



Kitaran Recovery Sdn. Bhd. (709983-T) 200501027849

Sustainability Report 2024



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ABOUT

Kitaran Recovery Sdn Bhd

Kitaran Recovery Sdn Bhd (“Kitaran”) is a recovery facility specialising in the management and recovery of various types of scheduled waste generated by industrial waste producers. Licensed by the Department of Environment (DOE), Kitaran is approved to handle waste under the following codes: SW 105, SW 108, SW 109, SW 204, SW 206, SW 321, SW 325, SW 401, SW 402, SW 409, SW 410, SW 411, and SW 427. Established in 2007, Kitaran was founded to address the critical need for proper waste management, as contaminated waste was often improperly disposed of in landfills or burned indiscriminately in remote areas, causing significant environmental harm.

In 2013, Kitaran received DOE approval to establish its recovery plant in Gopeng, Perak. As a licensed scheduled waste collector and recovery company, Kitaran is committed to advancing hazardous waste management practices. The facility employs state-of-the-art technology to manage the logistics and recovery processes efficiently and sustainably. By providing comprehensive waste management solutions, Kitaran aims to protect the environment and support industries in meeting their regulatory and sustainability goals.

About this Report



Scope of Reporting

This report covers the financial year from **1st January 2024 to 31st December 2024 (FY2024)** and focuses exclusively on our recovery facility located in **Gopeng, Perak**.

Reporting Framework



The Kitaran Recovery Sdn Bhd Sustainability Report for FY2024 has been prepared with reference to established reporting guidelines and frameworks, including the **Global Reporting Initiative (GRI)**, the **2020 Bursa Malaysia Sustainability Reporting Guide (3rd Edition)**, the **United Nations Sustainable Development Goals (UN SDGs)**, and the **Simplified ESG Disclosure Guide (SEDG)**.



Feedback

We warmly welcome and value feedback from our esteemed stakeholders. For any additional clarification or inquiries, please feel free to reach out to us.

Mr Chan Khee Nian (Technical Support Engineer)
Email: tech-support@kitaran.com.my



Message from Director

Mr Muhamad Alif Bin Razemi

As we reflect on the progress made over the past year, we are proud to report significant strides in our commitment to Environmental, Social, and Governance (ESG) principles. Our continued efforts to reduce our environmental footprint, foster a more inclusive and diverse workplace, and uphold the highest standards of governance have been central to our strategic initiatives.

We have made meaningful advancements in our sustainability programs, including reducing carbon emissions and optimizing energy use across our operations. Additionally, we are proud of the progress we have made toward improving social equity within the communities we serve, particularly through new partnerships and community engagement initiatives.

Message from Director

Governance remains a top priority, and we are committed to ensuring transparency, integrity, and accountability in all aspects of our business. We believe that by advancing these core ESG pillars, we are not only contributing to the long-term well-being of our company but also creating positive, lasting impacts on the environment, society, and the broader global community.

We recognize that the journey toward sustainability is ongoing, and we remain dedicated to further progress in the year ahead. Together, with the support of our employees and partners, we are confident in our ability to build a more sustainable future.

Thank you for your continued trust and commitment as we strive to lead by example and set new standards for responsible business.

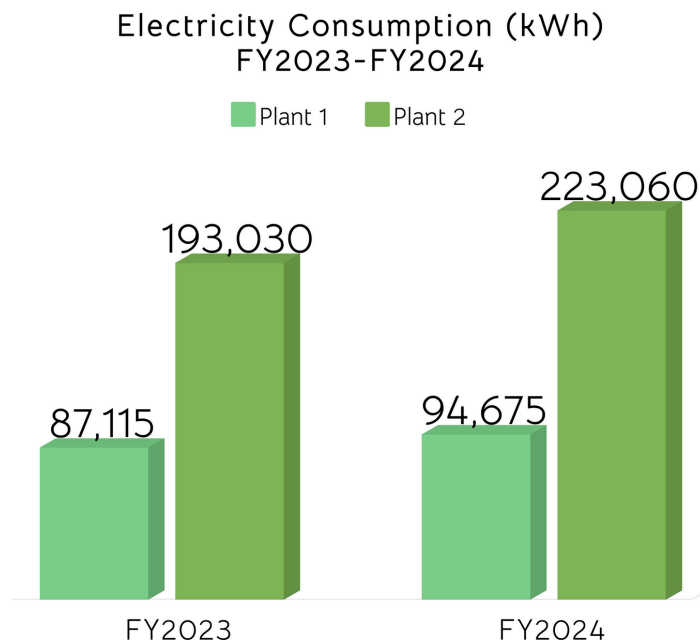
Sincerely,
Director, Kitaran Recovery Sdn Bhd



Our Approach to Sustainability



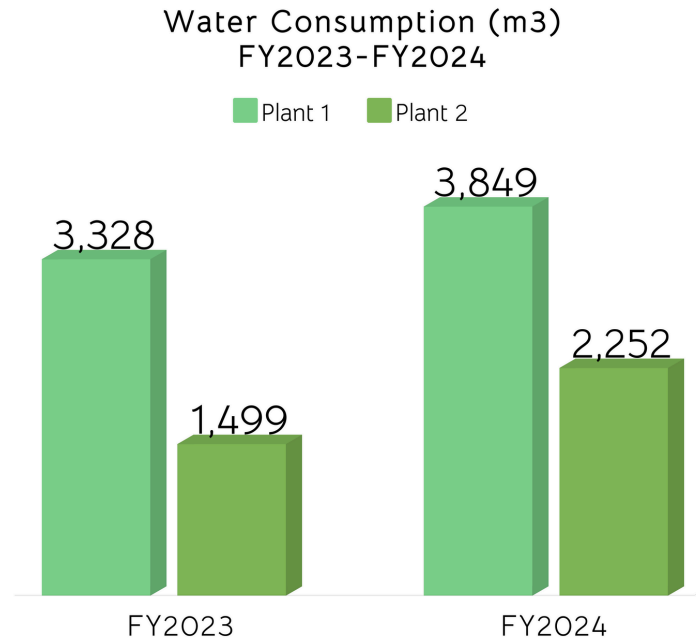
Energy Consumption



In FY2024, Kitaran continued to prioritise transparency by disclosing our total energy consumption for both Plant 1 and Plant 2. A combined total of 317,735 kWh was recorded, with Plant 1 contributing 94,675 kWh and Plant 2 accounting for 223,060 kWh. This marks an increase of 37,590 kWh compared to FY2023, a change driven by the resurgence of business activities as most companies have resumed full operational performance. The increase reflects the enhanced production output and overall business performance of Kitaran in this year.

We remain resolute in our commitment to energy conservation and reducing our environmental impact by optimising energy use across both plants located in Gopeng. By implementing efficient operational practices and exploring innovative solutions, Kitaran aims to strike a balance between business growth and environmental sustainability. As part of our long-term sustainability goals, Kitaran is committed to strengthen our energy management strategies and closely monitor our yearly energy consumption. We are dedicated to identifying opportunities for energy efficiency improvements, investing in sustainable technologies, and fostering an environmentally conscious culture within its operations. These efforts will ensure Kitaran to continues to make a meaningful contribution toward reducing our carbon footprint and supporting a greener future.

Water Consumption



Kitaran recorded a total water consumption of 6,101 m³, with 3,849 m³ from Plant 1 and 2,252 m³ from Plant 2 in FY2024, marking an increase of 1,274 m³ compared to the previous year. This increase reflects heightened business operations to meet growing production demands. Therefore, Kitaran actively utilises advanced water recycling systems, including two SPAH tanks and one recycled water tank, to reduce freshwater dependency and repurpose water efficiently across its facilities.

We remain dedicated to minimising wastage, monitoring usage patterns, and implementing preventive measures to mitigate water-related risks and emergencies as part of our commitment in sustainable water management. These efforts underscore our effort to balancing operational growth with environmental responsibility. Kitaran will continue to enhance our water conservation strategies, ensuring sustainable resource use while reducing our overall environmental impact in the future.

Water Consumption



Recycled Water Tank

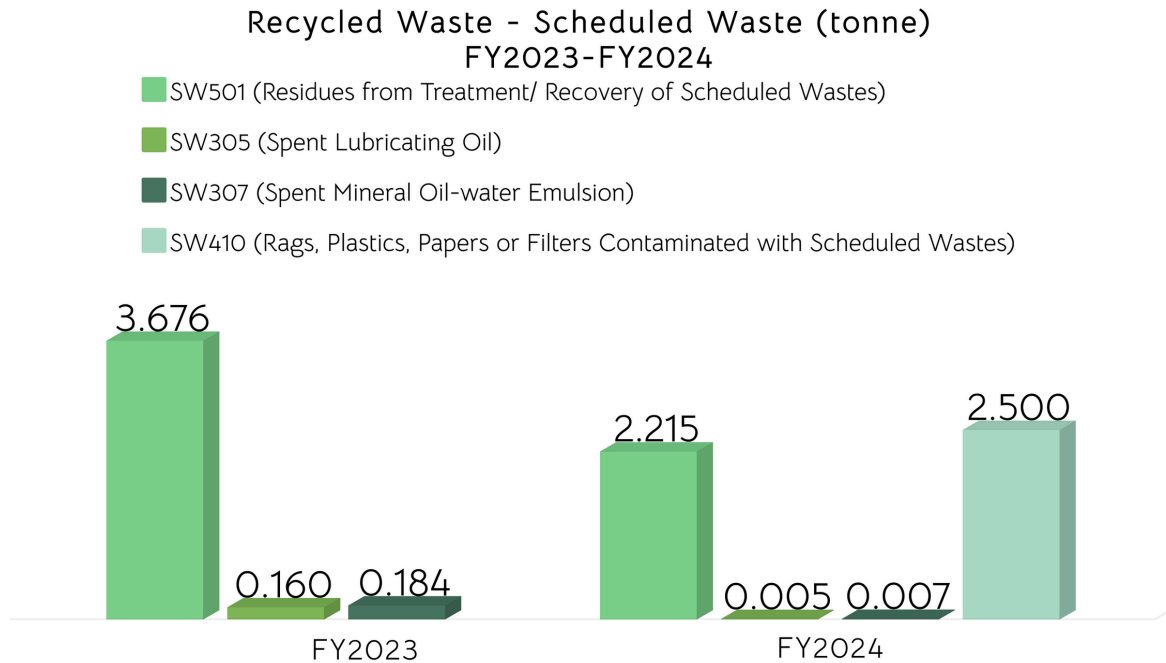


SPA H Tank 1



SPA H Tank 2

Waste Management



At Kitaran, we continue to enhance our waste management practices, achieving a reduction in all scheduled waste categories SW501, SW305, and SW307 compared to the previous year. In FY2024, we also began disclosing an additional scheduled waste category, SW410, demonstrating our commitment to transparency and comprehensive waste reporting. The breakdown of scheduled waste generated in 2024 includes 2.215 tonnes (SW501), 0.005 tonnes (SW305), 0.007 tonnes (SW307), and 2.5 tonnes (SW410).

We remain steadfast in implementing sustainable waste management practices to protect the environment and ensure the well-being of our communities. Our approach is guided by strict adherence to all relevant regulations and standards governing the handling, storage, transportation, and disposal of scheduled waste. To uphold these standards, all scheduled waste is managed responsibly through licensed collectors, ensuring compliance and minimising environmental impact. Moving forward, Kitaran is committed to continuously improving our waste management systems to support a cleaner, more sustainable future.

GHG Emissions

Aligned with our commitment to achieving net-zero carbon emissions by 2050, Kitaran has consistently conducted and disclosed carbon footprint assessments since FY2023. This ongoing evaluation provides a detailed understanding of our environmental impact, covering Scope 1 (direct emissions from operations), Scope 2 (indirect emissions from purchased energy), and Scope 3 (Category 3 emissions related to supply chain activities).

By maintaining transparency and regularly evaluating our emissions, we identify opportunities for improvement and develop targeted strategies to reduce our carbon footprint. These efforts reflect our dedication to sustainability and our goal of fostering a more environmentally responsible future.

GHG Emissions (tCO ₂ e)		
Metric	2023	2024
Scope 1 (Company Vehicle)	68.86	672.04
Scope 1 (Machinery)	47.67	10.15
Scope 2 (Energy Consumption)	218.40	245.93
Scope 3 (Category 3)	164.42	100.55
Total	499.35	1028.67

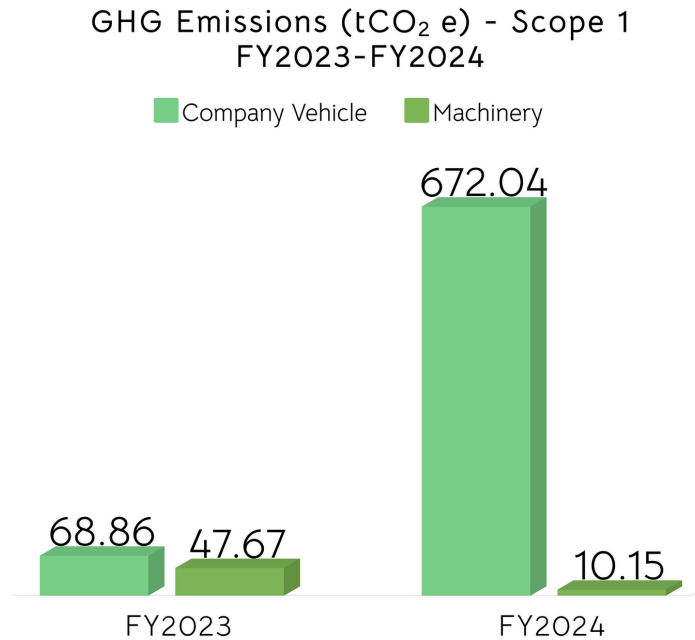
*Scope 1 GHG emission is calculated according to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories for Mobile Combustion.

*Scope 2 GHG emission is calculated according to Malaysia's Suruhanjaya Tenaga Grid Emission Factor (2021) for FY2023.

*Scope 2 GHG emission is calculated according to Malaysia's Suruhanjaya Tenaga Grid Emission Factor (2022) for FY2024.

*Scope 3 GHG emission is calculated according to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories for Mobile Combustion

GHG Emissions



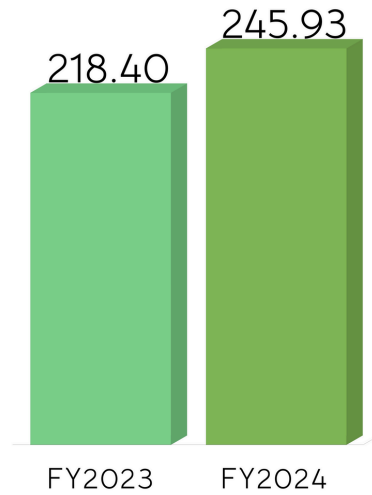
In FY2024, Kitaran recorded an increase in Scope 1 GHG emissions, particularly from carbon emissions associated with company vehicles. This increase of 603.18 tCO₂ e compared to FY2023 is attributed to business expansion, which saw the number of company vehicles rise from 6 in FY2023 to 14 in FY2024. Despite this, Kitaran achieved a notable reduction in carbon emissions from machinery by 37.52 tCO₂ e, due to more efficient consumption practices. These contrasting trends highlight our ongoing efforts to balance operational growth with improved resource efficiency and environmental responsibility.

As of Scope 2, Kitaran recorded a total of 245.93 tCO₂e reflecting a slight increase of 27.53 tCO₂e despite significant business growth during the year. This modest rise underscores our ongoing commitment to managing energy consumption efficiently, even as operational demands expand.

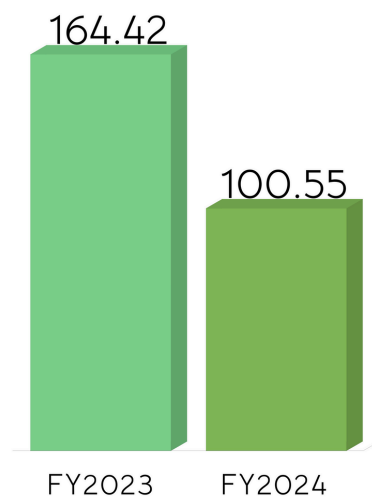
Conversely, we achieved a substantial reduction in Scope 3 emissions (Category 3: Fuel and energy-related activities not included in Scope 1 and Scope 2), decreasing from 164.42 tCO₂ e in FY2023 to 100.55 tCO₂e in FY2024. This notable improvement highlights the effectiveness of our efforts to optimise fuel and energy use across the supply chain, reinforcing our commitment to sustainability and reducing our overall carbon footprint.

GHG Emissions

GHG Emissions (tCO₂ e) - Scope 2 (Energy Consumption)
FY2023-FY2024

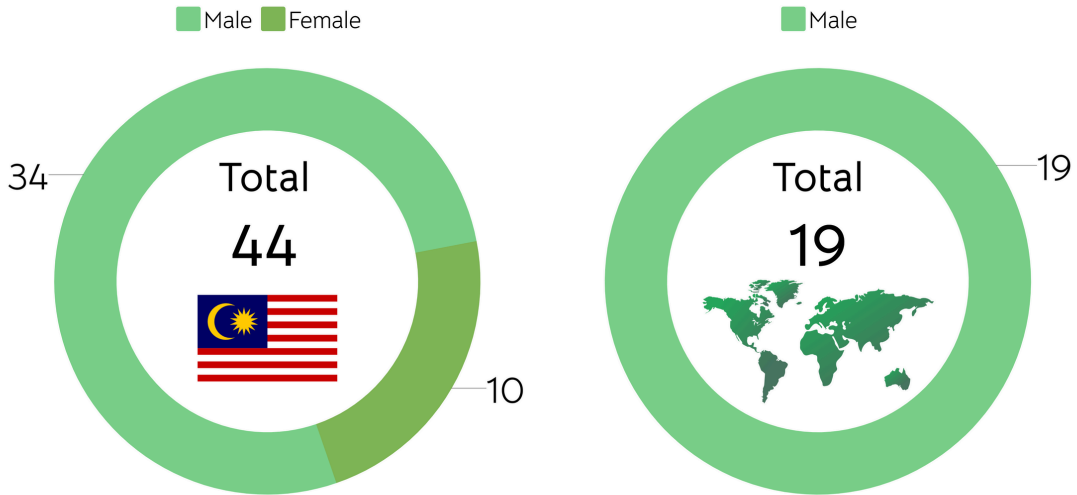


GHG Emissions (tCO₂ e) - Scope 3 (Category 3)
FY2023-FY2024



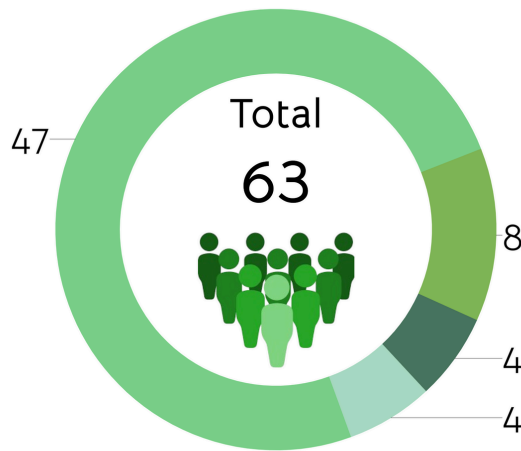
Our Employees

FY2024 Employment Diversity



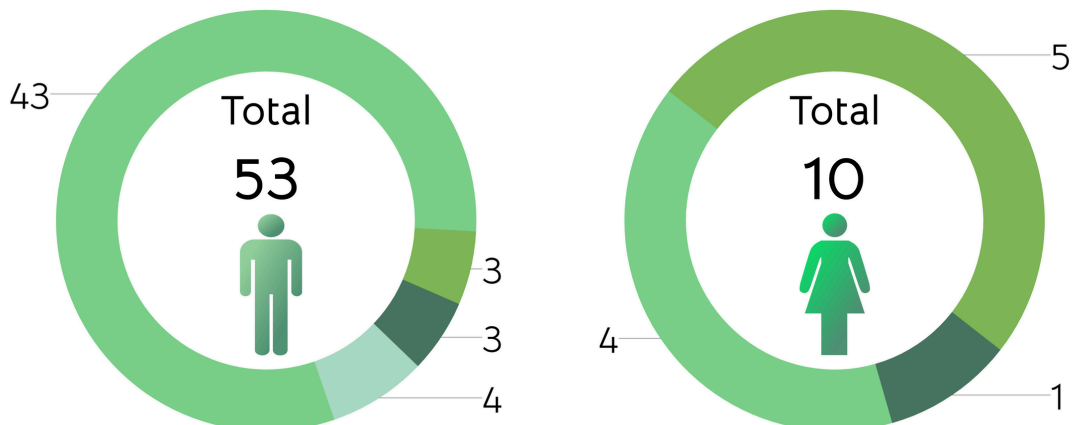
FY2024 Employment Category Distribution

Legend: Non-Executive (light green), Executive (medium green), Manager (dark green), Top Management (light blue)



FY2024 Gender Distribution

Legend: Non-Executive (light green), Executive (medium green), Manager (dark green), Top Management (light blue)



Our Employees

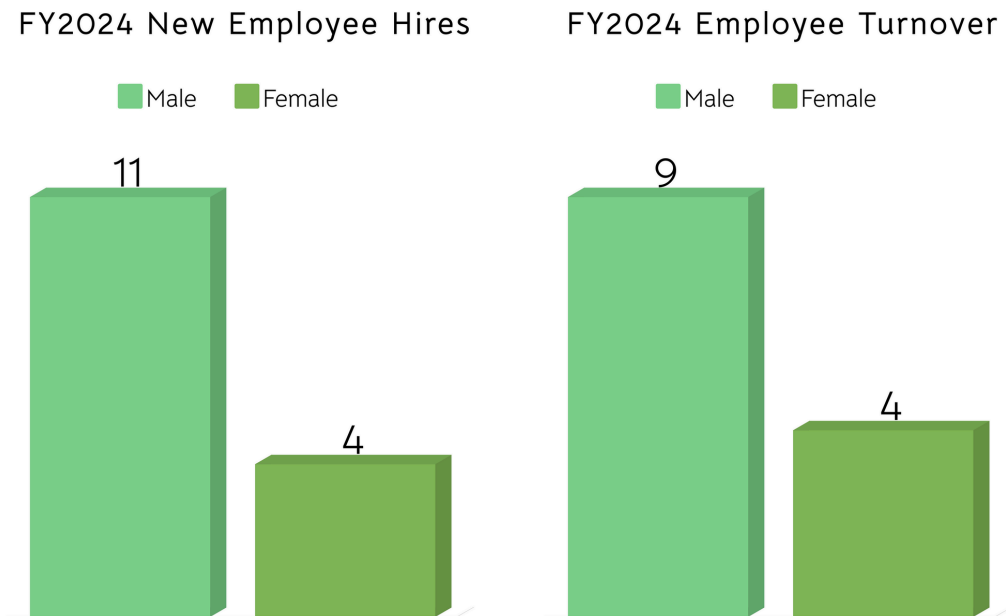
In FY2024, Kitaran employed a diverse workforce of 63 employees, consisting of 44 local employees and 19 foreign employees. At Kitaran, we take pride in being a fair and responsible employer, deeply committed to fostering an inclusive and equitable workplace. We recognise and celebrate the value that employee diversity brings to our organisation, driving innovation and enhancing our company culture.

Reflecting the nature of our business operations, our workforce comprised 53 male employees and 10 female employees. While these numbers highlight the current gender composition within our team, we remain dedicated to creating opportunities that encourage gender inclusivity across all roles and departments.

We continue to champion the development of local talent by actively supporting training programs and skill-building opportunities for our employees. Our recruitment process is guided by principles of fairness and impartiality, ensuring that all candidates are evaluated solely on their qualifications, skills, and potential. We maintain a strict policy against discrimination based on nationality, gender, religion, or race, reaffirming our belief in the power of a diverse and unified team.

As we move forward, we are committed to further strengthening our workplace policies and practices to uphold our values of fairness, equality, and respect for all employees.

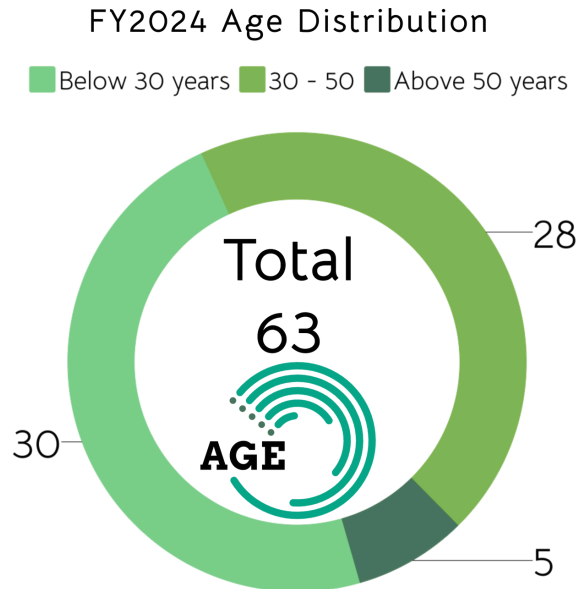
Our Employees



Kitaran successfully strengthened our workforce by welcoming a total of 15 new employees, comprising 11 males and 4 females in FY2024. This increase in talent demonstrates our ongoing commitment to attracting skilled professionals who contribute to our organisational growth and diversity.

Notably, we still maintained a low turnover rate this year, with only 9 males and 4 females employees departing the company. The significantly higher number of new hires compared to employee turnover highlights Kitaran’s dedication to cultivating a stable and supportive workplace. Our efforts focus on creating a healthy work environment that values inclusivity and provides equal opportunities for all employees. We are deeply committed to safeguarding the rights and well-being of our employees through fostering a culture of respect, offering up-skilling development opportunities, and ensuring a positive work-life balance. These initiatives underscore our commitment to nurture our employees in ensuring their long-term success within the organisation.

Our Employees



At Kitaran, we take pride in fostering a dynamic and diverse workforce, with the majority of our employees, 30 (47.62%), falling below the age of 30. This youthful demographic highlights our organisation’s appeal to emerging professionals and reflects our commitment to cultivating a vibrant and innovative workplace. In addition, 28 employees (44.44%) are in the 30 to 50 age range, bringing valuable skills and leadership to our teams. This balanced representation underscores our commitment in having a workforce that benefits from both fresh perspectives and seasoned expertise.

The remaining 5 employees (7.94%) are aged above 50, showcasing the experience and knowledge they contribute to our organisation. By maintaining a diverse age range, we are able to ensure the variety of skills, experiences, and insights within our workforce in fostering a collaborative environment where employees of all ages thrive. This balanced age distribution demonstrates our commitment to inclusivity and our ability to attract and retain talent across all career stages, contributing to the sustained growth and success of Kitaran.

Occupational Safety and Health

At Kitaran, we embrace sustainability as a holistic concept that integrates environmental responsibility with the well-being and safety of our employees. We understand that a sustainable workplace is one where occupational safety and health (OSH) are foundational pillars. Recognising the essential role that OSH plays in fostering a thriving and productive environment, we are deeply committed to embedding sustainable OSH practices into every aspect of our operations.

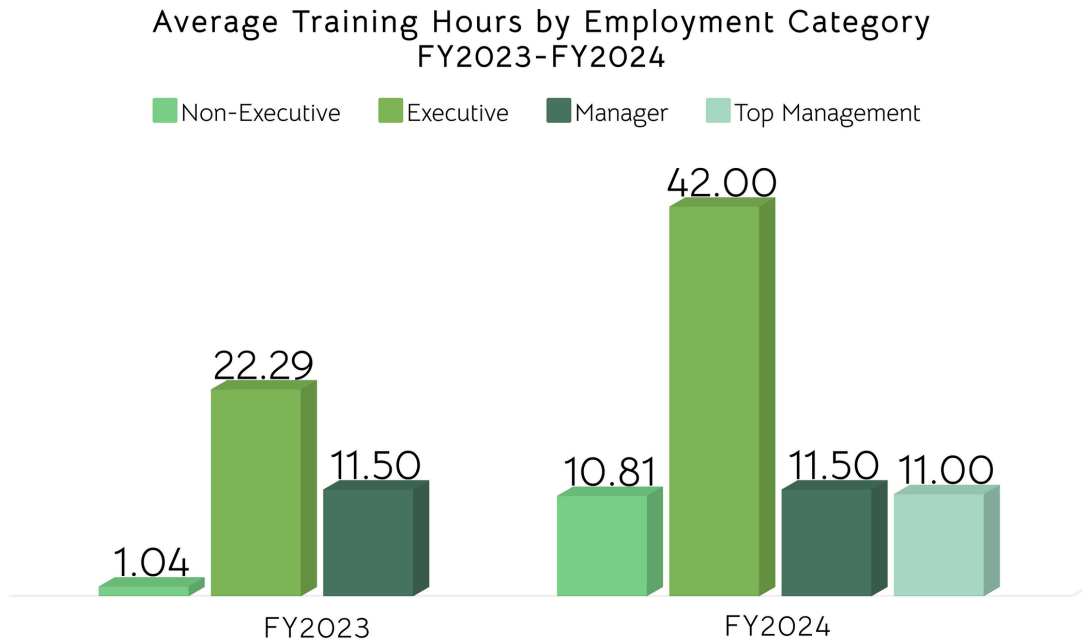
Our approach to OSH is guided by a commitment to uphold the highest safety standards at all times. We proactively identify potential risks, implement robust safety measures, and provide our employees with the tools and training necessary to mitigate hazards effectively. This ensures that every team member is well-informed, well-equipped, and confident in their ability to contribute to a safe and secure workplace. We believe that empowering our workforce with the right knowledge and skills is key to fostering a culture where safety is a shared responsibility. In FY2024, we expanded our commitment to workplace safety and health by organising six comprehensive training sessions, an increase from the four sessions conducted in FY2023. These sessions were designed to address various aspects of workplace safety, including hazard identification, emergency response and safe work practices. By combining theoretical knowledge with practical exercises, these programs ensured that employees could confidently apply safety protocols in their day-to-day tasks. Employees were encouraged to share insights, ask questions, and actively participate in discussions, fostering a sense of ownership and accountability for workplace safety. By doing so, we aimed to not only enhance individual safety awareness but also strengthen team cohesion and collective responsibility.

Through these initiatives, we are building a workplace where safety and health are ingrained in our organisational culture. Our efforts reflect a broader vision of sustainability one that prioritises the protection and empowerment of our people as the cornerstone of our success.

Occupational Safety and Health



Training and Development

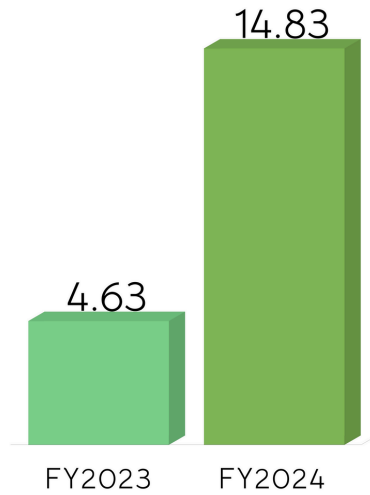


We are dedicated to the continuous upskilling of our employees by providing essential training opportunities, recognising that our workforce is the company’s most valuable asset. In FY2024, we observed a significant increase in average training hours across all employment categories, with the executive level experiencing the most notable growth, rising from 22.29 hours to 42.00 hours.

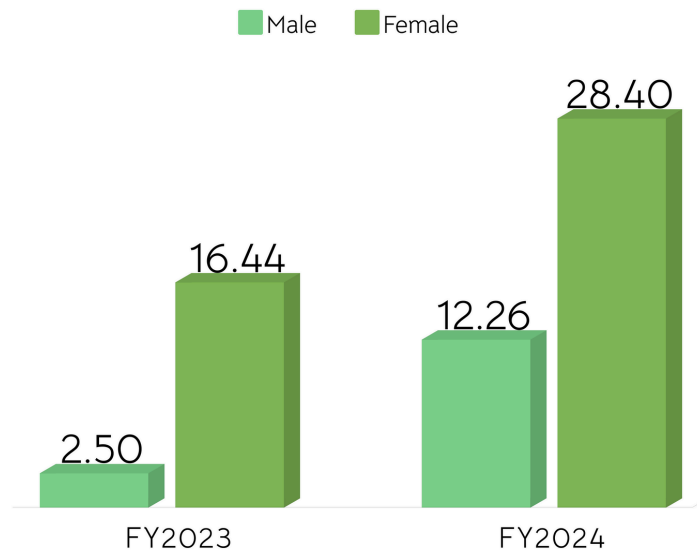
On average, training hours per employee increased by 10.2 hours compared to the previous year. This upward trend was also reflected across gender categories, with male employees showing a rise from 2.50 hours to 12.26 hours, and female employees increasing from 16.44 hours to 28.40 hours. These figures underscore our commitment to fostering a culture of learning and professional growth, ensuring that all employees, regardless of role or gender, have access to opportunities that enhance their skills and contribute to the company’s long-term success.

Training and Development

Average Training Hours per Employee
FY2023-FY2024



Average Training Hours by Gender
FY2023-FY2024



Training and Development

Safety & Health Training Courses

1. Powered Industrial Truck (PIT) Safe Handling
2. SDLG Wheel Loader Operator Training
3. Essential Facility Maintenance Management
4. Certified Environmental Professional in Scheduled Waste Management (CePSWaM)
5. Training on Understanding the ISO 14001:2015, ISO45001:2018 Management Systems Internal Auditing
6. Fire Drill Training

Certification of Competency

1. Certified Environmental Professional in Scrubber Operation (CePSO)
2. Certified Environmental Professional in Scheduled Waste Management (CePSWaM)
3. Certified Environmental Professional in Operation of Industrial Effluent Treatment Systems - Physical Chemical Processes (CePIETSO - PCP)
4. Occupational Safety & Health Coordinator
5. Certified Environmental Professional in Scrubber Operation (CePSO)

Training and Development



Kitaran recently organised a team-building retreat at Sungkai Hot Springs, bringing together 55 employees for a day of collaboration, connection, and rejuvenation. This initiative aimed to strengthen teamwork, enhance communication, and foster a deeper sense of trust among team members. Through engaging outdoor activities and problem-solving challenges, employees had the opportunity to develop leadership skills, improve strategic thinking, and build stronger interdepartmental relationships.

The serene natural environment of the hot springs provided the perfect setting for relaxation, allowing participants to unwind while reinforcing workplace unity. Beyond the structured activities, the therapeutic benefits of the hot springs contributed to overall well-being, promoting a healthier work-life balance. This successful event not only boosted morale but also laid a strong foundation for improved collaboration and productivity within the organisation.

Training and Development



Talent Development



Kitaran continues to strengthen our partnership with Universiti Tunku Abdul Rahman (UTAR) by collaborating on various research initiatives related to waste management. This collaboration exemplifies our commitment to fostering knowledge transfer between academia and industry, driving innovation, and advancing our mission to achieve net-zero carbon emissions. One of the key projects under this partnership involves a feasibility study on converting glove former waste and glass waste into valuable materials for industrial applications. This groundbreaking research not only addresses pressing environmental concerns but also explores innovative solutions to repurpose waste, contributing to a circular economy. Our continuous efforts in this field have been recognised with a significant achievement, the Gold Award at the prestigious International Innovation and Invention Competition and Exhibition (iCompEx2024). Through these efforts, Kitaran not only contributes to the development of sustainable solutions but also empowers the next generation of professionals to drive meaningful change in their respective fields.

Corporate Social Responsibility



As part of our ongoing commitment to social responsibility, Kitaran Recovery Sdn Bhd has contributed RM2,000 to Pertubuhan Kebajikan Rumah Orang-orang Tua Islam Titian Abadi (PEKITA), a non-profit organization dedicated to providing full care, protection, and support for elderly individuals in need. Established in 2012, PEKITA serves as a sanctuary for senior citizens who are physically or financially dependent, ensuring they receive the necessary care in a nurturing environment.

In addition to our financial contribution, a team of six staff members from Kitaran Recovery actively participated in this CSR program, engaging with the elderly residents and supporting PEKITA's mission to foster a compassionate and inclusive community. This initiative reflects our corporate values of giving back to society, strengthening social welfare, and upholding the dignity and well-being of the elderly.

Corporate Social Responsibility



Our Commitment

Sustainability lies at the heart of Kitaran's operations, forming the foundation of our commitment to responsible and ethical business practices. We understand that robust governance is essential for ensuring transparency, accountability, and adherence to regulatory standards, which are critical to building trust and maintaining integrity across our organisation.

Through transparent decision-making processes and a steadfast dedication to ethical principles, we uphold the highest standards of governance. This approach enables us to effectively mitigate risks, enhance stakeholder confidence, and create long-term value. By fostering a culture of strong governance, we not only strengthen our business resilience but also contribute to the well-being of the communities we serve and the environment we aim to protect.

In FY2024, we are proud to have achieved another year of full compliance with all relevant regulatory requirements, demonstrating our commitment to adhering to the highest standards of integrity. Moreover, we have maintained an exemplary record as per FY2023 with zero reported cases of corruption within our operations, reflecting the effectiveness of our governance framework and ethical policies.

This achievement underscores our unwavering dedication to upholding governance excellence as we continue to grow. Looking ahead, we remain committed to preserving this record and further enhancing our governance practices to support sustainable development, build stakeholder trust, and contribute to a fair and equitable business environment. At Kitaran, governance is more than a compliance measure, it is a cornerstone of our mission to create a sustainable and ethical future.

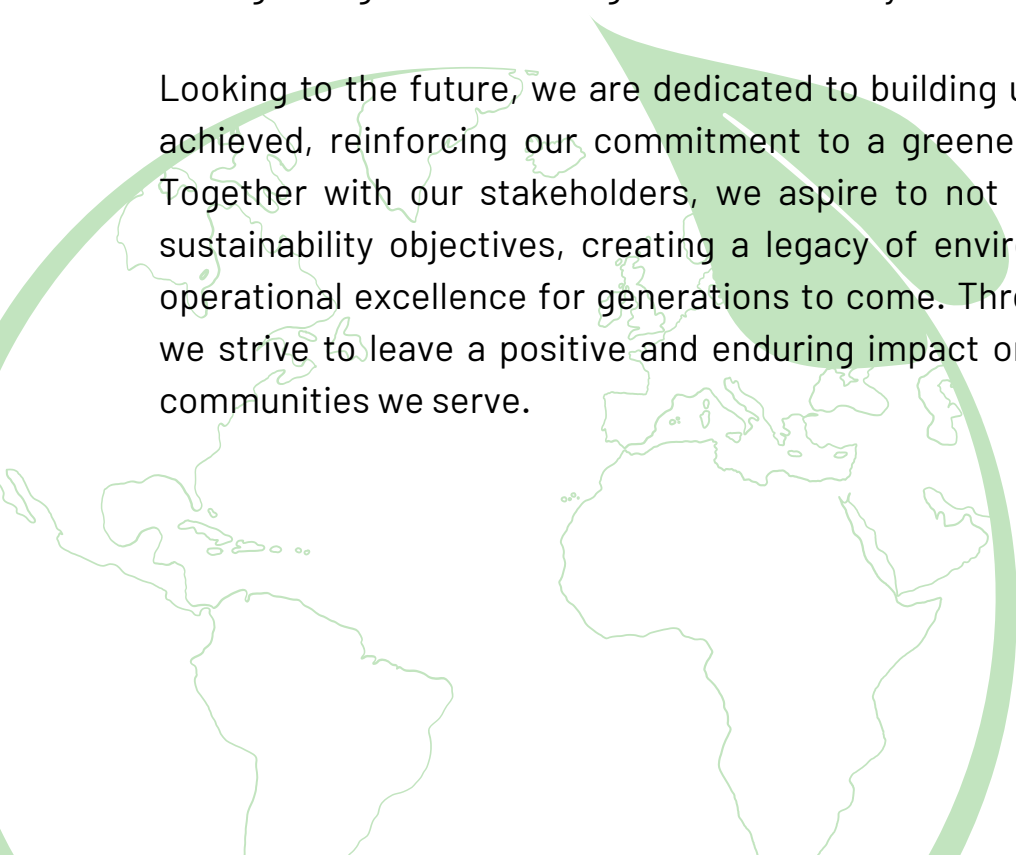
Conclusion

In summary, Kitaran remains unwavering in our commitment to addressing climate-related risks and opportunities with a comprehensive, transparent, and proactive approach. Guided by strong leadership from our Directors and the dedication of our teams, we actively engage with stakeholders to advance our ambitious goal of achieving net-zero carbon emissions by 2050.

Central to our efforts is the continuous reduction of our carbon footprint and the promotion of resource efficiency across all aspects of our operations. At the same time, we are deeply committed to fostering a culture of diversity, inclusion, and employee well-being. These initiatives have enabled us to make substantial progress toward our sustainability goals, creating a workplace where innovation and responsibility thrive.

As we continue on our sustainability journey, we remain acutely aware of both the challenges and opportunities that lie ahead. Our focus is on leveraging innovation, strengthening collaborations, and embracing continuous improvement to address these challenges effectively. By working collectively and maintaining a forward-thinking mindset, we aim to drive meaningful and lasting change within our organization and beyond.

Looking to the future, we are dedicated to building upon the progress we have achieved, reinforcing our commitment to a greener, more sustainable world. Together with our stakeholders, we aspire to not only meet but exceed our sustainability objectives, creating a legacy of environmental stewardship and operational excellence for generations to come. Through our steadfast efforts, we strive to leave a positive and enduring impact on the environment and the communities we serve.



*Prepared by
Ir Ts Dr Leong Kah Hon
ESG Principal Consultant*