



ACCELERATING ADVANCEMENT

# ETHICS & INTEGRITY



■ HIGH IMPORTANCE  
■ MEDIUM IMPORTANCE  
■ LOW IMPORTANCE

## SIGNIFICANCE

Upholding ethical business practices is a moral imperative and essential for sustained business success. Our significant role in managing highway infrastructure and direct engagement with the public makes the imperative for ethical conduct and business integrity particularly crucial. Beyond its intrinsic value, it strengthens our reputation, attracts investments, secures top talent, and earns the trust of road users.

We consider Ethics & Integrity to be a material matter of utmost importance. Ensuring full compliance with safety standards in highway operations is critical. This commitment is indispensable for fostering public confidence in the safety and reliability of our highways.

Given the extensive impact of our operations on the surrounding environment and diverse communities, ethical practices are essential for effective environmental stewardship and responsible management of human resources and social contributions. We are dedicated to conscientiously considering labour rights and ensuring the welfare and wellbeing of our employees and third-party personnel throughout our supply chain, including business partners, contractors, vendors, suppliers, and service providers.

To ensure the integrity of financial transactions and cash-intensive dealings, adhering strictly to established guidelines is imperative. Such rigorous adherence is a deterrent against fraudulent and corrupt activities. This measure aims to protect the interests and reputation of the Group by enhancing the trustworthiness and reliability of PROLINTAS.



*Championing excellence with steadfast Ethics & Integrity, PROLINTAS ensures a foundation of trust, transparency, and reliability in all aspects of its commitment to advancing infrastructure and community development.*

### OUR APPROACH ETHICS & INTEGRITY

01

#### CORPORATE GOVERNANCE

02

#### OPERATIONAL GOVERNANCE

Two approaches form a comprehensive strategy that places Ethics & Integrity at the forefront of our operations. By combining clear policies with effective monitoring and enforcement mechanisms, we create a robust and ethical foundation that supports sustainable and responsible business practices.

**01:** Our first approach to upholding Ethics & Integrity revolves around establishing a robust policy framework, serving as the cornerstone of our ethical practices. This framework encompasses comprehensive policies that articulate our ethical standards and expectations clearly.

**02:** Complementing our policy framework, our second approach involves implementing a monitoring framework for best practices. This framework is designed to reinforce our existing policies and ensure their effective application across all levels of the organisation.



## 01

### CORPORATE GOVERNANCE

With an established framework of policies, practices and procedures, our approach to corporate governance reaffirms alignment with our Corporate Vision, Mission and Core Values, and Sustainability Vision and Mission to safeguard the interests of all stakeholders.

Prioritising adherence to regulatory requirements, transparent disclosure to stakeholders and ethical decision-making across all levels, this framework serves as a guide for the comprehensive management and oversight of the Group.

#### GROUP POLICIES, CODES AND GUIDELINES ON ETHICS & INTEGRITY



##### ANTI-CORRUPTION, TRANSPARENCY AND COMPLIANCE

These policies aim to prevent bribery and corrupt practices, encourage ethical reporting of misconduct, promote transparency in asset declarations and ensure integrity in all business dealings.

- Anti-Bribery and Corruption Policy
- No Gift Policy
- Whistleblowing Policy
- Integrity Pact Policy
- Declaration of Assets Policy
- Declaration of Interest Policy



##### ETHICAL BUSINESS PRACTICES

Policies established to ensure ethical and fair business operations, including guidelines for hospitality, due diligence and overall conduct by the Group and its suppliers.

- Facilitation Policy
- Hospitality Policy
- Due Diligence Policy
- Code of Business Ethics and Conduct
- Supplier Code of Conduct



##### COMMUNITY AND SOCIAL RESPONSIBILITY

Policies governing the Group's interactions with the community, including charitable donations, sponsorships, support requests and political donations, emphasising responsible and ethical engagement.

- Charitable and Donation Policy
- Sponsorship Policy
- Support Request Policy
- Political Contribution Policy



##### WELFARE, RIGHTS AND DATA PROTECTION

Policies and guidelines that prioritise the wellbeing and rights of employees, business partners and stakeholders. These include policies for labour rights, personal data protection, and the prevention of sexual harassment in the workplace to ensure a safe, respectful and inclusive work environment.

- Personal Data Protection Policy
- Preventive Sexual Harassment Policy
- Labour Rights Policy

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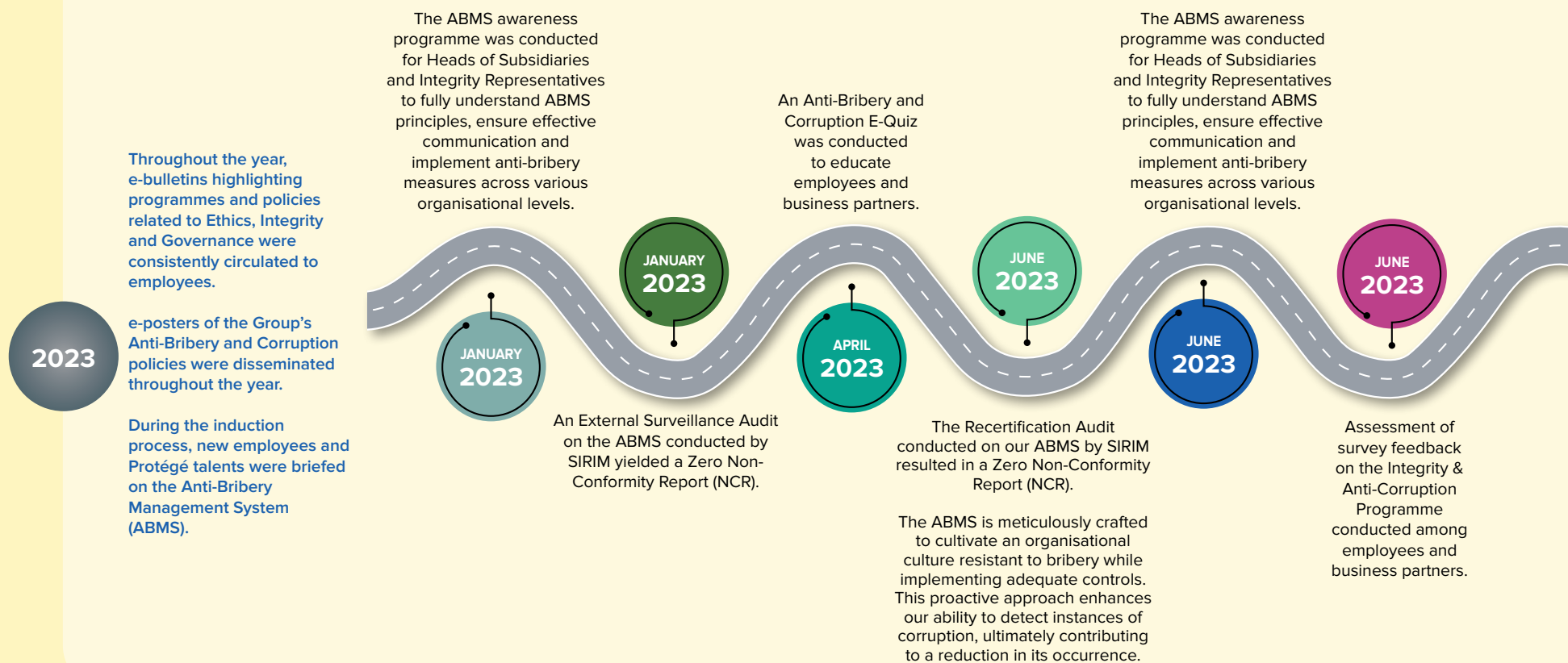


## ACCELERATING ADVANCEMENT ETHICS & INTEGRITY

### BUILDING TRUST THROUGH ETHICAL EXCELLENCE

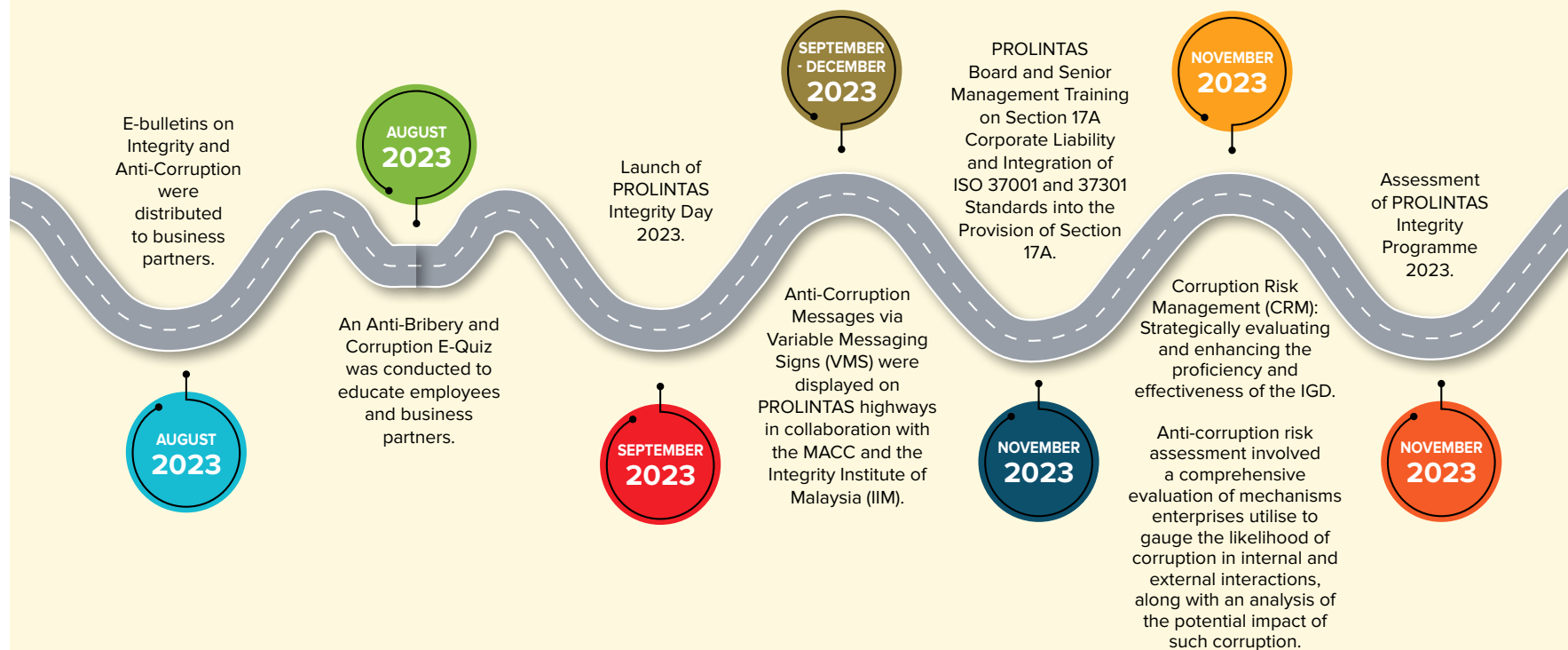
In 2023, the Integrity and Governance Department (IGD) diligently executed its mandate from the Board and Management, focusing on establishing robust internal controls and fostering ethical conduct across internal and external stakeholders within the PROLINTAS Group of Companies.

## CORPORATE GOVERNANCE PROGRAMMES:





## 2023 KEY HIGHLIGHTS



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## ACCELERATING ADVANCEMENT ETHICS & INTEGRITY

### 02

#### OPERATIONAL GOVERNANCE

Our operational governance involves the development of a monitoring mechanism for best practices. The mechanism supports and enhances our existing policies, ensuring seamless integration and effective execution across the organisation at all levels. It functions as a vital tool for guiding continuous improvement and maintaining high standards of operational excellence.

Our quest for ISO certifications goes beyond meeting regulatory norms, reflecting our commitment to ongoing enhancement, accountability, and transparency. The adoption of ISO standards has advanced PROLINTAS towards a culture of excellence, establishing the Group as a compliant operator and a front runner in the industry. These actions have both improved our value to stakeholders and strengthened our reputation as a responsible and progressive corporate entity.



##### ISO 9001:2015 QUALITY MANAGEMENT SYSTEMS

Our employees have undergone extensive training in quality control and customer satisfaction, with regular refinement of our quality management procedures to enhance efficiency and effectiveness.



##### ISO 45001:2018 OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEMS

We conducted regular safety training and performed Hazard Identification and Assessment of Risk & Opportunities (HIARO) to ensure a safe work environment and effectively mitigate risks.



##### ISO 14001:2015 ENVIRONMENTAL MANAGEMENT SYSTEMS

We conducted an Environmental Impact Assessment workshop to evaluate and mitigate our environmental footprint. Various energy-saving measures were implemented to minimise environmental impact and integrate sustainability practices into our operations.



##### ISO 39001:2012 ROAD TRAFFIC SAFETY MANAGEMENT SYSTEMS

We analysed road traffic data to pinpoint safety risks and deployed targeted strategies to mitigate them.



##### ISO 37001:2016 ANTI-BRIBERY MANAGEMENT SYSTEMS

We conducted regular ethics workshops for all employees to ensure the highest standards of integrity and transparency are upheld.



Our commitment to operational excellence shines through as our Quality, Environment, Safety & Health Department acts as the gatekeeper and rigorously upholding the ISO standards within PROLINTAS.



## ACCELERATING ADVANCEMENT ETHICS & INTEGRITY

### RISK MANAGEMENT

In 2023, the Group conducted a comprehensive review to identify, assess, and manage risks, adopting a systematic approach to develop strategic mitigation measures.

#### RISK TYPES

#### MITIGATION EFFORTS

##### RISK TYPES

Implementing the Multi-Lane Fast Flow (MLFF) system on PROLINTAS highways introduces business, legal and technical risks, primarily affecting operational expenditure.

##### MITIGATION

A thorough cost-benefit analysis was conducted to determine the financial viability of the MLFF project, complemented by backup systems for consistent operations. Collaboration with the Association of Malaysian Highway Concessionaires Malaysia (PSKLM) facilitates a national exploration of MLFF's risks and opportunities.



#### OPERATIONAL RISK

#### RISK TYPES

#### MITIGATION EFFORTS

##### RISK TYPES

In promoting sustainability, PROLINTAS leverages technology in its operations, from toll collection to maintenance. However, this approach comes with inherent risks, such as cybersecurity breaches and device failures.

##### MITIGATION

PROLINTAS has implemented stringent cybersecurity measures such as firewalls, antivirus software and encryption, along with regular security assessments, to mitigate technological risks. In addition, periodic maintenance of electronic hardware and a comprehensive business continuity plan ensure sustained operations and minimal failure impact.



#### STRATEGIC RISK

#### RISK TYPES

#### MITIGATION EFFORTS

##### RISK TYPES

Operational inefficiencies pose a significant risk of impacting the sustainability of toll revenue financially.

##### MITIGATION

PROLINTAS enhances efficiency through the strategic integration of best practices and technology, coupled with investments in infrastructure. Efforts to optimise costs are centered on controlling overtime and utility expenses, as well as reducing non-essential costs.



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## INTERNAL AUDIT MANAGEMENT

In 2023, PROLINTAS' Internal Audit team executed risk-based audits across all operating units to assess and ensure the effectiveness of existing controls, aligning with the annual audit plan. The internal audit activities at PROLINTAS encompass a broad range of operational areas to ensure governance and efficiency.

### INTERNAL AUDIT EXECUTION



“  
These comprehensive audits are integral to maintaining high standards of integrity, safety, and efficiency across all PROLINTAS operations.”



## OUR PERFORMANCE

**T**he Group tracks performance and monitors the effectiveness of relevant initiatives on Ethics & Integrity via metrics that include training on anti-corruption, incidences of corruption and assessment of corruption risks.

### Total number and percentage of organisation/ operations assessed for risks related to corruption.

Number of operations assessed for corruption-related risks as at the end of the reporting period

**6**  
**highways**  
FY2022: 6 highways

Percentage of Completion for the Assessment

**100%**  
FY2022: 100%

### Total number and percentage of governance body members that the organisation's anti-corruption policies and procedures have been communicated to.

Number of Board of Directors who have received training on anti-corruption

**7**  
FY2022: 6

Percentage of Completion for Board of Directors who have received training on anti-corruption

**100%**  
FY2022: 83%

### Total number and percentage of employees that the organisation's anti-corruption policies and procedures have been communicated to.

Number of employees

**759**  
FY2022: 765

Percentage of employees who were apprised on anti-corruption policies & procedures

**100%**  
FY2022: 100%

### Total number and percentage of employees who have received training on anti-corruption.

Number of employees who have received training on anti-corruption

**759**  
FY2022: 765

Percentage of Completion for employees who have received training on anti-corruption

**100%**  
FY2022: 100%

### Whistleblower Programme Effectiveness.

Number of whistleblower reports

**1**<sup>1</sup>  
FY2022: -

Percentage of whistleblower reports resolved at the end of the reporting period

**100%**  
FY2022: -

<sup>1</sup> Whistleblowing case reported in 2023 was an allegation with false proof. Hence the case was classified as false allegation with No Further Action, NFA.

### KEY HIGHLIGHT

We have reached a **100% success rate** in enforcing anti-corruption policies and risk assessments, ensuring a culture of integrity across the board.

### GOING FORWARD

**P**ROLINTAS is dedicated to upholding the highest standards of Ethics & Integrity, integrating them as key drivers of our sustainable highway operations. We will persist in embedding these values in all facets of our work, enhancing our corporate practices and community contributions.

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