

HIGH IMPORTANCE MEDIUM IMPORTANCE

#### SIGNIFICANCE

t PROLINTAS, we prioritise the management of GHG emissions as an integral aspect of our business operations. Our commitment to sustainability and environmental stewardship drives us to strategically manage GHG emissions, contributing to the broader goal of mitigating global warming and its detrimental effects on ecosystems and biodiversity.

Recognising our responsibilities as highway operators, we are acutely aware of the impacts of climate change. Extreme weather events, particularly intense rainfall, pose immediate challenges to our operations and increase highway safety hazards. These conditions can precipitate dangerous situations, endangering road users and our personnel. Through proactive adaptation and mitigation efforts, we aim to minimise these risks, safeguard our infrastructure, and ensure the safety and wellbeing of all stakeholders who rely on our highways. OUR APPROACH GREENHOUSE GASES & CLIMATE ACTION

CARBON MANAGEMENT

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CLIMATE ACTION

ALIGNMENT TO THE TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) Our comprehensive strategy in addressing Greenhouse Gases & Climate Action is segmented into three interconnected pillars, each key to this material matter.

**O1:** This foundational element focuses on the reduction of GHG emissions. Our efforts here reflect our deep commitment to addressing environmental challenges head-on.

**02:** The second pillar is dedicated to proactive measures-both adaptations and innovations -designed to lessen the impacts of climate change. This showcases our forward-thinking approach to safeguarding our infrastructure against climate variability.

**03:** The third pillar emphasises incorporating the TCFD framework into our climate action strategy. This alignment demonstrates our commitment to best practices in climate and environmental reporting, ensuring our strategies are transparent and accountable.



#### **CARBON MANAGEMENT**

01

n 2022, our partnership with Malaysian Green Technology and Climate Change Corporation (MGTC) marked the beginning of an extensive initiative to map out our GHG emissions across Scope 1, 2 and 3, aligning with the stringent criteria of the GHG Protocol framework. This collaboration led to the critical establishment of 2019 as our baseline year, providing a definitive starting point for understanding the landscape of our GHG emissions.

This foundational work paved the way for developing a targeted Carbon Reduction Strategy for short-to-mediumterm goals, enabling our ultimate ambition of achieving a Net Zero Emissions Goal. This initiative represents a significant milestone in our quest for environmental sustainability and highlights our unwavering commitment to sustainable practices and the principles of ethical corporate governance.

> In 2022, we embarked on a crucial journey towards sustainability by establishing key initiatives and processes to monitor and track GHG emissions across our operations.

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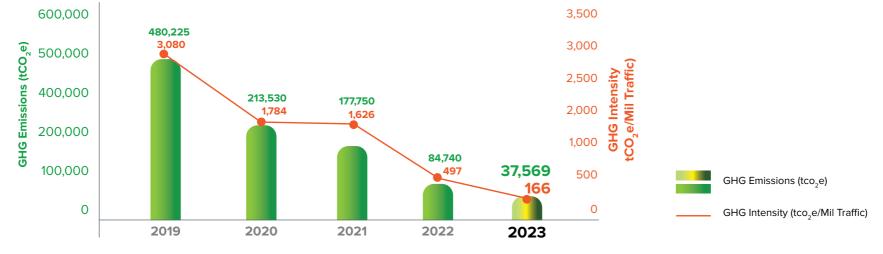


**OVERVIEW OF PROLINTAS' GHG EMISSIONS PROFILE** 

**OUR PERFORMANCE** 

Scope 3 Emissions Downstream Leased Assets Scope 3 Emissions Employee Commuting Scope 3 Emissions **Business Travel** Scope 3 Emissions Waste Generated in Operations Scope 3 Emissions Fuel and Energy-Related Emissions Scope 3 Emissions Purchased Goods and Services Scope 2 Emissions Purchased Energy Scope 1 Emissions Mobile Combustion Emissions Scope 1 Emissions Fugitive Emissions Scope 1 Emissions Stationary Combustions

Data was derived from subsidiaries and the corporate office from the baseline year of 2019 through 2023. Emissions from Capital Goods were mainly from construction activities. It is a one-off set of activities that occur during the reporting year. Thus, it will be excluded from current target setting. For the full emissions profile, kindly refer to our Environmental Performance Indicators pages 270 to 271 of this Report.



CARBON FOOTPRINT & INTENSITY ANALYSIS (2019-2023)

PROJEK LINTASAN KOTA HOLDINGS SDN BHD (PROLINTAS)

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### E ANALYSIS

xpanding upon our initial GHG emissions profile, our strategy strongly emphasises managing Scope 2 emissions, which account for 38% of our total GHG emissions on a five-year average. Given their direct link to the energy we procure and use, addressing Scope 2 emissions is pivotal.

Further analysis reveals that a significant portion of our Scope 3 emissions, constituting 44% on a five-year average, stems from fuel and energy-related sources. Recognising that Scope 2 and Scope 3 emissions constitute 82% of our overall GHG footprint, developing a comprehensive Energy Management strategy is imperative.

This strategy is crucial for our carbon reduction efforts and pursuit of a net-zero ambition, focusing on reducing energy consumption, enhancing energy efficiency, and transitioning to renewable energy sources. Through these targeted measures, we remain dedicated to environmental stewardship and actively contribute to the global fight against climate change.

PROLINTAS' Renewable Energy and Innovation Department is powering up progress in the transition to Green Energy.

Pn. Farah Iylia Nordin Manager, **Renewable Energy & Innovation**  Overvie

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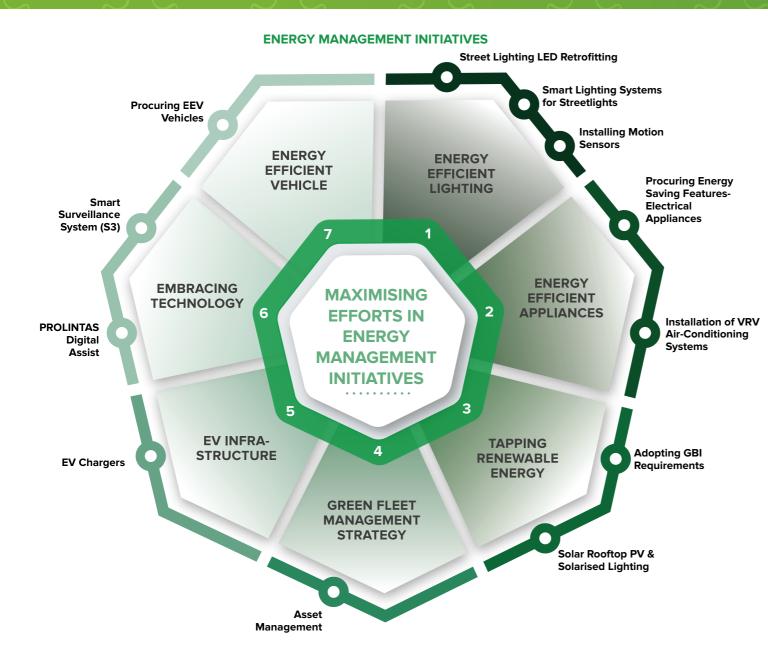
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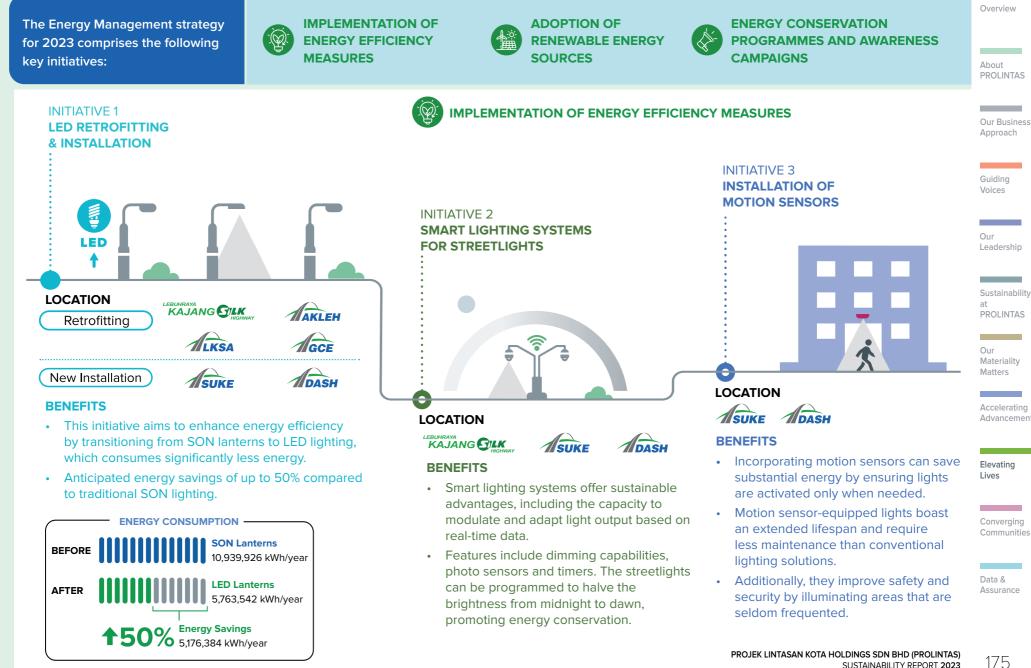


#### THE CARBON REDUCTION STRATEGY

he development and reinforcement of the Energy Management Framework and Strategy are imperative for the Group, given that analysis over the past five years has shown that 82% of emissions originate from direct energy consumption and its related-activities.

The Mechanical, Electrical and Electronics Department has meticulously outlined a framework and strategy to address this significant portion of our GHG footprint. This approach is aligned with our goal to effectively managing our environmental impact, as detailed in the initiatives highlighted in the accompanying infographic.







#### ELEVATING LIVES

## **GREENHOUSE GASES & CLIMATE ACTION**

#### ADOPTION OF RENEWABLE ENERGY SOURCES

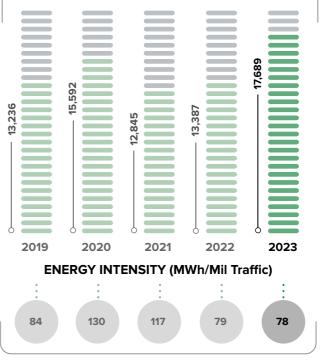
e are adopting solar photovoltaic (PV) systems to harness the power of the sun and generate clean, renewable energy. These systems are primarily installed on the roofs of our toll plazas. The following section delineates the current status and future plans for our solar rooftop project, extending until 2030.

HIGHWAY	EXISTING PV	PLANNED PV	SYSTEM SIZE (kWp)	POTENTIAL ELECTRICITY GENERATION (kWh/year)	POTENTIAL EMISSIONS REDUCTION (tCO <sub>2</sub> e)
AGCE	1	2	662	773,216	603
ALKSA	1	1	500	584,000	456
LEBUHRAYA KAJANG SILK HIGHW	<sub>ду</sub> О	4	529	617,872	482
<b>A</b> DASH	3	0	308	359,744	281
<b>ASUKE</b>	3	0	78	91,104	71
TOTAL	8	8	2,297	2,425,936	1,893

Conversion of kWp to kWh/Year: System Size (kWp) x Average Peak Sun Hours (3.2) x 365 Days Conversion of Electricity (kWh) to CO2e (Malaysia): kWh x 0.78 kg

## ENERGY USAGE AND INTENSITY (PER MILLION TRAFFIC VOLUME)

#### TOTAL ENERGY USE (MWh)<sup>1</sup>



<sup>1</sup> The conversion for Energy Use, which comprises purchased electricity and fuel consumption, is based on NEB 2016 Conversion Coefficients and Equivalence.

#### **KEY HIGHLIGHTS**

8% Reduction in Energy Intensity based on the 2019 baseline.

In 2023, our Energy Intensity continued to exhibit a downward trajectory, reflecting a **decrease of 1%** from 2022.

Moreover, compared to the baseline year 2019, we have achieved a noteworthy reduction of 8% in intensity.

This decline can be attributed to the effective implementation of our energy reduction initiatives.

#### ENERGY CONSERVATION PROGRAMMES AND AWARENESS CAMPAIGNS

In our ongoing efforts to promote energy conservation and sustainable behaviours among our employees and stakeholders, we have coordinated campaigns and competitions to encourage adopting environmentally-friendly practices in the workplace and at home. These endeavours are designed to foster a culture of environmental responsibility within our organisation and the communities we are dedicated to serve.



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ur Climate Action approach is centered on proactive adaptations and strategic responses aimed at mitigating the effects of climate change on our highway operations.

One of our primary areas of focus is flood mitigation and slope stability. We have an effective stormwater management complemented by the deployment of remote slope and rain monitoring sensors. This comprehensive approach enables us to anticipate and effectively respond to flood and slope-related risks, ensuring continued safety and reliability of our highways, even in extreme weather conditions.

**KEY HIGHLIGHT** 2023 Construction of 518 m<sup>3</sup> of an On-site Detention Pond at KAJANG 🛐



PROLINTAS significantly enhanced its stormwater management capabilities by adding an on-site detention pond at Kajang SILK. This expansion increased our stormwater handling capacity by 518 m<sup>3</sup>, elevating our overall capacity to 59,730 m<sup>3</sup>.

This advancement underscores our commitment to environmental stewardship and operational excellence.

#### DETENTION AND RETENTION PONDS

In response to the escalating frequency and intensity of extreme weather events, such as floods, exacerbated by climate change, we are proactively implementing measures to mitigate this climate-related risk.

Understanding the potential implications for our business and the communities we support, we have initiated a comprehensive mitigation strategy. This strategy focuses on the development of advanced stormwater management infrastructure and the expansion and improvement of our road drainage systems. Our goal is to reduce the likelihood of flooding and bolster the resilience of our infrastructure against the dynamic challenges posed by the changing climate.

2023

	TOTAL	35,778	23,951	LIVES	
•	GCE	1,050	0	Elevating Lives	
•	DASH	800	11,190	Accelerating Advancement	
•		518	0	Matters	
•	SUKE	12,937	8,947	Our Materiality	
•	ALKSA	20,473	3,814	at PROLINTAS	
	HIGHWAY	DETENTION POND CAPACITY (m <sup>3</sup> )	RETENTION POND CAPACITY (m <sup>3</sup> )	Sustainability	
1	LOCATION AND CAPACITY OF EXISTING DETENTION AND RETENTION PONDS				

The detention pond at GCE serves as an effective stormwater management system, mitigating flood risks by temporarily holding excess water runoff and allowing it to gradually dissipate, thus safeguarding infrastructure and ensuring road safety for commuters



Converging Communities

Data & Assurance



In 2023, our organisation took a significant step forward in enhancing the safety and resilience of the Kajang SILK and SUKE highways, bordered by hilly slopes, by deploying an advanced Smart Slope Monitoring System.



#### PROACTIVE ALERTS FOR SLOPE STABILITY RISKS

This innovative system is designed to provide pre-emptive warnings of potential slope failures by utilising cutting-edge sensors capable of detecting critical changes in rainfall patterns and soil movement. The system employs predefined parameters to initiate timely remedial measures, thereby mitigating risk and ensuring the safety of these vital infrastructures.



#### **ENHANCED SAFETY**

Slope Monitoring Systems are pivotal in bolstering road safety by providing early warnings of potential landslides or slope failures. This capability is instrumental in significantly mitigating accident risks, safeguarding motorists' lives and ensuring uninterrupted travel.



#### PREVENTIVE AND TIMELY MAINTENANCE

The early detection features of these systems are critical in identifying signs of potential slope instability. This foresight allows for timely maintenance and repair measures, effectively preventing extensive and costly damage to the highway infrastructure.



#### EFFICIENT TRAFFIC MANAGEMENT

Leveraging real-time data on slope conditions, these systems facilitate the implementation of dynamic traffic management strategies. This includes enacting immediate road closures or implementing rerouting protocols, thereby minimising exposure to hazardous conditions.

The system has been designed with two rain gauges and ten tilt sensors, strategically positioned on the slopes adjacent to Kajang SILK. An additional ten tilt sensors have been deployed on the Bukit Saga slope next to SUKE,

guaranteeing comprehensive coverage and safeguarding against the risks of slope failure.

### GREENHOUSE GASES & CLIMATE ACTION **ELEVATING LIVES**

03

#### ALIGNMENT TO THE TASK FORCE ON CLIMATE-**RELATED FINANCIAL DISCLOSURES (TCFD)**

e are proud to announce our inaugural alignment with the recommendations set forth by the TCFD, marking an advancement in our commitment to climate resilience. We are in the preliminary stages of a comprehensive assessment to understand the potential impacts of both physical and transitional risks associated with climate change. This process is being conducted alongside identifying opportunities that align with our operational goals and values, all under the structured guidance of TCFD. This proactive approach highlights our dedication to integrating climate resilience into our strategic planning, ensuring we remain at the forefront of sustainability and responsible corporate stewardship.

**TCFD PILLARS** WHERE WE ARE TODAY PRIORITIES FOR FY2024 TO FY2027 Guiding GOVERNANCE Board Oversight Continue to strengthen and improve climate risk Voices ່ງບບບບ governance. Disclose the organisation's Periodic discussions by the Board on climate-related matters. Continue enhancing internal capabilities, competency & governance around climate-related Management Oversight risks and opportunities. culture. Our Review of climate risks as part of the Group's Enterprise Risk Leadership • Build a cohesive approach to tackle climate strategy. Management. • Align understanding of climate-related risks and Working Committees opportunities across the Group. Sustainability Discussions and executions of climate-related matters. Awareness and Training Programmes PROLINTAS For all employees. Our STRATEGY Continuous capacity building for TCFD adoption. Develop Climate Strategy Materiality Matters Disclose the actual and potential Prioritising GHG Emissions & Climate Action as a material Enhance Scope 1, 2 and 3 carbon emissions profiles and impacts of climate-related risks matter. dashboards. on the the Group's operations, Strengthen the Carbon Reduction Strategy. Accelerating strategy and financial planning Advancement • Establish short, medium and long-term climate targets. where such information is Assess physical and transition risks and opportunities using material. scenario analysis over the short, medium and long term. Elevating Lives **RISK MANAGEMENT** • Climate risks are managed under the Group's Enterprise Conduct physical risk assessment covering our significant **Risk Management** asset locations. Disclose how the organisation identifies, assesses and manages Conduct transition risk assessment based on policy. Converging climate-related risks. Communities METRICS AND TARGETS Disclosed carbon reduction efforts undertaken by · Set short, medium and long-term carbon reduction PROLINTAS. targets. Data & Disclose the metrics and targets Assurance used to assess and manage relevant climate-related risks where such information is material.

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#### **OUR CASE STUDY**

n the contemporary push towards sustainability, the strategic shift from traditional energy sources to renewable alternatives marks a pivotal development in climate action. This transition underscores a profound commitment to environmental stewardship and operational efficiency and sets new standards for industry practices.

Adopting solar energy solutions to revolutionise how energy is sourced and utilised within critical infrastructures such as highways is at the forefront of this movement.

The initiative to harness the power of the sun reflects a broader ambition to minimise our carbon footprint and ensure a stable, dependable energy supply. It embodies the growing dedication to sustainable development and addresses the escalating demand for green energy alternatives. Energy consumption represents a significant portion of the operational expenses of maintaining our highways.

> Innovation Meets Sustainability: 238 kWp Solar PV System commissioned at the Elmina Toll Plaza, GCE.

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#### **CHALLENGES**

#### **GRID RELIANCE**

Our toll plazas rely heavily on grid energy. This long-standing dependence on conventional energy sources has been a critical aspect of infrastructure management, ensuring the continuous functioning of these essential services.

#### OPERATIONAL COSTS AND ENERGY CONSUMPTION

Energy consumption represents a significant portion of the operational expenses of maintaining our highways.

#### **ENVIRONMENTAL CONSIDERATIONS**

The reliance on grid energy, predominantly generated from coal and gas, poses a challenge to achieving environmental sustainability objectives. This method of energy sourcing contributes to an increased carbon footprint, diverging from the global movement towards reducing environmental impact and promoting sustainable practices.

PROLINTAS realised the need for change and began exploring ways to harness the potential of renewable energy.

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Powering-Up with Solar Energy: 259 kWp Solar PV System commissioned at the Alam Impian Toll Plaza, LKSA.



### SOLUTION

#### SUSTAINABLE TRANSITION TO RENEWABLE ENERGY SOURCE

ROLINTAS has ventured towards sustainable energy by adopting an innovative solar rooftop project for its brownfield highways at the Alam Impian Toll Plaza at LKSA and the Elmina Toll Plaza at GCE.

The initiative is a strategic shift from conventional energy sources to renewable alternatives, thus emphasising our commitment to operational efficiency and environmental stewardship.

LOCATION		CAPACITY (kWp)
GCE	Elmina Toll Plaza	238
<b>IKSA</b>	Alam Impian Toll Plaza	259

#### **BENEFITS**

#### ECONOMIC

The shift towards renewable energy sources has decreased our dependence on grid electricity, leading to reductions in energy costs. To date, our solar rooftop initiative has culminated in a total savings of **RM173,687.** 

SITES		FY2023 TNB ELECTRICITY BILLS CONSUMPTION (RM)	SOLAR GENERATION SAVINGS (RM)
GCE	Elmina Toll Plaza	244,228	85,627
<b>IKSA</b>	Alam Impian Toll Plaza	339,322	88,060

• The rooftop solar PV systems began operations in June 2023.

• Solar generation savings in RM is calculated from: Total Energy Generated (kWh) x RM0.55



**ELEVATING LIVES** 

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#### **ENVIRONMENTAL**

The adoption of solar energy has lowered our carbon footprint, aligning with global efforts to combat climate change. Through this initiative, we have avoided a total of **233 tonnes** CO<sub>2</sub>e in carbon emissions.

SITES		FY2023 TNB ELECTRICITY BILLS CONSUMPTION (kWh)	SOLAR GENERATION (kWh)	EMISSIONS AVOIDANCE (tCO <sub>2</sub> e)
GCE	Elmina Toll Plaza	319,344	155,687	121
<b>IKSA</b>	Alam Impian Toll Plaza	637,004	144,380	112

• The rooftop solar PV systems began operations in June 2023.

Conversion of electricity to tCO<sub>2</sub>e (Malaysia): kWh x 0.78 kg

#### **GOING FORWARD**

e are committed to further advancing our GHG reduction initiatives and enhancing our climate action efforts. Building on the success of our current projects, we aim to explore and implement innovative solutions that will drive our emissions even lower and foster a more sustainable future.

We will continue to align our strategies with global climate goals through proactive engagement and continuous improvement in our environmental performance.

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