

Defining Moments of 2024

2 October-28 December 2024**EDUCATION CSR: "GIVING BACK TO THE NATION...LEARN FROM THE PROS"**

The year 2024 marked the second time we sponsored the "Giving Back to the Nation...Learn from the Pros" programme in partnership with Yayasan Kebajikan Atlet Kebangsaan ("YAKEB"), which serves as a platform for students to cultivate teamwork and self-discipline while acquiring the essential skills required for sports. Simultaneously, former national athletes had the chance to contribute to society by training and mentoring the participants in three sports: football, hockey and martial arts (silat olahraga). The "Giving Back to the Nation...Learn from the Pros" was held for a period of three months beginning 2 October 2024 and for a total sponsorship cost of RM28,600.

Training was held at three secondary schools along PLKH's highway alignments, with two located along highways under Prolintas Infra BT:

SMK Seksyen 18, Shah Alam (LKSA)
SMK TTDI Jaya (GCE)

**16 October 2024****EDUCATION CSR: "SELANGKAH KE UNIVERSITI"**

For the third year in a row, we partnered Yayasan Pelajaran MARA ("YPM") to assist secondary school / SPM leavers in making the right choice on tertiary studies through the "Selangkah ke Universiti" programme. This initiative was organised in collaboration with the Selangor State Education Department (Jabatan Pendidikan Negeri Selangor) and Majlis Guru Kaunseling Kebangsaan Negeri Selangor, with the aim of giving students the opportunity to prepare for university. Combined with Program Tuisyen Pintar (free tuition) programme sponsored by PLKH since 2022, the "Selangkah ke Universiti" programme has had a positive impact on over 1,000 students.

6 & 7 November 2024**COMMUNITY CSR: DEEPAVALI OUTREACH PROGRAMME**

A CSR outreach programme specially for Deepavali was organised for old folks' homes and orphanages. The objective was to ease the burden of those in need and facilitate their access to basic needs and other essential items. To support the Indians from the B40 category, staffs generously contributed groceries and other essential items worth RM26,000.



16 November 2024 :
Elmina Rest & Service Area ("RSA") Southbound, GCE

21 December 2024 :
Layby, Seri Muda Toll Plaza, LKSA

25 January 2025 :
Layby, Sungai Balak Toll Plaza, SILK

**VEHICLE SAFETY AWARENESS CAMPAIGN SERIES:
1 VEHICLE, 1 FIRE EXTINGUISHER**



We held our inaugural "1 Vehicle, 1 Extinguisher" vehicle fire safety and awareness programme in 2024, to promote the importance of safety precaution and educate the public and our stakeholders on the dangers of fire hazards while on the road. As part of this initiative, we collaborated with the Fire and Rescue Department (BOMBA) to conduct several activities including fire extinguisher demonstrations and practical sessions with visitors, aimed towards road users as they prepared for festivities including Deepavali, Christmas and the 2025 Chinese New Year and Hari Raya holidays.

Additionally, by the end of each programme, we distributed free vehicle fire extinguishers to lucky participants, with the hope that they will be more equipped for emergencies.

21 December 2024

ENVIRONMENTAL CSR: BENGKEL TERRARIUM PROLINTAS

The necessity for environmental protection has become increasingly pressing due to the growing effects of human activity on the planet.

Wrapping up the year, we worked alongside Universiti Putra Malaysia ("UPM"), which is located along SILK, to organise a terrarium workshop and promote community involvement, teamwork and environmental awareness. In collaboration with the Faculty of Agriculture and Terrarium Garden Malaysia, the half-day module began with an overview of terrariums, highlighting their ecological importance and the benefits they bring to the environment. Participants also engaged in a guided activity where they had the opportunity to create their own terrariums under expert supervision. The programme saw the participation of 150 students.



Awards & Recognitions



UN Global Compact Network Malaysia & Brunei Forward Faster Sustainability Awards 2024

PLKH is a proud recipient of three Forward Faster Sustainability Awards, recognising its commitment to sustainability and corporate responsibility:

- Forward Faster Sustainability Award for Gender Equality - Mid-Tier Company category
- Forward Faster Sustainability Awareness and Employee Engagement - Mid-Tier Company category
- Forward Faster Sustainability Manager Award - Juliana Abdul Jalil, Manager of Sustainability

These awards were presented by the United Nations Global Compact Network Malaysia & Brunei ("UNGCMYB") in November 2024.

The Forward Faster Sustainability programme (formerly the Sustainability Performance Awards) celebrates companies driving impactful sustainability practices and inspiring industry-wide change. With these achievements, PLKH reaffirms its commitment to "Elevating Lives" and advancing sustainable growth in harmony with the environment and society.

13th International Conference on Geotechnical Engineering in Tropical Regions and 3rd International Conference on Highway and Transportation Engineering ("GEOCHITRA 2024")

PLKH clinched the prestigious Best Presenter Award at GEOCHITRA 2024 held on 4 and 5 September 2024 in Kuala Lumpur. The winning paper, titled "Assessment and Mitigation of Post Tension Tendon Cable Damage at Span E22S Bridge E12 002/47 EB Ampang - Kuala Lumpur Elevated Highway: A Case Study", was co-authored by members of PLKH's Civil & Structure Engineering Division ("CSED") and highlights the highway concessionaire's innovative approach to highway safety.

GEOCHITRA 2024 was organised by the Department of Geotechnics and Transportation at the Faculty of Civil Engineering of Universiti Teknologi Malaysia ("UTM"), with the theme "Disaster Resiliency for the Future Development in Geotechnical and Transportation Engineering". The event sought to address the challenges and opportunities in tropical geotechnical and transportation engineering, disaster resiliency as well as sustainable development. Winning the Best Presenter Award placed PLKH at the forefront of infrastructure development, fortifying its mission to build and operate highways that will become the routes of choice to users.



12th Malaysian Road Conference & Exhibition 2024 & 5th International Road Federation Global Asia-Pacific Regional Congress



Organised by the Road Engineering Association of Malaysia ("REAM") from 5 to 7 November 2024, the 12th Malaysian Road Conference ("MRC") & Exhibition 2024 brought together professionals, experts internationally and government officials, showcasing advancements in road engineering through technical sessions, workshops and exhibitions. The theme "Driving Innovation for Better Roads" underscored the commitment to embracing innovation as a core driver for improving the quality, safety and sustainability of road infrastructure. With a focus on innovation, the conference aimed to inspire participants to contribute to the continuous improvement of road networks. The event attracted over 1,000 participants from various countries, including the United States, Germany, Austria, India, China, Indonesia, Korea and Vietnam. The conference featured 106 technical paper presentations by both local and international experts, covering ten subfields of road engineering.



We successfully presented two technical papers:

- Improving Road Safety with Cold-Applied Polymer Pavement: Enhanced Skid Resistance on Concrete Surfaces
- Future in Slope and Geotechnical Technologies: Instrumentation on Slope Movement Monitoring for Early Warning System at Kajang SILK Highway

MIZU Paint Certification

We engaged MIZU 水 Paint to support initiatives at SILK and LKSA. MIZU 水 Paint is a specially formulated paint that chemically sequesters carbon dioxide ("CO₂") through absorption and neutralisation, serving as an excellent complement to carbon reduction strategies.

The paint is capable of removing 40.97 grams of CO₂ per square metre of painted area per year, as tested and certified by a European ECO PASSPORT certified lab. MIZU 水 Paint is also equipped with passive cooling technology that helps maintain lower temperatures within buildings when applied.

Extensive R&D have demonstrated that MIZU 水 Paint can reduce surface temperature by up to 8°C. Furthermore, MIZU 水 Paint incorporates biomass waste materials into its nano coating and paint formulations, ensuring compliance with high sustainability standards while promoting a circular economy.



SILK:

- Project: Proposed repainting works at Layby Sg. Ramal And Sg. Long, Kajang SILK Highway
- Total painted area: Approximately 1,107m²
- **MIZU paint:**
- Projected to eliminate approximately 40.97 grams of CO₂ per square metre of painted area per year
- Potential carbon adsorption is estimated at approximately 45.35kg of CO₂ per year across the 1,107m² of painted area.
- Average surface temperature of the layby building painted with MIZU 水 Paint was recorded at 29.45°C, while the adjacent building without MIZU 水 paint averaged 33.34°C.

Awards & Recognitions

LKSA:

- Project: Rejuvenating building facade through exterior painting along LKSA
- Total painted area: Approximately 6,223 m²
- MIZU paint:
 - Projected to eliminate approximately 40.97 grams of CO₂ per square metre of painted area per year
 - Potential carbon adsorption is estimated at approximately 254.96kg of CO₂ per year across the 6,223 m² of painted area.
 - Average surface temperature of the building coated with MIZU 水 Paint was 36.8°C, significantly lower than the 40.13°C recorded on the adjacent building painted with a non-MIZU 水 paint.

**FACULTY OF ARTIFICIAL INTELLIGENCE ("FAI") SDG CHAMPIONSHIP 2024****UNIVERSITI TEKNOLOGI MALAYSIA ("UTM")**

We were awarded the Gold Winner title at the FAI SDG Championship 2024, organised by UTM, for our project, "Empowering Sustainability with MIZU Paint & PROLINTAS: A Nano-CO₂ Ultracool and CO₂ Adsorbent Paint."

The FAI SDG Championship 2024, hosted by the Unit Pelestarian, under the FAI of UTM, aims to promote enthusiasm for the Sustainable Development Goals and encourage action toward achieving these global objectives. As part of this award-winning initiative, MIZU Paint was applied at SILK and LKSA to support sustainability efforts. Winning this award highlights our dedication to integrating innovative and environmentally friendly solutions into infrastructure development.

PROLINTAS INFRA BUSINESS TRUST

OUR BUSINESS ENVIRONMENT

▶ 03

Value Creation Model

Prolintas Infra BT aims to be Malaysia's leading operator of sustainable highways. We strive to create value in our core business while maintaining a balanced approach to economic, environmental, social and governance ("EESG") requirements. Our commitment to sustainability ensures we address the needs and concerns of our stakeholders.

OUR SIX CAPITAL INPUTS



FINANCIAL

Our business is funded through revenue from operations, investments, and support from capital providers.

- Unitholders' equity: **RM642.5 million**
- Total assets: **RM3.7 billion**
- Total borrowings: **RM2.3 billion**



HUMAN

Prolintas Infra BT thrives because of its talented and diverse team, whose innovation and dedication fuel our success.

- Total employees: **341**
- Total salaries and benefits: **RM21.8 million**
- Investment in training and development: **RM451,011.91**
- Average training hours by employee (Senior Management, Middle Management and Operations & Support): **34.6 hours**



INTELLECTUAL

Our strong brand, trusted reputation, recognised credentials, and innovative solutions give us a competitive edge in the market.

- Accreditations with five ISO Certifications (9001:2015, 14001:2015, 37001:2016, 39001:2012, 45001:2018)
- Smart Surveillance System ("S3")
- PROLINTAS Integrated Maintenance Escalation ("PRIME") System



SOCIAL & RELATIONSHIP

Building strong, trusted relationships with key stakeholders and strategic partners is essential to our success.

- Customer satisfaction surveys
- Engagement with external providers
- Community engagement campaigns
- Collaboration with regulators and authorities
- Briefings with shareholders, investors, and financial institutions
- Employee engagement initiatives



MANUFACTURED

Our tangible / physical assets, including infrastructure and office buildings, are key drivers of our competitive advantage.

- Highway length: **84.1 km (four highways)**
- Toll plazas and supervision buildings: **10 units**
- Rest and Service Areas: **31 units of commercial lots, stalls, kiosks and push carts**
- Outdoor billboard advertising structures: **52 units (including owned by third parties)**
- Telco tower structures: **16 sites**



NATURAL

We use energy and water to run our operations and require land for telco towers and other ancillary facilities. Additionally, our operations generate some waste as an inevitable by-product.

- Energy used: **12,273.2 MWh**
- Fuel used: **112,363.0 litres**
- Water consumed: **102,941.0 m³**
- Waste repurposed: **12.1 tonnes**

TRIPLE CORE BUSINESSES



PROJECTS



OPERATIONS



CORPORATE



Value Creation Model



Sustainability Framework and Governance

Prolintas Infra BT has integrated sustainability considerations, aligning its priorities with the needs, concerns, and aspirations of its stakeholders. This commitment is embodied in our three Sustainability Principles, which we have redefined as A.C.E. Principles:



Vision

Dynamic highway **network**
fuelling sustainable value.

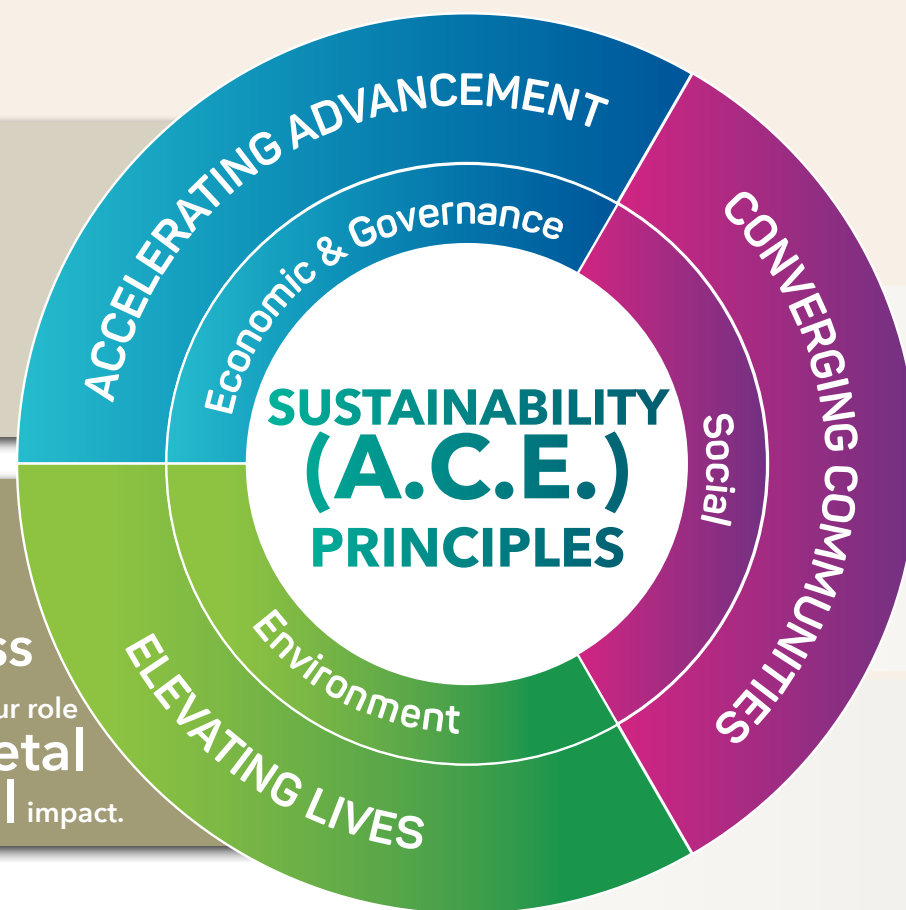


Mission

Our mission is to deliver **sustainable business growth** while strengthening our role in promoting **positive societal and environmental impact.**

OUR SUSTAINABILITY FRAMEWORK

The **A.C.E.** Principles form the foundation of our Sustainability Framework, guiding our actions and decisions across all facets of our business. By aligning our 14 material matters with these principles, we ensure that our sustainability efforts are thorough, focused, and impactful.



BRINGING IMPACT

FOCUSED TO



ACCELERATING ADVANCEMENT

We are committed to advancing progress by implementing a robust strategy that responds to changing business environments, keeping our approach innovative and relevant. We aim to:

1. Providing high-quality road infrastructure.
2. Generating strong financial performance and responsible corporate governance.
3. Unlocking career advancement opportunities and innovative work environment.
4. Catalysing opportunities for business growth and innovation.
5. Strengthening compliance with governance standards and best practices.
6. Fostering economic activities along the highway corridors.



CONVERGING COMMUNITIES

We are committed to delivering lasting positive impacts for all stakeholders by providing high-quality infrastructure networks and nurturing strong partnerships. We aim to:

1. Enhancing road safety measures and user experience.
2. Bolstering corporate reputation and stakeholder trust.
3. Prioritising occupational safety, work-life balance and personal development.
4. Forging collaborative partnerships to enhance social impact.
5. Alignment with social development goals.
6. Promoting social inclusion, quality of life improvements and community engagement.



ELEVATING LIVES

We are committed to building a sustainable future where green growth strategies elevate lives. We aim to:

1. Mitigating environmental impact by using sustainable materials and various green initiatives in road infrastructure.
2. Ensuring long-term climate sustainability and risk management.
3. Implementing environmental initiatives and sustainable workplace practices.
4. Embedding sustainable practices in the supply chain.
5. Championing environmental regulations and proactive green initiatives.
6. Protecting the environment, biodiversity conservation and sustainable local development.

5 STRATEGIC FOCUS AREAS

- 1 ADVANCING ROAD SAFETY AND USER WELLBEING
- 2 GOVERNANCE, PEOPLE AND INDUSTRIAL DEVELOPMENT
- 3 REDUCING CARBON FOOTPRINT
- 4 SUSTAINABLE SUPPLY CHAIN
- 5 RESPONSIBLE RESOURCE MANAGEMENT

This strategic alignment ensures our initiatives not only meet current sustainability standards but also lay the foundation for long-term resilience and positive impact across all stakeholders and operational domains.

Sustainability Framework and Governance

Governance in Sustainability

The Board of Directors (the “Board”) oversees the Trust’s business strategy and performance, emphasising the integration of material Environmental, Social, and Governance (“ESG”) factors into strategic decision-making. Supported by its committee members, the Board meets regularly to address operational matters and sustainability initiatives, ensuring ESG considerations are embedded in governance and business strategy.

The Chief Executive Officer of Prolintas Managers Sdn. Bhd. (“PMSB” or “Trustee-Manager”) works closely with the Board to lead ESG initiatives within Prolintas Infra BT. The Trustee-Manager sets sustainability goals aligned with key stakeholder priorities, ensuring ESG objectives are comprehensive, actionable and responsive to expectations.

To operationalise these goals, PMSB collaborates with the Sustainability Team of Projek Lintasan Kota Holdings Sdn. Bhd. (“PLKH”) which oversees and coordinates sustainability efforts across PLKH and its subsidiaries, including Prolintas Infra BT. This partnership ensures alignment and consistent progress on sustainability initiatives.

Through this governance framework, Prolintas Infra BT maintains sustainability as a core priority, driving long-term value creation while addressing stakeholder needs and contributing to environmental stewardship and social responsibility.



Driving sustainable growth through strong governance—our Board actively integrates ESG considerations into strategic decision-making, ensuring long-term value creation and responsible business practices.

Sustainability Framework and Governance



Prioritising sustainability in highway development, we integrate water retention and detention ponds to enhance green corridors while ensuring road user safety, especially during heavy rainfall. As leaders in elevated intracity highways, our governance approach extends in advocating biodiversity preservation, restoring natural habitats and designing scenic routes that balance safety with environmental responsibility.

These initiatives align with our commitment to sustainable infrastructure, developing eco-friendly economic growth for the communities we serve.

Our Strategic Focus Areas

SF1

Advancing
Road Safety
And User
Welbeing

Sustainable
Road Safety and
Wellbeing

Upgrading and
Maintenance
of Highway
Infrastructure

Emergency
Preparedness
and Response

Road Awareness
and Engagement

SF2

Governance,
People and
Industrial
Development

Capacity Building

Capability and
Competency
Building

Culture
Building

STRATEGIC FOCUS AREAS

SF3

Reducing
Carbon
Footprint

Carbon
Reduction
Strategy

Climate Action

SF4

Sustainable
Supply Chain

Sustainable
Materials

Sustainable
Supply Chain

SF5

Responsible
Resource
Management

Water
Management

Waste
Management

Biodiversity

Operational Excellence

Creating Shared Values

Our Strategic Focus Areas

SF1 **ADVANCING ROAD SAFETY AND USER WELLBEING**

- Addresses the top priority identified in the materiality matrix.
- Encompasses initiatives such as hotspot area mitigation, highway infrastructure upgrade and emergency response training.
- Aligns with the increasing participation and interest of road users in the stakeholder survey.

SF2 **GOVERNANCE, PEOPLE AND INDUSTRIAL DEVELOPMENT**

- Responds to the high importance of Employee Wellbeing, Safety and Health.
- Focuses on capacity, capability, and competency building.
- Incorporates cultural building to foster a sustainable mindset throughout the organisation.

SF3 **REDUCING CARBON FOOTPRINT**

- Despite the decline in the materiality ranking, we understand that climate action remains crucial for the future.
- Includes developing and implementing a carbon reduction strategy.
- Demonstrates proactive leadership in addressing global climate challenges.

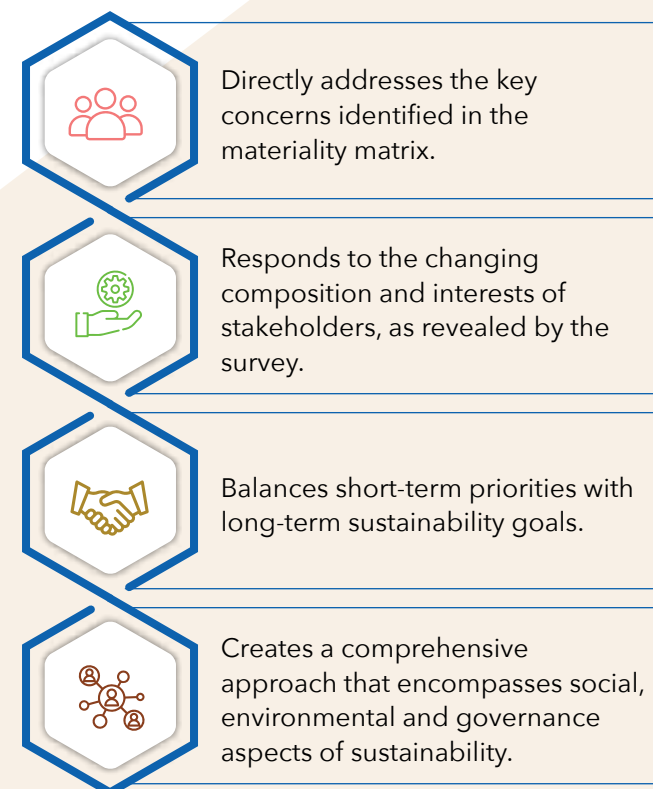
SF4 **SUSTAINABLE SUPPLY CHAIN**

- Addresses the growing importance of sustainable materials and responsible sourcing.
- Aims to extend sustainability practices beyond our direct operations.
- Supports the Trust's broader impact on communities and economic contributions.

SF5 **RESPONSIBLE RESOURCE MANAGEMENT**

- Responds to the significant rise in the importance of waste and water management.
- Incorporates biodiversity considerations, showcasing a holistic approach to environmental stewardship.
- Aligns with stakeholders' increased focus on environmental impact.

These focus areas provide a strategic framework that:



This approach enables targeted resource allocation, clear communication of priorities, and effective tracking and reporting of progress across critical sustainability dimensions.

2024 Stakeholder Survey

The inaugural Stakeholder Survey, conducted during FY2024, marks the first survey under Prolintas Infra BT's banner. It is built upon the proven expertise of our parent company, Projek Lintasan Kota Holdings Sdn. Bhd. ("PLKH"), which has successfully executed similar initiatives over the past four years.

Building on a Strong Foundation

Our Sustainability Principles, Framework and Material Matters are aligned ensuring a cohesive strategic direction. Recognising the invaluable insights stakeholders provide, we decided to conduct this survey to shape our strategies and operations effectively. Based on established practices, we employed similar stakeholder categories and survey questions. This approach allowed us to refine our methods while maintaining consistency in gathering and interpreting stakeholder feedback.

Survey Participation

We received a commendable response to the survey, with 1,264 participants contributing their views. This strong engagement reflects the importance our stakeholders place on having their voices heard and their commitment to our shared success.

Leveraging Experience and Fresh Perspectives

While we are a newly established entity, our approach is rooted in continuity and expertise. By adopting the proven survey framework of our parent company, we are able to craft targeted questions and interpret results with a depth of context honed over years of experience. This continuity empowers us to capitalise on the insights gained from previous surveys, while our fresh perspective as a newly listed entity equips us to explore challenges and opportunities through a renewed lens—potentially uncovering valuable insights that might have been previously overlooked.

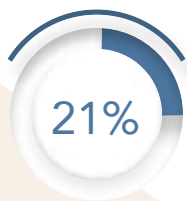
Key Findings

Stakeholder Survey Analysis

Total Distributed via online survey (excluding road users) 2,118

Total Responses

1,264



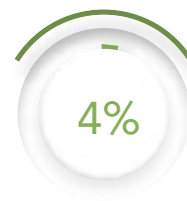
Employees
(262 responses
out of 341)



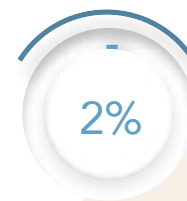
Road Users
(744 responses
out of 744)



**External
Providers**
(152 responses
out of 835)



Communities
(49 responses
out of 49)



**Regulators &
Authorities**
(31 responses
out of 80)



**Financial
Providers**
(26 responses
out of 69)

- **Road Users (59%):** The largest group of respondents, highlighting the critical role they play in our operations.
- **Employees (21%):** A significant portion that demonstrated strong internal engagement.
- **External Providers (12%):** Offering valuable insights from our supply chain and partners.
- **Communities (4%):** Providing perspective on our local impact.
- **Regulators & Authorities (2%):** Ensured we remain aligned with regulatory expectations.
- **Financial Providers (2%):** Offered input on our financial health and sustainability.

These stakeholder categories reflect those used by PLKH, reinforcing our commitment to a consistent approach to understanding and addressing the needs of all relevant parties.

Moving Forward

The insights gained from this survey will be instrumental in:

- Aligning our goals with stakeholder expectations.
- Strengthening our relationships across all stakeholder groups.
- Identifying areas for improvement and innovation within the framework established by our parent company.
- Informing our strategic planning processes while ensuring alignment with the overall direction set by our parent company.

As we embark on this journey, we acknowledge the strong foundation laid by our parent company and the invaluable engagement of our stakeholders. This inaugural survey serves as the cornerstone of a continuous, data-driven dialogue aimed at shaping a shared and progressive future. By harnessing the insights and collaborative contributions from our stakeholders, we are committed to driving meaningful growth and fostering enduring partnerships.

Our Materiality Matrix

Aligning Strategies and Frameworks

Prolintas Infra BT's sustainability principles, framework and material matters align directly with those of our parent company, PLKH, ensuring consistency in our strategic initiatives. However, we recognise that our stakeholders may prioritise these material matters differently. To address this, we have developed a dedicated materiality matrix for the Trust. This approach enables us to effectively address our stakeholders' concerns while ensuring alignment with our parent company's overarching goals.

Significance of Our First Assessment

This materiality matrix reflects our commitment to identifying and tackling the most important sustainability challenges as our business grows. It helps us stay focused on what truly matters and ensures we are making responsible decisions.

This assessment serves several key purposes:



Baseline Establishment

It provides a starting point for measuring our progress in sustainability efforts over time.



Resource Allocation

Understanding the relative importance of various sustainability issues allows us to allocate our resources more effectively.



Stakeholder Engagement

The process of creating this matrix involved consulting various stakeholders, which helped us build relationships and gather diverse perspectives.



Transparency

By sharing this assessment, we want to be transparent about what matters most to us and the challenges we face in our sustainability journey.



Risk Identification

By identifying key sustainability issues, we can better anticipate and mitigate potential risks to our business and stakeholders.



Strategic Alignment

This assessment helps ensure that our sustainability efforts align with our overall business strategy and objectives.

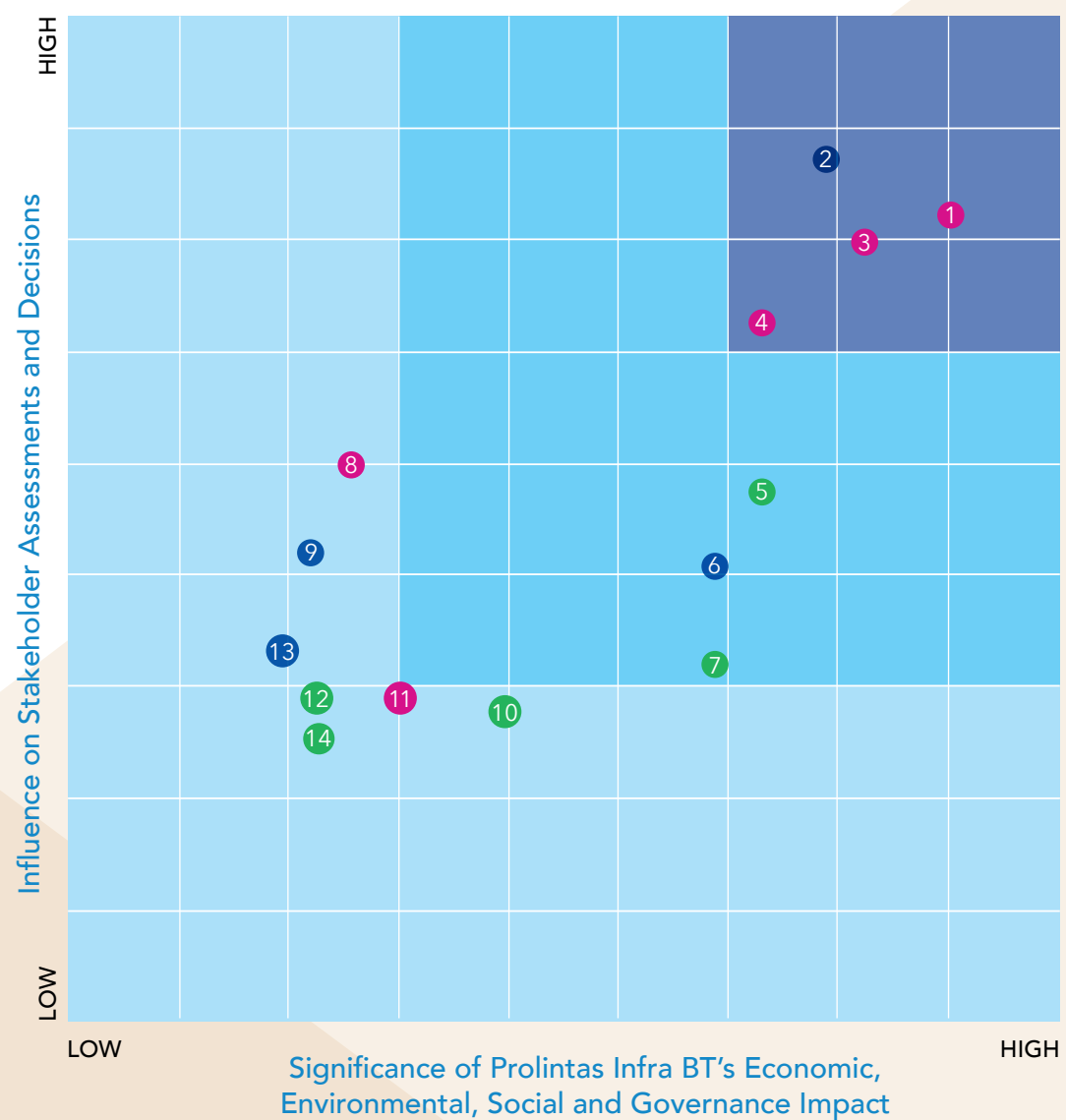
This is just the beginning of our journey, and we recognise that our understanding and approach will evolve as we learn and grow. We are committed to regularly reviewing our priorities to make sure we focus on what truly matters and create a meaningful impact.

Our Materiality Matrix

Material Matters	Ranking
Road User Wellbeing	1
Ethics and Integrity	2
Employee Wellbeing, Safety and Health	3
Capacity, Capability, Competency and Culture	4
Waste Management	5
Innovation and Technology	6
Water Management	7
Impact on Communities	8
Economic Contribution	9
Sustainable Materials	10
Diversity, Equity and Inclusivity	11
Biodiversity	12
Sustainable Supply Chain	13
Greenhouse Gases and Climate Action	14

Legend

- **ACCELERATING ADVANCEMENT - ECONOMIC & GOVERNANCE**
- **CONVERGING COMMUNITIES - SOCIAL**
- **ELEVATING LIVES - ENVIRONMENTAL**



Low Importance

Medium Importance

High Importance

Our Materiality Matrix



Smarter technology for smoother journeys. Using drones to inspect and monitor our highways for better safety and efficiency.

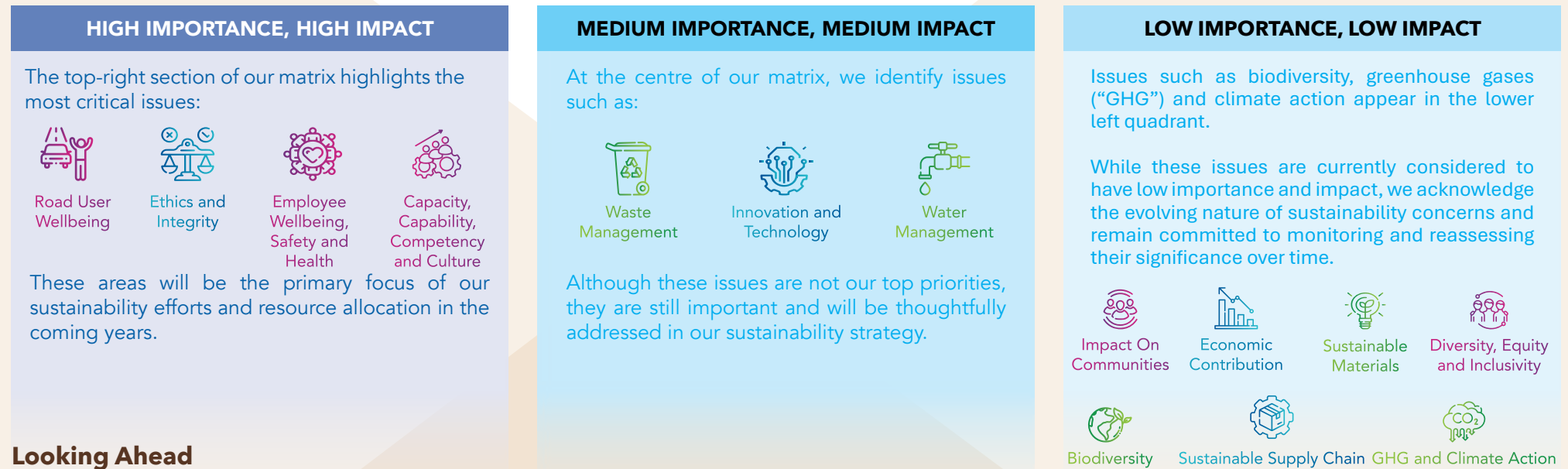
Our Materiality Matrix

Based on our assessment, we identified 14 material matters, each ranked according to their importance to our business and stakeholders. The top five issues emerging from this analysis were:



These priorities reflect our core values and the areas where we believe we can make the most significant impact.

Key Findings



Looking Ahead

As we embark on our corporate journey, this materiality matrix will serve as a compass, guiding our sustainability efforts and helping us allocate resources effectively. Our next steps include:

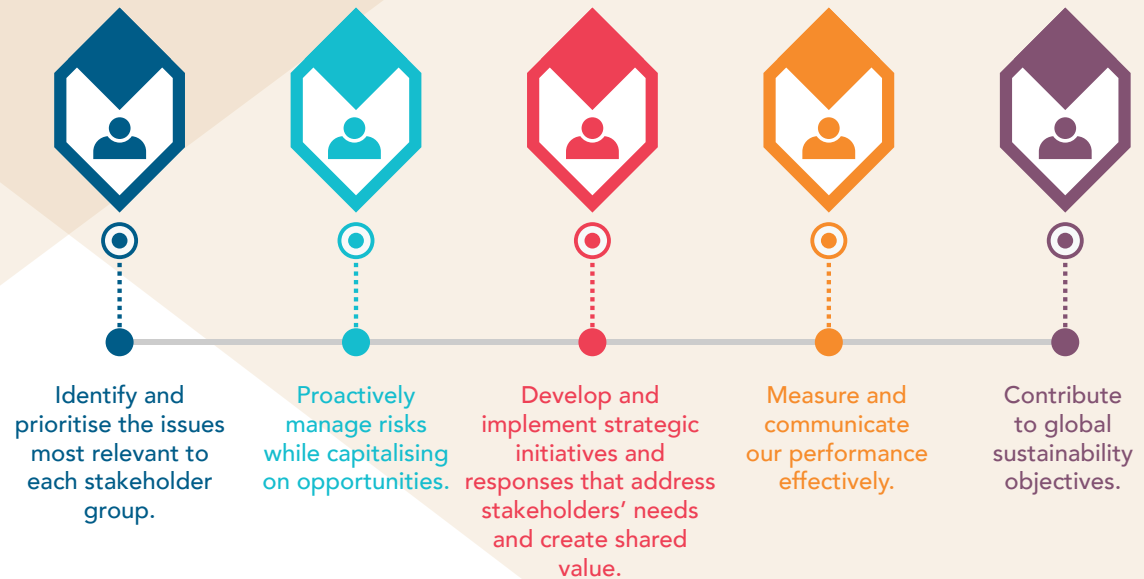
- Integrating these findings into our overall business strategy
- Developing targeted strategies for our high-priority issues
- Establishing key performance indicators ("KPIs") for key material matters

We look forward to building on this strong foundation and continue making meaningful progress toward sustainable and responsible business practices. As the world evolves, so do our commitments, and we remain dedicated to integrating sustainability into everything we do. By taking thoughtful action and continuously improving, we aim to create a positive impact for our stakeholders, our communities, and the environment in the years ahead.

Stakeholder-Driven Approach

We structure our stakeholder relationships into distinct sections, outlining how their concerns influence our sustainability strategy. By systematically addressing their priorities, we integrate stakeholder expectations into our decision-making process, ensuring alignment with environmental, social and governance ("ESG") commitments.

This engagement-driven approach allows us to identify emerging risks and opportunities, fostering long-term value creation while maintaining transparency and accountability in our sustainability efforts.



Stakeholder-Driven Approach



ROAD USERS

This group, consisting of motorists and patrons at our Rest and Service Areas, is the primary beneficiary of our highway infrastructure and services.

Why Are They Important

Our success is intrinsically linked to the safety and satisfaction of road users. The operational efficiency, financial performance, and long-term sustainability of our organisation are directly correlated with user experience, safety metrics, and traffic volumes.

Engagement Methods

- Telephone calls
- Emails
- Social media
- Customer Satisfaction Surveys
- Centralised Call Centre
- Awareness Campaigns

KEY MATERIAL MATTER LINKED

RELATED RISKS AND OPPORTUNITIES

OUR STRATEGIC INITIATIVES AND RESPONSES



ACCELERATING ADVANCEMENT



Ethics and Integrity



Non-compliance with legal and ethical standards may cause operational disruptions, resulting in penalties or work stoppages.



Ethical practices foster efficiency, sustainability, and transparency, while reducing risks and promoting accountability.

- Establish and enforce comprehensive governance structures and policies, including the ISO 37001:2016 Anti-Bribery Management Systems, to ensure organisational integrity.
- Maintain transparent reporting mechanisms to address ethical concerns.
- Enforce a zero-tolerance policy for bribery and corrupt practices, alongside internal controls and whistleblower protection mechanisms.
- Protect user data collected through electronic toll systems and traffic monitoring, adhering to strict privacy policies.
- Encourage open communication and feedback to create a collaborative environment that fosters transparency and trust.



Innovation and Technology



Rapid technological advancement demands continuous investment and caution against over-reliance on automated systems, as they risk obsolescence, failure, or errors.



Harnessing advanced technologies can optimise traffic flow, reduce accidents, and enhance maintenance schedules, thereby improving safety and efficiency.

- Establish and implement a Centralised Call Centre ("CCC") to enhance traffic management and communication.
- Collaborate with tech companies and startups for innovative solutions, including the Smart Surveillance System ("S3").
- Develop the PROLINTAS Digital Assist application to provide real-time traffic updates, emergency response, and direct access to patrolmen for quick assistance.



RISKS



OPPORTUNITIES

Stakeholder-Driven Approach



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KEY MATERIAL MATTER LINKED

RELATED RISKS AND OPPORTUNITIES

OUR STRATEGIC INITIATIVES AND RESPONSES



CONVERGING COMMUNITIES



Road User Wellbeing



Inadequate safety measures, poor highway conditions, and ineffective traffic management can heighten accident risk, worsen congestion, and erode public trust in transportation systems.



Implement advanced safety features, launch awareness campaigns, and establish partnerships to enhance road safety and road user wellbeing.

- Uphold stringent safety standards that surpass regulatory requirements, including the ISO 39001:2012 for Road Traffic Safety Management Systems, to safeguard all road users.
- Implement and maintain high-quality safety features through regular maintenance, upgrades, and adherence to the ISO 9001:2015 Quality Management Systems.
- Provide proper illumination of highways, signages and road markings to enhance visibility and reduce accident risks.
- Implement appropriate speed limits and enforcement measures to promote safe driving speeds across various sections of the highways.
- Maintain rapid response teams and emergency call systems to swiftly address accidents, breakdowns, or other incidents on the highways.
- Establish well-equipped rest stops with adequate amenities to ensure comfort and convenience and to promote safe driving practices.
- Ensure efficient and user-friendly toll collection systems to minimise delays and frustration for road users.
- Conduct public awareness campaigns on road safety.



Capacity, Capability, Competency and Culture



Insufficient employee training can result in operational inefficiencies and delays, due to the workforce's difficulty in adapting to technological and industry changes.



Foster an innovative, inclusive culture to attract top talent while strategically collaborating with educational and industrial partners to enhance competencies and maintain a competitive edge.

- Cultivate a skilled workforce and deliver exceptional customer service.
- Regularly evaluate and enhance highway capacity to address increasing demands.

Stakeholder-Driven Approach



ROAD USERS

This group, consisting of motorists and patrons at our Rest and Service Areas, is the primary beneficiary of our highway infrastructure and services.

Why Are They Important

Our success is intrinsically linked to the safety and satisfaction of road users. The operational efficiency, financial performance, and long-term sustainability of our organisation are directly correlated with user experience, safety metrics, and traffic volumes.

Engagement Methods

- Telephone calls
- Emails
- Social media
- Customer Satisfaction Surveys
- Centralised Call Centre
- Awareness Campaigns

KEY MATERIAL MATTER LINKED

RELATED RISKS AND OPPORTUNITIES

OUR STRATEGIC INITIATIVES AND RESPONSES



ELEVATING LIVES



GHG and Climate Action



Climate change intensifies extreme weather events, increasing the risks to highway infrastructure.



Implement advanced technologies to reduce greenhouse gas emissions, foster partnerships for climate action initiatives, and achieve enhanced efficiency, cost savings, and environmental benefits.

- Invest in energy-efficient equipment and vehicles.
- Explore and use renewable energy sources to enhance highway operations and improve long-term efficiency.
- Explore and use green materials to minimise environmental impact in construction, maintenance and highway operations.



Sustainable Materials



Sustainable materials face challenges in widespread adoption due to the limited availability of eco-friendly materials and concerns regarding safety standards.



Sustainable materials provide cost savings and operational efficiencies due to their durability and low maintenance requirements.

- Research and implement sustainable materials in highway operations.



Biodiversity



Potential regulatory risks arise from non-compliance with environmental laws protecting biodiversity, which, coupled with public perception of the impact on local ecosystems and financial risks associated with biodiversity loss—including remediation costs, habitat restoration, and potential fines—can affect reputation among environmentally conscious stakeholders.



Green initiatives on conservation projects, offer opportunities to enhance local ecosystems and enhance reputation.

- Use native plants for highway landscaping to support local ecosystems.
- Implement erosion control measures along highway embankments near river areas to prevent sediment runoff and protect aquatic ecosystems.

Stakeholder-Driven Approach


**SHAREHOLDERS,
INVESTORS
AND FINANCIAL
INSTITUTIONS**

This group, comprising of shareholders, investors, fund managers, analysts, and bankers, represents the primary stakeholders in the Group's financial performance and strategic direction.

Why Are They Important

They play a pivotal role in the Group's trajectory by providing financial capital and shaping market perception. Their financial support drives our business growth and sustainability initiatives, and their confidence in our vision guides our long-term strategies.

Engagement Methods

- Management Meetings
- Board Meetings
- Annual General Meeting
- Periodic Reports
- Liaison Activities

KEY MATERIAL MATTER LINKED
RELATED RISKS AND OPPORTUNITIES
OUR STRATEGIC INITIATIVES AND RESPONSES

**ACCELERATING
ADVANCEMENT**

Ethics and Integrity


Risks to reputation arise from ethical lapses or regulatory non-compliance.



Upholding strong ethical standards enhances reputation and reliability, bolstering public trust and confidence.



The financial implications of unethical practices include fines, penalties, and lost business opportunities due to eroded trust and credibility.



Demonstrate ethics and integrity to attract and retain high-quality partners, vendors, and employees, fostering collaborations that align with the Group's values and standards.



Non-compliance with legal and ethical standards may cause operational disruptions, resulting in penalties or work stoppages.



Ethical practices foster efficiency, sustainability, and transparency, while reducing risks and promoting accountability.

- Establish and enforce comprehensive governance structures and policies, including the ISO 37001:2016 Anti-Bribery Management Systems, to ensure organisational integrity.
- Maintain transparent reporting mechanisms to address ethical concerns.
- Enforce a zero-tolerance policy for bribery and corrupt practices, alongside internal controls and whistleblower protection mechanisms.
- Encourage open communication and feedback to create a collaborative environment that fosters transparency and trust


Economic Contribution










Vulnerability to economic downturns and new regulations poses dual threats, potentially decreasing traffic and toll collection while imposing financial burdens or limiting toll increases.



Highway development enhances connectivity, driving regional economic growth while creating opportunities to diversify services and generate new revenue streams through commercial development along these routes.

- Maintain a balanced approach to business and financial performance to ensure both stability and growth.
- Diversify income streams through the strategic development of facilities and services along the highway networks.

Stakeholder-Driven Approach

 SHAREHOLDERS, INVESTORS AND FINANCIAL INSTITUTIONS	<p>This group, comprising of shareholders, investors, fund managers, analysts, and bankers, represents the primary stakeholders in the Group's financial performance and strategic direction.</p>	<p>Why Are They Important</p> <p>They play a pivotal role in the Group's trajectory by providing financial capital and shaping market perception. Their financial support drives our business growth and sustainability initiatives, and their confidence in our vision guides our long-term strategies.</p>	<p>Engagement Methods</p> <ul style="list-style-type: none"> • Management Meetings • Board Meetings • Annual General Meeting • Periodic Reports • Liaison Activities
KEY MATERIAL MATTER LINKED	RELATED RISKS AND OPPORTUNITIES	OUR STRATEGIC INITIATIVES AND RESPONSES	
 CONVERGING COMMUNITIES  Capacity, Capability, Competency and Culture	<p> Insufficient employee training can result in operational inefficiencies and delays, due to the workforce's difficulty in adapting to technological and industry changes.</p> <p> Foster an innovative, inclusive culture to attract top talent while strategically collaborating with educational and industrial partners to enhance competencies and maintain a competitive edge.</p>	<ul style="list-style-type: none"> • Invest in energy-efficient equipment and vehicles. • Explore and use renewable energy sources to enhance highway operations and improve long-term efficiency. • Explore and use green materials to minimise environmental impact in construction, maintenance and highway operations. 	
 Road User Wellbeing	<p> Inadequate safety measures, poor highway conditions, and ineffective traffic management can heighten accident risk, worsen congestion, and erode public trust in transportation systems.</p> <p> Implement advanced safety features, launch awareness campaigns, and establish partnerships to enhance road safety and road user well-being.</p>	<ul style="list-style-type: none"> • Uphold stringent safety standards that surpass regulatory requirements, including the ISO 39001:2012 for Road Traffic Safety Management Systems, to safeguard all road users. • Implement and maintain high-quality safety features through regular maintenance, upgrades, and adherence to the ISO 9001:2015 Quality Management Systems. • Provide proper illumination of highways, signages and road markings to enhance visibility and reduce accident risks. • Implement appropriate speed limits and enforcement measures to promote safe driving speeds across various sections of the highways. • Maintain rapid response teams and emergency call systems to swiftly address accidents, breakdowns, or other incidents on the highways. • Establish well-equipped rest stops with adequate amenities to ensure comfort and convenience and to promote safe driving practices. • Ensure efficient and user-friendly toll collection systems to minimise delays and frustration for road users. • Conduct public awareness campaigns on road safety. 	

Stakeholder-Driven Approach


**SHAREHOLDERS,
INVESTORS
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KEY MATERIAL MATTER LINKED	RELATED RISKS AND OPPORTUNITIES	OUR STRATEGIC INITIATIVES AND RESPONSES
 CONVERGING COMMUNITIES  Impact On Communities	 Risks of reputational damage due to perceived harm to the community or environment can lead to public opposition and legal challenges.  Collaborating with stakeholders to create inclusive development plans.	<ul style="list-style-type: none"> • Manage traffic flow and reduce congestion to minimise the impact on local road networks and community mobility. • Install and maintain safety features, including proper signage, guardrails, and pedestrian crossings, to protect both highway users and local residents. • Implement measures to reduce noise pollution from highway traffic, including the use of noise barriers to minimise disturbance to nearby residential areas. • Monitor emissions and dust from vehicle activities to uphold air quality standards in nearby communities. • Implement measures to protect local ecosystems, including stormwater management systems, and erosion control.
 ELEVATING LIVES  GHG and Climate Action	 Non-compliance with GHG regulations and carbon pricing mechanisms can lead to financial liabilities and reputational damage due to perceived inaction or inadequate measures to address GHG emissions and their environmental impacts.  Implement innovative technologies to reduce GHG emissions, improving efficiency and cost savings. This will enhance brand reputation and competitive advantage by showcasing leadership in climate action and sustainability efforts.  Climate change intensifies extreme weather events, increasing the risks to highway infrastructure.  Implement advanced technologies to reduce greenhouse gas emissions, foster partnerships for climate action initiatives, and achieve enhanced efficiency, cost savings, and environmental benefits.	<ul style="list-style-type: none"> • Develop and implement carbon reduction strategy. • Climate risk assessments with strategic mitigation plans and actionable measures. • Invest in energy-efficient equipment and vehicles. • Explore and use renewable energy sources to enhance highway operations and improve long-term efficiency. • Explore and use green materials to minimise environmental impact in construction, maintenance and highway operations.

Stakeholder-Driven Approach



SHAREHOLDERS, INVESTORS AND FINANCIAL INSTITUTIONS

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KEY MATERIAL MATTER LINKED	RELATED RISKS AND OPPORTUNITIES	OUR STRATEGIC INITIATIVES AND RESPONSES
 ELEVATING LIVES  Sustainable Materials	<p> The risk of a higher initial investment in sustainable materials does not yield the expected long-term cost savings or environmental benefits.</p> <p> As the Group establishes a standard and strengthens its reputation for sustainability and corporate social responsibility.</p> <p> Sustainable materials face challenges in widespread adoption due to the limited availability of eco-friendly materials and concerns regarding safety standards.</p> <p> Sustainable materials provide cost savings and operational efficiencies due to their durability and low maintenance requirements.</p>	<ul style="list-style-type: none"> • Research and implement sustainable materials in highway operations. • Use locally sourced materials to reduce logistics emissions and support local businesses.
 Water Management	<p> Escalating climate-related risks endanger water management systems, threatening the reliability, quality, and accessibility of water supply.</p> <p> Adopting rainwater harvesting systems will reduce water management, and enhance corporate reputation and stakeholder trust.</p>	<ul style="list-style-type: none"> • Ensure all operational aspects comply with water-related regulations and industry standards. • Water conservation efforts through rainwater harvesting along our highways. • Develop stormwater control measures to prevent flooding and mitigate runoff impacts on surrounding areas. • Protect adjacent water bodies and natural ecosystems along our highway networks.
 Waste Management	<p> Regulatory non-compliance on waste management may result in legal penalties.</p> <p> Promote recycling programmes that convert waste into valuable resources, fostering a transition to a circular economy.</p>	<ul style="list-style-type: none"> • Establish and implement environmental management and safety protocols for responsible waste handling and disposal, following the ISO 14001:2015 standards and other regulatory frameworks. • Implement waste reduction and recycling programmes. • Encourage adoption of rainwater harvesting systems to minimise waste and promote sustainable use. • Utilise energy-efficient equipment and vehicles, as well as renewable energy sources, to reduce energy waste.

Stakeholder-Driven Approach

**EMPLOYEES**

This group, comprising of management, permanent employees, and contract workers, represents the primary factor and backbone of the Group's business operations and success.

Why Are They Important

Management and other employees represent the most valuable internal assets within the Group. The Management provides strategic direction, oversees operations, and allocates resources, while employees are responsible for executing daily tasks, maintaining infrastructure, and ensuring the efficient and safe functioning of the highway system. Together, they drive the Group's vision forward.

Engagement Methods

- Townhall and Meeting sessions
- Official emails
- Events and activities held year round
- Performance Appraisals
- Employee Engagement Survey

KEY MATERIAL MATTER LINKED**RELATED RISKS AND OPPORTUNITIES****OUR STRATEGIC INITIATIVES AND RESPONSES****ACCELERATING
ADVANCEMENT****Ethics and Integrity**

Risks to reputation arise from ethical lapses or regulatory non-compliance.



Upholding strong ethical standards enhances reputation and reliability, bolstering public trust and confidence.



The financial implications of unethical practices include fines, penalties, and lost business opportunities due to eroded trust and credibility.



Demonstrate ethics and integrity to attract and retain high-quality partners, vendors, and employees, fostering collaborations that align with the Group's values and standards.



Non-compliance with legal and ethical standards may cause operational disruptions, resulting in penalties or work stoppages.



Ethical practices foster efficiency, sustainability, and transparency, while reducing risks and promoting accountability.

- Establish and enforce comprehensive governance structures and policies, including the ISO 37001:2016 Anti-Bribery Management Systems, to ensure organisational integrity.
- Maintain transparent reporting mechanisms to address ethical concerns.
- Enforce a zero-tolerance policy for bribery and corrupt practices, alongside internal controls and whistleblower protection mechanisms.
- Regular internal audit to uphold efficiency and integrity.
- Conduct training sessions and awareness programmes focused on ethical practices and integrity to equip participants with the knowledge and tools necessary to navigate ethical concerns.
- Encourage open communication and feedback to create a collaborative environment that fosters transparency and trust.

Stakeholder-Driven Approach

 <p>EMPLOYEES</p>	<p>This group, comprising of management, permanent employees, and contract workers, represents the primary factor and backbone of the Group's business operations and success.</p>	<p>Why Are They Important</p> <p>Management and other employees represent the most valuable internal assets within the Group. The Management provides strategic direction, oversees operations, and allocates resources, while employees are responsible for executing daily tasks, maintaining infrastructure, and ensuring the efficient and safe functioning of the highway system. Together, they drive the Group's vision forward.</p>	<p>Engagement Methods</p> <ul style="list-style-type: none"> • Townhall and Meeting sessions • Official emails • Events and activities held year round • Performance Appraisals • Employee Engagement Survey
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KEY MATERIAL MATTER LINKED	RELATED RISKS AND OPPORTUNITIES	OUR STRATEGIC INITIATIVES AND RESPONSES
 <p>ACCELERATING ADVANCEMENT</p>  <p>Innovation and Technology</p>	<ul style="list-style-type: none">  The challenge of managing large amounts of data from smart devices lies in the risks of overload or misinterpretation impacting decision-making.  Collaborate with tech innovators to develop smart highways and business management solutions that enhance performance and efficiency.  Rapid technological advancement demands continuous investment and caution against over-reliance on automated systems, as they risk obsolescence, failure, or errors.  Harnessing advanced technologies can optimise traffic flow, reduce accidents and enhance maintenance schedules, thereby improving safety and efficiency. 	<ul style="list-style-type: none"> • Adopt green technologies for highway maintenance and encourage innovative solutions. • Provide access to learning platforms to ensure continuous skill development. • Encourage data analytics for decision-making, and implement cloud-based collaboration tools and mobile apps for improved efficiency. • Deploy drones for inspections in hazardous environments and utilise wearable technology for employee safety. • Create interdepartmental teams for innovative projects. • Collaborate with universities to advance research in innovative development. • Implement pilot projects to evaluate new technologies before their full-scale deployment
 <p>Economic Contribution</p>	<ul style="list-style-type: none">  Vulnerability to economic downturns and new regulations poses dual threats, potentially decreasing traffic and toll collection while imposing financial burdens or limiting toll increases.  Highway development enhances connectivity, driving regional economic growth while creating opportunities to diversify services and generate new revenue streams through commercial development along these routes. 	<ul style="list-style-type: none"> • Implement competitive compensation packages that include higher-than-industry-standard living wages, performance-based bonuses, comprehensive health benefits, and employee share-option schemes. • Maintain a stable workforce, even during economic challenges, and diversify revenue streams to protect against industry fluctuations and ensure job security. • Measure and report on the Group's financial performance, communicate employees' direct and indirect economic contributions, and highlight how their productivity drives overall business growth and financial success.

Stakeholder-Driven Approach

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KEY MATERIAL MATTER LINKED**RELATED RISKS AND OPPORTUNITIES****OUR STRATEGIC INITIATIVES AND RESPONSES****CONVERGING COMMUNITIES**

**Capacity, Capability,
Competency and
Culture**



The risks of losing key personnel and their impact on operations and project delivery.



Opportunities for comprehensive training and development programmes that prepare employees for current and future industry demands.



Insufficient employee training can result in operational inefficiencies and delays, due to the workforce's difficulty in adapting to technological and industry changes.



Foster an innovative, inclusive culture to attract top talent while strategically collaborating with educational and industrial partners to enhance competencies and maintain a competitive edge.

- Invest in continuous training and development programmes for employees.
- Cultivate a skilled workforce and foster a culture of operational excellence, innovation, and sustainability.
- Implement performance management systems to drive capability and competence.
- Encourage the sharing of knowledge and best practices within the organisation

Stakeholder-Driven Approach



EMPLOYEES

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KEY MATERIAL MATTER LINKED

RELATED RISKS AND OPPORTUNITIES

OUR STRATEGIC INITIATIVES AND RESPONSES



CONVERGING COMMUNITIES



Employee Wellbeing, Safety and Health



Non-compliance with health and safety regulations in high-risk highway operations can lead to financial and reputational risks, as well as an increased likelihood of workplace accidents resulting in injuries or fatalities.



Build a safety culture through continuous training and employee empowerment while monitoring health risks and enhancing safety measures; this collectively improves safety outcomes, reduces accidents, and promotes a healthier workforce.

















Health-related employee absenteeism can increase turnover rates and lead to the loss of experienced personnel.




Implementing holistic wellness programmes improves employee satisfaction and retention.











- Develop Standard Operating Procedures ("SOPs") and communicate them to all employees, including adherence to the ISO 45001:2018 Occupational Health and Safety Management Systems.
- Implement comprehensive safety in business and highway operations, including regular safety workshops, certification programmes, and ongoing education on best practices in the highway industry.
- Conduct regular safety audits and inspections to maintain high safety standards and identify areas for improvement.
- Conduct regular emergency drills and simulations to maintain readiness.
- Provide appropriate Personal Protective Equipment ("PPE") and enforce its use for all employees working in potentially hazardous environments.
- Maintain well-equipped first-aid kit and train employees in emergency response procedures.
- Perform regular maintenance and upgrades for operational vehicles to maintain optimal safety standards.
- Ensure that all workspaces are designed in accordance with ergonomic principles to prevent musculoskeletal disorders.
- Establish proper air quality, noise control, and exposure limits to harmful substances in every workplace.
- Provide regular health and wellness programmes, encompassing health check-ups, screenings, and mental health support services.
- Promote policies that encourage a healthy work-life balance, including flexible working hours and sufficient leave provisions.
- Commit to employee well-being through comprehensive health insurance coverage as part of the benefits package.
- Ongoing workplace improvement involves assessing work environments to identify areas needing enhancement.
- Continue to attract and retain talent by offering competitive salaries, complemented by performance-based incentives.
- Establish open communication channels for employees to voice their opinions and feedback.

Stakeholder-Driven Approach





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KEY MATERIAL MATTER LINKED	RELATED RISKS AND OPPORTUNITIES	OUR STRATEGIC INITIATIVES AND RESPONSES	
 CONVERGING COMMUNITIES  Diversity, Equity and Inclusivity	<ul style="list-style-type: none">  A lack of diversity and inclusion initiatives may impact employee engagement and the workplace atmosphere, potentially affecting public perception.  An inclusive culture can enhance innovation, creativity, and problem-solving while also improving employee satisfaction, loyalty, and productivity, thereby creating a positive and dynamic environment. 	<ul style="list-style-type: none"> • All employees have equal access to career advancement opportunities, training, and resources. • Foster an environment that values and includes all employees, regardless of their backgrounds. • Establish multiple channels to enable employees to share their insights and experiences. • Establish mentorship programmes to support the professional growth of employees from diverse backgrounds. 	
 ELEVATING LIVES  GHG and Climate Action	<ul style="list-style-type: none">  Non-compliance with GHG regulations and carbon pricing mechanisms can lead to financial liabilities and reputational damage due to perceived inaction or inadequate measures to address GHG emissions and their environmental impacts.  Implement innovative technologies to reduce GHG emissions, improving efficiency and cost savings. This will enhance brand reputation and competitive advantage by showcasing leadership in climate action and sustainability efforts.  Climate change intensifies extreme weather events, increasing the risks to highway infrastructure.  Implement advanced technologies to reduce greenhouse gas emissions, foster partnerships for climate action initiatives, and achieve enhanced efficiency, cost savings, and environmental benefits. 	<ul style="list-style-type: none"> • Develop and implement carbon reduction strategy. • Climate risk assessments with strategic mitigation plans and actionable measures. • Invest in energy-efficient equipment and vehicles. • Explore and use renewable energy sources to enhance highway operations and improve long-term efficiency. • Explore and use green materials to minimise environmental impact in construction, maintenance and highway operations. • Provide training and awareness programmes on sustainability practices and the significance of reducing GHG emissions in business operations. 	
 Sustainable Materials	<ul style="list-style-type: none">  Sustainable materials face challenges in widespread adoption due to the limited availability of eco-friendly materials and concerns regarding safety standards.  Sustainable materials provide cost savings and operational efficiencies due to their durability and low maintenance requirements. 	<ul style="list-style-type: none"> • Research and implement sustainable materials in highway operations. 	

Stakeholder-Driven Approach











 <p>EMPLOYEES</p>	<p>This group, comprising of management, permanent employees, and contract workers, represents the primary factor and backbone of the Group's business operations and success.</p>	<p>Why Are They Important</p> <p>Management and other employees represent the most valuable internal assets within the Group. The Management provides strategic direction, oversees operations, and allocates resources, while employees are responsible for executing daily tasks, maintaining infrastructure, and ensuring the efficient and safe functioning of the highway system. Together, they drive the Group's vision forward.</p>	<p>Engagement Methods</p> <ul style="list-style-type: none"> • Townhall and Meeting sessions • Official emails • Events and activities held year round • Performance Appraisals • Employee Engagement Survey
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KEY MATERIAL MATTER LINKED	RELATED RISKS AND OPPORTUNITIES	OUR STRATEGIC INITIATIVES AND RESPONSES
 <p>ELEVATING LIVES</p>  <p>Water Management</p>	<ul style="list-style-type: none">  Escalating climate-related risks endanger water management systems, threatening the reliability, quality, and accessibility of water supply.  Adopting rainwater harvesting systems will reduce reliance on freshwater supplies, promote sustainable water management and enhance corporate reputation and stakeholder trust. 	<ul style="list-style-type: none"> • Ensure all operational aspects comply with water-related regulations and industry standards. • Water conservation efforts through rainwater harvesting along our highways. • Develop stormwater control measures to prevent flooding and mitigate runoff impacts on surrounding areas. • Protect adjacent water bodies and natural ecosystems along our highway networks.
 <p>Waste Management</p>	<ul style="list-style-type: none">  Regulatory non-compliance on waste management may result in legal penalties.  Promote recycling programmes that convert waste into valuable resources, fostering a transition to a circular economy. 	<ul style="list-style-type: none"> • Establish and implement environmental management and safety protocols for responsible waste handling and disposal, following the ISO 14001:2015 Environmental Management Systems and other regulatory frameworks. • Develop awareness programmes through employee education and engagement in circularity. • Implement waste reduction and recycling programmes. • Encourage adoption of rainwater harvesting systems to minimise waste and promote sustainable use. • Utilise energy-efficient equipment and vehicles, as well as renewable energy sources to reduce energy waste.
 <p>Biodiversity</p>	<ul style="list-style-type: none">  Potential regulatory risks arise from non-compliance with environmental laws protecting biodiversity, which, coupled with public perception of the impact on local ecosystems and financial risks associated with biodiversity loss—including remediation costs, habitat restoration, and potential fines—can affect reputation among environmentally conscious stakeholders.  Green initiatives on conservation projects, offer opportunities to enhance local ecosystems and enhance reputation. 	<ul style="list-style-type: none"> • Conduct environmental impact assessments before new projects. • Use native plants for highway landscaping to support local ecosystems. • Collaborate with conservation organisations for habitat restoration projects. • Minimise the use of harmful de-icing chemicals to protect local flora and fauna. • Implement erosion control measures along highway embankments near river areas to prevent sediment runoff and protect aquatic ecosystems.









Stakeholder-Driven Approach

 EXTERNAL PROVIDERS	<p>This group, comprising of contractors, consultants, and suppliers, represents the primary partners in the Group's business operations and success. It allows for greater flexibility in resource management.</p>	<p>Why Are They Important</p> <p>They offer specialised expertise, resources, and services that enhance the Group's capabilities.</p>	<p>Engagement Methods</p> <ul style="list-style-type: none"> • Tender Exercises • Requests for Quotations • Meetings • Events and activities held year round
KEY MATERIAL MATTER LINKED	RELATED RISKS AND OPPORTUNITIES	OUR STRATEGIC INITIATIVES AND RESPONSES	
 ACCELERATING ADVANCEMENT  Ethics and Integrity	<p> The financial implications of unethical practices include fines, penalties, and lost business opportunities due to eroded trust and credibility.</p> <p> Demonstrate ethics and integrity to attract and retain high-quality partners, vendors, and employees, fostering collaborations that align with the Group's values and standards.</p>	<ul style="list-style-type: none"> • Establish and enforce comprehensive governance structures and policies, including the ISO 37001:2016 Anti-Bribery Management Systems, to ensure organisational integrity. • Maintain transparent reporting mechanisms to address ethical concerns. • Enforce a zero-tolerance policy for bribery and corrupt practices, alongside internal controls and whistleblower protection mechanisms. • Conduct thorough briefings to ensure all parties are well informed about their legal obligations, the Group's Code of Conduct, and relevant governance policies regarding our operations, in alignment with best practices and regulatory requirements. • Establish transparent, competitive bidding protocols for contracts and suppliers to ensure fairness, equal opportunity, and integrity in procurement processes, and to prevent conflicts of interest. • Conduct training sessions and awareness programmes focused on ethical practices and integrity to equip participants with the knowledge and tools necessary to navigate ethical concerns. • Encourage open communication and feedback to create a collaborative environment that fosters transparency and trust. 	
 Innovation and Technology	<p> The challenge of managing large amounts of data from smart devices lies in the risks of overload or misinterpretation impacting decision-making.</p> <p> Collaborate with tech innovators to develop smart highways and business management solutions that enhance performance and efficiency.</p>	<ul style="list-style-type: none"> • Adopt green technologies for highway maintenance and encourage innovative solutions. • Collaborate with universities to advance research in innovative development. • Implement pilot projects to evaluate new technologies before their full-scale deployment. 	















Stakeholder-Driven Approach

 <p>EXTERNAL PROVIDERS</p>	<p>This group, comprising of contractors, consultants, and suppliers, represents the primary partners in the Group's business operations and success. It allows for greater flexibility in resource management.</p>	<p>Why Are They Important</p> <p>They offer specialised expertise, resources, and services that enhance the Group's capabilities.</p>	<p>Engagement Methods</p> <ul style="list-style-type: none"> • Tender Exercises • Requests for Quotations • Meetings • Events and activities held year round
KEY MATERIAL MATTER LINKED	RELATED RISKS AND OPPORTUNITIES	OUR STRATEGIC INITIATIVES AND RESPONSES	
 <p>ACCELERATING ADVANCEMENT</p>  <p>Economic Contribution</p>	<ul style="list-style-type: none">  Vulnerability to economic downturns and new regulations poses dual threats, potentially decreasing traffic and toll collection while imposing financial burdens or limiting toll increases.  Highway development enhances connectivity, driving regional economic growth while creating opportunities to diversify services and generate new revenue streams through commercial development along these routes. 	<ul style="list-style-type: none"> • Integrate external providers into the Group's value chain to drive shared economic growth through resource optimisation, cost reduction, and the receipt of high-quality goods and services. • Regular evaluation of the pricing strategy to ensure competitive rates. 	
 <p>Sustainable Supply Chain</p>	<ul style="list-style-type: none">  Highway operations may be affected by potential supply chain disruptions stemming from supplier challenges or limited alternatives.  A well-diversified and resilient supply chain enhances operational stability and flexibility.  Suppliers' non-compliance with environmental and ethical standards may result in regulatory violations, posing potential risks to the organisation.  A culture of sustainability can create valuable partnerships and shape industry standards, thereby expanding the Group's influence on the broader sustainability landscape. 	<ul style="list-style-type: none"> • Collaborate with suppliers who advocate for sustainable materials, encourage innovation, and implement sustainable practices throughout their operations. • Prioritise the use of locally sourced materials to support local suppliers. • Implement rigorous and sustainable procurement processes to ensure fair and responsible sourcing practices. • Foster collaborative partnerships by providing constructive feedback that empowers suppliers to enhance their competencies and deliver superior quality and value. 	

Stakeholder-Driven Approach

 EXTERNAL PROVIDERS	<p>This group, comprising of contractors, consultants, and suppliers, represents the primary partners in the Group's business operations and success. It allows for greater flexibility in resource management.</p>	<p>Why Are They Important</p> <p>They offer specialised expertise, resources, and services that enhance the Group's capabilities.</p>	<p>Engagement Methods</p> <ul style="list-style-type: none"> • Tender Exercises • Requests for Quotations • Meetings • Events and activities held year round
KEY MATERIAL MATTER LINKED	RELATED RISKS AND OPPORTUNITIES	OUR STRATEGIC INITIATIVES AND RESPONSES	
 CONVERGING COMMUNITIES  Diversity, Equity, and Inclusivity	<p> There are risks to reputation and brand image if a commitment to diversity and inclusivity is lacking, which can affect customer perception and investor confidence.</p> <p> A balanced approach to diversity enhances market appeal and service quality.</p>	<ul style="list-style-type: none"> • Provide a fair, equitable, and inclusive level playing field that ensures all qualified external providers have the opportunity to compete for contracts. • Participate in networking events to connect diverse suppliers with larger contractors and industry leaders. • Establish feedback mechanisms and create an environment where all feel comfortable sharing their ideas and concerns. 	
 Impact On Communities	<p> Risks of reputational damage due to perceived harm to the community or environment can lead to public opposition and legal challenges.</p> <p> Collaborating with stakeholders to create inclusive development plans.</p>	<ul style="list-style-type: none"> • Collaborate with local emergency services to ensure efficient response times and minimise disruptions during incidents or natural disasters. • Engage local contractors and suppliers for various projects and services to stimulate job growth along the highway corridors. • Promote entrepreneurship through increased economic activity along the highway corridors. • Supports specific community needs by offering a range of initiatives, from social programmes to environmental conservation efforts, aimed at enhancing the overall quality of life and fostering a strong, positive relationship between the Group, external providers, and the communities. 	

Stakeholder-Driven Approach

	<p>EXTERNAL PROVIDERS</p> <p>This group, comprising of contractors, consultants, and suppliers, represents the primary partners in the Group's business operations and success. It allows for greater flexibility in resource management.</p>	<p>Why Are They Important</p> <p>They offer specialised expertise, resources, and services that enhance the Group's capabilities.</p>	<p>Engagement Methods</p> <ul style="list-style-type: none"> • Tender Exercises • Requests for Quotations • Meetings • Events and activities held year round
KEY MATERIAL MATTER LINKED	RELATED RISKS AND OPPORTUNITIES	OUR STRATEGIC INITIATIVES AND RESPONSES	
 ELEVATING LIVES  GHG and Climate Action	<ul style="list-style-type: none">  Climate change intensifies extreme weather events, increasing the risks to highway infrastructure.  Implement advanced technologies to reduce greenhouse gas emissions, foster partnerships for climate action initiatives, and achieve enhanced efficiency, cost savings, and environmental benefits. 	<ul style="list-style-type: none"> • Collaborate with business partners to enhance sustainable highway management. 	
 Sustainable Materials	<ul style="list-style-type: none">  Sustainable materials face challenges in widespread adoption due to the limited availability of eco-friendly materials and concerns regarding safety standards.  Sustainable materials provide cost savings and operational efficiencies due to their durability and low maintenance requirements. 	<ul style="list-style-type: none"> • Promote sustainable materials in business operations. 	
 Water Management	<ul style="list-style-type: none">  Escalating climate-related risks endanger water management systems, threatening the reliability, quality, and accessibility of water supply.  Adopting rainwater harvesting systems will reduce reliance on freshwater supplies, promote sustainable water management, and enhance corporate reputation and stakeholder trust. 	<ul style="list-style-type: none"> • Ensure all operational aspects comply with water-related regulations and industry standards. • Develop stormwater control measures to prevent flooding and mitigate runoff impacts on surrounding areas. • Protect adjacent water bodies and natural ecosystems along our highway networks 	
 Waste Management	<ul style="list-style-type: none">  Regulatory non-compliance on waste management may result in legal penalties.  Promote recycling programmes that convert waste into valuable resources, fostering a transition to a circular economy. 	<ul style="list-style-type: none"> • Establish and implement environmental management and safety protocols for responsible waste handling and disposal, following the ISO 14001:2015 Environmental Management Systems and other regulatory frameworks. • Implement waste reduction and recycling programmes. 	

Stakeholder-Driven Approach

**REGULATORS
AND
AUTHORITIES**









This group, comprising of federal and state governments and their agencies, represents the principal enforcers of laws and regulations.

Why Are They Important

Federal and state governments play a pivotal role in shaping business operations through policy creation, implementation, and regulatory enforcement. They are instrumental in economic policy-making, budget allocation, and fiscal management, which includes overseeing public infrastructure development. These governmental bodies provide a structured framework for businesses while managing broader economic and infrastructural concerns.

Engagement Methods








- Periodic Reports
- Authorities Liaison
- Meetings
- Inspections and Audits
- Events and activities held year round

KEY MATERIAL MATTER LINKED	RELATED RISKS AND OPPORTUNITIES	OUR STRATEGIC INITIATIVES AND RESPONSES
 ACCELERATING ADVANCEMENT  Ethics and Integrity	<p> The financial implications of unethical practices include fines, penalties, and lost business opportunities due to eroded trust and credibility.</p> <p> Demonstrate ethics and integrity to attract and retain high-quality partners, vendors, and employees, fostering collaborations that align with the Group's values and standards.</p> <p> Non-compliance with legal and ethical standards may cause operational disruptions, resulting in penalties or work stoppages.</p> <p> Ethical practices foster efficiency, sustainability, and transparency, while reducing risks and promoting accountability.</p>	<ul style="list-style-type: none"> • Establish and enforce comprehensive governance structures and policies, including the ISO 37001:2016 Anti-Bribery Management Systems, to ensure organisational integrity. • Maintain transparent reporting mechanisms to address ethical concerns. • Enforce a zero-tolerance policy for bribery and corrupt practices, alongside internal controls and whistleblower protection mechanisms. • Regular review and updates on ethical guidelines and compliance procedures to adapt to evolving regulatory landscapes and industry best practices. • Encourage open communication and feedback to create a collaborative environment that fosters transparency and trust.
 Economic Contribution	<p> Vulnerability to economic downturns and new regulations poses dual threats, potentially decreasing traffic and toll collection while imposing financial burdens or limiting toll increases.</p> <p> Highway development enhances connectivity, driving regional economic growth while creating opportunities to diversify services and generate new revenue streams through commercial development along these routes.</p>	<ul style="list-style-type: none"> • Maintain a balanced approach to business and financial performance to ensure both stability and growth. • Diversify income streams through the strategic development of facilities and services along the highway networks. • Stimulate economic growth by generating employment opportunities and fostering business and economic development activities along the highway corridors.


Stakeholder-Driven Approach





 REGULATORS AND AUTHORITIES	Why Are They Important Federal and state governments play a pivotal role in shaping business operations through policy creation, implementation, and regulatory enforcement. They are instrumental in economic policy-making, budget allocation, and fiscal management, which includes overseeing public infrastructure development. These governmental bodies provide a structured framework for businesses while managing broader economic and infrastructural concerns.	Engagement Methods <ul style="list-style-type: none"> • Periodic Reports • Authorities Liaison • Meetings • Inspections and Audits • Events and activities held year round
KEY MATERIAL MATTER LINKED	RELATED RISKS AND OPPORTUNITIES	OUR STRATEGIC INITIATIVES AND RESPONSES
 CONVERGING COMMUNITIES  Road User Wellbeing	<ul style="list-style-type: none">  Inadequate safety measures, poor highway conditions, and ineffective traffic management can heighten accident risk, worsen congestion, and erode public trust in transportation systems.  Implement advanced safety features, launch awareness campaigns, and establish partnerships to enhance road safety and road user well-being. 	<ul style="list-style-type: none"> • Uphold stringent safety standards that surpass regulatory requirements, including the ISO 39001:2012 for Road Traffic Safety Management Systems, to safeguard all road users. • Implement and maintain high-quality safety features through regular maintenance, upgrades, and adherence to the ISO 9001:2015 Quality Management Systems. • Provide proper illumination of highways, signages and road markings to enhance visibility and reduce accident risks. • Implement appropriate speed limits and enforcement measures to promote safe driving speeds across various sections of the highways. • Maintain rapid response teams and emergency call systems to swiftly address accidents, breakdowns, or other incidents on the highways. • Establish well-equipped rest stops with adequate amenities to ensure comfort and convenience and to promote safe driving practices. • Ensure efficient and user-friendly toll collection systems to minimise delays and frustration for road users. • Conduct public awareness campaigns on road safety.

Stakeholder-Driven Approach

 REGULATORS AND AUTHORITIES This group, comprising of federal and state governments and their agencies, represents the principal enforcers of laws and regulations.	Why Are They Important Federal and state governments play a pivotal role in shaping business operations through policy creation, implementation, and regulatory enforcement. They are instrumental in economic policy-making, budget allocation, and fiscal management, which includes overseeing public infrastructure development. These governmental bodies provide a structured framework for businesses while managing broader economic and infrastructural concerns.	Engagement Methods <ul style="list-style-type: none"> • Periodic Reports • Authorities Liaison • Meetings • Inspections and Audits • Events and activities held year round
KEY MATERIAL MATTER LINKED	RELATED RISKS AND OPPORTUNITIES	OUR STRATEGIC INITIATIVES AND RESPONSES
 CONVERGING COMMUNITIES  Employee Wellbeing, Safety, and Health	<ul style="list-style-type: none">  Non-compliance with health and safety regulations in high-risk highway operations can lead to financial and reputational risks, as well as an increased likelihood of workplace accidents resulting in injuries or fatalities.  Build a safety culture through continuous training and employee empowerment while monitoring health risks and enhancing safety measures; this collectively improves safety outcomes, reduces accidents, and promotes a healthier workforce.  Non-compliance with legal and ethical standards may cause operational disruptions, resulting in penalties or work stoppages.  Ethical practices foster efficiency, sustainability, and transparency, while reducing risks and promoting accountability. 	<ul style="list-style-type: none"> • Develop Standard Operating Procedures (“SOPs”) and communicate them to all employees, including the ISO 45001:2018 Occupational Health and Safety Management Systems. • Implement comprehensive safety in business and highway operations, including regular safety workshops, certification programmes, and ongoing education on best practices in the highway industry. • Conduct regular safety audits and inspections to maintain high safety standards and identify areas for improvement. • Conduct regular emergency drills and simulations to maintain readiness. • Establish proper air quality, noise control, and exposure limits to harmful substances in every workplace.

Stakeholder-Driven Approach

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KEY MATERIAL MATTER LINKED	RELATED RISKS AND OPPORTUNITIES	OUR STRATEGIC INITIATIVES AND RESPONSES
 <p>CONVERGING COMMUNITIES</p>  <p>Impact On Communities</p>	<p> Risks of reputational damage due to perceived harm to the community or environment can lead to public opposition and legal challenges.</p> <p> Collaborating with stakeholders to create inclusive development plans.</p>	<ul style="list-style-type: none"> • Manage traffic flow and reduce congestion to minimise the impact on local road networks and community mobility. • Install and maintain safety features, including proper signage, guardrails, and pedestrian crossings, to protect both highway users and local residents. • Implement measures to reduce noise pollution from highway traffic, including the use of noise barriers to minimise disturbance to nearby residential areas. • Monitor emissions and dust from vehicle activities to uphold air quality standards in nearby communities. • Implement measures to protect local ecosystems, including stormwater management systems, and erosion control. • Implement landscaping and design features to minimise the visual impact of highways on surrounding communities and natural landscapes. • Collaborate with local emergency services to ensure efficient response times and minimise disruptions during incidents or natural disasters.

Stakeholder-Driven Approach

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AND
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Engagement Methods

- Periodic Reports
- Authorities Liaison
- Meetings
- Inspections and Audits
- Events and activities held year round

KEY MATERIAL MATTER LINKED	RELATED RISKS AND OPPORTUNITIES	OUR STRATEGIC INITIATIVES AND RESPONSES
 ELEVATING LIVES  GHG and Climate Action	<p> Non-compliance with GHG regulations and carbon pricing mechanisms can lead to financial liabilities and reputational damage due to perceived inaction or inadequate measures to address GHG emissions and their environmental impacts.</p> <p> Implement innovative technologies to reduce GHG emissions, improving efficiency and cost savings. This will enhance brand reputation and competitive advantage by showcasing leadership in climate action and sustainability efforts.</p> <p> Climate change intensifies extreme weather events, increasing the risks to highway infrastructure.</p> <p> Implement advanced technologies to reduce greenhouse gas emissions, foster partnerships for climate action initiatives, and achieve enhanced efficiency, cost savings, and environmental benefits.</p>	<ul style="list-style-type: none"> • Develop and implement a carbon reduction strategy. • Climate risk assessments with strategic mitigation plans and actionable measures. • Invest in energy-efficient equipment and vehicles. • Explore and use renewable energy sources to enhance highway operations and improve long-term efficiency. • Explore and use green materials to minimise environmental impact in construction, maintenance and highway operations.
 Sustainable Materials	<p> Sustainable materials face challenges in widespread adoption due to the limited availability of eco-friendly materials and concerns regarding safety standards.</p> <p> Sustainable materials provide cost savings and operational efficiencies due to their durability and low maintenance requirements.</p>	<ul style="list-style-type: none"> • Research and implement sustainable materials in highway operations.

Stakeholder-Driven Approach

 REGULATORS AND AUTHORITIES	<p>This group, comprising of federal and state governments and their agencies, represents the principal enforcers of laws and regulations.</p>	<p>Why Are They Important</p> <p>Federal and state governments play a pivotal role in shaping business operations through policy creation, implementation, and regulatory enforcement. They are instrumental in economic policy-making, budget allocation, and fiscal management, which includes overseeing public infrastructure development. These governmental bodies provide a structured framework for businesses while managing broader economic and infrastructural concerns.</p>	<p>Engagement Methods</p> <ul style="list-style-type: none"> • Periodic Reports • Authorities Liaison • Meetings • Inspections and Audits • Events and activities held year round
KEY MATERIAL MATTER LINKED	RELATED RISKS AND OPPORTUNITIES	OUR STRATEGIC INITIATIVES AND RESPONSES	
 ELEVATING LIVES  Water Management	<ul style="list-style-type: none">  Escalating climate-related risks endanger water management systems, threatening the reliability, quality, and accessibility of water supply.  Adopting rainwater harvesting systems will reduce reliance on freshwater supplies, promote sustainable water management, and enhance corporate reputation and stakeholder trust. 	<ul style="list-style-type: none"> • Establish and implement environmental management and safety protocols for responsible waste handling and disposal, following the ISO 14001:2015 Environmental Management Systems and other regulatory frameworks. 	
 Waste Management	<ul style="list-style-type: none">  Regulatory non-compliance on waste management may result in legal penalties.  Promote recycling programmes that convert waste into valuable resources, fostering a transition to a circular economy. 	<ul style="list-style-type: none"> • Establish and implement environmental management and safety protocols for responsible waste handling and disposal, following the ISO 14001:2015 Environmental Management Systems and other regulatory frameworks. • Implement waste reduction and recycling programmes. 	
 Biodiversity	<ul style="list-style-type: none">  Potential regulatory risks arise from non-compliance with environmental laws protecting biodiversity, which, coupled with public perception of the impact on local ecosystems and financial risks associated with biodiversity loss—including remediation costs, habitat restoration, and potential fines—can affect reputation among environmentally conscious stakeholders.  Green initiatives on conservation projects, offer opportunities to enhance local ecosystems and enhance reputation. 	<ul style="list-style-type: none"> • Conduct environmental impact assessments before new projects. • Implement erosion control measures along highway embankments near river areas to prevent sediment runoff and protect aquatic ecosystems 	

Stakeholder-Driven Approach



COMMUNITIES

This group, comprising of local community members, non-governmental organisations, and media, represents a diverse coalition of voices articulating the interests, concerns, and perspectives of those affected by our highway infrastructure and operations.

Why Are They Important

Communities provide insights into the local impact of highway projects, identifying potential issues and opportunities. Their engagement fosters trust, enhances transparency, and leads to more sustainable, community-friendly solutions that help achieve better outcomes while balancing the Group's goals with community needs.

Engagement Methods

- Community Engagement
- Government Officials (Penghulu, Wakil Rakyat & Other Community Leadeards)
- Corporate Website
- Social Media
- Telephone Calls

KEY MATERIAL MATTER LINKED

RELATED RISKS AND OPPORTUNITIES

OUR STRATEGIC INITIATIVES AND RESPONSES

ACCELERATING
ADVANCEMENT

Ethics and Integrity



Risks to reputation arise from ethical lapses or regulatory non-compliance.



Upholding strong ethical standards enhances reputation and reliability, bolstering public trust and confidence.

- Establish and enforce comprehensive governance structures and policies, including the ISO 37001:2016 Anti-Bribery Management Systems, to ensure organisational integrity.
- Maintain transparent reporting mechanisms to address ethical concerns.
- Enforce a zero-tolerance policy for bribery and corrupt practices, alongside internal controls and whistleblower protection mechanisms.
- Encourage open communication and feedback to create a collaborative environment that fosters transparency and trust.



Economic Contribution



Vulnerability to economic downturns and new regulations poses dual threats, potentially decreasing traffic and toll collection while imposing financial burdens or limiting toll increases.



Highway development enhances connectivity, driving regional economic growth while creating opportunities to diversify services and generate new revenue streams through commercial development along these routes.

- Stimulate economic growth by generating employment opportunities and fostering business and economic development activities along the highway corridors.

CONVERGING
COMMUNITIESDiversity, Equity and
Inclusivity

There are risks to reputation and brand image if a commitment to diversity and inclusivity is lacking, which can affect customer perception and investor confidence.



A balanced approach to diversity enhances market appeal and service quality.

- Engage with diverse communities to understand their needs and concerns about highway operations and ensure their voices are heard.

Stakeholder-Driven Approach

 COMMUNITIES	<p>This group, comprising of local community members, non-governmental organisations, and media, represents a diverse coalition of voices articulating the interests, concerns, and perspectives of those affected by our highway infrastructure and operations.</p>	<p>Why Are They Important</p> <p>Communities provide insights into the local impact of highway projects, identifying potential issues and opportunities. Their engagement fosters trust, enhances transparency, and leads to more sustainable, community-friendly solutions that help achieve better outcomes while balancing the Group's goals with community needs.</p>	<p>Engagement Methods</p> <ul style="list-style-type: none"> • Community Engagement • Government Officials (Penghulu, Wakil Rakyat & Other Community Leadears) • Corporate Website • Social Media • Telephone Calls
<p>KEY MATERIAL MATTER LINKED</p>	<p>RELATED RISKS AND OPPORTUNITIES</p>	<p>OUR STRATEGIC INITIATIVES AND RESPONSES</p>	
 <p>Impact On Communities</p>	<ul style="list-style-type: none">  Risks of reputational damage due to perceived harm to the community or environment can lead to public opposition and legal challenges.  Collaborating with stakeholders to create inclusive development plans.  Failure to adequately address the concerns and requirements of local communities may result in dissatisfaction or social unrest.  Focus on fostering local community development through job creation, skills training, and support for local businesses. 	<ul style="list-style-type: none"> • Manage traffic flow and reduce congestion to minimise the impact on local road networks and community mobility. • Install and maintain safety features, including proper signage, guardrails, and pedestrian crossings, to protect both highway users and local residents. • Implement measures to reduce noise pollution from highway traffic, including the use of noise barriers to minimise disturbance to nearby residential areas. • Monitor emissions and dust from vehicle activities to uphold air quality standards in nearby communities. • Implement measures to protect local ecosystems, including stormwater management systems, and erosion control. • Implement landscaping and design features to minimise the visual impact of highways on surrounding communities and natural landscapes. • Collaborate with local emergency services to ensure efficient response times and minimise disruptions during incidents or natural disasters. • Prioritise local hiring to create a direct impact on communities. • Nurture the growth of a skilled workforce, local expertise and business capabilities that understand local needs and conditions. • Promote entrepreneurship through increased economic activity along the highway corridors. • Supports specific community needs by offering a range of initiatives, from social programmes to environmental conservation efforts, aimed at enhancing the overall quality of life and fostering a strong, positive relationship between the Group, external providers, and the communities. • Establish open communication channels with local communities to address concerns and gather feedback. 	

Stakeholder-Driven Approach



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Engagement Methods

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KEY MATERIAL MATTER LINKED

RELATED RISKS AND OPPORTUNITIES

OUR STRATEGIC INITIATIVES AND RESPONSES



ELEVATING LIVES



GHG and Climate Action



Climate change intensifies extreme weather events, increasing the risks to highway infrastructure.



Implement advanced technologies to reduce greenhouse gas emissions, foster partnerships for climate action initiatives, and achieve enhanced efficiency, cost savings, and environmental benefits.

- Engage with local communities to raise awareness and promote initiatives that support climate action and GHG reduction



Sustainable Materials



Sustainable materials face challenges in widespread adoption due to the limited availability of eco-friendly materials and concerns regarding safety standards.



Sustainable materials provide cost savings and operational efficiencies due to their durability and low maintenance requirements.

- Research and implement sustainable materials in highway operations.



Water Management



Escalating climate-related risks endanger water management systems, threatening the reliability, quality, and accessibility of water supply.



Adopting rainwater harvesting systems will reduce reliance on freshwater supplies, promote sustainable water management, and enhance corporate reputation and stakeholder trust.

- Ensure all operational aspects comply with water-related regulations and industry standards.
- Water conservation efforts through rainwater harvesting along our highways.
- Develop stormwater control measures to prevent flooding and mitigate runoff impacts on surrounding areas.
- Protect adjacent water bodies and natural ecosystems along our highway networks.

Stakeholder-Driven Approach

 <p>COMMUNITIES</p> <p>This group, comprising of local community members, non-governmental organisations, and media, represents a diverse coalition of voices articulating the interests, concerns, and perspectives of those affected by our highway infrastructure and operations.</p>	<p>Why Are They Important</p> <p>Communities provide insights into the local impact of highway projects, identifying potential issues and opportunities. Their engagement fosters trust, enhances transparency, and leads to more sustainable, community-friendly solutions that help achieve better outcomes while balancing the Group's goals with community needs.</p>	<p>Engagement Methods</p> <ul style="list-style-type: none"> • Community Engagement • Government Officials (Penghulu, Wakil Rakyat & Other Community Leadears) • Corporate Website • Social Media • Telephone Calls
<p>KEY MATERIAL MATTER LINKED</p>	<p>RELATED RISKS AND OPPORTUNITIES</p>	<p>OUR STRATEGIC INITIATIVES AND RESPONSES</p>
 <p>ELEVATING LIVES</p>  <p>Waste Management</p>	<ul style="list-style-type: none">  Regulatory non-compliance on waste management may result in legal penalties.  Promote recycling programmes that convert waste into valuable resources, fostering a transition to a circular economy. 	<ul style="list-style-type: none"> • Establish and implement environmental management and safety protocols for responsible waste handling and disposal, following the ISO 14001:2015 Environmental Management Systems and other regulatory frameworks. • Implement waste reduction and recycling programmes.
 <p>Biodiversity</p>	<ul style="list-style-type: none">  Potential regulatory risks arise from non-compliance with environmental laws protecting biodiversity, which, coupled with public perception of the impact on local ecosystems and financial risks associated with biodiversity loss—including remediation costs, habitat restoration, and potential fines—can affect reputation among environmentally conscious stakeholders.  Green initiatives on conservation projects, offer opportunities to enhance local ecosystems and enhance reputation. 	<ul style="list-style-type: none"> • Conduct environmental impact assessments before new projects. • Use native plants for highway landscaping to support local ecosystems. • Minimise the use of harmful de-icing chemicals to protect local flora and fauna. • Implement erosion control measures along highway embankments near river areas to prevent sediment runoff and protect aquatic ecosystems.

Our Operating Environment

A deep understanding of the broader economy is essential for effective highway management. Macroeconomic factors such as economic trends, national and regulatory policies, regional development initiatives, and evolving commuter behaviour directly influence our operating environment, performance, and ability to generate and sustain value. By proactively analysing these dynamics, we can refine our strategies to navigate the shifting landscape of transportation and infrastructure management, ensuring resilience and long-term success.

Below are the key factors that shaped our business performance during FY2024:



The economic climate presented challenges for our highway operations. Inflation resulted in increased costs across the board, from infrastructure materials to labour. This inflationary pressure, combined with a high profit rate environment, impacted our financial landscape in multiple ways:

Escalating Operational Costs

Our business operations were impacted by rising prices, which resulted in higher operating expenses. We experienced higher expenses in critical areas such as maintenance, utilities and labour, exerting substantial pressure on our cost structures. For instance, the surge in energy prices inflated electricity costs for highway lighting and operational facilities. Similarly, the rising costs of raw materials elevated expenditure for road repairs and infrastructure upgrades. Labour costs also saw an uptick due to the revision of the minimum wage from RM1,500.00 to RM1,700.00.

Financing Challenges for Infrastructure Projects

High profit rates raised the cost of financing facility. Due to the increase in cost of capital, we had to adopt a more strategic approach to optimise our financing structure.

Our Operating Environment



Key initiatives and energy management systems were implemented to measure and track GHG emissions across our operations, reinforcing our commitment to sustainability.

OUR STRATEGIC RESPONSES

Operational Efficiency Enhancements

Our highway network integrates advanced technology and sustainable practices to reduce costs and lessen environmental impact. This initiative uses an AI-powered traffic management system that enhances flow and reduces congestion. This system also operates alongside automated toll collection systems to enhance traffic flow at toll plazas and lower labour costs.

To enhance durability and sustainability, we are using eco-friendly materials such as recycled plastic, crumb rubber and fibres. These materials substantially improve road longevity and minimise the frequency of maintenance requirements. Additionally, Internet of Things ("IoT") sensors facilitate real-time monitoring of high risk slope conditions, enabling timely maintenance and preventing unexpected failures or repairs.

Another key aspect of our approach is energy efficiency. We have installed LED lighting and solar-powered rooftops at toll plazas and buildings to help lower electricity costs and carbon emissions. These energy-saving measures, along with our other technological advancements, are designed to reduce operational costs and foster a more sustainable and efficient highway network for both road users and the organisation.

Diversification of Funding Sources

To manage the impact of high profit rates, we are continuously reviewing our funding structure and exploring alternative funding options, including sustainable sukuk.

Cost Optimisation

We are continuously assessing our cost structure to identify potential savings without compromising quality and safety. This involves implementing lean management practices, leveraging technology for automation, and optimising resource allocation.

Our Operating Environment



MANUFACTURED CAPITAL

RELATED SUSTAINABILITY MATERIAL MATTERS



Innovation and Technology



Road User Wellbeing



Sustainable Materials



GHG and Climate Action

KEY FACTORS

- Upkeeping and Maintenance Works
- Capacity Constraints

IMPACT ON PROLINTAS INFRA BT

When it came to maintaining the quality of services, our highway assets encountered several challenges including:

Assets Degradation

Highway infrastructure is continuously subjected to the effects of wear and tear over time, compounded by environmental factors and heavy usage. In addition to their surface wear, continuous traffic flow speeds up degradation, which affects the structural integrity of roads and bridges. Fluctuating weather conditions and the strain from high vehicle loads have also led to asphalt cracking and material fatigue in bridges. Effectively addressing these challenges necessitates a robust and proactive asset management strategy—one that integrates routine preventive maintenance, targeted structural rehabilitation, and, when required, full-scale reconstruction of critical infrastructure components.

Capacity Constraints

As urbanisation increases and vehicle ownership grows, many highways are operating at or near capacity, particularly during peak hours. This results in congestion, longer travel times and potential safety risks. Additionally, expanding capacity through traditional methods such as adding lanes is challenging due to physical limitations, environmental concerns and financial constraints.

OUR STRATEGIC RESPONSES

Regular Inspections and Monitoring

Regular inspections are a crucial component of highway maintenance in order to detect and address potential issues before they escalate. These thorough examinations encompass various elements of highway infrastructure, including pavement conditions, bridge structures, drainage systems, slopes and road features.

By analysing components such as surface cracks, structural fatigue, erosion patterns and signage integrity, maintenance teams can identify defects in their early stages. This systematic approach prevents significant disruptions and safety hazards, while demonstrating cost efficiency by averting the need for extensive repairs in the future. In essence, these routine inspections, both periodical and principal contribute to smoother, safer and more reliable highway networks.

Asset Management

Our Operations Team ensures our assets and highways remain in optimal condition. They oversee maintenance, safety, and operations, from toll collection to monitoring road surfaces, lighting, drainage, slopes, bridges, and landscaping.

A key division, the Civil & Structure Engineering Division ("CSED"), conducts inspections and swiftly addresses potholes internally, reducing reliance on contractors. CSED consists of four sections: Bridges & Structures, Slopes & Drainage, Pavement & Special Projects, and Landscape & Routine Maintenance. Additionally, our Innovation, Technology & Services Division ("ITSD") enhances efficiency through data analytics, leveraging insights from our Smart Traffic & Toll Collection Dashboard to improve traffic and safety management.

Sustainable Materials and Practices

In our maintenance and highway operations, we are increasingly utilising sustainable and durable materials engineered to withstand heavy traffic loads and varying weather conditions. These advanced materials, including super fiber mix and crumb rubber modified asphalt, provide better resistance to rutting, cracking and weathering. By incorporating these innovative solutions, we aim to minimise the frequency of repairs, extend maintenance intervals and reduce the overall lifecycle costs of our infrastructure.

Innovative Capacity Enhancement

Where physical expansion is not feasible, we are exploring alternative ways to boost capacity. These methods include implementing smart traffic management systems and dynamic lane allocation techniques. For instance, reversible lanes are being utilised to accommodate peak traffic flows, effectively regulating highway entry during high-volume periods. This approach enables us to optimise existing road infrastructure by adjusting lane directions in response to real-time traffic patterns.



Drone-assisted inspections provide a comprehensive view of highway conditions, enabling early detection of structural issues and ensuring safer, more reliable roads.

Our Operating Environment



INTELLECTUAL CAPITAL

RELATED SUSTAINABILITY MATERIAL MATTERS

KEY FACTORS



Innovation and Technology

Capacity, Capability,
Competency and
Culture

Road User Wellbeing

- Technological / Materials Innovations
- Data Management and Analytics

IMPACT ON PROLINTAS INFRA BT

In the rapidly evolving landscape of highway operations, maintaining our competitive edge and operational excellence has become increasingly challenging. As the industry undergoes constant changes and advancements, we face the critical task of adapting our strategies and processes to stay ahead of the curve.

Technological / Materials Innovations

The highway sector is evolving with new technologies, from smart road systems to innovative materials. Keeping up with these advancements helps improve efficiency, safety, and the overall user experience. Additionally, at the company level, new technologies that improve accuracy and offer better insights are playing a crucial role in supporting data-driven decision-making. However, the rapid advancement of technology brings challenges, such as the need for continuous investment and the complexity of integrating new innovations with existing systems.

Data Management and Analytics

With more sensors and IoT devices, we generate massive data—especially in tolling, annual average daily traffic (“AADT”), payment methods, and traffic patterns. Effective analytics optimise operations, predict maintenance, and enhance user experiences, but mismanagement can lead to overload and poor decisions. Advanced data systems are key to turning raw data into actionable insights.

OUR STRATEGIC RESPONSES

Smart Highway Initiatives

We are the first highway operator to deploy the Smart Surveillance System ("S3"), a fully integrated artificial intelligence and machine learning system for real-time monitoring of traffic flow, managing incidents, and ensuring quick responses to emergencies, ultimately enhancing safety and optimising traffic management.

We have also launched a Centralised Call Centre ("CCC") to improve traffic management and communication. Alongside this, we developed the PROLINTAS Digital Assist app, which provides real-time traffic updates, emergency response services, and direct access to patrolmen for quick assistance. To strengthen our commitment to sustainability and governance, we have also implemented a dedicated EESG Data Warehousing and Dashboard System. This system helps us efficiently manage and analyse key EESG data.

Using this system, we extract valuable insights from our:

- Traffic & Toll Collection Dashboard
- Carbon Management Dashboard
- Energy Management Dashboard
- Waste Management Dashboard
- Water Management Dashboard

Collaborative Initiatives

We foster creativity and drive technological advancements through collaboration within our organisation. Additionally, we partner with universities, tech startups, and industry partners to develop and test new technologies for highway operations.



Digital dashboards for Energy, Waste and Water Management provide real-time data and analytics to optimise resource use, reduce waste, and enhance sustainability, aligning with our ESG commitments.

Our Operating Environment

HUMAN CAPITAL	
RELATED SUSTAINABILITY MATERIAL MATTERS	KEY FACTORS
<div>  <p>Capacity, Capability, Competency and Culture</p> </div> <div>  <p>Road User Wellbeing</p> </div> <div>  <p>Employee Wellbeing, Safety, and Health</p> </div>	<ul style="list-style-type: none"> • Workforce Skills and Adaptability • Safety and Wellbeing • Succession Planning and Knowledge Transfer
IMPACT ON PROLINTAS INFRA BT	

Our human capital is the driving force behind our operations and a critical factor in our success. The key aspects of our human capital include:

Workforce Skills and Adaptability

The evolving nature of highway operations, driven by technological advancements, environmental concerns, and increasing demand for efficiency and safety, requires a workforce that is not only skilled but also highly adaptable. We need employees who can operate advanced technologies, analyse complex data, and adapt to new operational paradigms.

Safety and Wellbeing

Given the inherent risks associated with highway operations and maintenance, ensuring the safety and well-being of our workforce is paramount. This commitment goes beyond physical safety, encompassing mental health support and overall job satisfaction, which are vital for fostering a productive, motivated, and engaged workforce.

Succession Planning and Knowledge Transfer

With an aging workforce in some segments of our operations, effective succession planning and knowledge transfer strategies are crucial to maintain operational continuity and safeguard valuable institutional knowledge.

OUR STRATEGIC RESPONSES

Comprehensive Training and Development Programmes

We invest in ongoing training programmes to keep our workforce updated with the latest technologies and best practices in business management and highway operations. This includes both technical skills training and soft skills development to enhance adaptability and leadership capabilities.

Advanced Safety Protocols and Wellness Initiatives

Our organisation has established a comprehensive safety and wellness framework that integrates multiple ISO standards to ensure the protection of our workforce and road users. This approach incorporates ISO 45001:2018 Occupational Health and Safety Management Systems, ISO 9001:2015 Quality Management Systems, and ISO 39001:2012 Road Traffic Safety Management Systems.

The implementation of ISO 39001:2012 has resulted in the development of advanced traffic management systems and risk assessment protocols aimed at reducing road accidents and enhancing overall traffic safety. This is particularly crucial for personnel involved in highway and maintenance operations. Regular safety audits and road safety performance indicators ensure continuous improvement across all aspects of our operations.

To complement our safety measures, we have developed a wellness programme aligned with international best practices. This programme addresses our employees' physical and mental health through initiatives such as workplace air quality monitoring, stress management, and work-life balance initiatives. These efforts promote employee wellbeing, contributing to increased alertness and better decision-making. By prioritising both safety and wellness, we create a robust framework that protects our workforce and the public while fostering a culture of continuous improvement.

Mentorship and Knowledge Transfer Programmes

To address the challenges of an aging workforce and ensure smooth succession, we are implementing structured mentorship and leadership development programmes at all levels in our organisation. This ensures a pipeline of capable leaders who can guide our operations through future challenges and opportunities.

Employee Engagement and Feedback Mechanisms

As part of our employee engagement strategies, we conduct regular surveys, town hall meetings, and feedback sessions. This helps us understand and address employee concerns promptly, while fostering a culture of open communication.

Performance Management and Recognition

We implement a performance management system that aligns individual goals with organisational objectives. This is coupled with recognition programmes that acknowledge and reward outstanding contributions.

Our Operating Environment



SOCIAL AND RELATIONSHIP CAPITAL

RELATED SUSTAINABILITY MATERIAL MATTERS

**Ethics and Integrity****Road User Wellbeing****Sustainable Materials****Economic Contribution****Impact On Communities****Waste Management****Innovation and Technology****Water Management****Biodiversity****GHG and Climate Action**

KEY FACTORS

- Public-Private Partnership Dynamics
- Evolving Safety and Environmental Regulations
- Community and Environmental Concerns

IMPACT ON PROLINTAS INFRA BT

Our operations exist within integrated stakeholder relationships and regulatory frameworks, which influence our ability to operate effectively

Public-Private Partnership Dynamics

Operating public infrastructure as a public-listed business trust requires us to carefully balance profitability with public service. Shifts in public sentiment towards privatised infrastructure or changes in political landscapes can influence our operational autonomy and the stability of long-term contracts. Cultivating strong, positive relationships with government stakeholders is essential to ensuring our sustained operations and growth.

Evolving Safety and Environmental Regulations

The regulatory landscape for highway operations continues to evolve, particularly in the areas of safety standards and environmental protection. New regulations often require substantial investments in infrastructure upgrades and operational changes. Keeping abreast of these regulatory changes is crucial for ensuring that the business operates smoothly while maintaining compliance, mitigating risks, and capitalising on opportunities for innovation and sustainable growth in the highway infrastructure sector.

Community and Environmental Concerns

There is growing public awareness and concern regarding the environmental and social impacts of highway infrastructure. This includes issues such as air quality, noise pollution, habitat disruption, and their impact on local communities. Addressing these challenges requires careful stakeholder management and sustainable solutions while balancing operational needs.

OUR STRATEGIC RESPONSES

Enhanced Stakeholder Engagement

Our organisation focuses on establishing meaningful connections with diverse stakeholders by employing proactive engagement plans. We implement a robust strategy that encompasses town hall meetings, online feedback platforms, and annual surveys to promote trust and transparency. Our commitment to openness is further demonstrated through detailed sustainability reports and regular social media updates.

We facilitate collaborative problem-solving via discussions, innovative workshops with local authorities and business partners, and focus groups involving community representatives. We ensure continuous improvement by maintaining stakeholder feedback loops and regularly reviewing and updating our engagement strategies. This multifaceted approach enables us to maintain open communication channels, address concerns promptly, and collaboratively develop sustainable solutions that benefit all parties involved.

Proactive Regulatory Engagement

We are actively engaging with regulatory bodies to help shape policies that balance operational needs with the public interest. This collaborative approach empowers us to proactively identify regulatory trends and strategically adapt our operations for sustained compliance and efficiency.

Safety Innovation

We invest in safety technologies and practices to enhance protection and reliability. This includes implementing smart road safety systems, enhancing emergency response capabilities, and utilising data-driven safety management.

Green Infrastructure Initiatives

We implement a range of green infrastructure solutions to address environmental concerns. These include installing noise barriers, implementing stormwater management systems, using sustainable materials and powering our highways with solar energy.

Transparency and Reporting

We strengthen transparency by regularly publishing reports on our sustainability performance, continuously building trust with stakeholders and reinforcing our commitment to responsible highway management.

Community Benefit Programmes

We develop programmes that provide tangible benefits to the communities we serve. These encompass local employment initiatives, support for community projects and educational programmes focused on road safety and environmental conservation.



Safety Awareness Campaign jointly organised with Malaysian Institute of Road Safety Research (MIROS) to inculcate road safety with community members.

Our on and off-road Traffic Officers monitor our entire highway network on a 24/7 basis.

Our Operating Environment



The natural environment plays a crucial role in our highway operations, both as a resource we depend on and as a system we impact. Key considerations in our natural capital include:

Environmental Impact: Highway construction and operation can have environmental consequences, including habitat fragmentation, air and water pollution and noise disturbance. These impacts affect local ecosystems and have broader implications for biodiversity and environmental health.

Resource Consumption: Our operations rely on natural resources, particularly in construction and maintenance activities. This includes the use of aggregates, asphalt, and other materials derived from natural sources. The extraction and processing of these resources contribute to our overall environmental footprint.

Climate Change Effects: Climate change poses both immediate and long-term challenges to our infrastructure and operations. Increased frequency and severity of extreme weather events, such as floods, heatwaves, and storms, can damage infrastructure and disrupt services.

Energy use: Our operations, particularly lighting and electronic systems, consume significant amounts of energy. This not only contributes to higher operational costs but also to our carbon footprint, further exacerbating climate change concerns.

OUR STRATEGIC RESPONSES

Sustainable Design

We develop green infrastructure principles in our design and business operations. This includes using recycled and sustainable materials, implementing water-efficient landscaping, incorporating retention and detention ponds to reduce runoff and pollution, and renewable energy sources.

Biodiversity Conservation

We implement biodiversity management plans for our highway corridors to reduce environmental impacts. These initiatives include restoring native habitats along roadsides and protecting riverbanks. Our efforts aim to enhance ecological connectivity, support local ecosystems, and promote biodiversity conservation while maintaining safe and efficient transport infrastructure.

Circular Economy Principles

We adopt circular economy principles in our operations, focusing on reducing waste, reusing materials and recycling where possible.

Environmental Monitoring and Reporting

We establish our environmental monitoring systems to track our impact on air quality, water resources, and waste management. Regular reporting on these metrics helps us identify areas for improvement, and demonstrates our commitment to environmental stewardship.

For a comprehensive overview of the Trust's initiatives and data performance please refer to the Value Creation Model in this Chapter 3 and Chapter 4: Responding Strategically

Crumb rubber-modified asphalt integrates recycled rubber into the mix, enhancing pavement durability, resistance to wear, and overall performance while contributing to sustainable road construction practices.



Our Operating Environment

Risks and Opportunities

The Trust's risks and opportunities are shaped by the economic context in which we operate, and we expect further disruptions and changes in our current operating environment. In response to these challenges, we have developed a strategic approach that focuses on driving long-term value creation through effective risk and opportunity management. This strategy not only enhances our resilience but also positions us to capitalise on emerging opportunities in a dynamic landscape.

To ensure the effectiveness of our risk management process, we have established a multi-tiered oversight structure. The Board Governance, Risk and Integrity Committee ("BGRIC") reviews updates on risk management. The role of this committee is crucial in examining and assessing potential risks and their impact on our operations. Following the BGRIC's review, the reports are subsequently presented to the Board of Directors ("the Board") for additional deliberation. The engagement at this top level ensures that our organisation's leadership retains clear visibility of critical risk factors, which aids in informed decision-making and strategic planning. This comprehensive approach allows us to navigate the complexities of our economic environment while promoting sustainable growth and stability for the Trust.

Key Risks Review

In our comprehensive risk assessment, we have identified five key risk areas that require our attention:

Financial Risks

In managing financial risks, we prioritise a prudent investment approach to safeguard financial stability while optimising returns.

Market Risk, particularly the impact of interest rate fluctuations, is mitigated through investment diversification. Excess cash is allocated across fixed deposits, money market funds, and both short- and long-term Sukuk funds to protect against unexpected market movements. At present, investments are restricted to unit trust funds, with no direct exposure to single Sukuk instruments.

Liquidity Risk is addressed through an investment policy that ensures excess cash is placed in highly liquid financial products. Diversification further mitigates this risk by maintaining exposure across multiple investment instruments to enhance financial flexibility.

Credit Risk is managed through a disciplined investment strategy that limits excess cash placements to capital-protected fixed deposits, low-risk money market funds, and Sukuk with a minimum AA rating. Diversification remains a key measure in reducing credit risk exposure while ensuring a balanced and secure investment portfolio.

These financial risk management strategies reinforce our commitment to maintaining a resilient and sustainable financial position.

Our Operating Environment

Strategic Risks

Since the Trust's businesses are focused on tolled highway concessions, traffic and revenue fluctuations affect business sustainability and competitiveness.

External factors such as economic policies, demographic shifts, and alternative transportation modes influence these fluctuations. To address these risks, we leverage data analytics and implement mitigation strategies, including enhancing customer service, optimising operational efficiency and exploring new revenue streams. Additionally, we collaborate with government stakeholders to align our strategies with infrastructure policies and remain adaptable to new regulations.

These measures enable us to stay ahead of challenges, protect our operations, and deliver uninterrupted essential services to our highway users.

Operational Risks

As an operator of tolled highways, the Trust actively manages operational risks to ensure the safety, efficiency and reliability of highway operations.

Traffic safety and incident management remain a priority, with risks related to accidents, vehicle breakdowns and emergency response being addressed through enhanced surveillance, dedicated response teams, and regular safety audits.

Ensuring toll system reliability and preventing fraud are also critical, with mitigation measures including system upgrades, cybersecurity enhancements and monitoring toll evasion. To maintain infrastructure integrity, we manage risks associated with road deterioration and structural wear through proactive maintenance, scheduled inspections, and investment in durable materials.

Regulatory compliance is another key focus, with proactive monitoring, ongoing compliance training, and engagement with authorities to ensure adherence to government regulations and industry standards.

To sustain service quality, we address workforce-related risks by conducting continuous training, ensuring adequate staffing and enhancing customer service initiatives.

Through these measures, we remain committed to delivering safe, efficient, and reliable highway services while mitigating operational risks effectively.



Enhancing road safety through real-time monitoring, our advanced systems mitigate operational risks, support incident management and aid in crime prevention. Data-driven insights also shape smarter infrastructure planning for a safer, more efficient road network.

Our Operating Environment

Technology Risks

The Trust leverages technology across its operations to ensure sustainability while managing risks such as cybersecurity threats and system failures. Preventive strategies include multi-layered network security, high-availability private network communication, regular system inspections and backup connectivity for data protection.

Cloud-based security solutions, data backup protocols, and network segmentation further enhance data integrity and security. Policies aligned with international standards, periodic security audits and a comprehensive continuity plan help ensure operational resilience. Ongoing testing and cybersecurity awareness initiatives support a proactive risk management approach.

Climate Risks

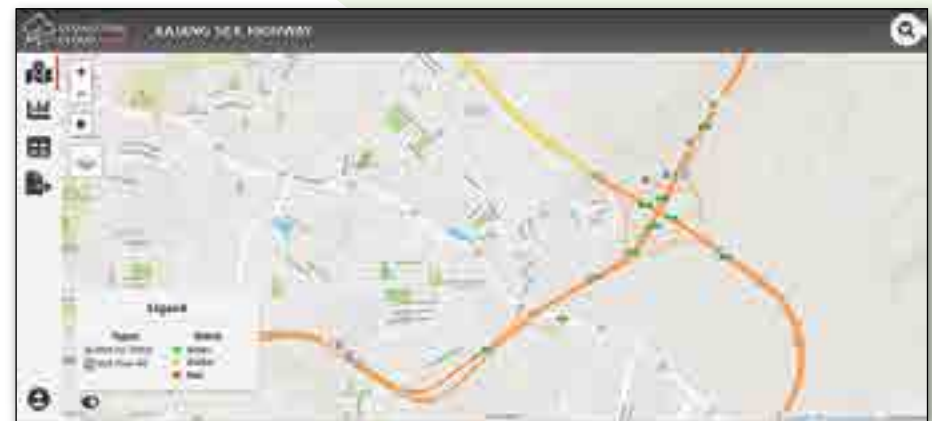
The Trust is diligently addressing climate change risks, particularly from flood-prone areas and slopes vulnerable to landslides or soil erosion, to ensure the safety of infrastructure, road users, and surrounding communities.

Through strong collaboration between the Civil and Structure Engineering Division ("CSED") and the operations team, ongoing inspections and innovative solutions are in place. Key measures including smart slope monitoring system, slope rehabilitation, flood risk monitoring and stormwater management systems, are enhancing resilience. These efforts reflect a strong commitment to maintaining safe and efficient highways while safeguarding the environment.

For a comprehensive overview of the Trust's risk management framework and internal control measures, please refer to the Statement of Risk Management and Internal Control ("SORMIC") in this Report.



Leveraging advanced technology, our remote monitoring system tracks slope activity in real time, automatically alerting engineers when tilting exceeds safe limits. This proactive approach enhances highway safety and operational efficiency.



Our web-based slope monitoring dashboard provides real-time visibility into the location and structural integrity of slopes along the highway. This advanced system enables proactive maintenance and swift response to potential risks, ensuring safer and more resilient infrastructure.

Stakeholder Map for Sustainable Value Creation



Stakeholder Map for Sustainable Value Creation



Stakeholder Map for Sustainable Value Creation







PROLINTAS INFRA BUSINESS TRUST

RESPONDING STRATEGICALLY

▶ 04

Chief Executive Officer's Review

“Prolintas Infra BT ranks among Southeast Asia's Top 10 IPOs and is recognised as a high-yielding stock.”

Malik Parvez Ahmad Bin Nazir Ahmad
Chief Executive Officer
(Resigned effective 3 February 2025)

Dear Valued Unitholders,

Interconnected growth is the cornerstone of a thriving economy, where efficient infrastructure plays a pivotal role in driving progress. In the Klang Valley, highway networks ensure smooth connectivity, enabling businesses and communities to flourish. Such infrastructure enhances the quality of life by providing faster and more reliable access to key markets, employment opportunities and essential services.

It is this vision of synergistic progress that is exemplified by Prolintas Infra Business Trust ("Prolintas Infra BT" or the "Trust"), the first Islamic business trust listed on Bursa Malaysia Securities Berhad ("Bursa Malaysia") and the first of its kind dedicated to highway operations.

Through this innovative model, Prolintas Infra BT is uniquely positioned to catalyse both economic and social development, creating lasting value for unitholders and simultaneously enhancing the region's transportation network for other stakeholders.

The Trust's approach of distributing income based on cash flow instead of relying on traditional profit-driven dividends ensures a stable return for investors.

Beyond financial performance, we are committed to advancing highway operations through strategic investments in innovative technologies. This forward-thinking approach promotes the efficiency and safety of the region's highways while also supporting a higher quality of life for its communities.

As the Trust continues to grow, we remain committed to strong corporate governance and effective risk management, enabling us to seize opportunities and address challenges that lie ahead.

A historic milestone as Malaysia's 1st Islamic & Business Trust to be listed

Dedicated to transparency, accountability and ethical practices, we strive to create lasting value for all stakeholders, whether unitholders, businesses, or community members and drive sustainable progress across Malaysia's vital infrastructure network.

For the financial year ended 31 December 2024 ("FY2024"), traffic performance across Prolintas Infra BT's four highways - Ampang-Kuala Lumpur Elevated Highway ("AKLEH"), Guthrie Corridor Expressway ("GCE"), Lebuhraya Kemuning-Shah Alam ("LKSA") and Sistem Lingkaran Lebuhraya Kajang ("SILK") - remained stable, with Average Daily Traffic ("ADT") increasing by 5.3%, indicating sustained commuter demand and economic activity.

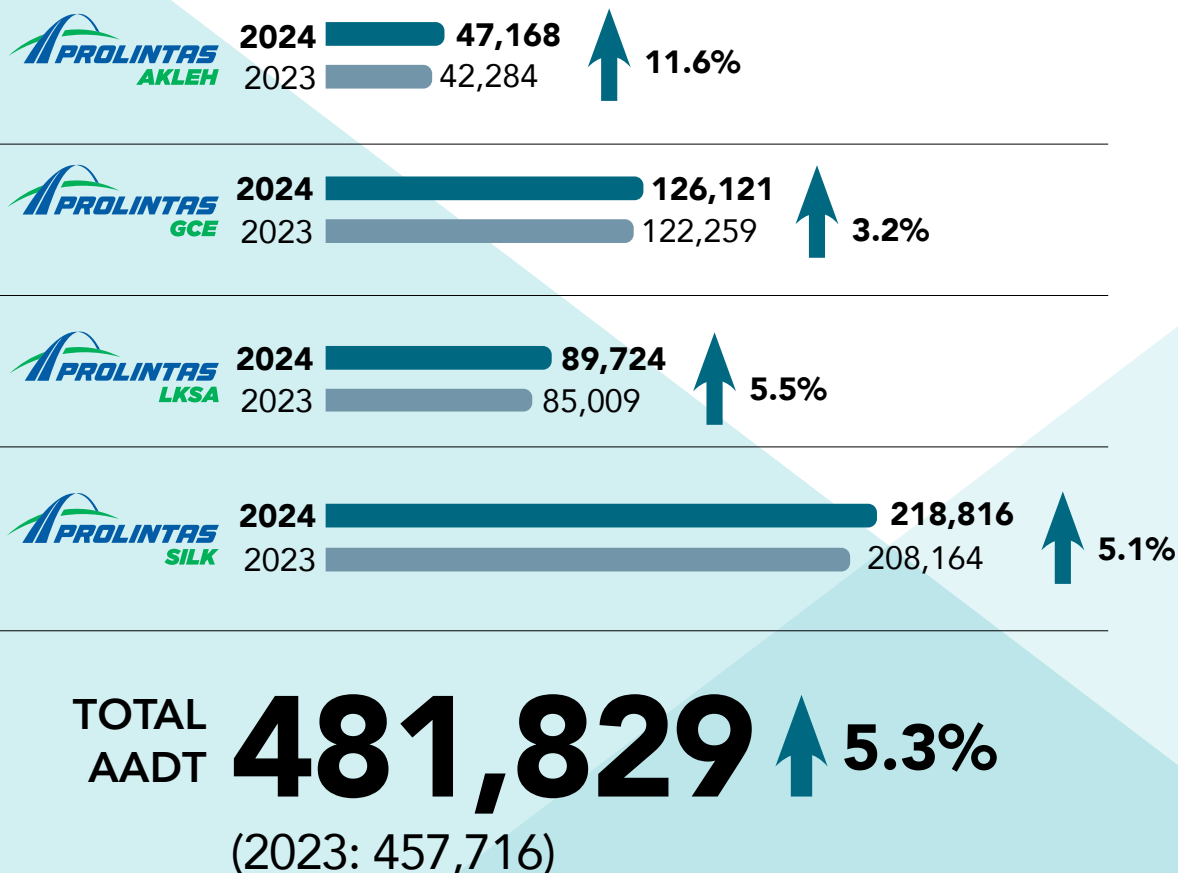
Chief Executive Officer's Review



The seamless flow at our toll plazas is powered by Prolintas Infra BT.

Traffic Volume

Annual Average Daily Traffic ("AADT")



Our Performance:

Traffic Volume, Financial Highlights and Value Creation

Traffic Volume

This section highlights the traffic performance of the highways in FY2023 and FY2024. It is worth noting that this comparison focuses exclusively on operational aspects, helping stakeholders gauge overall traffic trends across the portfolio, without any direct connection to the financial statements.

Prolintas Infra BT continues to see strong growth in traffic volume from our four highways. Overall, AADT across the entire highway portfolio rose by 5.3%, from 457,716 vehicles in FY2023 to 481,829 in FY2024.

- AKLEH experienced an increase of 11.6%, from 42,284 vehicles in FY2023 to 47,168 in FY2024, reflecting higher commuting trends within the corridor.
- GCE saw a year-on-year rise of 3.2%, from 122,259 to 126,121 vehicles, driven by steady urbanisation and economic developments along the route.
- LKSA recorded a moderate increase of 5.5%, from 85,009 vehicles in FY2023 to 89,724 in FY2024, maintaining a consistent upward trend.
- SILK traffic improved by 5.1%, growing from 208,164 to 218,816, benefiting from enhanced connectivity and regional mobility.

The growth reflects the increasing demand for efficient transportation routes and highlights the essential role that these highways play in supporting economic activity across the Klang Valley. The increase in traffic volumes presents the Trust with a reliable source of income, which is vital for our financial stability and responsibility to sustain income distribution to our unitholders.