



## SUSTAINABILITY REPORT



### PAVING THE WAY FOR SUSTAINABILITY

Sustainability has always been an integral part of Protasco's business operations. Through our activities in construction, property development, maintenance, education, clean energy, engineering and consultancy services, as well as trading and manufacturing, we strive to embed best practices to foster positive economic, environmental and social ("EES") impacts.

As a player in the Construction sector, our strength lies in our involvement at every stage of the value chain from sourcing to design, build and maintenance. This allows us to integrate sustainability throughout the entire life cycle of construction and infrastructure projects. Together with our Education and Clean Energy platform, Protasco's diverse business activities provide us unique perspectives and opportunities to drive change at a fundamental level.

As we progress on our sustainability journey, we have established the Sustainability Committee ("SC") in FY2020 to assist the Board in fulfilling its oversight responsibility in relation to Protasco's objectives, policies and practices pertaining to sustainability. We are driven to embed sustainability more deeply into Protasco Berhad so as to deliver long term value to all our stakeholders.

## Sustainability Report

### COVID-19 Pandemic Response

Aside from pursuing our sustainability agenda, in 2020, Protasco was also preoccupied with efforts to ensure business continuity and safeguard our people from the COVID-19 global health threat. The Group has put in place all the necessary outbreak mitigation measures as prescribed by the government-mandated Standard Operating Procedures ("SOP"), and more, as outlined below:



- 1 During the 1<sup>st</sup> Movement Control Order ("MCO") in March 2020, our offices that were not offering essential services were closed as only premises offering essential services were allowed to operate. Staff were asked to work from home ("WFH").
- 2 All meetings were held virtually using work collaboration platforms that allowed for presentation as well as document sharing to ensure that work processes were uninterrupted.
- 3 Under the slightly relaxed restrictions of the Conditional MCO ("CMCO"), offices are allowed to reopen but with capacity cap caveats. Employees were allowed back to work on a rotational basis.
- 4 WFH continued to be encouraged, utilising prevailing digital platforms that are in place to ensure operational effectiveness was achieved.
- 5 Since the 2<sup>nd</sup> CMCO, we have maintained a minimal presence at the office of only 30% of supervisory level employees.
- 6 Necessary gatherings in confined spaces were only done if physical distancing could be observed.
- 7 Sanitisation works including fogging were carried out at all Protasco premises, especially at high-touch surfaces such as door handles, electric switches, thumbprint attendance terminal, etc.
- 8 COVID-19 SOP reminders in the form of posters, notes and banners were put up at visible places.

Among the Group's 1,500-strong workforce, 10 employees had contracted COVID-19 in 2020, representing a 0.7% infection rate. As we move into 2021 and beyond, we will remain vigilant in observing and enforcing COVID-19 SOPs at our premises for the health and safety of our staff.

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## ABOUT THIS STATEMENT

### Reporting Framework, Scope and Boundary

This report is prepared in accordance with Bursa Malaysia Securities Berhad's Sustainability Reporting Guide (2<sup>nd</sup> Edition), while drawing on other related sources for sustainability reporting best practices such as the Reporting Index ("GRI") 2018 Sustainability Framework, Bursa Malaysia FTSE4Good Index Disclosures and the UN Sustainable Development Goals ("UN SDGs") for guidance.

In this Sustainability Statement, we will discuss how sustainability is governed at Protasco, how we engage with our key stakeholders to determine our material matters, and share the progress, development and improvements we had made in the areas of sustainable business development, environmental stewardship, as well as our advances in workplace practices and community development.

The statement covers the key activities of Protasco Berhad's business segments and its subsidiaries (as listed in the Corporate Structure and Quick Facts on pages 3 to 5 of the annual report) for the financial period of 1 January 2020 to 31 December 2020 ("FY2020"), unless otherwise stated. Wherever possible, we strived to provide historical data for comparison to make our disclosures more meaningful for our stakeholders. Disclosures on impacts involving third party vendors and our value chain partners were excluded from this report.

### Disclosure Assurance

As we are still in the early stage of developing Protasco's sustainability function, we have not sought external assurance for this Statement. However, we recognise the value of independent verification and will consider seeking assurances for our key sustainability indicators as our reporting journey progresses.

In the meantime, we rely on internal functions to ensure the accuracy of the data disclosed. The Management and Board of Directors have applied their collective minds to the preparation and presentation of information in this Statement and believe that it provides a fair and balanced account of Protasco's sustainability performance and commitments.

### Feedback

In line with our commitment towards continuous improvement, we welcome feedback from our stakeholders on our sustainability reporting and practices. Comments and recommendations can be directed to:

#### Protasco Berhad

[200101012322 (548078-H)]

Unipark-Suria, Jalan Ikram-Uniten,  
43000 Kajang, Selangor, Malaysia.

Tel: (603) 8738 3388

Fax: (603) 8926 4023

Investor Relations Contact : Han Long Kong

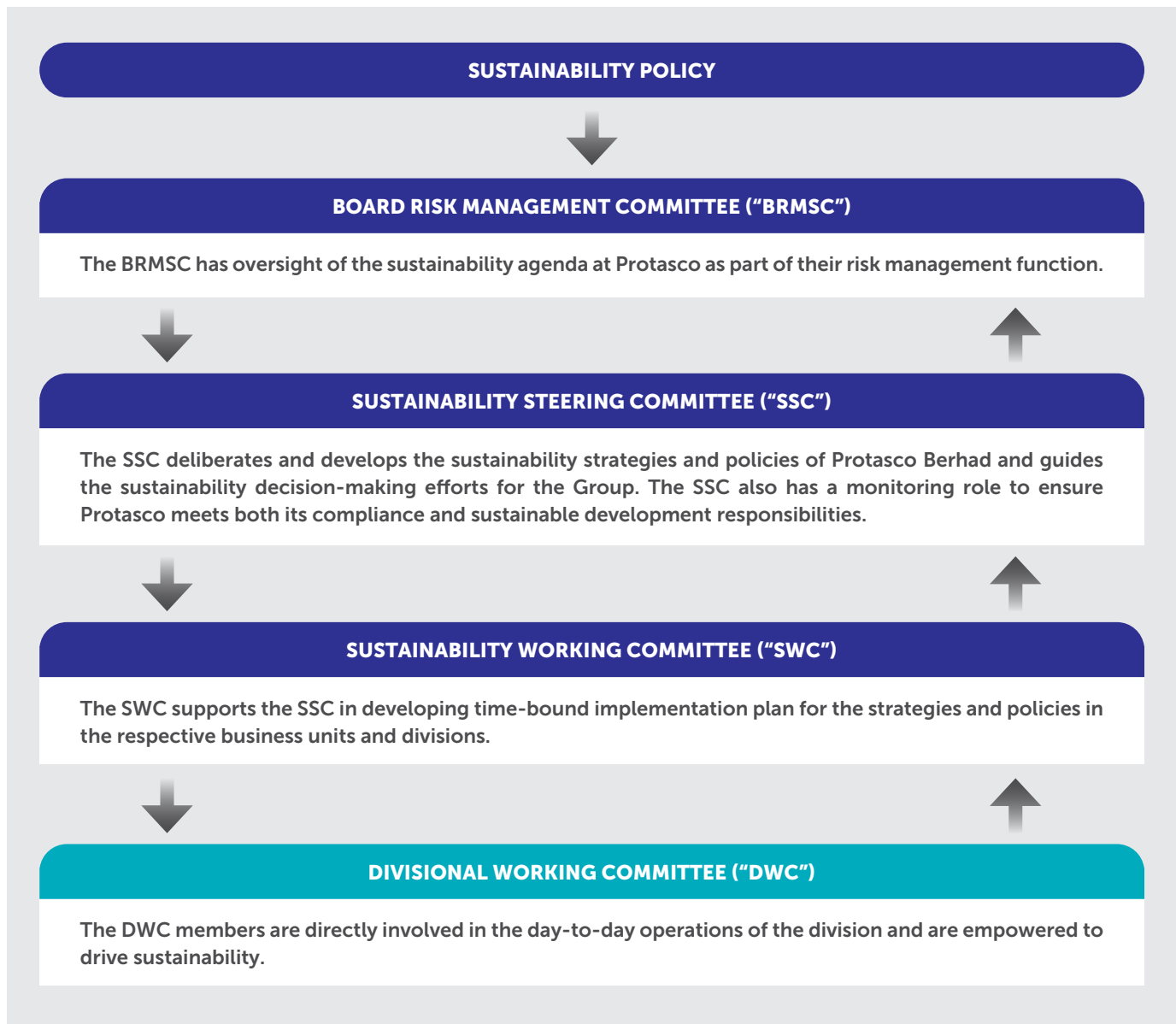
Email : [lkhan@protasco.com.my](mailto:lkhan@protasco.com.my)

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## SUSTAINABILITY GOVERNANCE

Sustainability is deeply embedded into the operations of Protasco, driven downwards from the highest level of Management. It is guided by Protasco’s Sustainability Policy, which was established in 2019 and endorsed by Protasco’s Board of Directors. In August 2020, we have included sustainability governance into the functions of the Board Risk Management Committee.

The following chart outlines Protasco Berhad’s Sustainability Governance structure and reporting framework:




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The current composition of the committees are as follows:

SSC	SWC	DWC
<ul style="list-style-type: none"> <li>• Group Managing Director (Chairman)</li> <li>• Chief Operating Officer (Vice Chairman)</li> <li>• Maintenance Division, Chief Executive Officer</li> <li>• Construction &amp; Property Division, Executive Director</li> <li>• Engineering &amp; Consultancy Services Division, Chief Executive Officer</li> <li>• Trading &amp; Manufacturing Division, Executive Director</li> <li>• Education Division, Vice Chancellor</li> <li>• Clean Energy Division, Executive Director</li> <li>• Group Corporate Office, Executive Director</li> </ul>	<ul style="list-style-type: none"> <li>• Chief Sustainability Officer</li> <li>• Compliance Department (Document Controller, Data Collection, Data Analysis &amp; Review)</li> <li>• Corporate Communications Department (Report Writing)</li> <li>• Representatives from Each Division/ Department</li> <li>• Divisional Sustainability Officer</li> </ul>	<ul style="list-style-type: none"> <li>• Divisional Sustainability Officer</li> <li>• Coordinator</li> <li>• Document Controller</li> <li>• Data Person-In-Charge</li> <li>• Committee Members</li> </ul>

The diversified businesses of the Group are well represented at these committees to ensure that our sustainability initiatives can be effectively operationalised in every sector of the Group. These committees are supported by a robust set of governance frameworks and policies to manage sustainability at Protasco:



 The above policies can be viewed at our Investor Relations portal at <https://www.protasco.com.my>. These policies are assessed periodically to ensure its continued effectiveness.

## Sustainability Report

### Ethics and Integrity

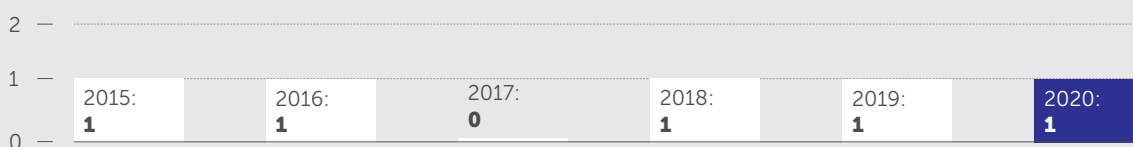
Integrity continues to be a cornerstone of Protasco's behaviour in the marketplace and workplace. We are in compliance with all relevant legislation and regulations including the Malaysian Code of Corporate Governance ("MCGC") 2017, and are committed to continually raise the bar in our ethics and integrity standards.

Recognising the risks posed by corruption, we have put in place adequate internal control measures in every part of the organisation's processes to prevent its occurrence. Our Internal Audit ("IA") function plays an important role in the detection of any weaknesses in our internal controls which may lead to misconduct or fraud committed by our personnel, and are committed to address any issues raised or detected immediately. Any red flags of fraud observed during the operational audit conducted by IA will be investigated thoroughly, and process improvement recommendations will be provided.

To further combat corruption, we have put in a place a Whistleblowing Policy and a whistleblowing channel to provide a formal system for all employees and external parties to report any instances of wrongdoing. We have communicated our integrity commitment and our firm stance to not tolerate any corrupt activities to all our staff. Employees are also required to validate standing instructions on business ethics upon their acceptance of employment with Protasco, while all of our Senior Management have attended training to help them identify possible situations of corruptions. Anti-Corruption is also among the training modules attended by members of the Board to ensure governance effectiveness.

In the year under review, there were no reports of wrongdoings received through the whistleblowing channel. However, our operational audit uncovered a case of non-compliance with anti corruption principles in the year under review and the staff had been disciplined accordingly. Despite our Anti-Corruption Policy coming into effect only in FY2020, our IA function has been diligently tracking and preventing incidences of fraud or corruption for the past few years:

#### NO. OF STAFF DISCIPLINED OR DISMISSED DUE TO NON-COMPLIANCE WITH ANTI-CORRUPTION



With Section 17A of the Malaysian Anti-Corruption Commission Act 2009 ("MACC Act") coming into effect in June 2020, the Board had on February 2020 approved the Integrity and Anti-Corruption Policies and Procedures ("P&P") for adoption. However, based on the internal audit conducted in FY2020, the Board had decided to make further revisions to the P&P with the revised draft receiving Board approval in March 2021. In addition, we had also conducted an awareness training for all key Senior Management of the Group on Section 17A of the MACC Act.

We remain on course to cascade awareness and understanding of Section 17A of the MACC Act across the organisation through planned road shows, training for all employees, placement of anti-corruption banners, and other initiatives in 2021 and onwards.

### Supply Chain

As a diversified business with presence in every stage of the construction and infrastructure value chain, Protasco plays a vital role in supporting the local marketplace through fair and equitable procurement practices.

We are in the midst of preparing and finalising a general purchasing and procurement policy to outline our strict tendering process for vetting the contractors we hire, which involves all parties at every level of the process for transparency from pre-qualification until the award and post-project evaluations. Contractors are evaluated on their performance as well as their ability to deliver at competitive pricing, and are audited by Protasco annually.

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Responsible local contractors with a good performance track record of contributing positively to the nation's economy are given due consideration, while safety track records are scrutinised to ensure compliance with all relevant laws and regulations of the Occupational Safety and Health Act ("OSHA") and Department of Environment ("DOE").







All the construction materials used are sourced by our contractors and responsibly procured from Construction Industry Development Board ("CIDB"), Standard and Industrial Research Institute of Malaysia ("SIRIM") or IKRAM QA approved material list.

We hope to do more to encourage and empower good ESG practices among our contractors in the future.

**STAKEHOLDER IDENTIFICATION & ENGAGEMENT**

Throughout the course of our business activities, we are in contact with a diverse range of stakeholders, with whom we engage regularly as part of our sustainability process. Engagement with stakeholders helps us gain a more complete understanding of matters that may have a material impact on our business and sustainability, and ensures that their interests and concerns are taken into consideration as we respond to change in an evolving operating landscape.

The following stakeholder groups have been identified as having the most influence on Protasco's business sustainability:

Stakeholder Groups	Means of Engagement
<b>Employees</b> 	<ul style="list-style-type: none"> <li>• Briefings/meetings</li> <li>• Emails</li> <li>• Intranet portals</li> <li>• WhatsApp exchanges</li> <li>• Performance appraisal sessions</li> <li>• Department sharing sessions</li> </ul>
<b>Government/Local Authorities/Regulators</b> 	<ul style="list-style-type: none"> <li>• Briefings/meetings</li> <li>• Emails</li> </ul>
<b>Community</b> 	<ul style="list-style-type: none"> <li>• Sponsorship and contributions</li> </ul>
<b>External Providers</b> 	<ul style="list-style-type: none"> <li>• Review &amp; coordination meetings</li> <li>• Negotiation meetings</li> </ul>
<b>Shareholders</b> 	<ul style="list-style-type: none"> <li>• General meetings</li> <li>• News releases</li> <li>• Investor relations website</li> <li>• Corporate websites: <ul style="list-style-type: none"> <li>&gt; <a href="http://www.protasco.com.my">www.protasco.com.my</a></li> <li>&gt; <a href="http://www.ikram.com.my">www.ikram.com.my</a></li> <li>&gt; <a href="http://www.roadcare.com.my">www.roadcare.com.my</a></li> <li>&gt; <a href="http://www.decentrum.com.my">www.decentrum.com.my</a></li> <li>&gt; <a href="http://www.protascotrading.com.my">www.protascotrading.com.my</a></li> <li>&gt; <a href="http://www.iukl.edu.my">www.iukl.edu.my</a></li> </ul> </li> </ul>
<b>Customers</b> 	<ul style="list-style-type: none"> <li>• Briefings/meetings</li> <li>• Customer service hotlines</li> <li>• Student meetings</li> <li>• Social media site</li> </ul>

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While the stakeholder groups shown in the previous page are a restatement from FY2019’s report, the means of engagement for some groups have changed significantly in FY2020 due to the COVID-19 pandemic SOPs. There was an increase in the utilisation of digital tools as face-to-face engagements were highly discouraged, while meetings, sharing sessions and dialogues were done virtually. There was a massive absence of community engagement programmes as well due to the restrictions against large gatherings and the pandemic’s drain on the Group’s financials.

Protasco remains committed to understanding the needs and concerns of our key stakeholders and looks forward to resuming regular engagement activities as soon as practicable.

### UNITED NATIONS SUSTAINABILITY DEVELOPMENT GOALS



The United Nations Sustainable Development Goals (“UNSDGs”) is a collection of 17 global goals that form the roadmap to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030. Malaysia together with other world leaders answered that universal call to action at the United Nations General Assembly in New York on 25 September 2015 and adopted the 17 Goals and 169 targets of the UNSDGs.

As a public listed company in Malaysia, we have a responsibility to support our nation in advancing these goals and play our role as a responsible global citizen. Protasco has expressed our support of the UNSDGs and identified several goals that we can contribute to meaningfully through the business activities of the Group:



Sustainability  
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Throughout the years, Protasco has been active in corporate social responsibility activities in the communities where our businesses have a presence. Aside from direct financial contribution and community development efforts, our equal opportunity workplace policies also help to ensure a level playing field for gainful employment as a means for marginalised communities to escape poverty.

**Goal 3: Good Health and Well-being**

Operating in the construction sector, Protasco complies with all applicable guidelines of the Occupational Safety and Health Malaysia ("DOSH") at each of our project worksites to ensure the safety and wellbeing of our employees. The provision of workplace healthcare benefits as part of our competitive remuneration ensures that our employees receive essential medical services to maintain good health.

**Goal 4: Quality Education**

Our education division's Infrastructure University Kuala Lumpur ("IUKL") provides inclusive and equitable quality education. Guided by the University's motto "For Knowledge, For Humanity", IUKL is known for its affordably priced courses despite being one of the nation's most recognised institutions in the field of infrastructure. IUKL achieved a 4 Star (Competitive) rating for Setara 2018/2019 in the mature university category (for universities over 15 years old). It is also rated 5 STARS for the Teaching and Facilities category in the latest 2020 QS rating system.

**Goal 7: Affordable and Clean Energy**

Protasco's clean energy division had delivered multiple projects across Malaysia, helping companies deploy and deliver energy-saving green technology, clean energy services and finance large scale solar power plants.

**Goal 9: Industry, Innovation and Infrastructure**

Protasco's construction and infrastructure activities help keep economies connected and promote inclusive and sustainable industrialisation. Our expertise lies in the design, construction, upgrading and rehabilitation of roads, bridges and buildings services, building resilient infrastructure while fostering innovation in the field of infrastructure.

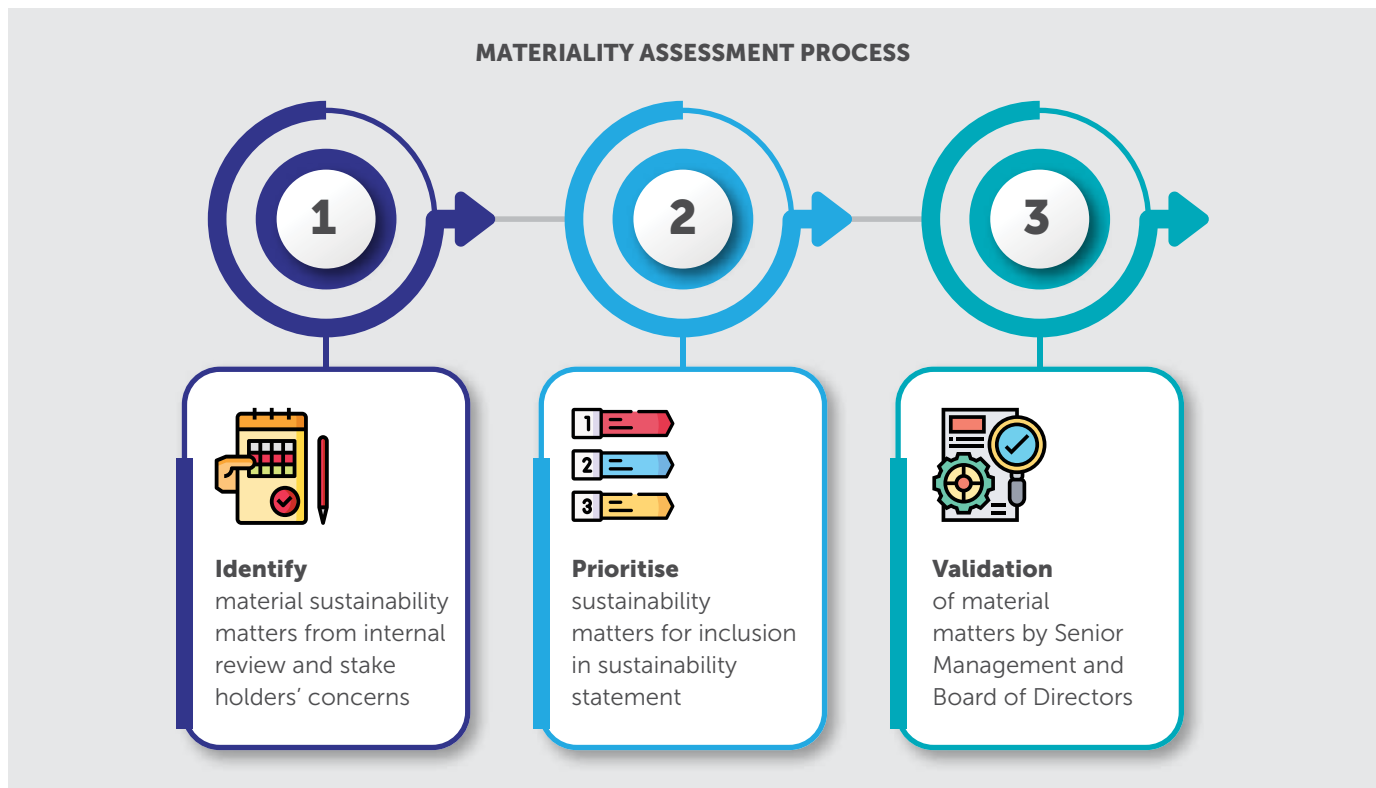
**Goal 11: Sustainable Cities and Communities**

Our property and infrastructure projects are carried out safely, responsibly and in consideration of urban needs and challenges, contributing to infrastructure development and nation-building that make cities and human settlements inclusive, safe, resilient and sustainable.

# Sustainability Report

## DEFINING MATERIALITY MATTERS

Through our stakeholder engagement and risk assessment processes, and taking our operating environment into consideration, the management of each division in Protasco had applied their collective mind to identify and shortlist the matters deemed most material to our ability to create and sustain value from an EES perspective. These issues are prioritised based on their potential impact on our sustainability and guide our disclosures in the following pages.



The SSC had in the first quarter of 2019 validated the following as having the most material impact on Protasco Berhad:

	<b>Material Matters</b>	<b>Sustainability Pillars</b>
1.	Business Performance	Economic
2.	Product & Services Quality	Economic
3.	Environmental Conservation	Environment
4.	Occupational Safety, Health & Environment	Social
5.	Human Capital	Social
6.	CSR & Community Development	Social

The six (6) group level materiality matters have been acknowledged by every division in Protasco as being relevant to their businesses and they have agreed to track the performance of these sustainability indicators as well as two other indicators specific to each division going forward.

The Board and Management of Protasco have also reviewed the above list of material matters and are in agreement with the divisions' determination.



## SUSTAINING ECONOMIC VALUE

### Business Performance

Protasco's economic sustainability is of the highest priority within the Group as it affects our ability to create long-term value for all our stakeholders. Our business sustainability also contributes to the nation's GDP while supporting a vibrant local supply chain. With that in mind, the Board and Management of Protasco had been prudent in its financial management of the Group, particularly in the pandemic-hit FY2020.

Some of the key strategic decisions made to sustain our economic performance through FY2020 and beyond includes:

- Implementing business continuity plans and various COVID-19 countermeasures to limit the losses from the drop in business performance;
- Continuing cost optimisation efforts that began in 2018 which includes putting overtime request on hold, offering voluntary reduced workday scheme where staff can opt to work on a 4-day week arrangement, and implementing a COVID-19 Salary Reduction exercise that ran from May to December 2020;
- Ensuring timely completion of Maintenance and Construction projects as planned to reduce operational cost and safeguard the Group's track record and ability to replenish our orderbook;
- Aggressively tendering to ensure a continuous pipeline of projects for each segment;
- Actively pursuing opportunities in the Maintenance segment, which remains a strong revenue contributor to the Group to support the performance of other segments such as Trading and Manufacturing;
- Disposing 3 pieces of commercial land in Johor for cash realisation; and
- Deferring property launches in light of dampened market sentiment and realigning new property projects toward the affordable homes market where demand is still strong.

We will continue to actively monitor and manage risks in our operating landscape to ensure our economic stability, while remaining on the lookout for growth opportunities.

Information on our FY2020 economic performance can be found in:

- Management Discussion & Analysis: pages 7 to 18
- Financial Highlights: page 6
- Financial Statements: pages 76 to 213

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### Product Services & Quality

Protasco's business is sustained by customers' continued trust and confidence in the quality of our products and services and the value it offers to our customers. With core businesses encompassing construction, property development, maintenance, education, clean energy, engineering and consultancy services, as well as trading and manufacturing, we are able to leverage on our synergistic ecosystem of service offering to strengthen the quality, safety and sustainability of our products and services through shared skills and knowledge. To ensure customers' continued confidence in Protasco, we have put in place a robust set of quality management systems to enhance the integrity of our products and services:



1. ISO 9001 – Ikram Engineering Services Sdn Bhd, Ikram Paves Sdn Bhd, HCM Engineering Sdn Bhd, Roadcare (M) Sdn Bhd, Empayar Indera Sdn Bhd, IUKL, Protasco Trading Sdn Bhd
2. ISO 14001 – HCM Engineering Sdn Bhd
3. ISO 17025 – Ikram Paves Sdn Bhd
4. ISO 17065 – Ikram QA Services Sdn Bhd
5. ISO 45001 – HCM Engineering Sdn Bhd
6. CIDB G3/SPKK – Ikram Engineering Services Sdn Bhd
7. CIDB G7 – Kumpulan Ikram Sdn Bhd
8. BEM – Ikram Premier Consulting Sdn Bhd, Ikram Engineering Consulting Sdn Bhd
9. BAM – Ikram Premier Consulting Sdn Bhd



## REDUCING ENVIRONMENTAL FOOTPRINT

### Environmental Conservation

We are cognisant of the risk that climate change poses to our business and society at large and have persistently strived to improve our operational processes to better manage and minimise potential environmental impact in our day-to-day activities. Our efforts are primarily focused on efficient resource utilisation as a means to reduce our carbon footprint.

Priorities	Measures Implemented
<b>Materials Usage</b> 	<p>Our concern for the environment has led us to give serious consideration to the materials used in our construction and maintenance projects. Materials used are responsibly procured, sourced only from CIDB, SIRIM, IKRAM QA and other approved materials list to minimise its impact on the environment.</p> <p>Aligned with our Reduce, Reuse and Recycle (“3R”) principles practiced in Protasco, we encourage the reuse of materials and recycling practices wherever possible to reduce waste generation. Exemplifying this practice is the use of Cold In-Place Recycling (“CIPR”), an advanced and environmentally friendly technique pioneered in Malaysia by Protasco’s maintenance division that reuses existing materials when repaving roads. Aside from that, Protasco is also a pioneer in the use of Malaysian Rubber Institute’s (“LGM”) environmentally friendly paint made from recycled rubber as the paint coating for our corporate building block.</p> <p>Responsible material usage is also practised in our offices, especially in reducing paper use through paperless processes, e-communication, and responsible printing practices.</p>
<b>Waste Management</b> 	<p>Reducing waste is one of Protasco’s ongoing initiatives to minimise our environmental impact. Aside from 3R initiatives carried out by the various divisions, our construction division ensures all project sites adhere to the Environmental Regulations (Scheduled Waste) 2005 and ISO 14001:2015 - Environmental Management System. Construction wastes generated at our project sites, are segregated according to its type and disposed of by appointed licensed contractors according to guidelines prescribed by the local authorities and building standards.</p>

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### Priorities

#### Energy Consumption

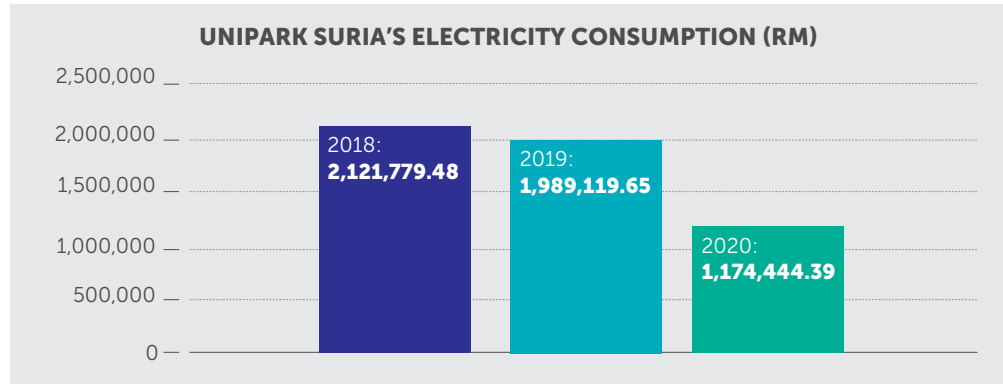


### Measures Implemented

Energy is used extensively in the process of construction and in all of our operating premises. We recognise its impact on the environment in the form of its carbon emissions that can contribute to climate change.

Hence, we have been proactive in finding ways to reduce our energy consumption and its associated costs, which includes introducing best practices such as installing energy-saving LED lights, implementing good housekeeping practices such as switching off lights and equipment when not in use and setting air conditioners at a consistent 'optimum temperature' of between 24°C to 26° Celsius.

The following charts the changes in electricity consumption for Protasco's headquarter ("HQ") at Unipark Suria for the past three years:



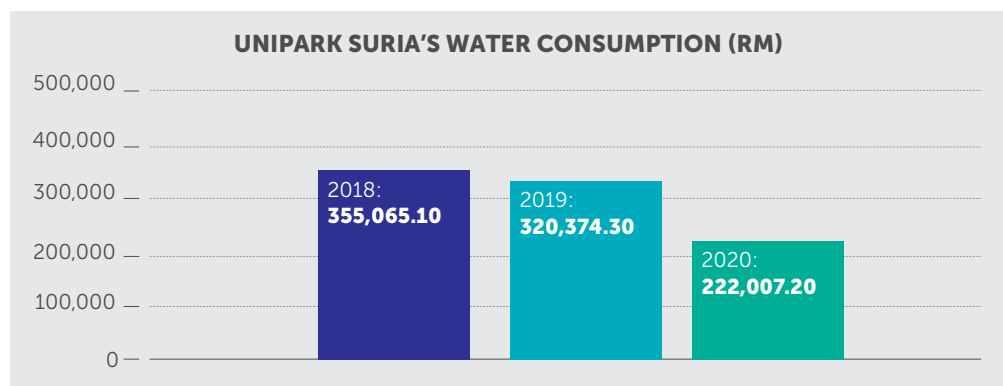
Due to the reduced occupancy at our offices throughout the 2020 pandemic year, and the closure of IUKL Café since July 2019, we have seen a marked reduction in our HQ's energy bill, which serves as a reminder on the potential financial benefits of sustainable practices.

#### Water Consumption



Clean water is a precious resource that should be responsibly conserved. At all Protasco's premises, good water usage habits are encouraged among employees and visitors, with reminders provided at all usage points such as the pantries and toilets.

The following chart outlines the water consumption for the whole Protasco premise at Unipark Suria for the past three years:



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## CULTIVATING SOCIAL RELATIONSHIPS

**Occupational Safety, Health and Environment**

Due to the nature of our business, our Maintenance division employees and contractors are faced with hazardous health and safety risks such as vehicular accidents from “live traffic”, respiratory and musculoskeletal health risks from dusty environments, excessive heat and manual labour, as well as risks associated with operating equipment and machineries such as road pavement machines, lawn machines, tree cutting machines and other machines related to their scope of work.

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For that reason, our Maintenance division has put in place robust Health, Safety and Environment (“HSE”) practices as part of its regulated OSH framework, which is aligned with guidelines by the Department of Occupational Safety and Health Malaysia (“DOSH”) to ensure all the necessary training, protective equipment and other safeguards are provided for work to be conducted safely on our projects. The traffic and safety department conducts hazard identification, risk assessment and risk control (“HIRARC”) for every scope of work and site to recommend the appropriate project safety plan before work commences. Our practices and processes are guided by the following framework:





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Aside from ensuring employee safety and project continuity, worksite safety is also fundamental to the wellbeing of the public and the environment. Hence, our safety practices are also in compliance with all relevant Department of Environment (“DOE”) guidelines to prevent adverse impact on the environment and the surrounding communities.

Measures implemented include:



We have zero tolerance towards non-compliance with our safety standards, and these expectations are cascaded down to all of our contractors as well, who are responsible for carrying out the safety practices at their respective worksites. All safety accidents and incidences are reported to DOSH as required by the Occupational Safety and Health Act 1994. For the year under review, we are relieved to note that there was no major accident reported from any road construction project sites across Malaysia.

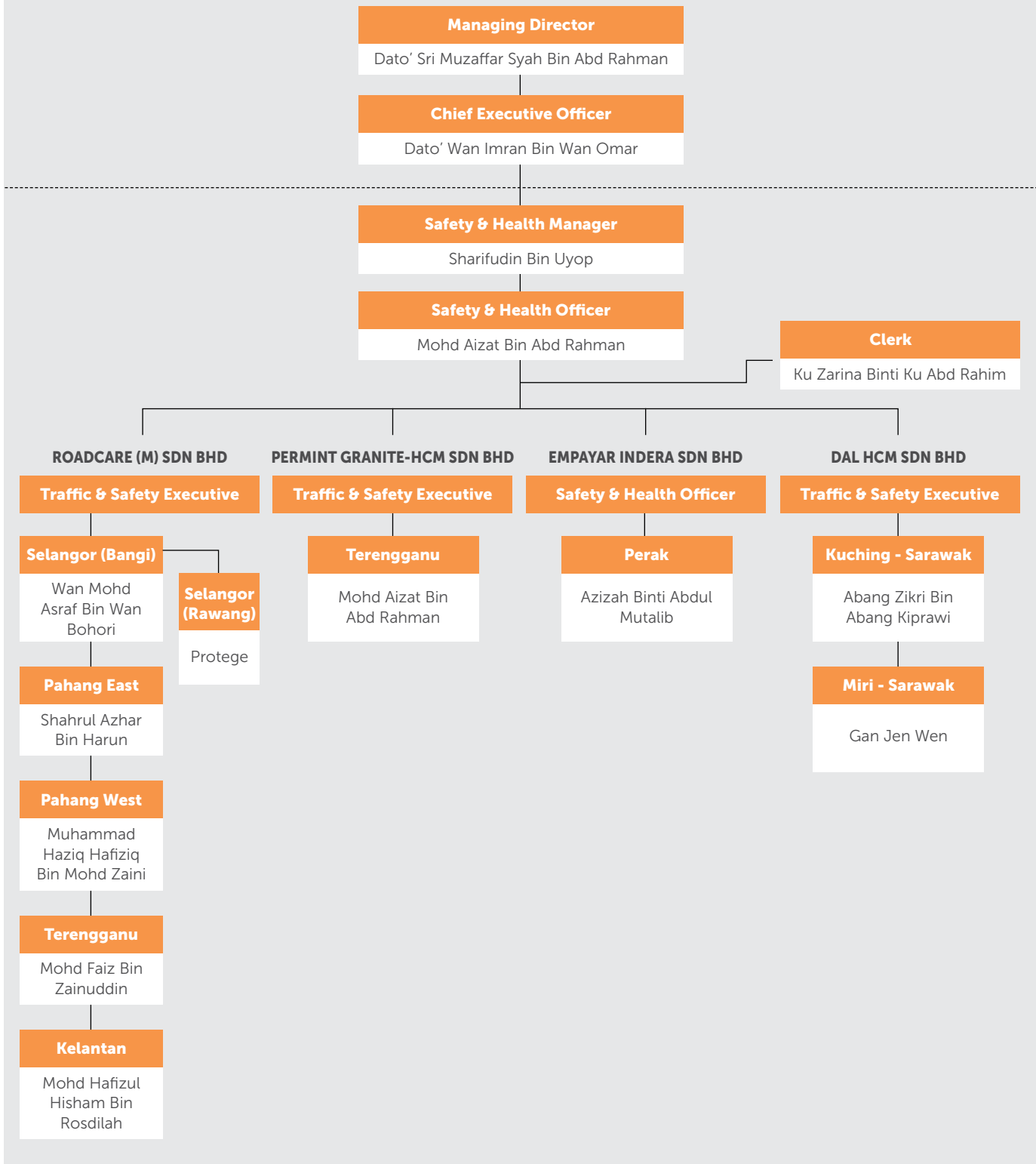
The Maintenance division’s HSE committee meets every quarterly to review the implementation of safe work practices at their sites and recommend improvements accordingly. The meetings are chaired by the Regional Manager, with a representative from HQ in attendance. All employees are represented at their respective regional offices and companies as follows:

- Roadcare (M) Sdn Bhd in all regions - Selangor
  - Pahang
  - Kelantan
  - Terengganu
- Empayar Indera Sdn Bhd, Perak
- Permint Granite – HCM Sdn Bhd, Terengganu
- DAL HCM Sdn Bhd, Sarawak

All HSE matters are reported to Dato’ Wan Imran Bin Wan Omar, the Chief Executive Officer of Maintenance and Chairman of Protasco’s Safety & Health Committee, with pertinent HSE matters conveyed to Maintenance Managing Director, Dato’ Sri Muzaffar Syah Bin Abd Rahman.

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## PROTASCO MAINTENANCE ORGANISATION CHART TRAFFIC AND SAFETY DEPARTMENT



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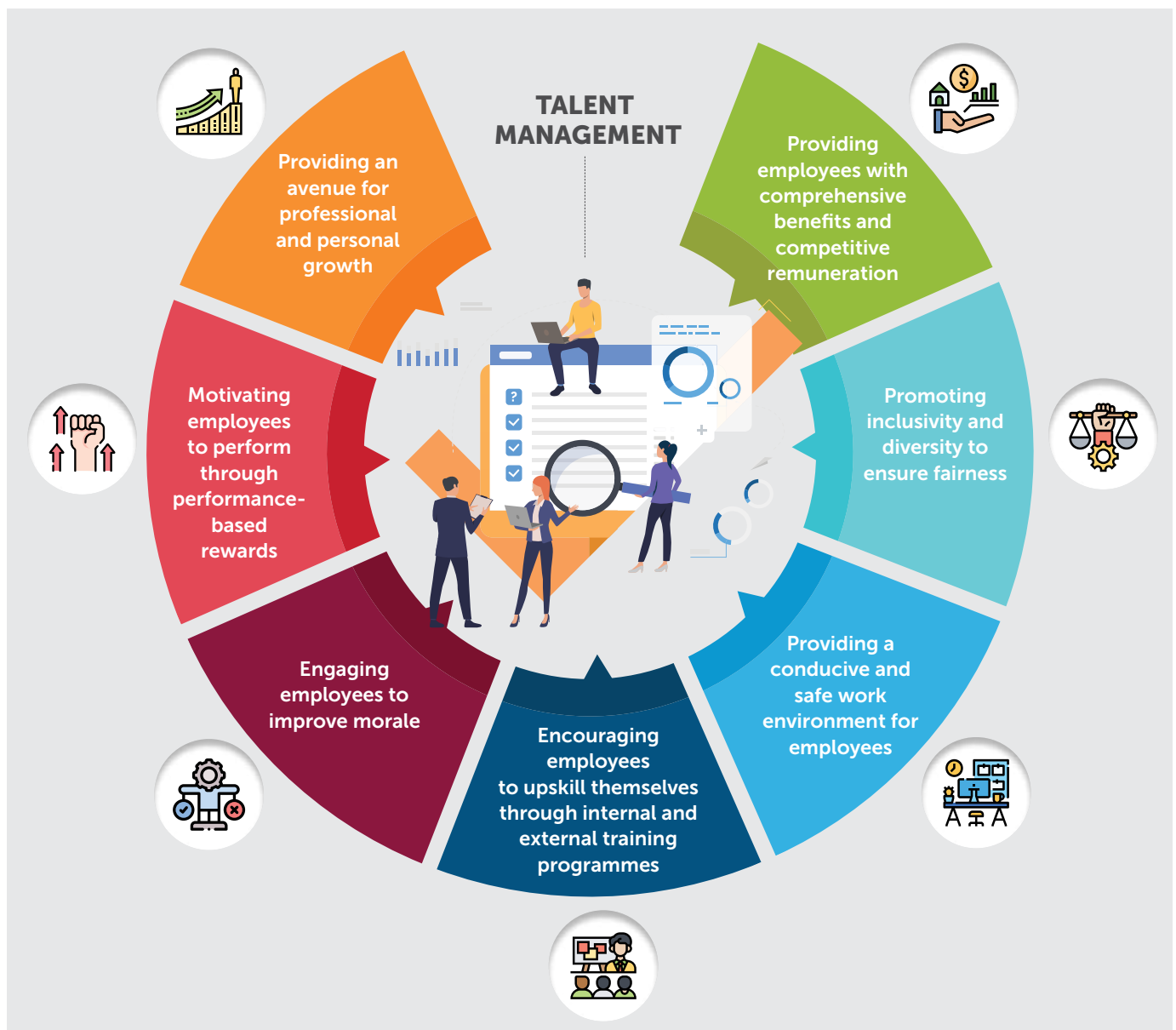
In FY2020, approximately RM8,400 was spent on HSE training for staff on the following activities:

- HSE induction
- Weekly toolbox safety briefing
- Fire drill training
- First aid exercise
- Traffic control person training
- Fogging of worksites
- HSE talks by PERKESO
- SICW CIDB Card talks

## Human Capital

### Talent Management

As a diversified Group, Protasco has a wealth of talent that forms the backbone of the Group. We strive to retain these talents via strategic approaches that include:



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The Group adheres to the Malaysian Employment Act 1955 and Children and Young Persons (Employment) Act 1966, which prohibits exploitative labour practices and is aligned with the guidelines of the International Labour Organisation (“ILO”) and the Universal Declaration of Human Rights. We do not practise child labour or forced labour and adheres to the minimum wage requirements in the countries we operate in.

All Protasco employees undergo annual appraisals to assess their performance, determine their competitive remuneration, assess their skills and chart a growth path in aligned with company goals. A grievance mechanism is also in place to help resolve workplace issues amicably and impartially.

In the year under review, the Group had invested approximately RM218,457 on training for 739 staff. The training focused on areas such as technical skills, leadership and culture, with an average training time of 14 hours per employee. We hope to continuously upskill our employees to develop mutually rewarding career paths for our people and develop skill sets to boost our business growth.

In support of work-life balance for our staff, we also offer pro-family benefits such as parental leave – both maternity and paternity leaves. During the year under review, 21 of our permanent staffs utilised their parental leaves to welcome new additions to their family.

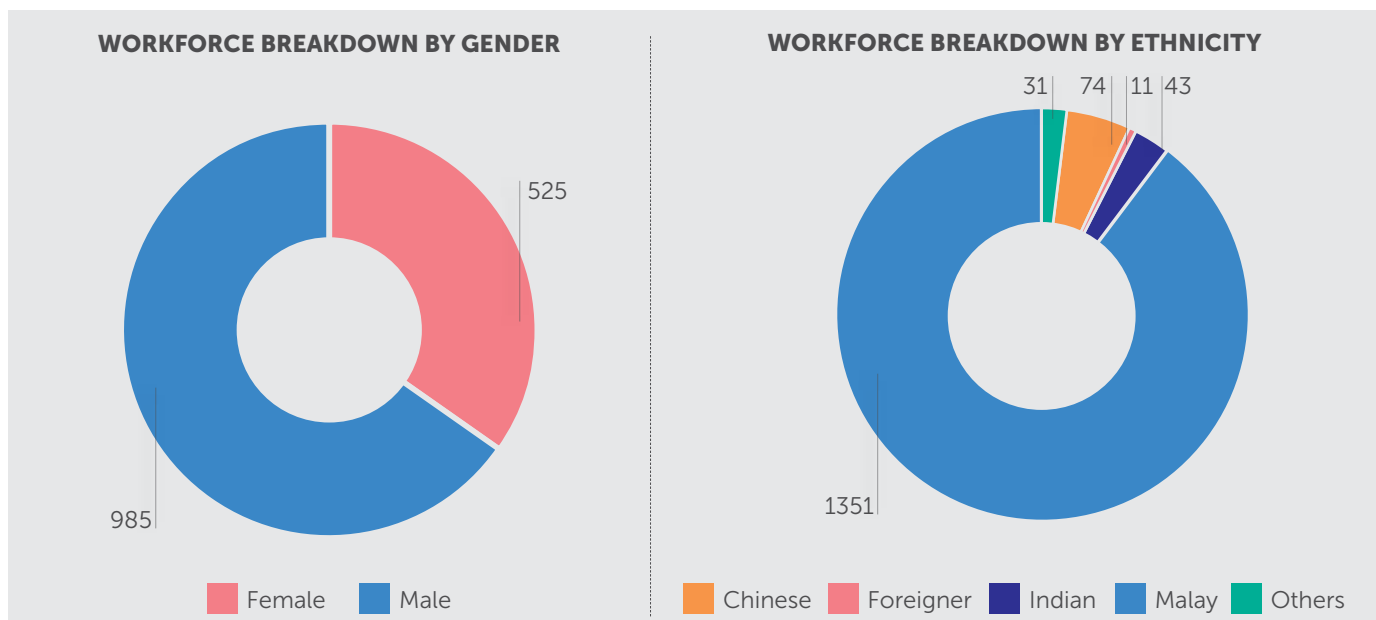
We are pleased to report that the Group’s employee retention rate is 83.5% in FY2020. Total staff strength stands at 1,510 as at FY2020.

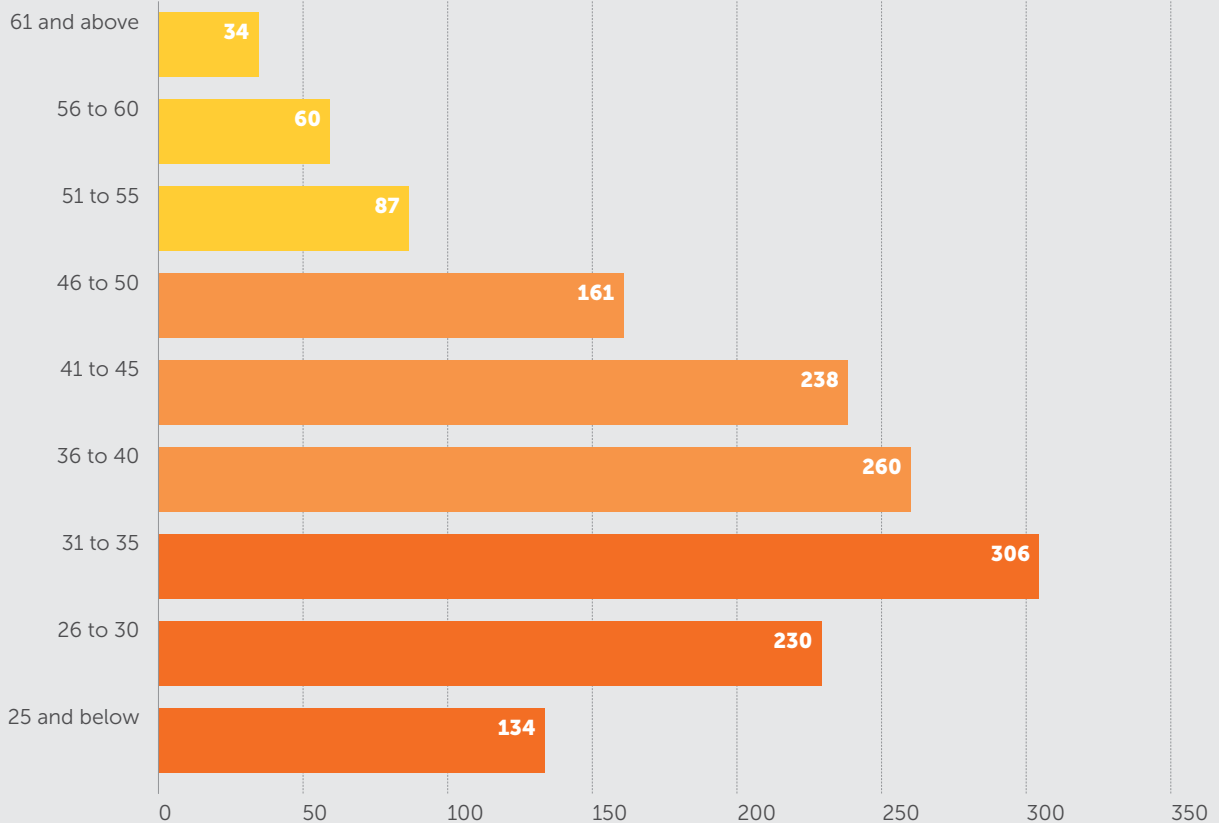
In the year under review, 85.37% of our employees underwent their annual reviews and were successfully appraised for their performance.

### Diversity and Equal Opportunity

Protasco practices non-discrimination against employees and potential hires, where prospects of employment, promotion, training opportunities, salary, remuneration, reward and other forms of benefits are determined based on merit and in accordance with our human resource protocols and procedures.

We strive to attract and maintain a diverse workforce that reflects the multi-ethnic nature of Malaysia. The following charts showcase Protasco’s employee diversity breakdown by age, gender and ethnicity:



**WORKFORCE BREAKDOWN BY AGE****CSR & Community Development**

As a responsible corporate citizen, Protasco is committed to contribute our time and effort towards the development of sustainable and inclusive communities. However due to the pandemic's negative effect on the Group's profits, as well as health risks of social interactions and large gatherings, we had not been able to carry out our usual community development programmes and CSR initiatives in FY2020.

We look forward to resuming these programmes post pandemic and will continue promoting community engagement and employee volunteerism to enhance the community in which we operate and deliver sustainable long-term benefits to society.

