If a policy already exists internally, this is a disclosure gap, not a policy gap — just needs referencing. If none exists, that's a governance action item first, not just a reporting fix.

### REQUIRES DATA COLLECTION

**Renewable energy consumption or generation**
Medium effort · Facilities / Sustainability

Selangor receives an average of 4.80 kWh/m²/day of solar irradiance (NASA POWER climatology data) — solid viability for on-site solar. See Appendix (Section 10) for a Tenaga-powered irradiance-based sizing estimate specific to this reporting period.

**Lost Time Injury Frequency Rate (LTIFR)**
Medium effort · HR / HSE

Pull the safety incident log (lost-time injuries with dates) and total hours worked from payroll/HSE. Calculate: (incidents / total hours) × 200,000.

### REQUIRES NEW PROCESS

**Sustainability governance structure**
Medium effort · Board / Company Secretary

Disclose the existing board-level oversight structure if one exists. If none exists, assigning an existing committee this oversight is usually the faster path.

**Materiality approach documented**
High effort · Sustainability lead / Board

Requires an actual materiality assessment exercise (stakeholder or investor input, depending on framework), not just a data pull — budget real time for this one, it's the slowest item on this list.

### LONG-TERM

**Climate scenario analysis**
High effort · Sustainability lead / Risk

A qualitative scenario discussion (not full quantitative modelling) is acceptable during NSRF's early transition period — a reasonable starting point rather than commissioning a full climate-risk consultancy engagement immediately.

**Assurance readiness (reasonable assurance)**
High effort · Finance / Board

Engage an external assurance provider for at least limited assurance on Scope 1/2 now, ahead of the 2027 mandatory reasonable-assurance deadline — gives time to fix data-quality issues before it becomes mandatory.

## 4. Risk Brief

**Data readiness**

10 disclosures are currently missing entirely, and 0 are reported only as an intensity ratio where an absolute figure is required. Building the underlying measurement and collection process for missing data generally takes longer than drafting the disclosure text itself — earlier data collection start means more reporting cycles available to validate the numbers before external assurance is required.

**Market & financing**

Institutional investors, lenders, and customers in regulated supply chains increasingly factor ESG disclosure completeness into due diligence and financing terms. Incomplete disclosure does not automatically block access to capital, but it is increasingly treated as a risk indicator worth explaining, particularly for companies seeking green or sustainability-linked financing.

*This risk brief is general commentary based on the disclosure gaps identified in this assessment. It does not constitute legal, financial, or regulatory advice. Consult qualified counsel and your external auditor for an engagement-specific risk assessment.*

## 5. Detailed Findings by Category

### Emissions & Climate

2 of 6 disclosures in this category are supported by data: Scope 2 indirect GHG emissions (31,410.5 $tCO_2e$); Scope 3 value chain emissions (422.0 $tCO_2e$). 3 items are currently missing: Scope 1 direct GHG emissions; GHG emission intensity; Climate scenario analysis.

### Energy & Resource Use

3 of 4 disclosures in this category are supported by data: Total energy consumption (84,787.9 MWh); Water consumption (2,847,000 $m^3$); Waste generated (14,325.2 tonnes). 1 item is currently missing: Renewable energy consumption or generation.

### Workforce & Safety

1 of 2 disclosures in this category are supported by data: Employee headcount by gender (35.0%). 1 item is currently missing: Lost Time Injury Frequency Rate (LTIFR).

### Governance & Oversight

0 of 5 disclosures are currently supported by data. 5 items are missing: Board gender diversity; Anti-corruption policy; Sustainability governance structure; Materiality approach documented; Assurance readiness (reasonable assurance).

## 6. Draft Disclosure Language

Starting-point wording for your next report — adapt as needed, review before publishing.

> SCOPE 2 INDIRECT GHG EMISSIONS (TCO2E)
>
> *"In 2025, Cempaka Industries Bhd recorded Scope 2 (indirect, energy) greenhouse gas emissions of 31,410.5 tCO2e. This figure was calculated from grid electricity consumption using Malaysia's published grid emission factor, rather than directly measured or independently assured — state the calculation basis if disclosing this figure externally."*

> TOTAL ENERGY CONSUMPTION (MWH)
>
> *"Total energy consumption for Cempaka Industries Bhd in 2025 was 84,787.9 MWh."*

> EMPLOYEE HEADCOUNT BY GENDER
>
> *"As at 2025, women represented 35.0% of Cempaka Industries Bhd's total workforce."*

# 7. Peer Benchmark

Compared against 8 other assessments processed under the same framework, Cempaka Industries Bhd's compliance score of 37.5% is above the peer average of 23.8%.

| COMPANY | COMPLIANCE SCORE |
|---|---|
| **Cempaka Industries Bhd (this report)** | **37.5%** |
| Anggun Manufacturing Bhd | **31.3%** |
| Damansara Industrial Holdings | **25.0%** |
| Perkasa Metal Works Sdn Bhd | **25.0%** |
| Selaras Packaging Bhd | **18.8%** |
| Ombak Logistics & Trading | **18.8%** |
| Utara Precision Engineering | **18.8%** |
| Kencana Textiles Sdn Bhd | **18.8%** |
| Bintang Consumer Products Bhd | **12.5%** |

**Most common gaps among peers**

| | |
|---|---|
| Renewable energy consumption or generation | **8/8 (100%)** |
| Lost Time Injury Frequency Rate (LTIFR) | **8/8 (100%)** |
| Board gender diversity | **8/8 (100%)** |
| Employee headcount by gender | **7/8 (87.5%)** |
| Materiality approach documented | **7/8 (87.5%)** |

*Peer companies shown are synthetic and used solely to illustrate the benchmark format — not real Bursa-listed issuers.*

# 8. Full Disclosure Breakdown

### Already disclosed

| | |
|---|---|
| Scope 2 indirect GHG emissions (tCO2e) | **31,410.5** |
| Scope 3 value chain emissions (tCO2e) | **422.0** |
| Total energy consumption (MWh) | **84,787.9** |
| Water consumption ($m^3$) | **2,847,000** |
| Waste generated (tonnes) | **14,325.2** |
| Employee headcount by gender | **35.0%** |

### Remediation required

**Scope 1 direct GHG emissions (tCO2e)**

Disclose absolute Scope 1 emissions in tCO2e from owned/controlled sources per GHG Protocol.

**Renewable energy consumption or generation**

Disclose renewable energy sourced or generated on-site in MWh or as a percentage of total.

**GHG emission intensity**

Report GHG intensity normalised by revenue (tCO2e/RM million) or production unit.

**Lost Time Injury Frequency Rate (LTIFR)**

Report LTIFR per 200,000 hours worked. Required under Bursa social metrics.

**Board gender diversity**

Disclose percentage of female board directors per Bursa governance requirements.

**Anti-corruption policy**

Confirm anti-bribery and corruption policy per MACC Act 2009 Section 17A.

**Sustainability governance structure**

Disclose board-level sustainability oversight structure per TCFD governance pillar.

**Materiality approach documented**

State whether materiality assessment uses a financial lens (IFRS S1/S2's own basis) or a broader stakeholder lens (traditional GRI approach). Companies previously using GRI-style materiality need to explicitly recalibrate and disclose this under NSRF.

**Climate scenario analysis**

IFRS S2 requires assessing strategy resilience against different climate scenarios — not just a general climate risk mention. Qualitative/descriptive analysis is accepted during NSRF's early transition period if quantitative modelling isn't yet feasible.

**Assurance readiness (reasonable assurance)**

No external assurance currently disclosed. Reasonable assurance on Scope 1/2 becomes mandatory under NSRF from 2027 — earlier voluntary adoption reduces last-minute audit risk.

## 9. Solar & Renewable Energy Opportunity — powered by Tenaga / Suria

MENTARI PRIMA is a sister product of Tenaga, 3 Orbit Solutions' in-house energy research programme. Where a client's facility location is known, we cross-reference the renewable energy disclosure gap against Suria's solar irradiance forecasting engine to give a directional, data-grounded starting point — not available from any generic ESG reporting tool.

**Illustrative irradiance-based sizing — Selangor facility**

Selangor receives an average of 4.80 kWh/m²/day of solar irradiance (NASA POWER climatology data). A 100kWp rooftop system at this irradiance level could generate roughly 137 MWh/year, offsetting an estimated 95 $tCO_2e$ of Scope 2 emissions annually (at Malaysia's grid factor of 0.694 $kgCO_2e/kWh$). This is a directional estimate from public irradiance data, not a site feasibility study — actual sizing depends on real roof/land area, shading, and local tariff structure.

*Solar irradiance figures are drawn from NASA POWER public climatology data. System sizing and offset estimates are illustrative planning references, not a substitute for a licensed solar feasibility study.*

# 10. Glossary

**NSRF**
National Sustainability Reporting Framework — Malaysia's phased ESG disclosure mandate, based on IFRS S1/S2.

**IFRS S1 / S2**
Global sustainability disclosure standards issued by the ISSB. S1 covers general requirements, S2 covers climate-related disclosures specifically.

**Scope 1 / 2 / 3**
Direct emissions from owned/controlled sources (1); indirect emissions from purchased electricity, steam, heating, or cooling (2); all other value-chain emissions, upstream and downstream (3).

**tCO2e**
Tonnes of carbon dioxide equivalent — a standard unit combining different greenhouse gases into one comparable figure.

**GHG Protocol**
The most widely used international accounting standard for greenhouse gas emissions.

**Materiality (financial vs. stakeholder)**
Financial materiality assesses ESG issues by their effect on the company's own financial performance and access to capital (the IFRS S1/S2 lens). Stakeholder/impact materiality assesses the company's effect on people and the environment (the traditional GRI lens). Double materiality (ESRS) requires both.

**Limited vs. reasonable assurance**
Limited assurance is a lower-rigour external verification providing negative assurance. Reasonable assurance is a higher-rigour verification, similar to a financial statement audit, providing positive assurance.

**LTIFR**
Lost Time Injury Frequency Rate — the number of lost-time injuries per 200,000 hours worked, a standard workplace safety metric.

**GRI**
Global Reporting Initiative — the most widely used voluntary global sustainability reporting standard.

**ESRS / CSRD**
European Sustainability Reporting Standards, issued under the EU's Corporate Sustainability Reporting Directive.

*This entire document is an illustrative sample built from synthetic data to demonstrate MENTARI PRIMA's report structure and depth. Cempaka Industries Bhd is a fictional company. No figures shown correspond to any real, identifiable organisation. For a real engagement, contact contact@3orbsol.my.*