



Mover of UN
Sustainable
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Report

Verification of Greenhouse Gas Inventory - Alliance Bank Malaysia Berhad

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Signatures



Lee Lian Beng
Partner



Ng Hon Seng
Executive Partner

EeHSSE Consulting Sdn Bhd
5-6-1, Block B, Jalan 1/125E
Megan Salak Park, Taman Desa Petaling
57100 Kuala Lumpur
Malaysia
www.eehsse.com

Introduction

EeHSSE Consulting Sdn. Bhd. (hereinafter referred to as 'EeHSSE') was engaged to conduct an independent verification of the greenhouse gas (GHG) emissions reported by Alliance Bank Malaysia Berhad (hereinafter referred to as 'ABMB') for the period of fiscal year (FY) 2021 through 2023 (i.e., from 1 April 2020 to 31 March 2023). This Verification Report applies to the related information included within the scope of work described below.

Roles and Responsibilities

The management of ABMB is responsible for the organization's GHG information system and data related to ABMB Scope 1, Scope 2 and Scope 3 GHG emissions reported. It is ABMB sole responsibility for the development and maintenance of records and reporting procedures in accordance with the system, including calculation and determination of GHG emissions information and fair presentation of the resulting GHG report in accordance with the criteria.

It is EeHSSE's sole responsibility to express an independent GHG verification opinion on the GHG emissions (Scope 1, Scope 2, and Scope 3) as provided in the GHG Statement for the period of 1 April 2020 to 31 March 2023.

EeHSSE conducted a third-party verification of the provided GHG Statement with reference to the principles ISO 14064 Part 3 for the period specified. This International Standard requires that we comply with ethical requirements and plan to perform the verification to obtain assurance that the GHG emission are free from material misstatement. The verification was based on the verification scope, objectives and criteria as agreed between ABMB and EeHSSE based on the proposal dated 15th December 2022.

Objective

The purposes of this verification exercise are, by review of objective evidence, to independently review:

- Whether the GHG emissions for ABMB for FY21, FY22 and FY23 are as declared by the organization's GHG Statement;
- The data reported are accurate, complete, consistent, transparent and free of material error or omission; and
- The data reported are compliance of approach used to prepare the GHG inventory generally following ISO 14064 Part 3, Specification with guidance for the verification and validation of greenhouse gas statements.

Boundaries of GHG Emissions Covered by the Verification

- Operational Control
- ABMB's Malaysia operations
- Sites included: approximately 90 locations within Malaysia including office buildings, bank branches, data centres, and locations of automated teller machines/ cash deposit machines etc.
- Scope 1 Direct GHG Emissions: stationary combustion and mobile combustion
- Scope 2 Indirect GHG Emissions: purchased electricity
- Scope 3 Indirect GHG Emissions: business travel (land-based transportation)
- Exclusion from reporting boundary: Scope 1 – fugitive emissions (refrigerant leakages), Scope 3 – business air travel and employee commuting

Data and information supporting the Scope 1, 2 and 3 GHG emissions were historical in nature and in some cases were estimated.

Verification Criteria

The ABMB GHG inventory was prepared using:

- ISO 14064 Part 1, Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals;
- World Resources Institute (WRI)/ World Business Council for Sustainable Development (WBCSD) Greenhouse Gas (GHG) Protocol, Corporate Accounting and Reporting Standard, Revised Edition (Scope 1 and 2); and
- WRI/ WBCSD Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (Scope 3).

EeHSSE conducted verification in accordance with ISO 14064 Part 3, Specification with guidance for the verification and validation of greenhouse gas statements. The following activities were conducted as part of the assurance:

- Interview or document inquiries to the Organization's officials who are responsible for identifying and accounting greenhouse gas emissions;
- Evaluation of the application of the accounting criteria, the method of data measurement, the assumptions adopted by the Organization as well as its basis, and the description of the GHG statement related to the information (data) used to determine the GHG emissions; and
- Verification by sampling to confirm accuracy of GHG emissions.

Level of Assurance

Evidence, information, and explanations necessary to form conclusion as set out below were obtained from the Organization. A limited assurance engagement was used and consisted of making inquiries, primarily of persons responsible for the preparation of the information; and applied analysis and adopted other evidence gathering procedures to the information, as appropriate.

Verification Opinion

Based on the data and information provided by ABMB and the processes and procedures conducted, there is no evidence that the Organization's GHG statement:

- Is not materially correct;
- Is not fair representation of the GHG emissions data and information; and
- has not been prepared in accordance with the WRI/ WBCSD GHG Protocol Corporate Accounting and Reporting Standard (Scope 1 and 2), and WRI/ WBCSD Greenhouse Gas Protocol Corporate Value Chain Accounting and Reporting Standard (Scope 3).

It is our opinion that ABMB has established appropriate systems for the collection, aggregation, and analysis of quantitative data for determination of its Scope 1, Scope 2, and Scope 3 GHG emissions for the stated period and boundaries.

Conclusion

GHG emissions for the period of 1 April 2020 to 31 March 2023 was verified by EeHSSE to a limited level of assurance¹ for ABMB energy consumption and Scope 1 & 2 GHG emissions, and limited level of assurance for Scope 3 GHG emissions, consistent with the agreed verification scope, objectives and criteria.

GHG Scope	GHG Emission (ton CO ₂ equivalent)			
	FY20 (Base year)	FY21	FY22	FY23
Scope 1 Direct Emission	29.5	16.2	24.2	32.0
Scope 2 Indirect Emissions	8,037.7	7,995.5	7,112.2	6,699.7
Scope 3 Indirect Emissions	794.1	565.4	577.3	686.4
Scope 1 & 2	8,067.3	8,011.8	7,136.4	6,731.7
All Scopes	8,861.3	8,577.2	7,713.7	7,418.1

Statement of Independence and Impartiality

EeHSSE is an independent professional consulting company that specializes in environmental, health, safety, and sustainability services.

No member of the verification team has business relationship with ABMB, its Directors or Managers beyond that required of this assignment. We conducted this verification independently and to our knowledge there has been no conflict of interest.

EeHSSE has implemented a Code of Business Conduct to maintain high ethical standards among staff in their day-to-day business activities.

The verification team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems, and processes, has over 20 years combined experience in this field and an excellent understanding of the standard methodology for the verification of greenhouse gas emissions data.

¹ Successful verification and validation processes end with a third-party report confirming a statement of “limited” or “reasonable” assurance. While both levels of assurance signify confidence in the results, the levels have different reporting requirements and convey subtly different meanings. Both levels of assurance will collect samples of underlying data (e.g., utility bills), though a reasonable assurance engagement will likely contain a larger sample size. Reasonable assurance may also involve site visits in sectors like manufacturing to ensure reliable and accurate data collection methods.

Limited assurance provides a lower level of assurance, though in many cases, this is perfectly acceptable. Some organizational models, like office-based businesses, typically have simpler operations and require no more than limited assurance. {Reference: <https://www.sustain.life/blog/emissions-auditing-verification-third-party-ghg-assurance#:~:text=Limited%20Assurance%20%E2%80%93%20Level%20of%20assurance,%E2%80%A2>}