

ENRICHING ASPIRATIONS

SUSTAINABILITY REPORT
(18 Months 2024/2025)





BASIS OF THIS REPORT



The publication of this Sustainability Report marks a significant milestone in formalising Menteri Besar Selangor (Incorporation) (MBI) commitment to Environmental, Social, and Governance (ESG) disclosures. As the State's strategic investment and development arm, MBI Selangor plays a crucial role in spearheading sustainable economic growth and social inclusion across the State. This report serves as a formal baseline to systematically measure, track, and enhance ESG performance year-on-year (YoY).

Through this voluntary publication, MBI Selangor aims to:



Demonstrate Commitment

Show a proactive commitment to sustainability and transparency, particularly given that it is not bound by mandatory regulatory requirements to report.



Validate Strategy

Showcase how its business activities, subsidiaries, and key projects directly contribute to the THRIVE28 Transformation Plan and the State's long-term sustainable development goals outlined in Rancangan Selangor Pertama (RS-1).




Build Trust

Provide a structured and transparent communication tool for key stakeholders, including the State Government, communities, investors, partners, and employees, reinforcing MBI Selangor's dedication to responsible stewardship.

REPORTING SCOPE AND PARAMETERS (GRI 2-1, 2-3)

This Report presents information covering an 18-month reporting period. While the reporting boundary includes all relevant entities within the Group, certain entities currently do not have the data collection systems and processes in place to support full 18-month historical reporting across all indicators. As a result, selected disclosures reflect shorter data periods based on data availability.

The Group is progressively strengthening its data governance framework, systems and internal controls to enhance the completeness, consistency and reliability of reported information. Data quality, comparability and coverage are therefore expected to improve over time as these capabilities mature.

 MBI Selangor's organisational details are disclosed on page 11.

REPORTING FRAMEWORKS AND GOVERNANCE

This report has been prepared with reference to the following international and local guidelines, demonstrating a commitment to robust and comparable disclosures:



Global Reporting Initiative (GRI)

This report has been prepared with reference to the GRI Universal Standards 2021, which provide internationally recognised principles for reporting on material sustainability topics.



Bursa Malaysia Guidelines (Voluntary Alignment)

MBI Selangor is not a listed entity and therefore not bound by Bursa Malaysia's Main Market Listing Requirements (MMLR). However, as a sign of transparency and accountability, the disclosures in this report are guided by Bursa Malaysia's Sustainability Reporting Guidelines and expectations under the MMLR.



National Sustainability Reporting Framework (NSRF) (Future Alignment)

MBI Selangor is progressively aligning with the impending NSRF, referencing IFRS S1 (General Sustainability-related Disclosures) and IFRS S2 (Climate-related Disclosures). Internal steps are being taken to adopt these standards as part of MBI Selangor's future reporting journey, especially in climate-related risk and opportunity disclosures.



Global Priorities

In addition, the report has also taken reference from the Task Force on Climate-related Financial Disclosures (TCFD) recommendations (as a bridge to IFRS S2); and contributions to the United Nations Sustainable Development Goals (SDGs) are mapped to align MBI Selangor's purpose with national and global development priorities.

REPORTING BOUNDARY AND CONSOLIDATION (GRI 2-2)

Disclosures presented within this report will first and foremost be presented at the MBI Selangor corporate level. Corporate-level data and information will serve as a foundation, providing stakeholders with a consolidated picture of MBI Selangor's overall sustainability performance, direction and commitments.

In addition, the report will consolidate information from MBI Group's 30 subsidiaries as listed on page 14. The subsidiaries are organised under 10 key sectors and segmented into two core clusters to provide clarity and comparability across diverse business mandates:



Commercial Cluster: Focuses on generating sustainable returns to MBI Selangor and, ultimately, to the State (e.g., Land and Property, Mining and Minerals, Water, Energy and Utilities, Health, Care and Education, Retail and Financial Services, Start-Up and Venture Capital, Investment Ventures).



Strategic Cluster: Focused on driving social value creation and public interest through initiatives that promote education equality, empower small and micro enterprises, advance women's participation, improve access for minority groups, and support the growth of halal, tourism, and investment sectors. These directly support the State's social inclusivity and development agenda.

Together, these clusters reinforce MBI Selangor's dual commitment to economic growth and social inclusivity, supporting the State's vision of a flourishing and liveable Selangor. For some disclosures, the level of reporting may differ depending on the sector relevance and data availability.

Additional Disclosure (GRI 2-2): The financial and sustainability performance data reported covers only entities where MBI Selangor holds a controlling interest. No significant changes regarding mergers, acquisitions, or disposals occurred during the reporting period that would materially affect the consolidated boundary.

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements relating to MBI Selangor's strategies, priorities, and aspirations in advancing its economic, environmental, social, and governance agenda, particularly in relation to the RS-1 plan and the THRIVE28 transformation. These statements are based on current expectations, assumptions, and plans and may include references to future initiatives, targets, and growth opportunities.

Actual outcomes may differ materially due to various factors, including changes in the regulatory environment, policy developments, economic and market conditions, environmental and social risks, and other uncertainties beyond the Group's control. MBI Selangor undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

MEMBERSHIPS AND ASSOCIATIONS (GRI 2-3)

MBI Selangor and its key personnel actively participate in influential professional and sustainability-focused organisations to advance governance and technical excellence. Memberships include:

Organisation/Membership	Association	Role/Participation
UN Global Compact (UNGC)	Corporate	Submit annual Communication on Progress (CoP). Attend workshops, events, and contribute to the local chapter.
Institute of Internal Auditors (IIAM)	Individual	Attend Internal Audit conferences, training; contribute to knowledge sharing and maintain CPE compliance.
Certified Information Systems Auditor (CISA)	ISACA Malaysia Chapter	Engage in IT audit forums, cybersecurity workshops, and events.
ASEAN Chartered Professional Accountant (ASEAN CPA)	ASEAN CPA Coordinating Committee	Participate in regional accountancy and CPD activities.
Chartered Accountant (CA(M))	Malaysian Institute of Accountants (MIA)	Attend seminars, technical updates, and governance forums.
Licensed Secretary (LS)	Suruhanjaya Syarikat Malaysia (SSM)	Attend the Continuing Professional Education (CPE) programmes to maintain the LS and Practicing Certificate.
Chartered Secretary	Malaysian Institute of Chartered Secretaries and Administrators (MAICSA)	Attend the Continuing Professional Development (CPD) programmes to maintain the certification.
Academy of Risk Management Malaysia Berhad	Corporate	Active involvement as a Risk Liaison Officer (RLO) to strengthen understanding and implementation of risk management practices at the departmental or unit level.
Certified Integrity Officer (CeIO)	Malaysian Anti-Corruption Commission	Attend Certified Integrity Officer (CeIO) training, participate in integrity forums, workshops and continuous professional development activities.

ASSURANCE AND ACCOUNTABILITY (GRI 2-5)

The report has been endorsed by Board Sustainability Committee (BSC) on 26 January 2026.

Based on the audit procedures performed, the Internal Audit Department (IAD) has obtained sufficient and appropriate evidence to provide limited assurance that the Sustainability Report has been prepared, in all material respects, in accordance with the stated reporting principles.

In IAD's opinion, the Sustainability Report presents a fair, balanced and credible representation of MBI Selangor's strategic direction and sustainability performance. Certain matters were noted during the review, primarily relating to the availability of primary source data for verification purposes and the consistency of reporting periods for selected information. These matters do not affect the overall assurance conclusion but highlight areas for further improvement in data collection and reporting processes.

Contact Point & Feedback

We value stakeholder feedback and welcome comments or inquiries on our sustainability performance. Please address all correspondence to:

**Department of Corporate
Communication & Sustainability**
Menteri Besar Selangor (Incorporation)
23rd Floor, Bangunan Darul Ehsan
Jalan Indah, Section 14
40000 Shah Alam, Selangor, Malaysia
corp_comm@mbiselangor.com.my



A NARRATIVE OF MBI SELANGOR

At MBI Selangor, our purpose is woven into the economic and social fabric of the state we serve. We are the strategic investment arm of the Selangor State Government, and our story is one of deliberate, impactful stewardship.

Our mission is clear: to drive sustainable growth and elevate the quality of life for Selangorians. Our strategy is dual-pronged: balancing robust economic development with profound social responsibility.



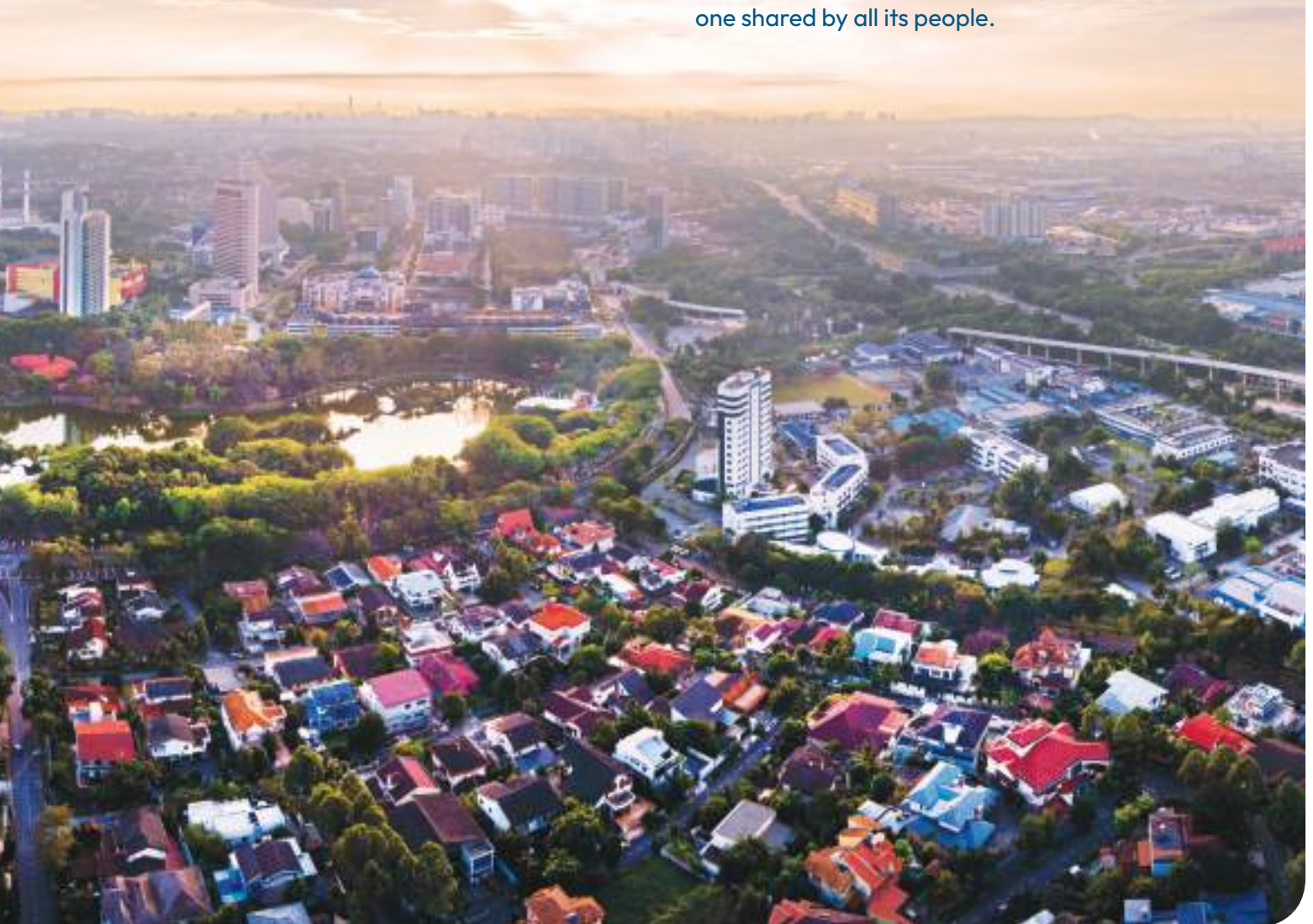
Building the foundations for Selangor's future, we set our sights on strategic, high-impact sectors that will secure Selangor's competitive edge for generations. By attracting leading global players and fostering a specialised ecosystem, we are not just investing in infrastructure; we are cultivating high-value talent and creating a legacy of innovation. This is how we ensure Selangor's prosperity is both resilient and forward-looking.

We measure our success not only in economic returns but in human potential. We believe that corporate strength and social conscience are inseparable. Therefore, we channel our efforts into empowering our communities directly. We allocate millions in educational aid because we have seen how it transforms lives and breaks cycles of disadvantage.

We support micro-entrepreneurs from all backgrounds with the tools they need to thrive, strengthening our local economy from the ground up. From subsidising public transport to respecting and funding our diverse cultural celebrations, our actions are designed to be meaningful, tangible, and respectful of the communities we are privileged to serve.

Integrity is the bedrock of everything we do. We hold a sacred duty to manage our resources with transparency and prudence, ensuring that every initiative directly contributes to the prosperity of the people of Selangor.

Ours is a continuous journey of progress. We are here to build, to empower, and to serve. We are MBI Selangor, and we are committed to ensuring that the story of Selangor's growth is one shared by all its people.



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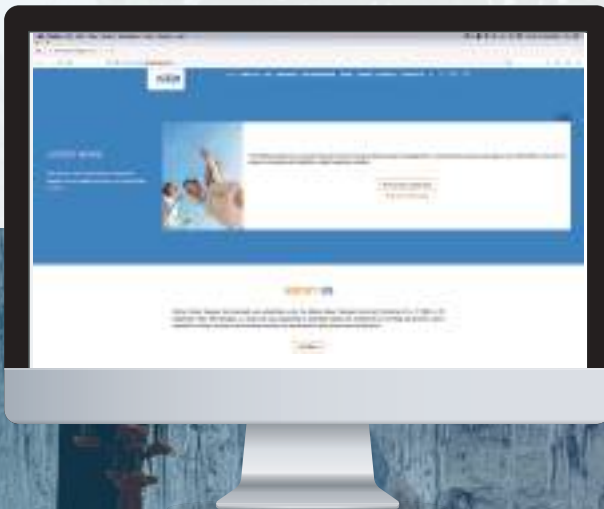
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Enriching Aspirations

Menteri Besar Selangor (Incorporation) (MBI) exists to translate the state's vision of a prosperous, sustainable future into a reality for its citizens. Propelling the aspirations of the people is the foundational principle of our mandate. The cover design captures this dynamic purpose as a vibrant green wave sweeping from the left. This symbolises MBI Selangor's powerful role as the state's strategic engine, proactively driving essential investments in sustainability and growth. The holistic sphere, in turn, represents a living environment where the promise of a modern green cityscape is realized. Here, smart infrastructure, renewable energy, and flourishing green spaces integrate cohesively. By prominently featuring the community silhouettes reaching into this future, the design confirms that MBI's mandate is deeply human-centric. Every investment is a step toward a better quality of life, ultimately ensuring that MBI's success serves to sustain and enrich the collective future of every individual, family and community across Selangor.



Please scan the QR code for the
online Sustainability Report
(18 Months 2024/2025)
which is available at
<https://www.mbiselangor.com>



Abbreviation	Meaning
AI	Artificial Intelligence
Air Lestari	Air Lestari Sdn Bhd
Air Selangor	Pengurusan Air Selangor Sdn Bhd
AIS Holdings	Air Selangor Holdings Berhad
ASEAN CPA	ASEAN Chartered Professional Accountant
AUSBR	Anjung Utara Selangor Biodiversity Reserve
BBGC	Bukit Beruntung Golf & Country Resort Berhad
BEE	Building Energy Efficiency
BIM	Building Information Modelling
BPIA	Agency Integrity Management Unit coordinating integrity functions across public sector and government-linked agencies
BPIA MACC	Malaysian Anti-Corruption Commission (MACC) – Agency Integrity Management Division
CA (M)	Chartered Accountant (Malaysia)
CISA	Certified Information Systems Auditor
CISM	Corporate Integrity System Malaysia
CO₂	Carbon Dioxide
CSR	Corporate Social Responsibility
CSSB	Central Spectrum (M) Sdn Bhd
Cubiq Meters	Cubiq Meters Sdn Bhd
CUT	Common Utility Trenches
DEFM	Darul Ehsan Facilities Management Sdn Bhd
DLMS	Digital Loan Management System
DOE	Department of Environment
DURC	Dedicated Utility Road Crossings
EFC	Energy Performance Contract
ESG	Environmental, Social and Governance
ETFE	Ethylene Tetrafluoroethylene

Abbreviation	Meaning
GHG	Greenhouse Gas
GJ	Gigajoule
GRI	Global Reporting Initiative
Heliosel	Heliosel Sdn Bhd
HIS	HIS Toyyiba Sdn Bhd
IBS	Industrialised Building System
IFRS S1	General Requirements for Sustainability-related Financial Information
IFRS S2	Climate-related Disclosures
IIAM	Institute of Internal Auditors Malaysia
INPEN (Selangor) Sdn Bhd	Selangor Technical Skills Development Centre (STDC)
IoT	Internet of Things
ISB	Invest Selangor Berhad
ISO 14001	International standard for Environmental Management Systems
IWRM	Integrated Water Resources Management
JPPRI	Rumah Idaman Development Project Committee
JPS	Department of Irrigation and Drainage
KDEBWM	KDEB Waste Management Sdn Bhd
kg	Kilogram
KHSB	Kumpulan Hartanah Selangor Berhad
KPI	Key Performance Indicator
KPS Berhad	Kumpulan Perangsang Selangor Berhad
KSSA	Kompleks Sukan Shah Alam
KSSB	Kumpulan Semesta Sdn Bhd
KUSEL	Koridor Utiliti Selangor Sdn Bhd
LED	Light-Emitting Diode
LEED	Leadership in Energy and Environmental Design

Abbreviation	Meaning
LLSB	Landasan Lumayan Sdn Bhd
LPHS	Selangor Housing and Property Board
LS	Licensed Secretary
MACC	Malaysian Anti-Corruption Commission
MAICSA	Malaysian Institute of Chartered Secretaries and Administrators
MIA	Malaysian Institute of Accountants
MJ	Megajoule
MMLR	Main Market Listing Requirements
MOH	Ministry of Health
MRF	Material Recovery Facilities
MSSB	Media Selangor Sdn Bhd
NRW	Non-Revenue Water
NSRF	National Sustainability Reporting Framework
OACP	Organisational Anti-Corruption Plan
PLATS	Platform Selangor
PNSB	Permodalan Negeri Selangor Berhad
PPPs	Public-Private Partnerships
PV	Photovoltaic
RMSB	Rangkaian Mesra Sdn Bhd
RO	Reverse Osmosis
RORO	Roll-On/Roll-Off
RS-1	Rancangan Selangor Pertama
RS-2	Rancangan Selangor Kedua
RSKU	Selangorku Housing Policy
SABDA	Sabak Bernam Development Area
SELATI	Selangor Aviation & Technology Innovation Sdn Bhd
SIDEC	SIDEC Sdn Bhd

Abbreviation	Meaning
SIP	Selangor Intelligent Parking
Smartsel	Smartsel Sdn Bhd
SMG	Selangor Maritime Gateway
SRI	Selangor Research Institute
SSDU	SSDU Innovations Sdn Bhd
SSM	Companies Commission of Malaysia
STANCO	Standing Committee
STP	Sewage Treatment Plant
TCFD	Task Force on Climate-related Financial Disclosures
THRIVE28	MBI Selangor Transformation Plan
TSSB	Tourism Selangor Sdn Bhd
UAV	Unmanned Aerial Vehicles
UF	Ultrafiltration
UN SDG	United Nations Sustainable Development Goals
UNGC	United Nations Global Compact
Universiti Selangor	UNISEL Sdn Bhd
Urbancubes	Urbancubes Sdn Bhd
WBS	Wanita Berdaya Selangor Sdn Bhd
WRI	Water Reclamation Initiative
WRP	Water Reclamation Plant
WST2024	Water Sector Transformation 2024
WTE	Waste-to-Energy
WWTP	Wastewater Treatment Plant
YAWAS	Yayasan Warisan Anak Selangor
YHS	Yayasan Hijrah Selangor
YMBI	Yayasan MBI
ZDP	Zero Discharge Policy



About MBI SELANGOR

“Our purpose is defined by the legacy we leave behind. Through the THRIVE28 Transformation Plan, we are building a resilient Selangor where economic progress, social inclusivity, and environmental stewardship work in harmony. We aren’t just meeting benchmarks; we are securing the future for generations to come.”

Muhammad Hudhaifa Ahmad
Head of Group Strategy Division

MBI Selangor was established under the Menteri Besar Selangor Enactment No. 3 of 1994 on 21 September 1994, as a wholly state-owned statutory corporation, with its operations and investments guided entirely by state economics and development policies.



Our Mandate AND ROLE

MBI Selangor's primary role encompasses three key functions:

- »» Administration of state government assets and investments;
- »» Representing the State in economic and business activities beyond the government's direct jurisdiction; and
- »» Promoting and supporting the State's overall development efforts while fulfilling social responsibility obligations for the public benefit.

As Selangor's investment arm, MBI Selangor is mandated to manage strategic projects such as housing and stadium development, economic zones under Geographical Focused Development, aerospace hub development, and the Selangor Intelligent Parking initiative. Through Yayasan MBI, we also drive Corporate Social Responsibility (CSR) initiatives.

We are thus positioned as a critical facilitator of the State's economic ambitions, managing state assets, making strategic investments, and leveraging capital to mobilise resources. We serve as a vital bridge between the public and private sectors, driving public-private partnerships (PPPs) to realise catalytic infrastructure and social projects that support Selangor's vision for sustainable and inclusive growth.



Our Vision, Mission and CORE VALUES

MBI Selangor's strategic direction is underpinned by a commitment to long-term resilience, as articulated in these guiding statements:



Vision

Catalyst for Selangor's social, environmental and economic sustainability.



Mission

To stimulate investment, promote next-generation jobs and improve quality of life by leveraging on technology and innovative business models.



Core Values

The Group's operations are guided by five core values, which translate into a culture of excellence and responsibility:



Professionalism

Ensuring high standards in governance and execution.



Integrity

Upholding transparency and ethical conduct in all dealings.



Innovativeness

Embracing technology and new models to drive progress.



Collaboration

Working across sectors to achieve shared strategic goals.



Care


Focusing on employee well-being and community upliftment.



MBI Group at a Glance



Overseeing a broad and diversified group of subsidiaries across a spectrum of strategic sectors essential to the State's economy, the MBI Group is strategically organised into two key clusters: **Commercial** and **Strategic**.



The Commercial Cluster is focused on generating returns to MBI Selangor, thereby creating profits that are eventually channelled back to the citizens of Selangor through various state programmes. This cluster includes entities operating in Land & Property, Mining & Minerals, Water, Energy & Utilities, Retail & Financial Services, Start-Up and Venture Capital, Health, Care & Education (e.g. Permodalan Negeri Selangor Berhad (PNSB), Unisel Sdn Bhd (Universiti Selangor), INPEN (Selangor) Sdn Bhd (STDC), and Investment Ventures (e.g. Kumpulan Perangsang Selangor Berhad (KPS Berhad)).




The Strategic Cluster is mandated to reinforce social inclusivity, capacity building, and community empowerment initiatives. This includes subsidiaries focused on Media & Digital AI, and Invest, Tourism & Social Promotion (e.g. Media Selangor Sdn Bhd (MSSB), Invest Selangor Berhad (ISB), Tourism Selangor Sdn Bhd (TSSB), and Yayasan Warisan Anak Selangor (YAWAS).



Our Corporate STRUCTURE



Land and Property

100%

Kumpulan Hartanah
Selangor Berhad

24/9/2001

100%

Permodalan Negeri
Selangor Berhad

15/10/1990

76.67%

Central Spectrum (M)
Sdn Bhd

14/6/1989

100%

Landasan Lumayan
Sdn Bhd

3/5/2012

100%

Bukit Beruntung Golf &
Country Resort Berhad

30/3/1991

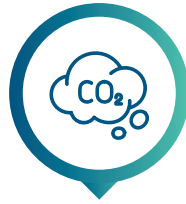


Mining and Minerals

100%

Kumpulan Semesta
Sdn Bhd

26/6/2008



Water

100%

Air Selangor
Holdings Berhad

3/12/1985

100%

Pengurusan
Air Selangor Sdn Bhd

26/2/2014

100%

Air Lestari
Sdn Bhd

19/5/2015

100%

Cubiq Meters
Sdn Bhd

8/1/2021



Energy and Utilities

100%

KDEB Waste
Management Sdn Bhd

20/6/1983

100%

Darul Ehsan Facilities
Management
Sdn Bhd

9/10/1991

100%

Urbancubes
Sdn Bhd

2/2/2018

100%

Koridor Utiliti
Selangor Sdn Bhd

18/12/2020

100%

Smartsel Sdn Bhd

15/3/2017

100%

Heliosel Sdn Bhd

15/12/2021



Health, Care and Education

100%






UNISEL Sdn Bhd
(Universiti Selangor)

10/5/1999

63%

INPEN (Selangor)
Sdn Bhd (STDC)

8/6/1993

				
Retail and Financial Services	Start-Up and Venture Capital	Investment Ventures	Media and Digital AI	Invest, Tourism and Social Promotion
N/A Yayasan Hijrah Selangor 8/7/2010	100% SIDEK Sdn Bhd 26/11/2020	57.88% Kumpulan Perangsang Selangor Berhad 11/8/1975	100% Media Selangor Sdn Bhd 18/2/2009	100% HIS Toyyiba Sdn Bhd 18/2/2016
100% Rantaian Mesra Sdn Bhd 5/6/2008		100% Selangor Aviation and Technology Innovation Sdn Bhd 19/11/2019	100% SSDU Innovations Sdn Bhd 14/3/2018	N/A Yayasan Warisan Anak Selangor 5/2/2009
				100% Wanita Berdaya Selangor Sdn Bhd 6/1/2021
				57.88% Invest Selangor Berhad 22/4/1999

Our Commitment to GLOBAL SUSTAINABILITY

MBI Selangor demonstrates a voluntary and proactive commitment to sustainability and corporate transparency, formalised by publishing this inaugural Sustainability Report in 2025. This commitment is independently validated by its status as a Corporate Member of the **United Nations Global Compact (UNGC)** since 2023, upholding the Ten Principles encompassing human rights, labour, environment, and anti-corruption.

It has been recognised for its commitment to sustainability and alignment with global ESG principles through the following achievements:



Corporate Member of the United Nations Global Compact (UNGC)

Awarding Body: United Nations Global Compact (UNGC)

Year: 2023 – Present

Description: Demonstrates MBI Selangor's commitment to the Ten Principles of the UNGC, encompassing human rights, labour, environment, and anti-corruption.



Partnership for Goals Award

Awarding Body: UN Global Compact (UNGC)

Year: 2024

Description: MBI Selangor received the Partnership for Goals Sustainability Award from UN Global Compact Malaysia and Brunei (UNGCMYB) for SABDA initiative



Best Tourism Event Award – SABDA (Sabak Bernam Development Area) Ban Canal Carnival

Awarding Body: Malaysia International Tourism Development Association (MiTDA)

Year: 2025

Description: Awarded for excellence in organising a community-based tourism event that promotes local culture, environmental awareness, and sustainable economic activities.



Best Selangor Gastronomy Experience – Platform Selangor (PLATS) by Yayasan MBI

Awarding Body: Malaysia International Tourism Development Association (MiTDA)

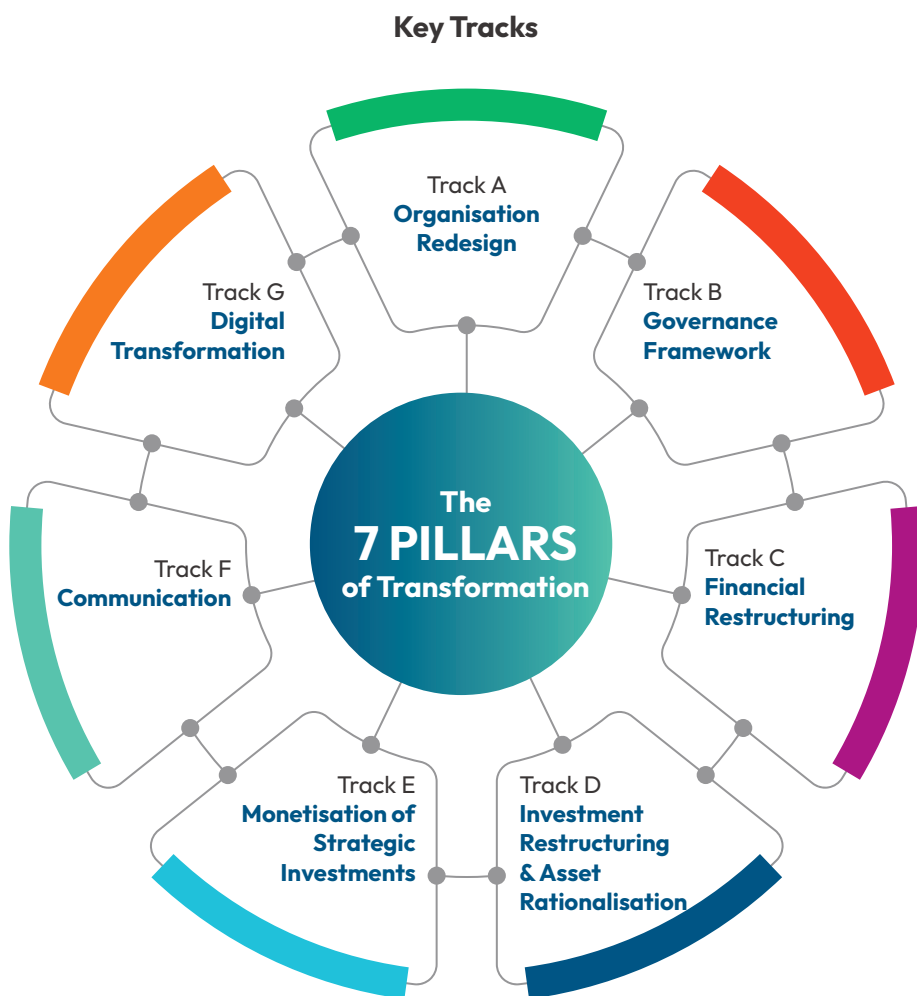
Year: 2025

Description: Awarded for outstanding excellence in promoting Malaysia's tourism products and services at both the domestic and international levels.

Our Corporate STRATEGY

The **THRIVE28** strategy is the comprehensive, five-year (2023-2028) transformation programme and strategic roadmap, guided by our Group Strategic Blueprint (GSB), that MBI Group has implemented to achieve financial resilience, organisational transformation, and collaborative governance, with the ultimate goal of "**Striving Towards Excellence**".

THRIVE28 is designed to cultivate sustainable revenue generation and business growth through 50 initiatives across seven key transformation tracks. The strategy also focuses on operational and cultural elements, including Cost Optimisation (projected 5 – 8% reduction in operational costs) and fostering a High Performance Work Culture.



FY2028 Key Financial Targets



RM8.0 billion
Group Top-line
Revenue



RM1.2 billion
Group Bottom-line
Profit Before Tax

Our Corporate Strategy

Encapsulation of Sustainability Commitments in THRIVE28

The THRIVE28 roadmap aims to create a dynamic state focusing on AI and ESG while promoting social equality and youth empowerment. The strategy supports the State's development goals, including the four thrusts of *Rancangan Selangor Pertama* (RS-1), one of which is *Pemacuan Kelestarian* (Driving Sustainability). Thus MBI Selangor's sustainability commitments are deeply integrated into the THRIVE28 strategy by explicitly aligning the Group's operations with the State agenda on economic development and sustainability, social inclusivity, and environmental preservation:



Environment (E)

The strategy directly supports Pillar 2 of the 2025 State Budget: **"DEVELOPING QUALITY, SUSTAINABLE INFRASTRUCTURE IN PRESERVING THE ENVIRONMENT"**. Key areas include water treatment, waste management, and the Land & Property division's plan to incorporate ESG components into the vertical integration of mining activities. The Digital Transformation track also focuses on Sustainability through Green IT and energy-efficient solutions.



Social (S)

The MBI Group's operations are categorised into a Commercial Cluster and a Strategic Cluster. The Strategic Cluster is explicitly designed to drive social progress and reinforce the commitment to social inclusivity. The Group's social initiatives are centralised and spearheaded by Yayasan MBI, which focuses on Education, Healthcare and Wellbeing, Environment, Community Development, and Social Enterprise for a prosperous, caring, and inclusive state.



Governance (G)

The transformation includes strengthening corporate governance. Notably, the Board structure has been revised with the introduction of a new Board Sustainability Committee, Board Tender Committee, and a dedicated Board Audit Committee.

Key Sustainability HIGHLIGHTS



Environmental Pillar

Major Conservation Milestone

Making good progress towards UNESCO Biosphere Reserve designation by 2027 for the SABDA area, covering approximately 297,661 hectares. This is a major, long-term commitment to balancing regional development with biodiversity conservation.

Carbon and Energy Reduction

Achieved a 4% reduction in energy consumption and a corresponding 125-tonne (125,000 kg) CO₂e intensity reduction in 2024 (compared to 2023) through LED replacements and system optimisation.

Digital Efficiency

Implemented digitalisation and KPI integration, resulting in an 8.03% decrease in printing volume and a 2.52% decrease in printing cost (Jan–Jun 2025 vs. Jan–Jun 2024).

Climate Reporting

Established MBI Selangor's first Group-level GHG emissions baseline through a comprehensive assessment covering MBI Selangor, and selected subsidiaries involving KDEB Waste Management (KDEBWM), Kumpulan Semesta Sdn Bhd (KSSB), and Landasan Lumayan Sdn Bhd (LLSB), with total emissions quantified at 36,569.42 tonnes of CO₂e.



Social Pillar

Massive Educational Support

Channelled RM13.2 million through Yayasan MBI to Education programmes in 2024, benefiting over 113,000 students and 200+ schools.

Entrepreneur Empowerment

Supported 41,495 (Jan 2024 – June 2025) registered entrepreneurs through the Platform Selangor (PLATS) initiative, providing zero-interest microfinancing, digital training, and promotional assistance.

SIDEC Sdn Bhd (SIDEC) leads the state's digital economy expansion acting as a key enabler for digital growth and Industry 4.0 adoption within Selangor.

Strategic Community Investment

Allocated RM41 million through Yayasan MBI in 2025 to advance key initiatives in education, community development, entrepreneurship, and sustainability, alongside special projects for internet accessibility and sports development.

Pengurusan Air Selangor Sdn Bhd (Air Selangor) strengthened community and environmental impact through integrated climate disclosures, hosting Sustainability Month, and ESG Roadshows.

Human Capital Development

Delivered 11,404 hours of training across more than 90 programmes to annual average 129 employees in 2024 and 2025, fostering a resilient and future-ready workforce.

Key Sustainability Highlights



Economic Pillar

Affordable Housing for the People:

MBI Selangor serves as the lead entity in the active development of the Rumah Idaman project, implemented through its subsidiaries Permodalan Selangor Berhad (PNSB) and Kumpulan Hartanah Selangor Berhad (KHSB), in collaboration with other relevant stakeholders, with the objective of expanding access to comfortable and high-quality homeownership for B40 and M40 communities in alignment with the Selangorku Housing Policy (RSKU). Between 2022 and 2025, a total of 8,115 units were completed or advanced through pre-completion stages, while 13,005 units are currently under construction, bringing the cumulative number of completed and active Rumah Idaman units to 21,120.

Regional Economic Transformation:

Spearheading the Sabak Bernam Development Area (SABDA), a key 101,700-hectare strategic initiative driving sustainable and inclusive rural growth, highlighted by the positioning of Sabak Bernam as a hub for nature-based economic activities, including sustainable agriculture, ecotourism, aquaculture, and community enterprises, high-impact economic developments such as the Fisheries Industrial Zone, Sekinchan Integrated Landing Port, and eco-tourism ventures linked to the biosphere reserve, and long-term economic resilience by protecting natural assets, such as peatlands, mangroves, and coastal ecosystems that function as critical climate buffers and enable sustainable land use.

In alignment with Rancangan Selangor Pertama's (RS-1) strategic imperatives on resilience and disaster management, water management, low carbon state, waste management, and biodiversity, the entities under MBI Selangor have implemented a suite of transformative initiatives which includes driving geographical-based developments in specific zones, including SABDA, Zon Pembangunan Ekonomi Selangor Maritime Gateway (ZPE SMG), and Integrated Development Region in South Selangor (IDRISS).



Governance Pillar

Anti-Corruption Framework:

MBI Selangor strengthened governance and accountability through the establishment of an Integrity Working Committee and the launch of a Self-Assessment Checklist for subsidiaries. These measures fostered consistent internal controls and a unified integrity culture across the Group. The success of this framework is evidenced by zero confirmed incidents of corruption during the reporting period.

Corporate Integrity System Malaysia ("CISM"):

Advanced the Company's integrity ecosystem by updating the Code of Ethics, refining anti-corruption policies, and improving risk management. By expanding training and structured reporting, MBI Selangor reinforced its commitment to the Five Anti-Corruption Principles and maintained a zero-tolerance approach to bribery. Key performance metrics include reaching 100% of employees with information on anti-corruption policies and procedures, alongside conducting a diverse range of training sessions – such as the Corruption Risk Management (CRM) workshop and CISM briefing – which engaged hundreds of participants across the Group.

Promoting Integrity Through Early Education:

In support of the Selangor State Government's integrity agenda, and in collaboration with the Education Standing Committee (STANCO), Selangor Association of Childcare Centres, Kindergartens and Care Centres, and Rasuah Busters, MBI Selangor supported an integrity campaign for 1,066 kindergarteners, earning a place in the Malaysia Book of Records. This initiative embeds ethical values at an early age and aligns community engagement with national governance and sustainability priorities. This record-breaking reach serves as a primary success metric for the state's early-intervention integrity strategy.

Foreword from **THE CHAIRMAN**



“

The past year marks a pivotal moment in our journey towards **“The Resilient Selangor,”** our overarching ambition to embed sustainability into the state’s economic structure. At MBI Selangor, our mandate is clear: to deliver robust economic progress that is, by design, responsible, equitable, and sustainable.

Foreword from the Chairman



This Report details our progress under the Rancangan Selangor Pertama (RS-1) framework, a strategy that has delivered robust economic and governance outcomes for the State.

We are pleased to report that Selangor's economy in 2024 outperformed national targets, with GDP growth averaging a formidable 7.9%, supported by RM61.3 billion in investments and employment reaching 3.9 million people. This success is underpinned by strong governance, evidenced by 82.32% digitalisation of services and 89.94% resident satisfaction as of 2023.

A key mechanism driving this success has been the Public-Private Investment (PPI) model, which, alongside State development expenditure, cumulatively added RM15 billion to Selangor's GDP between 2021 and 2024, enabling the State's GDP to rise from RM344.1 billion to RM432.1 billion contributing to 26.2% to Malaysia's economy. The MBI Group is proud to be a catalyst within this ecosystem.



This Sustainability Report consolidates our efforts across Environmental stewardship, Social impact, and Governance rigour; and details the performance against our material matters.

However, we remain mindful of having to confront enduring challenges with greater urgency. Our strategic landscape is increasingly defined by broader global shifts: the intensifying physical and transition risks of climate change, rising geopolitical competition, and systemic vulnerabilities across resource supply chains.

While economic and governance performance under RS-1 was strong, the benefits have not been fully equitable. Social challenges persist as of 2022, with absolute poverty (1.5%) and relative poverty (14.2%) remaining above desired targets, compounded by geographical disparities, the needs of an ageing population, and a moderate Happiness Index score of 7.21 in 2024.

Our goals for environmental sustainability also require urgent focus: waste recycling rates of 16.7% in 2024 and air quality (PM_{2.5} levels at 20.38 µg/m³)¹ average for 2021 and 2022 both fall short of targets.



7.90%

Selangor 2024
GDP Growth



RM61.3

billion
in Investments



3.9

million
People Employed



More critically, meeting these external pressures demands stronger organisational resilience and capability-building – the ability to anticipate, adapt, and respond swiftly. We must simultaneously pull the focus back to core local needs, proactively addressing development gaps in specific districts, championing youth empowerment through targeted skill programmes, and rigorously protecting Selangor’s critical natural capital, particularly its water and biodiversity, upon which the State’s long-term prosperity rests.

This context sets the stage for our next strategic phase: the Rancangan Selangor Kedua (RS-2). Building upon RS-1, RS-2 represents a transformative, mission-based approach that shifts the focus from siloed operations to collective problem-solving around grand challenges, fostering innovation and collaboration across all agencies and the private sector.



The PPI model, alongside State development expenditure, cumulatively added RM15 billion to Selangor’s GDP between 2021 and 2024.

RS-2 will serve as the State’s overarching five-year development plan, defined by principles of equity, collaboration, and a clear focus on achieving the vision of “Kita Selangor: Maju Bersama” – equitable growth and quality of life for all by 2030. This new direction is strategically aligned with the nation’s focus on high-growth, high-value sectors, while prioritising poverty reduction, flood resilience, and strengthened inter-agency coordination.

Foreword from the Chairman



82.32%

Digitalisation of Services



89.94%

Resident Satisfaction

Our clear forward vision is the attainment of a sustainable, integrated, and resilient Selangor. The future model requires an unwavering focus on the collective well-being of the rakyat, the protection of our irreplaceable natural resources, and proactive preparedness for a rapidly changing world.

This Sustainability Report serves as the comprehensive document of that transition. It consolidates our efforts across all three pillars—Environmental stewardship, Social impact, and Governance rigour—and details the performance against our material matters. Crucially, it provides an update on the completion of a comprehensive Greenhouse Gas (GHG) emissions assessment, which establishes the baseline for future science-based targets and our journey towards net-zero.

Our commitment is unwavering. Through sustained effort and collaborative partnerships, MBI Selangor will continue to drive sustainable value creation, contributing to a more resilient, competitive, and inclusive Selangor. We invite our stakeholders to review this report and hold us accountable to the ambitious goals we have set.

YAB Dato' Seri Amirudin Shari

Chairman

Menteri Besar Selangor (Incorporation)



GROUP CHIEF EXECUTIVE OFFICER'S Message



A Blueprint for Sustainable Value

As we close the chapter on 2025, MBI Selangor stands at a critical juncture of reflection and recalibration. Over the past year, we have vigorously reviewed our internal operational performance against our THRIVE28 Transformation Plan for sustainable revenue generation, and the Group Strategic Blueprint, which aligns our diverse subsidiaries with the State's immediate development priorities. Simultaneously, we have assessed our operational trajectory under RS-1 to determine the efficacy of our execution and guide our next steps.

Group Chief Executive Officer's Message



The implementation of THRIVE28 – MBI Selangor's comprehensive transformation plan designed to drive sustainable revenue generation – continues to progress steadily. This plan is critical as it serves as a blueprint to ensure Selangor's economy remains resilient for generations while aligning diverse subsidiaries with the State's immediate development priorities. By steering MBI Selangor toward its transformational end goal of becoming a complete Investment Holding Company (IHC) by 2028, THRIVE28 underpins every strategic decision we make – strengthening our governance, enhancing portfolio performance, and elevating the operational maturity of our subsidiaries.

Moving into 2026, our focus shifts towards a seamless integration with the Rancangan Selangor Kedua (RS-2). For the management team at MBI Selangor, this transition is not merely administrative; it is an operational imperative to harmonise our business success with the long-term well-being of the communities we serve and the environment upon which our operations depend. We believe that true progress lies in this deliberate harmonisation.



Prioritising Relevance, Responsibility, and Resilience

Sustainability is no longer an adjunct to our business; it is our organisational purpose. We recognise that our future viability relies on embedding Environmental, Social, and Governance (ESG) considerations into the minutiae of our decision-making processes. Our commitment extends beyond the immediate bottom line, ensuring that the resources we manage today will continue to generate value for future generations. This holistic approach is our shield and our strategy, ensuring MBI Selangor remains relevant in its offerings, responsible in its conduct, and resilient against global uncertainties.

This document represents MBI Selangor's inaugural Sustainability Report. While its production is currently non-mandatory, we have chosen to publish this detailed disclosure to demonstrate leadership and accountability in our sector. The report is structured to feature consolidation of data from the MBI Selangor corporate level with key sustainability highlights from our subsidiaries. In doing so, we have diligently aligned our disclosures with rigorous international and national standards, including the Global Reporting Initiative (GRI) Standards, the National Sustainability Reporting Framework (NSRF), IFRS, and Bursa Malaysia requirements.

“This document represents MBI Selangor’s inaugural Sustainability Report. While its production is currently non mandatory, we have chosen to publish this detailed disclosure to demonstrate leadership and accountability in our sector.”

Institutionalising the Framework

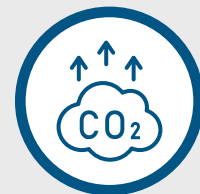
To translate this philosophy into auditable practice, MBI Selangor has proactively developed and formalised a comprehensive Materiality Matters Matrix alongside a Group-wide Sustainability Framework and Policy. This blueprint structures all our sustainability efforts, ensuring a systematic and integrated approach to managing our ESG risks and opportunities, and aligning our agenda with our corporate mission and evolving stakeholder expectations.

Critically, this framework has been deliberately cascaded across all subsidiaries to promote consistent understanding and implementation throughout the Group. It acts as a guiding reference for subsidiaries that previously lacked a dedicated sustainability policy. We view this policy as a progressive, living document; it is expected to undergo necessary amendments and Board approvals to remain agile, with subsequent redistribution to all subsidiaries to maintain strict governance alignment.



4%

Reduction in Energy Consumption in 2024
(compared to 2023)



125-tonnes CO₂e

Intensity Reduction in 2024
(compared to 2023)



11,404 hours

Training across 90 programmes to an average of 129 employees in 2024 and 2025



Group Chief Executive Officer's Message

Operational Performance Overview (2024–2025)

The success of our transformation is best evidenced by the operational results achieved across the Group in 2024 and 2025. Our focus has been on executing high-impact, state-aligned projects while simultaneously building internal resilience and efficiency. The following serves as an overview of the key performance indicators (KPIs) and breakthroughs that reflect the active implementation of our strategic blueprint across the four key pillars:



Economic Pillar

Advancing Opportunities, Inclusive Growth and Regional Transformation (see page 20)



On the economic front, MBI Selangor continued to reinforce the State's mandate for equitable growth. As the lead agency, MBI Selangor provides the strategic direction, governance, and oversight for Project Rumah Idaman, while its subsidiaries, KHSB and PNSB serve as the core delivery arms, to significantly expand high-quality, affordable homeownership options for the B40 and M40 communities, directly supporting the Selangorku Housing Policy (RSKU). Simultaneously, we took the lead in regional economic transformation by successfully spearheading the Sabak Bernam Development Area (SABDA), a 101,700-hectare strategic initiative designed to drive sustainable rural growth, anchored by key tourism ventures like the award-winning Karnival Ban Canal.

Environmental stewardship transitioned from policy to verified action. A major achievement was the progress toward UNESCO Biosphere Reserve designation by 2027 for the SABDA area – a major, long-term commitment to balancing regional development with biodiversity conservation.

Key implementation milestones achieved include biodiversity and socio-economic data collection, drafting of zoning maps, and multi-agency workshops with partners such as PLANMalaysia, Jabatan Perhutanan, PERHILITAN, LUAS, and JUPEM. The Biosphere reserve covers approximately 297,661.25 hectares. Encompassing a rich diversity of ecosystems – including the North Selangor Peat Swamp Forest 81,332 hectares), mangroves forests, and coastal and estuarine habitats – which serve as critical carbon sinks and wildlife habitats.

Internally, MBI Selangor achieved a verified 4% reduction in energy consumption in 2024 (compared to 2023), leading to a corresponding 125-tonne CO₂e intensity reduction through LED replacements and system maintenance. Furthermore, we implemented digitalisation and KPI integration which drove an 8.03% decrease in printing volume, while externally, MBI Selangor completed its first comprehensive Greenhouse Gas (GHG) emissions assessment, covering MBI Selangor and selected subsidiaries. This milestone provides the foundation for structured decarbonisation planning, performance tracking, and future science-based target setting, with detailed emissions data disclosed under the Climate Action and Low-Carbon Transition Section.



Environmental Pillar

Enhancing Stewardship, Efficiency, Digitalisation, and Climate Disclosure Readiness (See page 50)



8.03%

Decrease in Printing Volume



41,495

Entrepreneurs Registered
through PLATS

Our social licence to operate was strengthened through targeted community impact programmes. We channelled RM13.2 million through Yayasan MBI to Education programmes in 2024, benefiting over 113,000 students and more than 200 schools. Our efforts to improve livelihoods supported 41,495 (Jan 2024 – June 2025) registered entrepreneurs through the Platform Selangor (PLATS) initiative via zero-interest microfinancing and digital training. Internally, we prioritised human capital development, delivering 11,404 hours of training across 90 programmes to 129 employees in 2025, fostering a resilient and future-ready workforce equipped for the demands of the next phase. We also introduced a social community initiative known as Kembara SABDA. Through this programme, we actively engage with local communities to better understand their needs and challenges, allowing us to shape more effective and sustainable socioeconomic improvement strategies for SABDA.



Social Pillar
Uplifting Communities, Improving Livelihoods,
and Developing Our Workforce
(See page 84)

Governance Pillar
Strengthening Transparency, Accountability,
Oversight and Compliance
(See page 112)



Maintaining high integrity is paramount. We actively strengthened our anti-corruption framework by establishing an Integrity Working Committee and deploying a Self-Assessment Checklist to ensure all subsidiaries achieve readiness in anti-corruption Adequate Procedures compliance.

This commitment is validated by MBI Selangor maintaining a record of zero bribery-related cases and zero serious misconduct incidents during the reporting period. Furthermore, we achieved 100% participation in the Corruption-Free Pledge across the Group, ensuring that ethical conduct and accountability are deeply embedded in our corporate culture.



Group Chief Executive Officer's Message



Forward Outlook

While we acknowledge the significant progress made across all pillars, we recognise that challenges remain. The evolving risk landscape, particularly concerning climate change and social equity gaps outlined in RS-1, demands agility and principled action. We are committed to deepening our ESG integration and building robust internal capabilities to meet the demanding requirements of RS-2. This will involve prioritising climate resilience measures, strengthening the coordination between State entities to foster greater synergy in development planning, as well as uplifting communities that remain most vulnerable.

Our drive for sustainable value creation is unwavering. MBI Selangor remains dedicated to contributing to a resilient, competitive, and inclusive state, ensuring that our operational excellence translates directly into the sustained prosperity and enhanced quality of life for all citizens of Selangor.

Dato' Ts. Saipolyazan M Yusop
Group Chief Executive Officer
MBI Selangor



Board PROFILES



YAB Dato' Seri Amirudin bin Shari
Dato' Chief Minister of Selangor

YAB Dato' Seri Amirudin bin Shari holds a Bachelor of Science in Human Development from Universiti Putra Malaysia. YAB Dato' Seri Amirudin is Dato' Menteri Besar Selangor and holds directorship and positions in various organisations, including but not limited to Menteri Besar Selangor (Incorporation) (MBI), Perbadanan Kemajuan Negeri Selangor, Perbadanan Kemajuan Pertanian Selangor, and Yayasan Selangor.



YB Dato' Dr Ahmad Fadzli bin Ahmad Tajuddin
Secretary to the Selangor State Government

YB Dato' Dr Ahmad Fadzli bin Ahmad Tajuddin holds a Doctorate in Business Management from Universiti Sains Malaysia. He also holds a Master of Business Administration from Universiti Kebangsaan Malaysia, as well as a Bachelor of Arts (Honours) degree in Islamic Revealed Knowledge and Heritage Studies from the International Islamic University Malaysia.

YB Dato' Dr Ahmad Fadzli currently serves as the Selangor State Secretary. Prior to this, he held the position of Selangor State Financial Officer. In addition, among the key positions he has held were Head of Management Development and Innovation Cluster at the National Institute of Public Administration (INTAN), and the Yang Dipertua of the Klang Municipal Council (now known as the Royal Klang City Council).

Board Profiles



YB Dato' Dr. Haniff bin Zainal Abidin
Selangor State Finance Officer

YB Dato' Dr. Haniff bin Zainal Abidin holds a Doctor of Philosophy (PhD) in Project Management from SKEMA Business School, a Master's degree in Public Policy from KDI School, and a Bachelor's degree in Accounting from Universiti Kebangsaan Malaysia (UKM). Prior to this, he held senior leadership and public administration across the Malaysian public sector. Appointed in 2025, YB Dato' Dr. Haniff currently serves as the Selangor State Finance Officer. Prior to this role, he served as Senior Deputy Director (Competence Development) at the National Institute of Public Administration (INTAN) from 2024 to 2025. Previously, YB Dato' Dr. Haniff was a Senior Private Secretary to the Chief Secretary to the Government from 2020 to 2024. YB Dato' Dr. Haniff earlier appointments include roles as Under Secretary at the Ministry of Defence Malaysia (2019–2020) and the Ministry of Home Affairs (2018–2019).



YBhg Dato' Ts. Saipolyazan bin M Yusop
Group Chief Executive Officer
of Menteri Besar Selangor (Incorporation)

Dato' Ts. Saipolyazan bin M Yusop is the Group CEO of MBI Selangor, where he oversees the administration of Selangor's state assets and investments, supporting state development as well as social and public responsibilities. He brings over 30 years of experience across the public and private sectors, including senior leadership roles in the Kingdom of Saudi Arabia. His previous appointments include Head of Country (KSA) for UEM Edgenta Berhad, CEO of Edgenta Arabia Limited, and Head of Facility Management at Alborj Facility Management Ltd. He has also served as a Board member of UEM Mediserve Sdn Bhd. Prior to joining MBI Selangor, he was Chief Executive Officer of Lembaga Zakat Selangor (LZS), where he oversaw the management and administration of zakat funds.



Board Sustainability Committee PROFILES



YBhg Dato' Mohd Yazid bin Sairi

Chairman

YBhg Dato' Mohd Yazid bin Sairi is Chairman of the Menteri Besar Selangor (Incorporation) Board Sustainability Committee and Deputy Secretary (Management) of the Selangor State Government. He brings strong expertise in governance and public administration, with leadership experience as District Officer of Sepang, President of Majlis Perbandaran Selayang, and Deputy Director at the Selangor State Economic Planning Unit (UPEN).

YBrs Puan TPr. Annie Syazrin binti Ismail

Member

YBrs Puan TPr. Annie Syazrin binti Ismail serves on the Menteri Besar Selangor (Incorporation) Board Sustainability Committee and brings extensive experience in urban planning and heritage conservation. She is currently a Council Member at Majlis Bandaraya Diraja Klang (MBDK) and previously served at Majlis Bandaraya Shah Alam (MBSA). She holds a Master's in Heritage Conservation Management and a Bachelor's in Town and Regional Planning from Universiti Teknologi MARA (UiTM).



YBhg Datin Paduka TPr. Noraini binti Roslan

Member

YBhg Datin Paduka TPr. Noraini is a member of the Board Sustainability Committee at Menteri Besar Selangor (Incorporation). She is a former Mayor of the Klang Royal City Council, serving from 2021 to 2024, with over 35 years of experience in urban administration, planning, and development in Selangor. She has held senior leadership roles across multiple local authorities, including Mayor of Subang Jaya City Council and President of Kuala Selangor and Hulu Selangor Municipal Councils, contributing significantly to Selangor's urban governance and planning framework. YBhg. Datin Paduka TPr. Noraini holds a Master of Regional Planning from the University of North Carolina at Chapel Hill and a Bachelor's degree in Urban and Regional Planning from East Carolina University, and is a Corporate Member of the Malaysian Institute of Planners.

Board Sustainability Committee Profiles



YBrs Tuan Dr. Hariramalu A/L Ragavan

Member

YBrs Tuan Dr. Hari Ramalu Ragavan is a member of the Board Sustainability Committee at Menteri Besar Selangor (Incorporation). He has over 30 years of experience in sustainable development research, policy, and practice across Malaysia and the Asia-Pacific region. He previously served as Programme Manager at the United Nations Development Programme (UNDP) Malaysia Country Office from 2004 to 2015, managing and evaluating sustainable development projects valued at approximately USD50 million. Currently, he is Principal Consultant at AKAR ASIA Consulting, advising multilateral agencies and the private sector on climate change, Sustainable Development Goals (SDGs), Sustainable Consumption and Production, and ESG, with strong insight into emerging corporate sustainability frameworks.

YBrs Puan Ir. Ts. Nurul Huda binti Mat Nor

Member

Ir Ts. Nurul Huda binti Mat Nor is an ESG Entrepreneur, Professional Environmental Engineer, and national sustainability leader with over 18 years of experience in the fields of QHSE, ESG, and sustainable development.

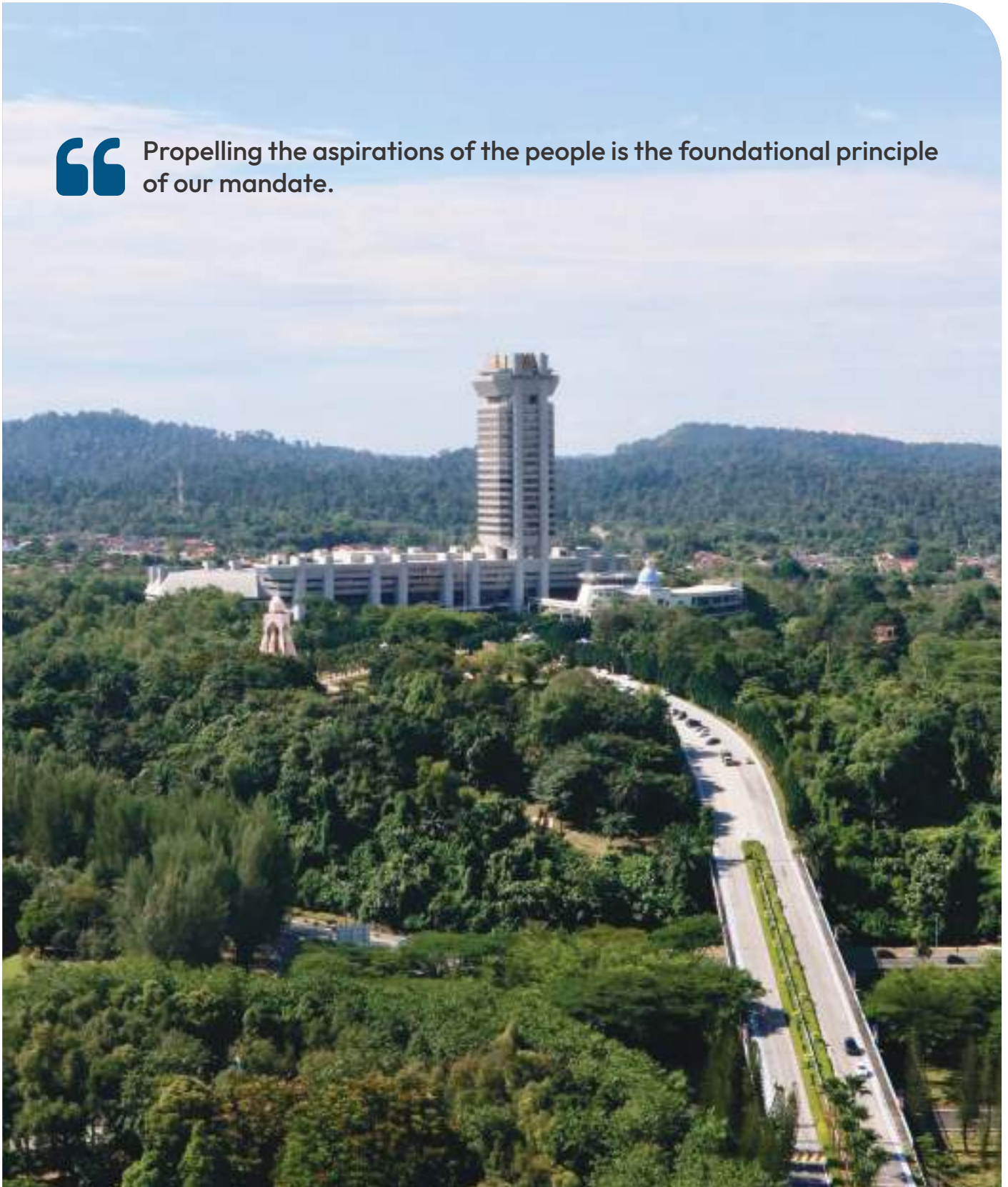
She is specialising in ESG capacity building, sustainability reporting, climate risk management, and the integration of sustainable governance for both corporate and public sectors.

Ir Nurul is a Certified ESG Analyst (EFFAS – Europe), a Professional Engineer with a Practising Certificate from the Board of Engineers Malaysia (BEM), and a GRI Certified Sustainability Professional. She is also an international speaker, judge panelist, and industry advisor to universities and government agencies.

She previously served as President of the Malaysian Environmental Professional Practitioner Society (MEPS) and is currently involved in Sustainability Committees at both industry and state government levels, contributing to strategic direction and policy implementation.



“ Propelling the aspirations of the people is the foundational principle of our mandate.



Our Approach to **SUSTAINABILITY**



“ MBI Selangor is redefining sustainability by turning environmental responsibility into a blueprint for resilience. Through a unified focus on climate action, water stewardship, circular waste management, systemic decarbonisation, and biodiversity preservation, we are moving beyond traditional boundaries.”

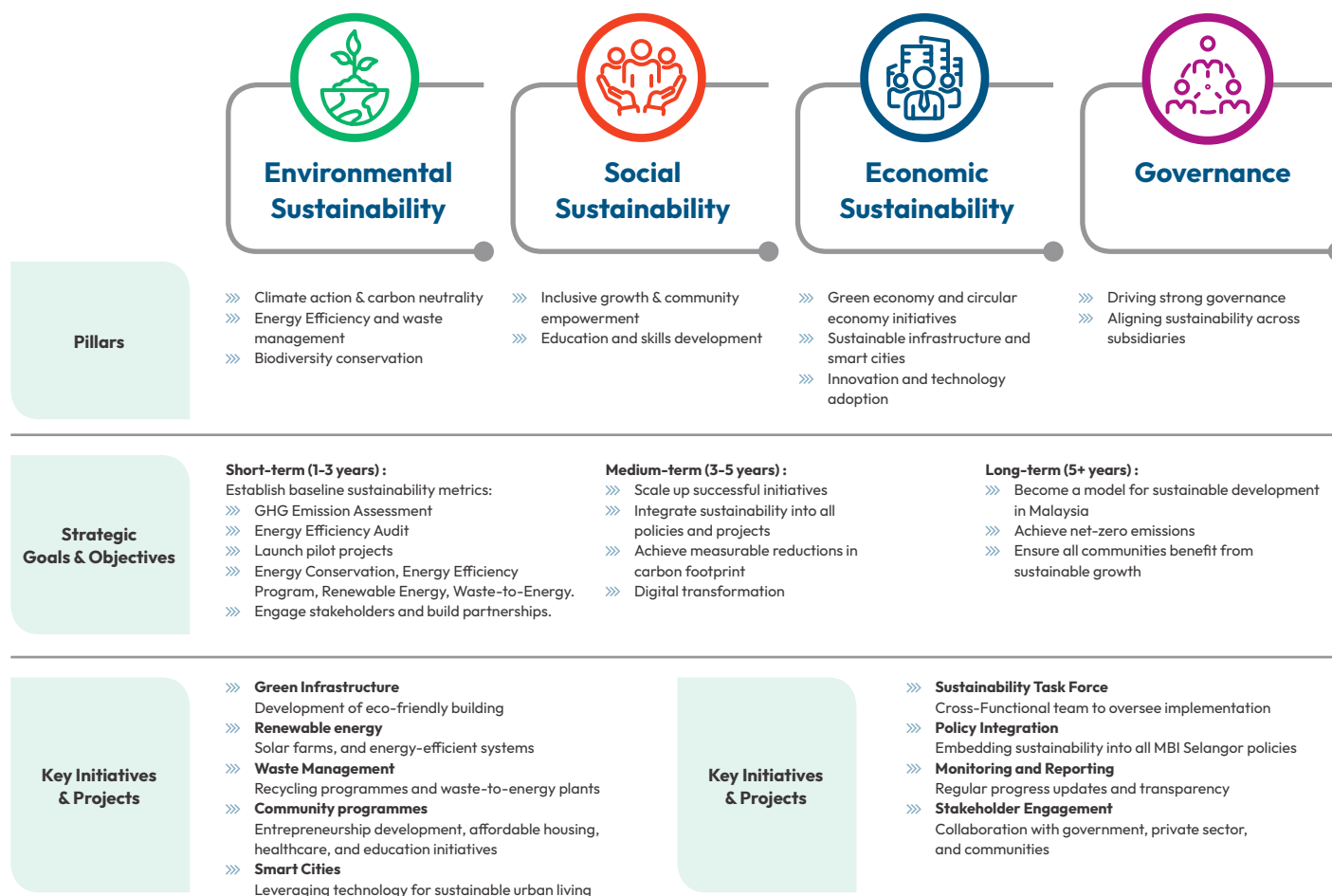
Mohd Fauzi Mohd Ghazali

Head of Corporate Communications & Sustainability

For us at MBI Selangor, sustainability sustainability is embedded into our purpose. We believe that true progress lies in harmonising our business success with the long-term well-being of the communities we serve and the environment we depend on. Our future relies on embedding environmental, social, and governance (ESG) considerations into every decision we make. Our commitment goes beyond the bottom line, ensuring that the resources we manage today will continue to generate value for future generations. This holistic approach ensures we remain relevant, responsible, and resilient in a rapidly changing world.

Sustainability Framework

Delivering long-term sustainable value creation whilst stimulating economic growth.



MBI Selangor has developed and formalised a Sustainability Framework and Policy as a guiding blueprint that structures all sustainability efforts. It ensures a systematic and integrated approach to managing our ESG matters, aligning our sustainability agenda with our corporate mission, business strategy, and evolving stakeholder expectations. This framework has been communicated across all subsidiaries to promote consistent understanding and implementation. It acts as a guiding reference for subsidiaries without an existing sustainability policy. The policy is progressive and is expected to undergo amendments, which will be approved by the Board and subsequently redistributed to all subsidiaries.

Sustainability MATERIAL TOPICS

Three core pillars of our Sustainability Material Topics:

Pillar		Focus Areas
Safeguarding Our Environment		Climate Change, Waste Management, Water Stewardship, Biodiversity
Creating Meaningful Social Impact		Community Engagement and Impact, Health, Safety and Well-being, Talent Attraction and Development, Diversity, Equity and Inclusion, Labour Practices and Human Rights
Upholding Strong Governance		Innovation and Technology, Anti-Bribery and Corruption, Corporate Governance

This structured approach helps us effectively allocate resources, measure our impact, and communicate our progress with transparency and accountability.



Sustainability GOVERNANCE

MBI Selangor's sustainability governance is anchored by its Board of Directors, and supported by six key Board committees, including a dedicated **Board Sustainability Committee (BSC)**. The Board committees ensure robust governance, accountability, and transparency across all levels of the organisation. This structure ensures accountability and strategic alignment of sustainability initiatives across the organisation. Complementing the Board is the **Senior Management Committee (SMC)**, which oversees operational execution and ensures alignment with MBI Selangor's strategic objectives.

Effective governance is paramount for translating our commitments into measurable action. We have established a clear, tiered structure to ensure rigorous oversight of all ESG matters and accountability throughout our hierarchy.

Ultimate responsibility for our sustainability direction rests with the Board of Directors, which ensures the integration of sustainability risks and opportunities into our corporate strategy.

Our governance is further supported by six key Board committees that provide holistic oversight and strategic direction:

»» **Board Governance & Risk Management Committee (BGRMC)**

Provides dedicated oversight of our enterprise-wide risk management (ERM) framework, including sustainability and climate-related risks. It reviews and approves risk management policies and ensures risks are properly identified, assessed, and mitigated.

»» **Board Nomination & Remuneration Committee (BNRC)**

Oversees board composition, leadership quality, and succession planning across MBI Selangor and its subsidiaries. It ensures the appointment of qualified and independent directors, conducts annual performance evaluations, and reviews diversity and succession strategies. The Committee also ensures competitive, performance-linked remuneration and alignment of key management performance with approved business plans.

»» **Board Audit Committee (BAC)**

Reviews quarterly and annual financial statements, evaluates internal controls and risk management frameworks, and oversees both internal and external audit processes to ensure accuracy, compliance, and strong governance. It also reviews related-party transactions and potential conflict-of-interest matters to maintain transparency and integrity across the organisation. Oversees the integrity and compliance of our sustainability data and reporting.

»» **Board Investment and Finance Committee (BIFC)**

The Board Investment and Finance Committee (BIFC) reviews and endorses major investment, divestment, financing, procurement, and asset-related proposals from MBI Selangor and its subsidiaries before they are presented to the Board for approval. The Committee ensures compliance with relevant laws and governance standards and is empowered to seek professional advice and convene meetings as needed to fulfil its oversight responsibilities.

»» **Board Tender Committee (BTC)**

The Committee oversees the Group's procurement governance by reviewing policies, exceptions, and tender strategies, and recommending procurement and DOAFAL matters to the Board for approval.

»» **Board Sustainability Committee (BSC)**

The committee provide leadership, guidance, and independent oversight, ensuring effective decision-making, compliance, and adherence to best corporate governance practices in support of the Committee's objectives and the Board.

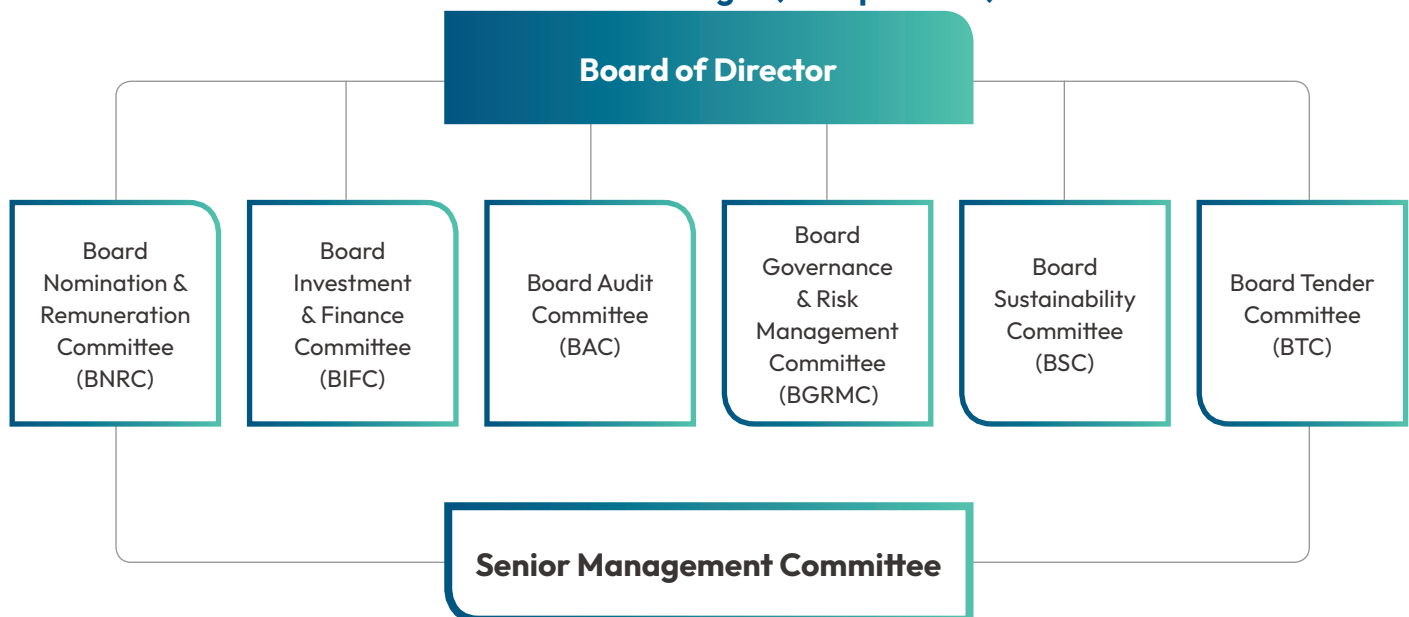
Sustainability Governance



At the management level, the Senior Management Committee (SMC) is responsible for implementing and integrating risk management into MBI Selangor's strategic and operational planning. It acts as the crucial link between operational units and the committees.

This governance structure, with clear escalation paths from the SMC and to the six key Board committees, and ultimately the full Board, ensures that sustainability is embedded at every level of the organisation.

Committee Chart Menteri Besar Selangor (Incorporation)






Stakeholder MANAGEMENT






Our success is intrinsically linked to the relationships we maintain with our stakeholders, and we view engaging with them as a continuous, critical process. Through proactive engagement, we aim to build trust, understand diverse perspectives, and ensure that our strategy remains relevant and responsive to societal needs.

We identify our key stakeholders as those who are **affected by our operations** or those whose actions could **significantly affect our ability** to successfully execute our strategy. Our tailored engagement methods and the resulting topics of discussion are outlined below:

Stakeholder Engagement

Stakeholder Group	Why They Matter	Key Concerns and Expectations	Material Matters	Frequency of Engagement	Mode of Engagement
Selangor Citizens 	As beneficiaries of our programmes and development initiatives, they are key to ensuring inclusive, people-centred outcomes.	» Transparency in project implementation » Social and environmental impact » Community well-being » Equitable access to opportunities	» Community Development » Environmental Stewardship » Social Inclusion	Ongoing/ As needed	» Community programmes, Surveys » Social media updates » Public engagement sessions » Local events
Investors 	As they provide capital support, strategic guidance and confidence in our projects and subsidiaries, they influence long-term sustainability and growth.	» Financial performance » ESG performance » Governance transparency » Risk management » Return on investment	» Economic Performance » Governance » ESG Reporting » Transparency	Quarterly/ Annually	» Annual reports » Briefings » Investor meetings » Sustainability disclosures
Board of Directors 	They provide strategic direction, governance oversight, and accountability for sustainability outcomes.	» Compliance » Ethical governance » Risk management » Sustainable business performance	» Corporate Governance » Ethics & Integrity » Strategic Sustainability Alignment	Quarterly/ Annually	» Board and committee meetings » Performance reviews » Sustainability reporting updates

Stakeholder Management

Stakeholder Group	Why They Matter	Key Concerns and Expectations	Material Matters	Frequency of Engagement	Mode of Engagement
Employees 	As core enablers of our operations and sustainability agenda, they are key to organisational culture and performance.	<ul style="list-style-type: none"> » Safe workplace » Fair compensation » Career development » Inclusion » Well-being » Engagement in sustainability initiatives 	<ul style="list-style-type: none"> » Employee Welfare » Occupational Safety, Learning & Development » Diversity & Inclusion 	Ongoing/ Quarterly	<ul style="list-style-type: none"> » Training sessions » Internal newsletters » Social media » Employee engagement sessions
Business Communities 	Our partners in driving state-level economic development, innovation, and sustainable industry practices.	<ul style="list-style-type: none"> » Fair partnerships » Green investment opportunities » Innovation » Policy alignment 	<ul style="list-style-type: none"> » Economic Growth » Green Innovation » Sustainable Procurement 	Periodic/ As needed	<ul style="list-style-type: none"> » Business forums » Partnership meetings » Industry dialogues » Exhibitions
Regulators 	As they ensure our compliance with laws, policies, and sustainability standards, they are key to accountability and legitimacy.	<ul style="list-style-type: none"> » Compliance with environmental, labour, integrity, governance, and reporting regulations 	<ul style="list-style-type: none"> » Compliance » Ethics & Integrity » Transparency 	Regular/ As required	<ul style="list-style-type: none"> » Compliance submissions » Audits » Consultations » Formal correspondence
Suppliers 	They support our operational needs and influence sustainable supply chain performance.	<ul style="list-style-type: none"> » Fair and transparent procurement processes » Timely payments » Sustainability requirements in tenders 	<ul style="list-style-type: none"> » Sustainable Procurement » Fair Business Practices » Governance 	Periodic/ As needed	<ul style="list-style-type: none"> » Procurement system » Vendor briefings » Capacity-building sessions » Supplier evaluation
Media 	They influence public perception and awareness of our sustainability and development initiatives.	<ul style="list-style-type: none"> » Access to accurate and timely information » Transparency » Collaboration in promoting positive narratives 	<ul style="list-style-type: none"> » Transparency » Public Engagement » Communication 	Ongoing	<ul style="list-style-type: none"> » Press releases » Media briefings » Social media engagement » Interviews » Public statements

Our Material MATTERS

To focus our efforts where we can have the greatest impact, we conduct a regular Materiality Assessment. This rigorous process helps us identify the ESG issues that are most important to our business success and to our stakeholders.



In August 2025, MBI Selangor undertook a comprehensive Materiality Validation exercise to identify, review, and prioritise the most relevant ESG topics. The process was structured as follows:



Our Material Matters

The output of this assessment is our defined list of Material Matters, which are prioritised based on their significance to our business and importance to our stakeholders. These matters, detailed below, form the foundation for our strategies, targets, and performance metrics. To ensure our sustainability journey is aligned with global best practices, we have strategically mapped each material matter to the relevant United Nations Sustainable Development Goals (UN SDGs). This integration allows us to clearly demonstrate our commitment to addressing global challenges while addressing specific environmental and social impacts across our diverse operations.

Climate Change

Managing climate-related risks and opportunities by reducing greenhouse gas emissions, promoting energy transition across MBI Selangor subsidiaries and supporting the Selangor State's low-carbon and carbon-neutral ambitions under RS-1 Framework and THRIVE28 Transformation Plan.



Waste Management

Implementing responsible waste practices across operations, focusing on reduction, recycling, and recovery in line with Selangor's move towards a circular economy.



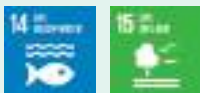
Water Stewardship

Ensuring responsible water consumption and management to safeguard this critical resource for future generations.



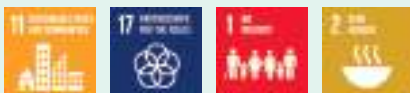
Biodiversity

Protecting and enhancing Selangor's natural ecosystems through sustainable land use and conservation efforts, and minimising ecological disruption in development activities.



Community Engagement and Impact

Strengthening social and economic well-being through inclusive development initiatives that improve livelihoods.



Health, Safety and Well-being

Promoting a safe, healthy, and supportive environment for employees, contractors, and surrounding communities.



Talent Attraction and Development

Attracting, retaining, and developing skilled talent to drive innovation operational excellence, and leadership across MBI Selangor, while fostering continuous learning and career growth.



Diversity, Equity and Inclusion

Creating an inclusive culture that values diversity and ensures equal opportunities, and builds a workforce reflective of Selangor's multicultural community.



Labour Practices and Human Rights

Upholding ethical labour standards and human rights across our operations and supply chain, including fair employment, safe workplaces, and zero tolerance for exploitation.



Innovation and Technology

Embedding digitalisation and innovative solutions to enhance efficiency, governance, and service delivery, supporting MBI Selangor's transformation into a data-driven and future-ready organisation.



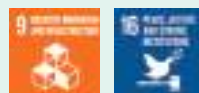
Anti-Bribery and Corruption

Maintaining integrity and ethical conduct by enforcing strong anti-corruption policies, compliance frameworks, and transparent business practices across all subsidiaries.



Corporate Governance

Ensuring sound governance structures, accountability, and oversight mechanisms that align with the State's policies, corporate best practices, and sustainability objectives.



Managing OUR RISKS

Recognising ESG as a key part of MBI Selangor's Risk Universe, risk management is an integral component of our sustainability strategy. Our approach is governed by a robust Risk Management Framework which aligns with the ISO 31000:2018 International Standard for Risk Management Guideline. Environmental, Social and Governance (ESG) risks are integrated into MBI Selangor's Enterprise Risk Management (ERM) framework. This ensures that ESG risks are systematically identified, assessed, monitored and mitigated alongside financial, operational and strategic risks.

Strong risk management begins with clear direction and oversight, where the Board of Directors and Senior Management demonstrate a clear commitment to integrity, ethical conduct, and risk-aware decision-making. This leadership sets the strategic direction for risk governance and accountability throughout the organisation.




Our Framework is built on six key components:




- 1 Tone at the Top**
Commitment by the Board and Senior Management to fostering a risk-aware culture.
- 2 ERM Policy (ISO 31000)**
A structured risk management policy aligned with the ISO 31000:2018 standards.
- 3 Risk Integration**
Risk management is thoroughly embedded in key functions, including investments, operations, projects, procurement, and strategy development.
- 4 Risk Universe**
A comprehensive list of all types of risks, comprising Strategic, Operations, Finance and Investment, Reputation and Communication, Governance and Compliances, and ESG.
- 5 Board & BGRMC**
Strategic and board-level risk oversight committees (the Board of Directors and the Board Governance & Risk Management Committee).
- 6 Risk Culture**
Promoting awareness, training, rigorous reporting, and ethical behaviour.

Managing Our Risks

The table below details key risk categories, the specific threats they entail, and the control measures we implement, including those specifically addressing ESG risks. This robust framework ensures that we maintain a resilient operating environment and are prepared to manage uncertainties, allowing us to pursue our long-term sustainability goals with confidence:

Stakeholder Engagement

Risk Category & Description	Key Threats	Mitigation Measures	Potential Opportunities
Strategic Risks arising from the failure to achieve strategic objectives, such as weak planning, market changes or competition. 	<ul style="list-style-type: none"> » Failure of investment strategy » Lack of investment performance monitoring mechanism » Current political instability » Changes in the macroeconomic landscape » Misalignment between subsidiaries and the parent company 	<ul style="list-style-type: none"> » Periodic portfolio resilience stress tests » Periodic strategy evaluation (annual review/ Selangor RS-1) » Use of strategic analytical tools (SWOT, PESTLE) » Stakeholder engagement in long-term planning » Performance reporting against strategic KPIs 	<ul style="list-style-type: none"> » Strategic rebalancing into high-growth sectors » Innovation and development of new businesses such as Water Reclamation, Mobility, Renewable Energy, and Energy Efficiency » Strengthening brand and market position » The implementation of a robust strategy to create sustainable growth » Opportunities to become a leader in the field of state development » Attracting strategic investors and strengthening public-private partnerships
Operations Risks of disruption in daily operations such as process failures, human errors, system breakdowns, or supply chain interruptions. 	<ul style="list-style-type: none"> » Weaknesses in operational processes » Inefficiency in project management » Dependency on key individuals » Supply chain disruptions » Failure in BCM (Business Continuity Management) risk management 	<ul style="list-style-type: none"> » Standard Operating Procedures (SOP) » Structured training and development to upskill » Regular audits and mitigation 	<ul style="list-style-type: none"> » Process automation to improve efficiency » Improved quality and customer/stakeholder satisfaction » Continuous improvement of operational processes can enhance efficiency » Digitisation of processes can save cost and time
Finance and Investment Risk related to financial management, investments, capital allocation, cash flow, and market volatility. 	<ul style="list-style-type: none"> » Inability to manage cash flow » Fraud or mismanagement of finances » Excessive liabilities » Investment failure 	<ul style="list-style-type: none"> » Transparent and conservative investment policy » Investment diversification to reduce risk » Regular monitoring of financial and investment performance » Risk assessment before new investments (multidisciplinary due diligence) » Integrate ESG into investment screening and capital allocation 	<ul style="list-style-type: none"> » Sustainable investment returns » Generating additional funds for development initiatives » Enhancing long-term financial stability » Attracting global institutional investors

Risk Category & Description	Key Threats	Mitigation Measures	Potential Opportunities
Reputation and Communication Risk of damage to public image or negative perception by the community due to operational issues, ethics, treatment of stakeholders or poor communication. 	<ul style="list-style-type: none"> » Negative public perception » Failure in crisis communication » Financial transparency being questioned 	<ul style="list-style-type: none"> » Clear and consistent corporate communication strategy » Proactive reputation crisis management » Building good relationships with the media and community » Spokesperson training and digital reputation management 	<ul style="list-style-type: none"> » Enhancing public and stakeholder trust » Strengthening MBI Selangor's corporate identity and brand equity » Increasing attractiveness for strategic partnerships » Ability to scale regional and cross-border partnerships
Governance and Compliance Risk arising from non-compliance with laws, government policies, regulatory standards, internal governance, and codes of ethics. 	<ul style="list-style-type: none"> » Non-compliance with laws/regulations » Litigation and integrity issues » Failure of internal controls » Non-compliance with GLC policies and guidelines 	<ul style="list-style-type: none"> » Monitoring of legal and regulatory changes » Compliance training for staff » Internal audits and regular inspections 	<ul style="list-style-type: none"> » Creating a transparent and integrity-driven work environment » Fulfilling the requirements of stakeholders and trustees » Attracting investors and strategic partners through confidence in governance
ESG (Environmental, Social & Governance) Risks related to environmental, social, and unsustainable management impacts such as pollution, social issues, and weak governance. 	<ul style="list-style-type: none"> » Climate change & natural disasters » Pollution resulting from investment activities » Social injustice » Lack of community engagement » Community conflict » Projects without a completed Environmental Impact Assessment (EIA) 	<ul style="list-style-type: none"> » Implementation of a comprehensive ESG policy » ESG annual reporting for transparency » Reduction of carbon footprint in operations » High-impact CSR programs for the community 	<ul style="list-style-type: none"> » Enhancing eligibility for ESG funds and green investments » Becoming a socially and environmentally responsible organisation » Contributing to sustainable development in Selangor

Managing Our Risks

Risk Universe



Reputational Risk and Communications

Risks that affect the good name and public trust in MBI Selangor.



Governance & Legal

Risk of non-compliance with laws, regulations and corporate policies.



ESG (Environmental, Social & Governance)

Risks related to the impact of a project or operation on the environment

Strategic

Risks that affect the achievement of strategic goals and long-term direction.



Operations

Risks related to internal processes, support systems and daily management.




Finance & Investments

Risks that impact financial position and investment decisions.



Active Management of Climate-Related Risks (a key subset of ESG)

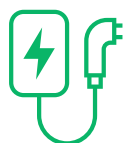
We actively manage climate-related risks by incorporating them into our ERM and strategic planning processes. These risks are recorded in the Corporate Risk Register and are reviewed by both the SMC and the BGRMC, ensuring high-level oversight.

Key Climate-Related Risks	Potential Impact on Financial Performance	Potential Impact on Financial Position	MBI Selangor's Response and Mitigation
Flooding and Extreme Weather Events 	<ul style="list-style-type: none"> » Operational disruptions affecting service delivery and revenue generation. » Project delays leading to cost overruns and deferred income. » Increased maintenance and contingency expenses. 	<ul style="list-style-type: none"> » Damage to physical assets, increasing repair and replacement costs. » Higher capital requirements for flood-resilient infrastructure. » Increased insurance premiums or reduced insurability. 	Assessing flood-prone areas; adapting engineering designs with flood mitigation elements; implementing emergency response plans.
Carbon Emissions and Environmental Regulations 	<ul style="list-style-type: none"> » Increased operating costs from energy use, carbon taxes, and regulatory reporting. » Possible penalties or restrictions affecting certain business activities. 	<ul style="list-style-type: none"> » Potential liabilities from non-compliance with environmental laws. » Additional investment required for emissions-reducing technologies and system upgrades. » Exposure to future carbon pricing or emissions fees. 	Complying with all regulations; reducing our carbon footprint through energy-efficient technologies and sustainable procurement.
Sustainability and Climate Strategy 	<ul style="list-style-type: none"> » Long-term cost savings from improved efficiency and reduced resource use. » Stronger market positioning and stakeholder confidence. » New revenue opportunities in green economy sectors (e.g., renewable energy, circular economy initiatives). 	<ul style="list-style-type: none"> » Higher upfront investment in energy efficiency, renewable solutions, and climate-resilient infrastructure. » Greater access to sustainability-linked financing and green funding. » Enhanced asset value through adoption of sustainable design standards. 	Embedding climate considerations in investment decisions and project planning; including climate risk indicators in project assessments.

This structured approach helps us effectively allocate resources, measure our impact, and communicate our progress with transparency and accountability.



Safeguarding Our ENVIRONMENT



“Sustainability is the thread woven into every project we undertake. From reducing energy consumption by 4% in 2024 (compared to 2023) through energy efficiency to decreasing printing volume by 8.03% through digitalisation, our approach is a progressive roadmap to a low-carbon, resilient Selangor.”

Ts Mohammad Faizal Harun

Head of Administration and Facility Management





Securing Selangor's Natural Capital

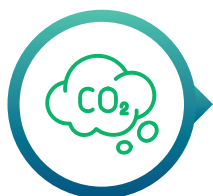
As the strategic investment arm of the Selangor State Government, MBI Selangor is intrinsically linked to the long-term well-being of the State's natural resources and ecological heritage. Our environmental mandate transcends compliance; it is about protecting the state's natural capital, its water, air, land, and biodiversity, to secure a low-emission, climate-resilient, and prosperous future for the people.

Given the MBI Group's diverse portfolio across Property, Water, Utilities, and Mining sectors, we recognise our critical role in managing both the physical and transition risks associated with climate change. Our strategy aligns fully with the Rancangan Selangor Pertama (RS-1) framework, embedding sustainability, circularity, and environmental stewardship across all Group operations.

Additional Disclosure on Subsidiary Impact

While MBI Selangor is working towards full consolidation of quantitative Group-level metrics, we also highlight initiatives from our subsidiaries as evidence of our strategic progress. These initiatives demonstrate how the MBI Group is leveraging its diverse portfolio to safeguard the environment through operational innovation and local environmental stewardship.





CLIMATE ACTION

Why this is Important to Us

Climate change is an important issue that affects MBI Selangor's operations, investments, and long-term value creation. As a state-owned entity with diverse subsidiaries, we must understand and manage the physical and transition risks arising from a changing climate.

Addressing climate change helps MBI Selangor strengthen business resilience, reduce exposure to environmental and financial risks, and support Selangor's transition towards a resilient, low-carbon economy. This commitment is focused on managing operational carbon footprints (transition risk) and strengthening infrastructure against extreme weather events (physical risk).

GRI Disclosure

GRI 305
(Emissions)

GRI 302
(Energy)

UNSDG Alignment



Our Strategy and Action

MBI Selangor manages the material matter of climate change through alignment with the State's key sustainability and low carbon development frameworks. The RS-1 outlines the State's approach under the strategic theme "Advancing Sustainability", which guides MBI Selangor's actions and those of our subsidiaries.

The RS-1 plan introduces initiatives such as developing a greenhouse gas inventory and capacity building for low carbon cities across all local authorities, tracking emissions in every sector through mandatory monitoring and reporting, and adopting the National Low Carbon Mobility Blueprint and the National Low Carbon Cities Master Plan to support the State's goal of achieving net zero carbon emissions by 2050. It also calls for regulatory measures including annual greenhouse gas reporting, setting sector level reduction targets, and applying technology such as carbon sensors and data systems to measure and verify emissions. RS1 further addresses adaptation through strategies to strengthen resilience and disaster management by implementing nature-based solutions and improving community preparedness for floods and landslides.

Complementing this, MBI's THRIVE28 Transformation Plan and Group Strategic Blueprint translate the State's climate policies into corporate practice by embedding sustainability governance, establishing a Board Sustainability Committee, and investing in sectors that contribute to low carbon development such as water security, renewable energy, waste management, and circular economy projects. We have also implemented several initiatives across our development projects to address and manage climate change, particularly through sustainable design, energy efficiency, and carbon-reduction measures.



(see Impact Story on page 58).



Our Performance

1. Energy Management and Efficiency Initiatives

In 2025, MBI Selangor conducted a detailed energy audit at Bangunan Darul Ehsan, identifying measures to improve energy efficiency and reduce emissions. Planned interventions include replacing conventional lighting with light emitting diodes (LEDs), de-lamping over-lit areas, and upgrading chillers to higher-efficiency models within a 5-year timeline, supported by Energy Performance Contract (EPC), leasing, or green financing mechanisms.



These actions **target a 2–5% energy reduction by 2026.**

The Bangunan Darul Ehsan case study illustrates previous efforts, achieving a **4% reduction in energy use, equivalent to 125 tonnes of CO₂e avoided in 2024 (compared to 2023).**

Insights from this site guide broader strategies and support the ongoing GHG inventory process, which will form the basis for establishing Scope 1, Scope 2, and partial Scope 3 emissions and setting targeted reductions for 2026.

2. Energy Consumption for MBI Selangor

i. Energy Consumption by Source

- a. Electricity Consumption
(Purchased electricity from grid)

Period	Electricity (MWh)	Electricity (GJ)
Jan–Dec 2024 (12 months)	4.19	15,101
Jan–Jun 2024	2.05	7,378
Jan–Jun 2025 (6 months)	1.94	6,991
Total (18 months)	6.14	22,093

Electricity is sourced from the national grid (TNB), which is predominantly non-renewable based on the national energy mix (energy statistics).

- b. Fuel (Petrol) Consumption – 12 Company Cars

Period	Petrol (Litre)	Energy (MJ)	Energy (GJ)
Jan–Dec 2024 (12 months)	30,000	1,026,000	1,026
Jan–Jun 2025 (6 months)	15,000	513,000	513
Total (18 months)	45,000	1,539,000	1,539

Conversion applied: Petrol = 34.2 MJ per litre (standard GRI/Tier 1 energy factor).

ii. Total Energy Consumption

Period	Electricity (GJ)	Petrol (GJ)	Energy (GJ)
Jan–Dec 2024	15,101	1,026	16,127
Jan–Jun 2025	6,991	513	7,504
Total (18 months)	22,093	1,539	23,632

All disclosed energy is non-renewable, as the organisation has not yet installed onsite renewable generation during this period. In 2024 and the first half of 2025, the Group's energy consumption was derived entirely from non-renewable sources, including purchased grid electricity and petrol used by the Group's 12 company cars.



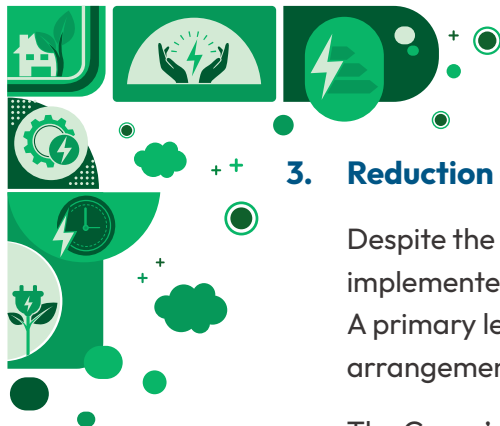
From January to December 2024, total energy consumption amounted to **16,127 GJ**, comprising **15,101 GJ of electricity** and **1,026 GJ of petrol.**

For January to June 2025, the Group recorded **7,504 GJ** of energy consumption, including **6,991 GJ of electricity** and **513 GJ of petrol.**

Across the full 18-month reporting period, total energy consumption was **23,632 GJ**, of which **22,093 GJ** came from electricity and **1,539 GJ** from petrol. All energy consumed was non-renewable based on the national energy mix and the fuel used by the Group fleet.



Climate Action



3. Reduction of Energy Consumption

Despite the absence of on-site renewable energy generation, MBI Selangor implemented targeted energy reduction measures during the reporting period. A primary lever for this reduction was the implementation of hybrid work arrangements between January and June 2025.

The Group's energy reduction strategy focuses on lowering fuel consumption associated with physical commuting. This initiative directly impacts our Scope 3 emissions (Category 7). Total energy consumption reflects the Group's aggregate electricity and fuel use; however, the reductions achieved through hybrid work demonstrate the efficacy of specific management actions in mitigating our carbon footprint.

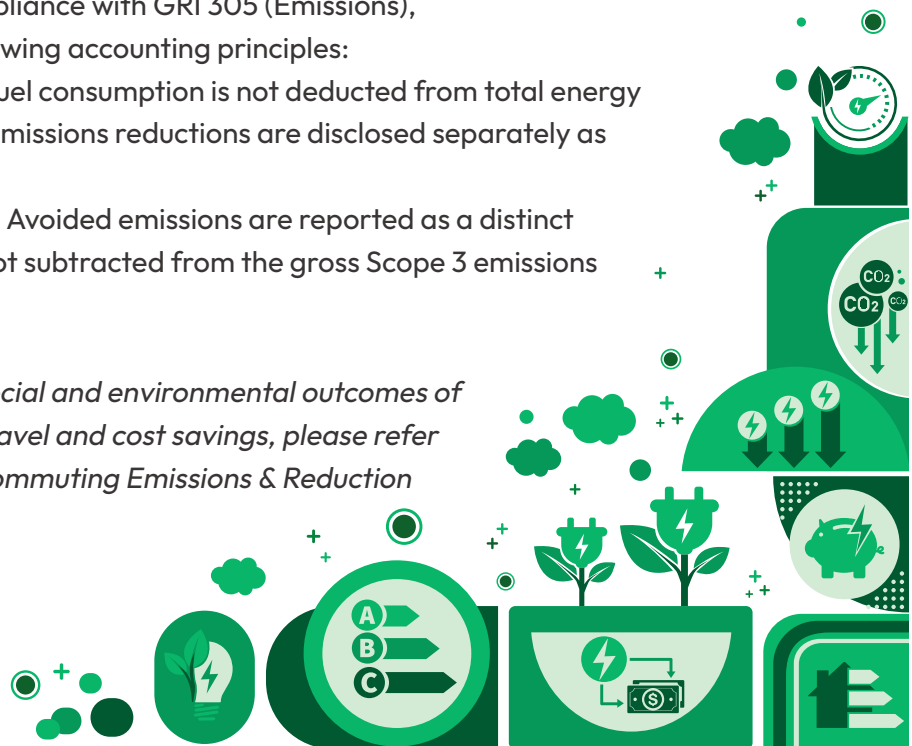
Reporting Integrity & Transparency

To ensure transparency and compliance with GRI 305 (Emissions), MBI Selangor adheres to the following accounting principles:

- » Separation of Data: Reduced fuel consumption is not deducted from total energy consumption figures; instead, emissions reductions are disclosed separately as initiative-based outcomes.
- » Avoidance of Double Counting: Avoided emissions are reported as a distinct performance metric and are not subtracted from the gross Scope 3 emissions inventory.



For a detailed narrative on the social and environmental outcomes of this initiative, including specific travel and cost savings, please refer to the Impact Story: Employee Commuting Emissions & Reduction on page 57.



4. MBI Selangor and Selected MBI Selangor Subsidiaries' GHG Emissions

GHG accounting principles serve as the primary guide for implementing the GHG Protocol Corporate Standard.

Similar to the principles of financial accounting and reporting, generally accepted GHG accounting principles serve as the foundation for guiding MBI Selangor in measuring and reporting its emissions. By adhering to these principles, MBI Selangor can ensure the reported information represents a faithful, true, and fair account of its GHG impact. This principle functions as a roadmap for implementing the GHG Protocol Corporate Standard. The consolidation approach is by operational control.

a. Direct (Scope 1) GHG emissions in metric tons of CO₂ equivalent (tCO₂e):

- » The total Scope 1 greenhouse gas (GHG) emissions of MBI Selangor and three selected subsidiaries amounted to 33,454 tonnes of tCO₂e during the reporting period, as presented in Table 1.
- » Table 2 outlines the assets owned and managed by MBI Selangor, KSSB, KDEB, and LLSB that are included within the Scope 1 GHG emissions boundary.
- » Scope 1 direct emissions arise from the direct combustion of fuels, primarily petrol and diesel, associated with the operation of these assets.

Entity	Scope 1 (tCO ₂ e)		
	Emissions (Jan-Dec 2024)	Emissions (Jan-Jun 2025)	Total (Jan 2024-Jun 2025)
MBI Selangor	71.1	35.5	106.6
KSSB	133.0	58.1	191.1
KDEB	19,086	14,070	33,156
LLSB	N/A ²	N/A ²	N/A ²
Total	19,290	14,164	33,454

Entity	Petrol Vehicles	Diesel Vehicles
MBI Selangor	12 Cars	N/A
KSSB	2 Cars	15 Vehicles
KDEB	17 Cars	<ul style="list-style-type: none"> » 5477 Compactor Trucks » 603 Armroll » 3 Mini Compactor Trucks » 6 Portable High-Pressure Jetter » 2 Road Sweepers » 1 Truck-Mounted High-Pressure Water Jetter » 1 Catch Basin Cleaner » 1 Beach Comber » 1 Glutton Electric Litter Picker » 69 Quad Cycle
LLSB	<ul style="list-style-type: none"> » 1 Car » 2 Motorcycles 	N/A

- » N/A refers to data not being tracked in required unit. LLSB Scope 1 data is not included as fuel consumption data in litres were not available. KDEB's total Scope 1 emissions are notably the highest, primarily because of their extensive diesel consumption for their fleet, as they possess the largest number of vehicles.

Climate Action

b. Indirect (Scope 2) GHG emissions in tCO₂e:

- » The total Scope 2 greenhouse gas (GHG) emissions of MBI Selangor and three selected subsidiaries amounted to 422.62 tCO₂e during the reporting period, as presented in Table 1.
- » Table 2 outlines the offices of MBI Selangor, KSSB, KDEB, and LLSB used for daily operations that consume electricity and are included within the Scope 2 GHG emissions boundary.
- » Scope 2 direct emissions arise from the electricity consumption within their offices

Entity	Scope 2 (tCO ₂ e)		
	Emissions (Jan-Dec 2024)	Emissions (Jan-Jun 2025)	Total (Jan 2024-Jun 2025)
MBI Selangor	111.9	53.6	165.5
KSSB	60.9	64.1	125.0
KDEB	67.4 ¹	34.8 ¹	102.2
LLSB	18.3	11.6	29.9
Total	258.5	164.1	422.6

Entity	Office	Others
MBI Selangor	1 Headquarter, Shah Alam (Level 2, 14, 23 and 24 only at Bangunan Darul Ehsan)	N/A
KSSB	» 1 Headquarter » 2 Branch Offices	N/A
KDEB	» 1 Headquarter, Shah Alam » 11 Branch Offices	» 16 Crew Lodging/Depots » 1 Recycling Centre
LLSB	1 Headquarter, Shah Alam	» 1 Waste Sorting Facility

MBI Selangor's total Scope 2 emissions are notably the largest because it has the highest electricity usage among the entities.

c. Other indirect (Scope 3 – Category 7) GHG emissions: Employee Commuting Emissions in metric tCO₂e:

- » The total Scope 3 greenhouse gas (GHG) emissions of MBI Selangor and three selected subsidiaries amounted to 2,692.8 tCO₂e during the reporting period, as presented in Table 1, calculated using employee commuting surveys, participation rates, and standard emission factors, with variations driven by workforce size.
- » KDEB's total Scope 3 emissions is the highest, due to having the highest number of employees of around 800, while LLSB's total Scope 3 emissions is the lowest, due to having the lowest number of employees of around 29.

Entity	Survey Respondents	Total Employees	Participant Rate (%)	GHG Intensity (tCO ₂ eq per employee)	Total GHG Emission (tCO ₂ eq)
MBI Selangor	97	162	59.9	2.1	346.9
KSSB	140	271	51.7	2.8	770.5
KDEB	288	800	36.0	1.9	1,510.9
LLSB	29	29	100	2.2	64.5
Total					2,692.8

d. GHG Emissions Intensity: Per Employee Commuting Emissions

Employee commuting emissions per employee allows MBI Selangor to compare its environmental performance, identify its commuting-related emissions and track progress over time.

KSSB has the highest GHG intensity, which is per employee commuting emissions, due to having larger proportions of mode of transport with higher emission factor, petrol and diesel car. KDEB has the lowest GHG intensity, due to having larger proportions of mode of transport with lower emission factor, motorcycle.

Impact Story

Employee Commuting Emissions & Reduction

Climate action and employee well-being can be inextricably linked. By formalising hybrid work arrangements, MBI Selangor has transitioned toward a more adaptive and sustainable workplace culture that prioritises inclusivity and work-life balance while delivering measurable environmental benefits.

Our hybrid work model has transformed our operational footprint, achieving the following avoided impacts between January to June 2025:

- » 211,848 km of employee travel avoided.
- » RM39,085.96 in estimated travel cost savings for our workforce.
- » 44.71 tCO₂e of Scope 3 emissions avoided.

While participation levels fluctuated, the efficiency of the programme remained high. On a normalised basis, each participating employee avoided an average of 0.26 tCO₂e per quarter. This indicates a sustained individual contribution to the Group's climate goals, regardless of total headcount at any given time.

Note on Disclosure: These avoided emissions represent a specific reduction within the broader Scope 3 Category 7 emissions inventory. While the total inventory reflects our complete footprint, this Impact Story highlights the success of management-led interventions. (Refer to Reduction of Energy Consumption for energy data and reporting methodology).

Period	No. of Employees	Travel Costs (RM)	KM Travelled Avoided	Carbon Emissions Avoided (tCO ₂ e)	Carbon Avoided per Employee (tCO ₂ e)
Jan-Mar 2025	94	21,933.67	118,881.60	25.09	0.27
Apr-Jun 2025	80	17,152.29	92,966.40	19.62	0.25
Total/Avg	—	39,085.96	211,848.00	44.71	0.26 (avg)



Climate Action

Impact Story

The Kompleks Sukan Shah Alam (KSSA) Redevelopment Project

“By prioritising renewable energy use, green building certification, digital construction technologies, and adaptive design, MBI Selangor demonstrates leadership in advancing the State’s climate change mitigation and adaptation goals.”



Through the redevelopment of the Kompleks Sukan Shah Alam (KSSA), MBI Selangor has implemented a comprehensive set of initiatives to address the challenges of climate change by integrating sustainability, energy efficiency, and environmental management throughout the project lifecycle.

The KSSA project adopts a green building design approach, utilising environmentally friendly construction materials, energy-saving technologies, and solar photovoltaic (PV) panels to reduce energy dependence and carbon emissions. The installation of these systems supports long-term energy efficiency while contributing to Selangor’s low-carbon state agenda. A Rainwater Harvesting system is integrated into the roof design to collect and store rainwater for landscape maintenance purposes. More than 30% of the entire KSSA development is dedicated to a Wetland Botanic Park, featuring over 1,000 trees, green roofs, and vertical greening. These elements help reduce the urban heat island effect and enhance air quality.

The Ethylene Tetrafluoroethylene (ETFE) roofing technology used in the new stadium design is both lightweight and light-transmitting, which improves natural lighting and reduces the need for artificial energy consumption. This innovation minimises the building’s heat load, enhancing ventilation and overall energy efficiency.

To minimise construction-related carbon impact, we implemented an on-site waste management and recycling system. Concrete and demolition debris from the former stadium were collected, sorted, and reused in new construction works, reducing waste sent to landfills and significantly lowering the project's embodied carbon footprint. More than 424,000 metric tonnes of concrete were reused for backfilling works, while over 20,000 metric tonnes of metal, steel, and aluminium were recycled during the demolition of the former Stadium Shah Alam. Only about 45 metric tonnes (approximately 0.01%) were sent to landfills as construction and domestic waste.

The project employs Building Information Modelling (BIM) to optimise design coordination and resource use, which reduces material wastage and energy consumption during construction. The use of BIM also enables accurate monitoring of carbon emissions, making the development process more transparent and data driven.

In recognition of its sustainability performance, the KSSA project is designed to achieve LEED (Leadership in Energy and Environmental Design) Silver Certification. It has demonstrated strong results across key categories including Energy and Atmosphere, Water Efficiency, Sustainable Sites, and Innovation, achieving an estimated total of 54 points, a tangible reflection of MBI Selangor's commitment to sustainable construction and carbon reduction.

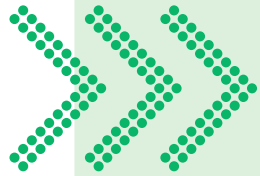


To enhance resilience against climate-induced disasters, MBI Selangor has incorporated a local flood mitigation plan within the project that consists of several catchment areas strategically located within the Wetland Botanic Park. This includes collaboration with the Department of Irrigation and Drainage (JPS) to construct a 10-acre retention pond adjacent to the KSSA site to manage stormwater and mitigate flood risks, which are increasingly frequent due to changing climate patterns.

The integration of these initiatives not only reduces KSSA's overall environmental impact but also establishes a replicable model for climate-resilient infrastructure development in Selangor.



Climate Action



GOING FORWARD

Going forward, MBI Selangor will continue to strengthen our response to climate change by implementing low-carbon, energy-efficient, and climate-resilient strategies across all development and infrastructure projects.

Aligned with the MBI Selangor Sustainability Policy, the organisation will also prioritise data-driven monitoring of carbon footprint and resource consumption through digital systems, enabling better reporting and continuous improvement in environmental performance. These actions reflect our long-term goal to embed climate-conscious decision-making within our operations and investments, driving Selangor's transition toward a low-carbon, resilient, and sustainable economy.

MBI Group Highlights: Climate Change and Carbon Reduction

Several subsidiaries are also leading the charge with clear reduction targets and innovative low-carbon solutions. These include (but is not limited to):



Mining and Minerals

Spearheading Low-Carbon Initiatives for Monitoring and Managing Mining Activities

Kumpulan Semesta Sdn Bhd (KSSB)

Carbon Reduction Roadmap:

- » Targets: Established progressive targets to minimise CO₂ emissions from company fleet operations in monitoring and supervising sand production, aiming to achieve a cumulative 15% improvement in fleet efficiency relative to sand output by 2028.
- » Emission Intensity Reduction: Achieved a 30% reduction in emission intensity (0.02 kg of CO₂ per metric tonne of sand in 2024 vs. 0.03 kg in 2023), achieved alongside a 12% increase in production.

Fleet and Energy Optimisation:

- » Fleet Measures: Key measures include the adoption of Euro 5 Diesel, preventive maintenance, driver training, and carpooling programmes.
- » Clean Energy Transition: Planned replacement of generator sets with battery-powered systems by 2025 and expanded use of solar-powered streetlights to reduce reliance on fossil fuels.



Retail and Financial Services

Managing Operational Emissions and Resource Reduction

Yayasan Hijrah Selangor (YHS)

Reduced Travelling and GHG Emissions:

- » Operational Streamlining: The merging of 21 branches to 12 and the launch of the Digital Loan Management System (DLMS) in 2025 is projected to reduce travel requirements for loan officers.
- » Quantifiable Savings: Achieved a 16.76% reduction in annual travelling cost in 2024. Further savings of 25-30% are expected with the launch of DLMS.

Energy Efficiency:

- » Consumption Reduction: Reduced electricity consumption by 17.1% in 2024 compared to 2023 from 163,743kWh to 135,810kWh due to the streamlining of operations through the merger of 21 branches into 12, with an estimated additional 10% annual savings projected moving forward.



Energy and Utilities

Championing Air Selangor's Net Zero Energy Vision 2040

Heliosel Sdn Bhd (Heliosel)

Pioneering Renewable Energy Projects:

- » First Installation: Successfully developed Malaysia's first renewable energy solar photovoltaic (PV) installation at the SSP2 Water Treatment Plant.
- » Innovation: Pioneering a hybrid renewable energy and battery storage project for clean energy solutions.

Green Finance and Governance:

- » Achievement: Received a Gold Sustainable Finance Rating for its Sukuk Kelestarian Framework in 2024, enabling investments in renewable energy and green building projects.
- » Established Policies: Introduced comprehensive Sustainability and Environmental Policies in 2024 to enable climate change mitigation and energy transition.

Modernising Waste Logistics for Low-Carbon Operations

KDEB Waste Management Sdn Bhd (KDEBWM)

Fleet Emission Transition (Euro 5):

- » Goal: Implementing Euro 5 compliant lorries for waste management operations in Selangor.
- » Target: Achieve 80% Euro 5 compliance for its roll-on/roll-off (RORO) truck fleet by the end of 2025.
- » Impact: Aims to reduce environmental impact by lowering carbon and nitrogen oxide emissions, improving fuel economy, and reducing noise pollution through the replacement of older Euro 3 fleet.

Implementing Energy Management Systems in Facilities

Darul Ehsan Facilities Management Sdn Bhd (DEFM)

Building Energy Efficiency (BEE) Programme:

- » LED Lighting Retrofit: Replaced conventional lighting with energy-efficient LED systems across managed facilities.
- » Power Factor Correction: Installed capacitors or synchronous condensers to reduce reactive power and improve overall electrical efficiency.
- » Equipment Standardisation: Commits to using certified energy-efficient appliances and equipment.

Sustainability Culture:

- » Employee Awareness & Training: Runs campaigns and training programmes to promote energy-saving behaviour at work and home.

Optimising Utility Infrastructure for Emissions and Resource Reduction

Koridor Utiliti Selangor Sdn Bhd (KUSEL)

Streamlining Utility Works:

- » Coordinated Excavation: By coordinating utility permit applications and consolidating excavation planning, KUSEL reduces duplicated road openings. This coordination indirectly lowers fuel consumption and carbon emissions by minimising repeated mobilisation of machinery and avoiding unnecessary excavation.
- » Shared Infrastructure Planning: KUSEL facilitates long-term planning for shared utility infrastructure such as Common Utility Trenches (CUT) and Dedicated Utility Road Crossings (DURC), which reduce land disruption and support improved energy efficiency across utility networks.

Operational Decarbonisation:

- » Digital Process Enablement: KUSEL promotes digital coordination processes, including digital submissions and data consolidation, helping reduce paper usage and contributing to a lower operational carbon footprint.

Climate Action



Health, Care and Education

Building a Low-Carbon and Environmentally Responsible Campus

UNISEL Sdn Bhd (Universiti Selangor)

Energy Efficiency:

- » Resource Reduction: Implemented energy-efficient lighting and promoted paperless administration.

Green Infrastructure & Climate Action:

- » Carbon Sequestration: Implemented tree planting and campus greening projects to enhance carbon sequestration.
- » Academic Integration: Integrated research and student projects focusing on renewable energy, sustainable agriculture, and climate resilience into academic programmes.



Investment Ventures

Intensifying Environmental Strategy across Manufacturing and Trading Sectors

Kumpulan Perangsang Selangor Berhad (KPS Berhad)

Strategic Governance and Reporting:

- » Sustainability Framework: Operations are guided by an overarching Sustainability Framework.
- » Prioritisation: Climate Change, Emissions, Energy Efficiency, and Waste Management are ranked as a medium priority, while Water Security is ranked as low-priority focus areas for the manufacturing segment.
- » Stakeholder Education: Conducts ongoing awareness and education for stakeholder groups to address environmental challenges.





WASTE MANAGEMENT

Why this is Important to Us

Waste management is important to MBI Selangor because it directly affects environmental performance, regulatory compliance, and community well-being. As a state-owned investment entity with diverse subsidiaries, our operations generate various types of waste from construction, manufacturing, commercial, and service activities.

Effective waste management helps reduce pollution, minimise landfill use, and ensure responsible resource consumption across all sectors. It also supports cost efficiency through better material use and recycling initiatives.

By improving waste management practices, we demonstrate accountability to environmental stewardship and aligns with Selangor's circular economy and sustainable development goals.

GRI Disclosure

GRI 306
(Waste)

UNSDG Alignment



Our Strategy and Action

Responsible waste management is central to MBI Selangor's commitment to resource circularity and minimising environmental contamination across Selangor. Our strategy supports the State's goal of moving away from a linear model towards a closed-loop economy. MBI Selangor's approach is concentrated on strengthening initiatives for waste reduction at the source and maximising diversion from landfills, supported operationally by our waste management subsidiary, KDEBWM.

As the holding entity, we lead by example, demonstrating that resource efficiency is a fundamental component of good governance. Reducing paper consumption and printing volume directly lowers operational costs, minimises material waste, and decreases the corporate carbon footprint, supporting the shift to a paperless, low-carbon operational model for the entire Group.

This reduction was driven by a multi-faceted strategy focused on **digitalisation, accountability, and behavioral change**:

Digital Workflows

Wide adoption of **electronic approvals**, cloud-based document sharing, and **digital meeting packs** to eliminate the need for hard-copy printing.

Targeted Monitoring

Instituted **departmental monitoring of print volumes** and monthly tracking of high-consumption units, enabling targeted awareness campaigns.

Behavioural Campaigns

Awareness initiatives encouraging staff to use **double-sided and black-and-white printing**, alongside education on general waste segregation and responsible resource use.

Waste Management



Our Performance

Print Reduction and Saving

The chart below highlights the progressive reduction of print volume and savings in print cost since January 2024.

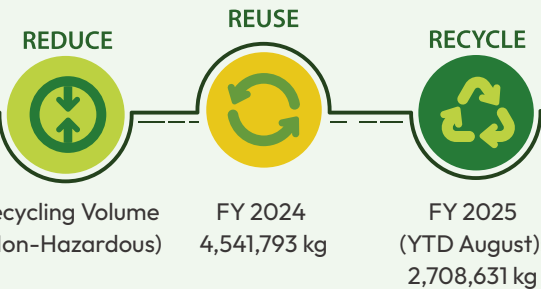
MBI Group

Printing Rate/Printing Costs



Operational Support (Subsidiary Action by KDEBWM)

Our subsidiary, KDEBWM executes the State's waste diversion strategy, achieving significant results in diverting non-hazardous waste from landfills.



Total Waste Diverted KDEBWM
11,653,103 kg



Waste Management Initiatives

MBI Selangor is laying the groundwork for comprehensive waste management across its operations. Pilot recycling initiatives are being planned at key high-traffic sites, complemented by awareness programs to promote recycling among employees and stakeholders. In addition, our developers implement zero single-use plastic policy at key construction sites. These efforts form the foundation for establishing a waste baseline and setting future reduction targets, demonstrating our commitment to responsible resource management.





Waste Management

Impact Story

Projek Rumah Idaman – Prioritising Responsible Construction





Construction sites are major contributors to landfill waste, often accumulating large volumes of disposable plastic from food packaging, water bottles, material coverings, and safety gear. This waste pollutes surrounding environments, clogs drainage systems, and is incompatible with Selangor's long-term circular economy goals.

The chosen developer for the Projek Rumah Idaman embraced a responsible construction approach by implementing a comprehensive Zero Single-Use Plastic Policy across all project sites. This proactive, source-reduction measure has improved site behaviour.



Policy Enforcement

The policy mandates the elimination of items like disposable plastic food containers, plastic bottles, and plastic cutlery provided to or used by contractors and workers on site.



Cleaner Work Environments

By eliminating the source of non-degradable waste, the policy minimises environmental contamination, promotes a cleaner, and more organised work environment, and drastically reduces the volume of waste requiring disposal.



ISO 14001 Alignment

The policy is managed under the framework of the ISO 14001 Environmental Management System standards, ensuring that site compliance and waste management practices are audited, verified, and continuously improved.

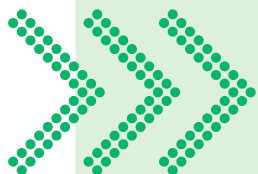


Digital Construction

The project also leverages digital tools like the Industrialised Building System (IBS), which inherently reduces material waste and construction debris – supporting the plastic ban with operational efficiency.

By eliminating single-use plastic and embedding the change within a certified management system, Projek Rumah Idaman sets a powerful precedent: affordable housing does not require environmental compromise. It exemplifies how disciplined source reduction can drive cleaner operations and deliver scalable, sustainable social impact.

Waste Management



GOING FORWARD

MBI Selangor will continue strengthening waste management through strategic implementation, focusing on advancing a circular economy model and promoting a zero-waste ecosystem across Selangor. Under the RS-1 “Advancing Sustainability” theme and the THRIVE28 Transformation Plan, future action plans include expanding waste segregation at source programmes to all local authorities, increasing recycling capacity through Integrated Solid Waste Management Centres, and introducing Waste-to-Energy (WTE) technology to reduce landfill dependency.

We will also develop digital waste monitoring systems to track waste flow, optimise logistics, and enhance operational efficiency. Continuous public engagement campaigns will be conducted to promote sustainable consumption and responsible waste behaviour, supporting Selangor’s goal of achieving a Low Carbon and Sustainable State by 2035.

MBI Group Highlights: Waste Management and Circularity

The waste management and circularity initiatives undertaken by MBI Group subsidiaries focus on improving recycling infrastructure, increasing community participation, and driving resource efficiency across corporate and operational sites.



Energy and Utilities

Pioneering Circularity and Recycling Infrastructure

KDEB Waste Management Sdn Bhd (KDEBWM)

Recycling Infrastructure Development:

- » Material Recovery Collection Facility (MRCF): Operates three strategic MRCFs at Jalan Korporat (Klang), Bukit Puchong (Subang), and Bukit Changgang (Kuala Langat) to process recoverable materials.
- » Community Access Points: Established multiple community access points including Buy-back and Drop-Off Recycling Centers (e.g., Cyberjaya, PPR HICOM, Hulu Selangor, Sepang) and Automatic Drive-Through Recycling Centers.

Community Engagement & Recovery:

- » SELKitar Programme: Runs a successful door-to-door recycling collection programme in collaboration with Nestle Malaysia and the State Government to provide convenience and significantly increase community participation and resource recovery.

Partnership and Awareness:

Actively engages in collaborations with local municipalities, private companies, and academic institutions to share best practices and raise public awareness for proper waste management and recycling.





Land and Property

Spearheading River Cleanup and Improving Waste Management

Landasan Lumayan Sdn Bhd (LLSB)

- » Under the Selangor Maritime Gateway (SMG) initiative, LLSB carries out continuous river cleaning operations along Klang River using five log booms and two solar-powered interceptors. These systems help trap and collect floating debris, preventing waste from flowing downstream and safeguarding the river's water quality and ecosystem.
- » Waste Processing: Established a dedicated waste sorting facility to efficiently manage and separate the waste collected through its river-cleaning efforts. The facility enables the recovery of recyclable materials, particularly plastics while reducing the amount of waste sent to the landfills and supporting a more circular and sustainable waste-management approach.

Redirecting to Waste from Landfills

Bukit Beruntung Golf & Country Resort Berhad (BBGC)

- » Contributes waste fruits, vegetables, and bread to feed local monkeys, redirecting food waste from landfills.



Health, Care and Education

Promoting Resource Circularity in Academia

UNISEL Sdn Bhd (Universiti Selangor)

- » Campus Programmes: Implemented a comprehensive student-led 3R Waste Programme (Reduce, Reuse, Recycle) to minimise campus waste and promote circular economy principles.

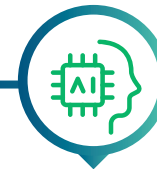


Investment Ventures

Industrial Waste Governance

Kumpulan Perangsang Selangor Berhad (KPS Berhad)

- » Compliance and Standards: Focuses on responsible waste management across its manufacturing segment, with 43% of its facilities being ISO 14001 certified.
- » Circular Economy: Integrates circular economy principles to manage resource consumption and waste generation within its manufacturing operations.



Media and Digital AI

Reducing Paper Volume

Media Selangor Sdn Bhd (MSSB)

- » Paper Volume Reduction: Successfully reduced its newspaper print volume from 150,000 copies to 80,000 in 2024, aiming for a further reduction to 50,000 in 2025. This effort serves as a direct form of source reduction, minimising paper waste and lowering the associated carbon footprint.



WATER STEWARDSHIP

Why this is Important to Us

Water stewardship is important to MBI Selangor because responsible water use supports both environmental sustainability and long-term operational resilience. Many of our subsidiaries operate in sectors that rely on water for production, maintenance, or service delivery, making efficient water management essential. By monitoring consumption, preventing contamination, and promoting reuse and conservation, the MBI Group can reduce costs, ensure regulatory compliance, and minimise environmental impact.

Strong water stewardship also supports Selangor's broader efforts to safeguard water resources for communities and future development, reinforcing MBI Selangor's role in promoting sustainable and responsible growth across the State.

GRI Disclosure

GRI 303
(Water and Effluents)

UNSDG Alignment



Our Strategy and Action

Water is Selangor's most critical natural resource. MBI Selangor's water stewardship strategy focuses on enhancing water security, promoting efficient consumption, and pioneering water reclamation technology to reduce the State's dependence on limited freshwater sources.

Our approach is guided by the Selangor State Water Management Policy and the RS-1 framework which outlines the strategic focus on water security, integrated river basin management, and sustainable resource governance. This is operationalised through subsidiaries such as Pengurusan Air Selangor Sdn Bhd (Air Selangor) and LLSB under the SMG initiative. The MBI Selangor Sustainability Policy also guides all projects to align with UN SDG 6 (Clean Water and Sanitation) and national frameworks such as the Integrated Water Resources Management (IWRM) approach.

Air Lestari, a subsidiary of MBI Selangor, was established to pioneer sustainable and alternative water management solutions through innovation in water reclamation, wastewater treatment, and resource recovery, directly contributing to Selangor's Zero Discharge Policy (ZDP) and Water Sector Transformation 2040 (WST2040) goals.

Looking ahead, Air Lestari will explore the establishment of advanced water treatment and reclamation facilities such as Water Reclamation Plant (WRP), Wastewater Treatment Plant (WWTP), and Sewage Treatment Plant (STP) that are designed to comply with Department of Environment (DOE). Effluent Standards A and B. These future facilities could transform industrial wastewater into reclaimed water meeting Ministry of Health (MOH) Drinking Water Standards, supporting long-term circular water use in industrial applications.

The company's Water Reclamation initiative enables industries to significantly reduce freshwater consumption by reclaiming between 65% and 80% of treated effluent. This approach turns wastewater into a sustainable resource while decreasing environmental pollution and pressure on natural freshwater sources.

Air Lestari's model advances circular water management by applying the 3R philosophy: Reuse, Recycle, and Recover, to close the loop in water usage and minimise wastage. This supports both water conservation and compliance with DOE's standards and Selangor's environmental regulations.

Through these integrated initiatives, MBI Selangor demonstrates leadership in advancing responsible water stewardship, reducing the State's dependence on limited freshwater sources, and securing a resilient water reserve margin to meet the needs of future generations.



(see Impact Story on page 72).



Our Performance

Total Water Consumption

In 2025, MBI Selangor recorded a total water consumption of **44,172 m³** across its operations. This reflects our ongoing commitment to monitoring and managing water use as part of sustainable resource stewardship.

Water and Effluents

Currently, the Group tracks **total water consumption at the corporate level**. Comprehensive data on water withdrawal by source, water discharge by destination and quality, and subsidiary-level water use are **being consolidated for future reporting**.

Water Stress Assessment

A formal assessment of operations located in areas with high or extremely high water stress has not yet been conducted. This will be addressed in future reporting cycles to support responsible water stewardship and alignment with GRI 303 requirements.

Next Steps

To strengthen water management, MBI Group plans to:

1



Establish water withdrawal and discharge monitoring across all operations.

2



Implement water quality monitoring to ensure compliance with environmental standards.

3



Conduct water stress assessments for operations in high-risk locations.

4



Set time-bound water reduction targets once baseline and monitoring data are fully established.

Water Stewardship

Impact Story

Closing the Loop with the Water Reclamation Initiative (WRI)

The long-term resilience of Selangor hinges on its water security. MBI Selangor, through our subsidiary Air Lestari Sdn Bhd (Air Lestari), is actively pioneering a circular water economy to reduce reliance on diminishing raw freshwater sources. The Water Reclamation Initiative (WRI) is a flagship effort that integrates cutting-edge technology with a commercially viable model to transform industrial wastewater into a valuable resource, aligning directly with UNSDG 6 (Clean Water and Sanitation).

The company's innovative Water Reclamation Initiative (WRI) integrates membrane-based technologies such as Ultrafiltration (UF) and Reverse Osmosis (RO) to remove contaminants, bacteria, and viruses. This process produces reclaimed water that can safely be reused in cooling systems, cleaning, and manufacturing processes, thereby enhancing water efficiency in industrial operations.



**Impact and Value Creation:****Water Resilience**

The WRI significantly enhances the state's water reserve margin, particularly in high-demand industrial zones, insulating economic activity from drought risk. This demonstrates MBI Selangor's commitment to sustainable water supply.

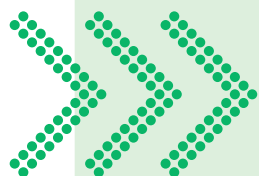
**Circular Economy**

The initiative is a practical application of the 3R Philosophy (Reuse, Recycle, Recover), and reducing overall environmental impact.

**Financial Accessibility**

Air Lestari's unique Zero Capex Model removes the financial barrier for industrial adoption, allowing businesses to install the reclamation system without heavy upfront investment. This sustainable solution yields an estimated 20–25% reduction in operational water costs for participating industries, showcasing shared value creation.

Water Stewardship



GOING FORWARD

Going forward, we aim to strengthen statewide water resilience by enhancing the Water Security Blueprint under RS1 and implementing smart water technologies through smart systems and AI-based leak detection systems. Concurrently, our subsidiaries will continue to expand vital field initiatives, such as **Non-Revenue Water (NRW)** reduction, stormwater harvesting, the SMG rehabilitation model, and community-based river adoption programmes.

The Group is adopting a comprehensive action plan to deepen its water stewardship commitment. Key initiatives include the expansion of rainwater harvesting and recycling systems and the adoption of smart metering for real-time usage monitoring. To ensure accountability, we will set measurable water reduction targets aligned with Selangor's sustainability agenda. Furthermore, water stewardship modules will be incorporated into training for staff and trainees, embedding sustainability practices throughout the organisation.

These concerted efforts are fundamentally aligned with the THRIVE28 Strategic Mission on Sustainability. By strengthening strategic partnerships with water agencies and NGOs for innovation and best practices, we ensure that robust water stewardship principles are integrated into the planning and execution of every major infrastructure and development project within our ecosystem.



MBI Group Highlights: Water Management and Stewardship

The water stewardship initiatives undertaken by MBI Group subsidiaries focus on ensuring water security for Selangor through integrated resource management, asset resilience, system efficiency, and the promotion of water circularity.



Water Division

Securing Water Supply and Quality

Pengurusan Air Selangor Sdn Bhd (Air Selangor)

Raw Water Source Protection (PAKAR):

- » Proactive Monitoring: The dedicated PAKAR (Pasukan Kualiti Air Raw) team conducts intensive, real-time monitoring across critical river basins, utilising advanced technology like Unmanned Aerial Vehicles (UAV) and operating a network of over 227 sampling points.
- » Pollution Mitigation: This surveillance provides early warnings and critical data to mitigate the risk of illegal dumping and pollution incidents that could disrupt the raw water supply for millions of consumers.

Water Quality Assurance:

- » Stringent Testing: Air Selangor maintains extremely high-quality standards by testing treated water every two hours for over 100 parameters, ensuring the water supplied meets the highest quality benchmarks for safety and consumption.
- » Digital Monitoring: Utilises the Hybrid Distributed Water Real-time Analyser (HYDRA/OACIS) system for automated, real-time quality monitoring to promptly detect and respond to any abnormalities in water quality across the distribution network.

Non-Revenue Water (NRW) Reduction:

- » System Efficiency: Focuses on reducing treated water loss through leakage, burst pipes, and meter inaccuracies. Air Selangor has achieved a significant reduction in its NRW rate, a crucial step in maintaining healthy water reserves and optimising resource use.
- » Asset Management: The NRW reduction strategy includes extensive pipe replacement programmes, targeted leakage detection technology, and the replacement of old or damaged meters.

Water Conservation Programmes:

- » Community Education: Runs public awareness campaigns such as 'Misi Jimat Air bersama BoBoiBoy' and programmes like 'Lestari Air' (for schools) and 'Hargai Air' (for religious organisations) to cultivate water-saving habits and reduce the average domestic water consumption (Litres Per Capita Per Day – LCD).

Driving Smart Water Management

Cubiq Meters Sdn Bhd (Cubiq Meters)

- » Smart Metering Deployment: Deploys smart meters and AMI communication network for accurate billing and efficient data-driven services, forming the foundation of a modern digital water ecosystem.
- » Sustainable NRW Management: Combines smart meters and acoustic leak detection for continuous NRW reduction through managed services
- » Integrated Digital Platforms (CubiqNexus™): Provides a unified integrated smart water management platform that integrates devices, systems, and analytics for smarter, real-time decisions. This supports faster decision-making, enhances operational efficiency, and strengthens overall water resource management.

Water Stewardship



Land and Property

Integrated River and Water Resource Management

Landasan Lumayan Sdn Bhd (LLSB)

- » Riverine Waste and Pollution Control: Conducts river cleaning efforts using innovative methods like the Solar-powered Interceptors and 5 logbooms to capture floating debris and waste.
- » Water Source Protection: This initiative directly prevents solid waste from polluting river systems, which serve as the primary raw water sources for treatment plants, thus supporting water security and quality upstream.



Health, Care and Education

Localised Conservation Initiatives

INPEN (Selangor) Sdn Bhd (STDC) & UNISEL Sdn Bhd (Universiti Selangor)

- » Water Efficiency Measures: Implemented on-campus water efficiency measures, including the installation of water-saving devices, low-flow taps, and dual-flush cisterns.
- » Resource Education: Integrates water conservation awareness into campus operations and student programmes to embed responsible water use among the future workforce.





BIODIVERSITY

Why this is Important to Us

Many of MBI Group's subsidiaries operate in sectors such as property, infrastructure, and agriculture, which can directly affect land use and natural habitats.

Protecting biodiversity helps prevent ecosystem degradation, ensures compliance with environmental regulations, and reduces the risk of long-term environmental damage. It also contributes to sustainable land management and the preservation of natural resources for future generations.

Through responsible planning and environmental management, MBI Selangor helps maintain biodiversity while supporting Selangor's green growth and conservation objectives.

GRI Disclosure

GRI 304
(Biodiversity)

UNSDG Alignment



Our Strategy and Action

MBI Selangor recognises that projects in property and infrastructure must proceed in harmony with the natural environment. Our biodiversity strategy focuses on responsible land use and targeted conservation efforts to maintain the ecological integrity of Selangor's diverse habitats.

Biodiversity management within MBI Selangor is guided by the Selangor State Biodiversity Policy, the RS-1 Sustainability Theme, and the MBI Selangor Sustainability Policy, which emphasise ecosystem conservation, responsible land use, and protection of natural habitats. We also align our initiatives with national frameworks such as the National Policy on Biological Diversity (NPBD) 2022-2030 and the Low Carbon City Framework (LCCF).

To this end, MBI Selangor has implemented multiple large-scale initiatives to protect, restore, and enhance biodiversity across the State, in line with the RS-1 sustainability agenda and the MBI Selangor Sustainability Policy.

The Sabak Bernam Development Area (SABDA)

exemplifies biodiversity proactivism by establishing the **Anjung Utara Selangor Biodiversity Reserve (AUSBR)**. The project integrates conservation with sustainable local livelihoods and integrated land-use planning, alongside multi-agency collaboration with key governmental bodies to position Selangor as a leader in nature-based climate action, ensuring biodiversity protection is a central, shared developmental goal.

Biodiversity protection is embedded in urban development through projects such as the **Kompleks Sukan Shah Alam (KSSA)**, which allocates over 310,000 square metres of green zones comprising a botanical park, jogging and cycling tracks, biodiversity zones, and a four-hectare flood retention pond. Native vegetation is being replanted to restore natural habitats, and the site design adopts environmentally friendly materials to reduce ecosystem disruption.

Within the **Selangor Maritime Gateway (SMG)** initiative, biodiversity enhancement is achieved through river rehabilitation and mangrove restoration, improving water quality, stabilising riverbanks, and re-establishing habitat corridors along the Klang River.



(see Impact Story on page 58 and 78)

Biodiversity

Impact Story

Anjung Utara Selangor Biodiversity Reserve (AUSBR)

MBI Selangor, together with our think-tank arm Selangor Research Institute (SRI), as the strategic partner, is leading the establishment of the AUSBR, which was approved for implementation on 12 August 2024 under the Sabak Bernam Development Area (SABDA) initiative and the Rancangan Selangor Pertama (RS-1) framework.

The AUSBR will be the first UNESCO – designated biosphere reserve in Selangor, envisioned as a model of sustainable development where human activities coexist in harmony with nature. The project integrates biodiversity conservation, community-based economic activities, and environmental education to support both ecological and social resilience.

The biosphere reserve covers approximately 297,661.25 hectares, encompassing a rich diversity of ecosystems — including the North Selangor Peat Swamp Forest (81,332 hectares), mangrove forests, and coastal and estuarine habitats — which serve as critical carbon sinks and wildlife habitats. These areas store an estimated 58 million tonnes of peat, equivalent to about 5 million tonnes of carbon, underscoring their importance in climate regulation and biodiversity protection.

The AUSBR is structured into three zones: the Core Area (comprising forest reserves such as Bukit Belata, Bukit Tarek, and Kuala Bernam), the Buffer Zone (for low-impact research, habitat restoration, and ecotourism), and the Transition Zone (for sustainable agriculture, community settlements, and eco-friendly development). This zoning system ensures long-term protection of biodiversity while enabling socio-economic benefits for surrounding communities.





As of mid-2025, key progress milestones include biodiversity and socio-economic data collection, drafting of zoning maps, and multi-agency workshops with partners such as PLANMalaysia, Jabatan Perhutanan, PERHILITAN, LUAS, and JUPEM. Public engagement activities, such as participation in Pesta Sawah Padi Sekinchan 2025 and the Inap Desa Empowerment Programme, have also been conducted to raise awareness and strengthen community involvement.

Complementing this, the High Impact Project Update Report (2025) identifies the Biosphere Reserve @ Anjung Utara Selangor as one of the key biodiversity projects under SABDA, supporting UNESCO's Man and the Biosphere (MAB) objectives of conserving natural ecosystems while promoting sustainable local livelihoods.

The initiative also complements other biodiversity-linked developments within SABDA, such as the Fisheries Industrial Zone at Sungai Lang, Sekinchan Integrated Landing Port, Karnival Ban Canal, and the Biosphere Reserve at Anjung Utara Selangor, which blend aquaculture sector development, conservation with eco-tourism and environmental education to raise public awareness and preserve local ecosystems.

Through the AUSBR, MBI Selangor demonstrates a long-term commitment to preserving Selangor's ecological heritage by aligning biodiversity conservation with responsible land use, scientific research, and sustainable community development. The project positions Selangor as a leader in nature-based climate action and ecosystem management within Malaysia and the broader ASEAN region.

Biodiversity



GOING FORWARD

Going forward, MBI Selangor aims to strengthen biodiversity protection through the continued implementation and expansion of the SBBR under the SABDA initiative, and its progress toward formal recognition by UNESCO's Man and the Biosphere (MAB) Programme by 2027.

We will also prioritise the protection of critical ecosystems including the North Selangor Peat Swamp Forest, mangrove areas, and riverine habitats through integrated management and conservation planning. In addition, ongoing development projects, such as the Kompleks Sukan Shah Alam (KSSA), will continue to integrate green zones, biodiversity corridors, and sustainable landscape design to balance infrastructure growth with ecosystem preservation.

MBI Group Highlights: Protecting Biodiversity and Ecosystems



Land and Property

Restoring Ecosystems Through Community Action And Education

Landasan Lumayan Sdn Bhd (LLSB)

- » Extensive CSR programmes (25 cleanups, 1,750 trees planted, 24 River Educational Trips) for awareness and education.

Fostering Public Health and Youth Stewardship

Central Spectrum (M) Sdn Bhd (CSSB)

- » Collaborated with partners in organising a Dengue Public cleaning
- » Prevention Gotong-Royong at Indah Point, Pulau Indah which focused on maintaining a clean and safe education and awareness environment, reducing mosquito breeding sites, and programme promoting public health.
- » Conducted an educational trip for underprivileged students to Farm in the City at Seri Kembangan focused on hands-on learning experience about animals, agriculture, and environmental conservation.



Subsidiaries' Environmental Stewardship Highlights

Beyond the core material matters, various subsidiaries within the MBI Group are implementing operational and community-focused initiatives that add significant value to the Group's overall environmental commitment.

Business Segment	Initiative/Progress	Environmental Impact Focus
Land and Property		
Landasan Lumayan Sdn Bhd (LLSB)	<ul style="list-style-type: none"> » River cleaning via Solar-powered Interceptors and 5 logbooms to remove floating waste. » Conducted Integrated Water Resource Management (IWRM)/Flood Mitigation project along Klang River (dredging/widening). » Established a waste sorting facility to enable recycling. » Extensive CSR programmes (25 cleanups, 1,750 trees planted, 24 River Educational Trips) for awareness and education. 	<ul style="list-style-type: none"> » Waste Management (Riverine Waste) » Water Quality » Water Security » Climate Adaptation (Flood Mitigation) » Biodiversity Management » Stakeholder Education
Kumpulan Hartanah Selangor Berhad (KHSB)	<ul style="list-style-type: none"> » Sustainability Policy and Framework approved by the Board in 2024. 	<ul style="list-style-type: none"> » Governance Integration
Central Spectrum (M) Sdn Bhd (CSSB)	<ul style="list-style-type: none"> » Collaborated with partners in organising a Dengue Prevention Gotong-Royong at Indah Point, Pulau Indah which focused on maintaining a clean and safe environment, reducing mosquito breeding sites, and promoting public health. » Conducted an educational trip for underprivileged students to Farm in the City at Seri Kembangan focused on hands-on learning experience about animals, agriculture, and environmental conservation. 	<ul style="list-style-type: none"> » Public cleaning » Biodiversity and ecosystem education and awareness programme
Permodalan Negeri Selangor Berhad (PNSB)	<ul style="list-style-type: none"> » Promoted energy conservation by installing energy-efficient lighting and encouraging staff to reduce electricity use. » Minimised waste through recycling practices such as reducing and reusing paper, as well as eliminated single-use plastic and paper cups, encouraging staff to bring their own. » Implemented Electronic Data Management System (EDMS) for reducing paper usage. 	<ul style="list-style-type: none"> » Energy Efficiency » Waste reduction » Paper Reduction
Bukit Beruntung Golf & Country Resort Berhad (BBGC)	<ul style="list-style-type: none"> » Worked with local retailer to contribute waste fruits, vegetables, and bread to feed local monkeys. 	<ul style="list-style-type: none"> » Waste Diversion » Resource Use
Mining and Minerals		
Kumpulan Semesta Sdn Bhd (KSSB)	<ul style="list-style-type: none"> » Established progressive CO₂ reduction targets (up to 30% cumulative by 2028). » Achieved 30% reduction in emission intensity (Oct 2024 vs Oct 2023). Initiatives: » Adopted Euro 5 Diesel » Fleet optimisation (driver training, carpooling), » Planned replacement of generator sets with battery-powered systems (2025), Expanded solar-powered streetlights 	<ul style="list-style-type: none"> » Climate Action » CO₂ Reduction » Energy Efficiency » Low-Carbon Operations

Subsidiaries' Environmental Stewardship Highlights

Business Segment	Initiative/Progress	Environmental Impact Focus
Water		
Air Lestari Sdn Bhd (Air Lestari)	» Innovative Water Reclamation Initiative (WRI) using membrane-based technologies (UF/RO) to produce reclaimed water for industrial reuse.	» Water Reuse » Circular Economy » Water Efficiency » Climate Change
Cubiq Meters Sdn Bhd (Cubiq Meters)	» Provides intelligent solutions for Smart Water Management and Sustainable NRW Management that enable measureable ESG impact, covering water loss reduction, energy efficiency, operational efficiency, and sustainability goal alignment. Established a Risk & ESG Committee to drive ESG data collection and reporting	» Water Efficiency » Climate Change » Circular Economy » Governance » Data & Reporting
Pengurusan Air Selangor Sdn Bhd (Air Selangor)	» Strengthened upstream engagement (supplier requirements for licensed disposal & packaging reduction). » Improved sludge management reduces hazardous outputs. » Improved segregation at plants and offices. Integrated climate disclosures aligned with TCFD/IFRS S2. » Expanded Scope 3 emissions monitoring, and improved GHG data tracking.	» Waste Management » Water Quality » Climate Change » Circular Economy
Energy and Utilities		
KDEB Waste Management Sdn Bhd (KDEBWM)	» Significant volumes of non-hazardous waste recycling (over 4.5 million kg in 2024). Expanding door-to-door recycling programme SELKitar. » Targeting 5 new recycling facilities by 2026.	» Waste Diversion » Recycling » Circular Economy
Koridor Utiliti Selangor Sdn Bhd (KUSEL)	» By coordinating utility permit applications and consolidating excavation planning, KUSEL reduces duplicated road openings. This coordination indirectly lowers fuel consumption and carbon emissions by minimising repeated mobilisation of machinery and avoiding unnecessary excavation	» Low-Carbon Operations
Darul Ehsan Facilities Management Sdn Bhd (DEFM)	» Regular energy audits » LED lighting retrofits » Power Factor Correction at Bangunan Darul Ehsan.	» Energy Efficiency
Urbancubes Sdn Bhd (Urbancubes)	» Implemented a Used Cooking Oil (UCO) Collection Programme in Pulau Indah to educate and encourage the community to manage used cooking oil responsibly. The programme promotes environmentally friendly disposal practices and supports broader efforts to minimise pollution.	» Waste collection
Heliosel Sdn Bhd (Heliosel)	» Green energy asset developer driving Net Zero Energy Vision 2040. » Secured Gold Sustainable Finance Rating for Sukuk Kelestarian Framework. » Developed Malaysia's first solar PV installation at SSPS Water Treatment Plant. » Pioneering a hybrid renewable energy and battery storage project. » Established Sustainability and Environmental Policies in 2024.	» Renewable Energy » Climate Change » Energy Efficiency » Governance

Business Segment	Initiative/Progress	Environmental Impact Focus
Health, Care and Education		
UNISEL Sdn Bhd (Universiti Selangor)	<ul style="list-style-type: none"> » Established Water Recycling Programme policy for non-domestic use. » Comprehensive Waste Management via student-led 3R Programme (composting, e-waste/oil recycling, “Trash for Cash”, creative reuse). » Implemented energy-efficient lighting and paperless administration. » Conducted tree planting. 	<ul style="list-style-type: none"> » Water Security » Waste Management » Climate Action » Energy Efficiency » Resource Reduction » Carbon Sequestration
INPEN (Selangor) Sdn Bhd (STDC)	<ul style="list-style-type: none"> » Complies with Environmental Quality Act 1974 and IWK/DOE standards. » Routine monitoring of discharge volumes and preventive maintenance. » Conducted water usage audits » Installed low-flow taps » Piloted rainwater harvesting systems. Implemented waste separation and e-waste recycling. 	<ul style="list-style-type: none"> » Water Quality » Water Conservation » Effluent Management » Waste Management
Retail and Financial Services		
Yayasan Hijrah Selangor (YHS)	<ul style="list-style-type: none"> » Streamlined branches and launched Digital Loan Management System to reduce travel/GHG emissions. » Reduced travel costs by 16.76% (2024) and lowered GHG emissions. » Digitalisation is projected to reduce paper usage by 36% (2025 vs 2024). » Reduced electricity consumption by 17.1% in 2024 compared to 2023 (from 163,743kWh to 135,810kWh) due to the streamlining of operations through the merger of 21 branches into 12, with an estimated additional 10% annual savings projected moving forward. 	<ul style="list-style-type: none"> » Resource Efficiency » Energy Efficiency » Climate Action » Low-Carbon Operations
Investment Ventures		
Kumpulan Perangsang Selangor Berhad (KPS Berhad)	<ul style="list-style-type: none"> » Guided by a Sustainability Framework. » Responsible water and waste management (minimising leakages, optimising consumption). » 43% of facilities ISO 14001 certified. Integrates circular economy principles. 	<ul style="list-style-type: none"> » Governance » Water Security » Waste Management » Circular Economy » Resource Efficiency
Media and Digital AI		
Media Selangor Sdn Bhd (MSSB)	<ul style="list-style-type: none"> » Successfully reduce its newspaper print volume from 150,000 copies to 80,000 in 2024 and achieved a further reduction to 50,000 copies in 2025. » Promoted environmental awareness 	<ul style="list-style-type: none"> » Resource Reduction » Stakeholder Education » Water Quality
SSDU Innovations Sdn Bhd (SSDU)	<ul style="list-style-type: none"> » Implemented digital workflows and memo reviewing to reduce paper usage and operational carbon footprint. 	<ul style="list-style-type: none"> » Resource Reduction
Yayasan Warisan Anak Selangor (YAWAS)	<ul style="list-style-type: none"> » Driving a Paperless Culture: Transition all program registrations to fully online platforms, eliminating the need for printed forms. » Smart Information Access: Minimise brochure printing by offering QR codes that lead to comprehensive information on YAWAS initiatives. » Promoting Reusable Habits: Provide reusable bags to the public as a step towards reducing single-use plastic consumption. 	<ul style="list-style-type: none"> » Digital transformation



Creating Meaningful SOCIAL IMPACT



“Our commitment transcends standard assistance. Through initiatives that channelled RM13.2 million into educational support for over 113,000 students and empowered 41,495 (Jan 2024 – June 2025) entrepreneurs through PLATS, we measure our success by the prosperity and well-being of all families and individuals in our communities.”

Ahmad Azri Zainal Nor
Head of Yayasan MBI





Investing in People and Communities

MBI Selangor recognises that the State's long-term prosperity is inseparable from the strength of our social contract with citizens. Our social mandate focuses on improving quality of life, ensuring the well-being and development of our workforce and communities, and promoting an inclusive, ethical and accountable operating environment. Drawing on the Group's broad portfolio – which spans education, microfinance, community services and more – we leverage our ecosystem to deliver sustained and measurable social outcomes. Our approach is aligned to the RS-1 framework and embeds principles of social responsibility, inclusion and equity across our subsidiaries and operational processes.

Where appropriate we report on subsidiary activity to illustrate the Group-wide effect of MBI Selangor's social strategy. This chapter, however, focuses primarily on MBI Selangor's core performance data and the impact delivered directly through Yayasan MBI Selangor and corporate social investment.





Community ENGAGEMENT & IMPACT

Why this is Important to Us

MBI Selangor plays a key role in contributing to the social and economic well-being of the people of Selangor. We uphold the responsibility of supporting communities through initiatives that promote education, entrepreneurship, job creation, and social inclusion. Our subsidiaries operate across sectors that interact closely with local communities. By actively engaging with residents, local authorities, and social groups, MBI Selangor ensures that projects address community needs and deliver meaningful, lasting benefits. Strong community engagement helps build trust, strengthen social cohesion, and align MBI Selangor's activities with Selangor's inclusive and sustainable development goals.

GRI Disclosure

GRI 203 (Indirect Economic Impacts)	GRI 413 (Local Communities)
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UNSDG Alignment



Our Strategy and Action

Community programmes are delivered primarily through Yayasan MBI. The foundation concentrates resources on strategic social investments to achieve scale and sustainability — prioritising education, community welfare, ummah development, entrepreneurship and digital inclusion. Rather than small ad-hoc gifts, the foundation's roadmap for 2025 formalises six CSR clusters: Education; Ummah Development; Community Development; Sustainability; Entrepreneurship (PLATS); and Special Projects. This structure is intended to shift the emphasis from volume of activity to measurable outcomes and long-term impact.





Our Performance

We have outlined six CSR clusters as our roadmap for continued community impact: **Education, Ummah Development, Community Development, Sustainability, Entrepreneurship (PLATS), and Special Projects.** In 2025, the total planned allocation of RM41 million reflects a strategic focus on expanding digitalisation access, providing zero-interest financing, enhancing skills training, and increasing collaboration with stakeholders through communication, branding, and public relations programmes. The goal is to strengthen MBI Selangor’s role as a state-linked enabler of inclusive growth and social progress, enhancing both community reach and long-term programme sustainability.

Key programmes conducted and the beneficiaries reported include:



Program Tuisyen Rakyat Selangor (PTRS)
66,000 SPM students and 30,000 Form 4 students.



Jelajah Kembali ke Sekolah and PIBG School Support
Over 16,800 students and 118 schools supported.



Ihya’ Ramadan and Aidilfitri Aid Distribution
1,500 vulnerable individuals and 440 mosques.



Food Basket and Community Empowerment Programmes
Over 37,000 food baskets distributed and support provided to 560 NGOs.



PLATS (Platform Selangor) Digital Entrepreneurship and Financing Assistance
41,495 (Jan 2024 – June 2025) registered entrepreneurs supported with training and marketing assistance.



Yayasan MBI’s financial allocations for the year 2025 are presented in the table below and total RM41.0 million:

Area	Total contribution (RM)
Education	11,350,000
Ummah Development	8,500,000
Community Development	4,500,000
Sustainability	10,150,000
Entrepreneur Development (PLATS)	5,000,000
Special Projects (Sports & Data)	1,500,000
Total	41,000,000



Community Engagement & Impact

Impact Story

Empowering Selangor's Entrepreneurs Through PLATS

“By prioritising renewable energy use, green building certification, digital construction technologies, and adaptive design, MBI Selangor demonstrates leadership in advancing the State's climate change mitigation and adaptation goals.”



Platform Selangor (PLATS) has become one of the State's most transformative social-economic initiatives, redefining how micro-entrepreneurs participate in the digital economy. Designed as a catalytic ecosystem rather than a standalone aid programme, PLATS combines digital onboarding, zero-interest microfinancing, training, and market-access support to uplift vulnerable and emerging entrepreneurs — particularly those without collateral, digital literacy, or the networks needed to scale.

From January 2024 to June 2025, 41,495 registered entrepreneurs benefited from PLATS, ranging from home-based food operators and gig workers to small traders entering the online marketplace for the first time. The initiative provides simple digital tools, hands-on business coaching, and free marketing exposure on social media platforms, enabling entrepreneurs to expand their customer reach beyond traditional neighbourhood markets.

What makes PLATS especially impactful is its emphasis on long-term economic participation, not short-term assistance. Global research shows that micro-businesses fail most frequently in their first two years due to poor digital visibility, limited cashflow, and lack of support networks. PLATS directly addresses these structural barriers by pairing financial access with capability-building and continuous mentoring — an approach consistent with the World Bank and UNDP's frameworks for sustainable microenterprise development.

Early qualitative evidence from participants highlights several positive shifts:



Increased income stability, as small traders gain regular online orders rather than relying solely on foot traffic.



Improved business resilience, with entrepreneurs reporting greater confidence in digital tools such as cashless payments, online marketing, and inventory management.



Enhanced social mobility, particularly for women, youth, and low-income individuals seeking flexible home-based income streams.

Moreover, PLATS has played an important role in bridging the digital divide across Selangor. Many beneficiaries entered the platform with little to no experience in digital commerce but have since adopted online sales practices, built customer bases, and developed basic branding skills — competencies that are increasingly essential in a rapidly evolving economy.

As PLATS matures, MBI Selangor is shifting towards deeper measurement of outcomes rather than activities. Upcoming cycles will track indicators such as business continuity beyond 12 months, average revenue growth among beneficiaries, and progress in financial literacy. These metrics will help assess how PLATS contributes to Selangor's broader goals of inclusive economic growth and upward mobility.



Community Engagement & Impact



GOING FORWARD

Yayasan MBI will sharpen our monitoring and evaluation framework, moving from activity counts to outcome metrics. This means transitioning from ad-hoc donations to long-term, strategic social investment programmes that generate quantifiable economic and social returns for local communities, particularly in areas of digital literacy and youth entrepreneurship.

MBI Group Highlights: Investment in Communities

Across the Group, several subsidiaries have demonstrated a steadfast commitment to elevating governance standards, operationalising integrity, and integrating sustainability into strategic decision-making. Key initiatives include:



Land and Property

Inclusive Growth through Structured Community Investment

Kumpulan Hartanah Selangor Berhad (KHSB)

- » 56% of operations conducted structured local community engagement and development programmes.
- » RM389,000 invested into community programmes benefiting 2,150 beneficiaries.

Contributing Towards Social Well-Being

Permodalan Negeri Selangor Berhad (PNSB)

- » Contributed approximately RM1,000,000 to community development activities.
- » Supported more than 50 beneficiaries annually.



Retail and Financial Services

Empowering Underserved Entrepreneurs

Yayasan Hijrah Selangor (YHS)

- » YHS focuses on microfinance and financial inclusion for small entrepreneurs, creating income-generating opportunities for underserved communities. Its work underpins MBI Selangor's entrepreneurship and community empowerment agenda.



Health, Care and Education

Strengthening Selangor's Talent Pipeline

UNISEL Sdn Bhd (Universiti Selangor)

- » Universiti Selangor continues to advance access to education and skills development in Selangor. As a private university serving diverse local communities, it plays a central role in enabling social mobility and strengthening Selangor's talent pipeline.



Invest, Tourism, and Social Promotion

Championing Child Welfare

Yayasan Warisan Anak Selangor (YAWAS)

- » Conducted Hari Kanak-Kanak Peringkat Negeri Selangor 2024 and contributed RM50,000.



Health, SAFETY AND WELLBEING

Why this is Important to Us

Protecting the health and safety of staff and the communities we serve is a core duty. A strong focus on occupational health and safety (OHS) helps prevent workplace incidents, promotes compliance with regulations, and safeguards the physical and mental well-being of employees. This reduces risk, preserves human capital and sustains service delivery. MBI Selangor also encourages work-life balance, employee wellness, and continuous improvement in safety practices across all subsidiaries. By prioritising employee well-being, MBI Selangor strengthens engagement, enhances performance, and builds a resilient workforce that contributes to long-term organisational sustainability.

GRI Disclosure

GRI 403
(Occupational
Health and Safety)

GRI 404
(Training and
Education)

UNSDG Alignment



Our Strategy and Action

MBI Selangor's Safety Unit uses a framework and conducts quarterly workplace safety audits as part of an integrated OSH management system designed to comply with OSHA 1994 and subsequent amendments. We also partner with healthcare and emergency services partners to deliver training, drills and awareness programmes, and invest in life-saving equipment. Furthermore, we implement comprehensive well-being programmes focusing on physical health, mental resilience, and fostering a supportive work environment through various employee engagement activities.



Health, Safety and Wellbeing



Our Performance

MBI Selangor achieved strong engagement for safety programmes across the year, and delivered a commendable zero-accident record at the corporate level. Recorded health and safety initiatives for the reporting period includes:

11 health, safety and wellbeing programmes conducted between July 2024 and September 2025.

Zero workplace accidents reported at corporate headquarters over the period.

Installation of four AED units across MBI Selangor headquarters.

Strong partnerships with KPJ Shah Alam, Hospital Avisena, RGMCM, Worldwide Medivest, and BOMBA Malaysia for safety training programmes.

Staff participation in health and safety initiatives recorded at 90% or higher.



Impact Story MBI Selangor Health and Safety Initiatives (2024–2025)

Effective Safety & Health Committee (JKKP) Training

Date: 11–12 July 2024

Venue: Cyberview Resort & Spa, Cyberjaya

Two-day training focused on strengthening the competencies of MBI Selangor's Safety & Health Committee (JKKP) members. The programme equipped representatives with deeper understanding of OSHA requirements, hazard identification methodologies and risk-mitigation responsibilities.

Outcome:

100% participation from all JKKP members. Participants demonstrated improved inspection readiness, strengthened reporting quality and enhanced coordination for safety compliance.



Heart Attack Awareness & Health Screening

Date: 11 September 2024

Venue: Meeting Rooms 1–3,
Level 23, Bangunan Darul Ehsan (BDE)

A health awareness session conducted in collaboration with KPJ Shah Alam, covering early signs of heart disease, emergency response procedures and a live AED demonstration.

Outcome:

Achieved 90% staff participation. Employees gained improved confidence in recognising cardiac emergencies and responding effectively during crisis.



Floor Warden Briefing (Departmental Level)

Date: 25 September 2024

Venue: Meeting Room, Level 18, BDE

Targeted briefing for departmental floor wardens on their roles during building evacuation, emergency communication protocols and incident coordination.

Outcome:

All wardens received updated instructions, resulting in stronger preparedness and improved clarity in evacuation roles.



Health, Safety and Wellbeing

Impact Story MBI Selangor Health and Safety Initiatives (2024–2025) (continued)

Mental Health Awareness Programme

Date: 21 November 2024

Venue: Meeting Rooms 1–3, Level 23, BDE

A corporate wellness seminar led by Hospital Avisena focusing on emotional resilience, stress-management strategies and early detection of mental-health risks.

Outcome:

High employee engagement. Staff established an informal peer-support network, contributing to a more supportive workplace culture.



Fire Safety, Emergency Response Team (ERT) Awareness & Simulation

Date: 29–30 October 2024

Venue: Saujana Hotel Kuala Lumpur



A comprehensive public awareness course conducted with BOMBA Malaysia, emphasising evacuation procedures, fire-suppression techniques and ERT duties. Included a live fire drill and simulation exercise.

Outcome:

Smooth, well-coordinated evacuation recorded during the drill. ERT members strengthened response times, communication flow and hazard-awareness capabilities.

Ergonomic Awareness & Intervention Programme

Date: 20 March 2025

Venue: Meeting Rooms 1–3, Level 23, BDE

A training session delivered by RGMC to educate staff on posture correction, workstation optimisation and fatigue prevention to reduce musculoskeletal risks..

Outcome:

Ergonomic checklists were adopted across departments. Improved workstation setups reported, with reduced ergonomic complaints from employees.



AED Handover Ceremony

Date: 8 April 2025

Venue: MBI Selangor Headquarters



A formal ceremony marking the handover of four AED units from the Selangor State Government to MBI Selangor, recognising the commitment to workplace emergency preparedness.

Outcome:

AED units installed strategically across headquarters. Staff confidence in emergency response enhanced.



Balanced Diet & Healthy Lifestyle Campaign

Date: 20 June 2025

Venue: Meeting Rooms 1–3, Level 23, BDE

A wellness campaign promoting nutrition awareness, balanced diets and active lifestyle choices to enhance employee well-being.

Outcome:

Full staff participation achieved. Post-event wellness surveys indicated improved awareness of dietary habits and health priorities.

Office Sanitisation Exercise

Date: 21 May 2025

Venue: MBI Selangor Offices (Level 14 & 23)

Targeted sanitisation undertaken as part of health-risk management following potential exposure incidents, ensuring safe workspace continuity.

Outcome:

Workplace safety preserved. Preventive measures followed according to SOPs, reinforcing organisational hygiene standards.



Health, Safety and Wellbeing

Impact Story MBI Selangor Health and Safety Initiatives (2024–2025) (continued)

AED & CPR Practical Training

Date: 10 September 2025

Venue: Meeting Rooms 1–3, Level 23,
BDE

Hands-on training facilitated by Worldwide Medivest, covering AED operation, CPR proficiency and coordinated response protocols in emergency situations.

Outcome:

100% competency achieved across all ERT members. Demonstrated improved lifesaving readiness and procedural accuracy.

Basic Occupational First Aid (BOFA) Course

Date: 23–24 June 2025

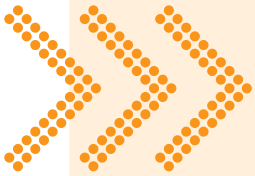
Venue: MBI Selangor Headquarters

A certified training module for ERT and JKKP members covering first-aid principles, CPR techniques, emergency assessment and casualty-management skills.

Outcome:

25 staff became certified first-aid responders, significantly bolstering MBI Selangor's internal emergency response capability.





GOING FORWARD

MBI Selangor will intensify efforts to enhance the safety culture across all high-risk operational subsidiaries. There are plans to digitise safety reporting and integrate real-time safety dashboards using CMMS and EHS software. Plans include expanding AED and first-aid certification to all floor wardens and ERT members, broadening mental health resources, and rolling out a formal Safety Action Plan for 2026 that includes measurable OSH targets.

MBI Group Highlights: Health, Safety & Wellbeing

Group subsidiaries in key infrastructure sectors operate in environments with elevated safety requirements and have established robust OHS systems aligned with industry standards.



Energy & Utilities

Safety Standards and Operational Excellence in Renewable Energy

Heliosel Sdn Bhd (Heliosel)

- » Implemented an HSE Management System supported by workers' induction programmes and company-level HSE rules.
- » Adopted recognised OSH standards including Working at Height Guidelines, Permit to Work Instructions, and CIDB induction.
- » Work scope includes ground and rooftop installation of solar panels, requiring stringent hazard identification and safety controls.
- » Achieved 105,304 accident-free hours for employees and 308,495 accident-free hours for controlled workers in 2024 for the period of January 2024 till June 2025).

Robust Occupational Health and Safety through Comprehensive Training and Monitoring

Cubiq Meters Sdn Bhd (Cubiq Meters)

- » Enforced comprehensive HSE Management Systems aligned with OSHA requirements.
- » Work scope includes DCU installation, meter installation, and warehouse operations, all covered within the OSH system.
- » Workers trained in fire drills, first aid and working-at-height protocols.
- » Achieved 37,304 accident-free hours with zero work-related fatalities in 2024.



Land & Property

Proactive Medical Support and Emergency Readiness

Landasan Lumayan Sdn Bhd (LLSB)

- » Provided internal training on working safely and conducted first-aid and emergency-response training for employees.
- » Offers outpatient and inpatient medical benefits for full-time employees as part of health and wellbeing support.





Talent Attraction and DEVELOPMENT

Why this is Important to Us

A skilled, motivated workforce is fundamental to delivering public value. By investing in employee development, training, and leadership programmes, we ensure that our people are equipped with the knowledge and skills needed to adapt to evolving State and sectoral needs. Fair recruitment practices and career growth opportunities also help attract and retain high-performing talent. A strong focus on talent development builds organisational capacity, promotes succession readiness, and supports long-term sustainability.

GRI Disclosure

GRI 404
(Training and Education)

UNSDG Alignment



Our Strategy and Action

MBI Selangor has implemented a comprehensive talent management strategy to ensure organisational resilience and leadership continuity. We implement competency frameworks, succession planning and targeted leadership development delivered through a structured Learning & Development framework. Programmes include leadership workshops, targeted technical certificates, health and safety training, and digital skills upskilling. Policies such as hybrid work arrangements, flexible hours and a pay-for-performance system support talent attraction and retention. These initiatives are driven by the Human Resources department to align employee growth with the Group's strategic blueprint and the State's development needs.





Our Performance

For the reporting period MBI Selangor has delivered:

- 11,404 hours of training delivered across more than 90 programmes in 2024 and 2025, reaching an annual average of 129 employees.
- Notable training topics included HR practitioner certification, safety committee training, Microsoft Power BI, and AED/CPR certification for ERT members.
- Staff engagement initiatives introduced: Dialogue Dynamic, Ukhwah sessions and cross-department teambuilding programmes to strengthen culture and internal collaboration.
- Monthly gatherings to celebrate staff birthdays, milestones, and achievements. This initiative nurtures camaraderie, appreciation, and a positive workplace culture.
- Company policies supporting modern work norms were implemented: **hybrid work arrangements, flexible working hours and flexible attire**. These policies promote work-life balance, inclusivity, and employee comfort, while also contributing to reduced commuting-related emissions and a more adaptive workplace culture.

MBI Selangor places a strong emphasis on nurturing a future-ready workforce capable of supporting the Group’s expanding portfolio and strategic transformation agenda. We prioritised structured learning pathways, leadership development, compliance-based upskilling, and digital competencies that directly enhance organisational performance and service delivery.

Total Training Hours & Investment (2024–2025)

Indicator	2024	2025	Total (2 Years)
Total Training Hours	5,447	5,957	11,404
Headcount	127	130	257
Training Investment (RM)	158,543	356,541	515,084

In 2024 and 2025, we recorded a combined 11,404 training involving annual average of 129 employees. Over the two-year period, MBI Selangor invested RM356,541 in talent development programmes, signalling ongoing commitment to capability building despite evolving business conditions. There was balanced participation between male and female employees, demonstrating equitable access to development opportunities.

Training Hours by Gender (Corporate Group)

Gender	2024		June 2025		Reporting Period Total Hours
	Head-count	Hours	Head-count	Hours	
Female	64	2,981	66	2,928	5,909
Male	63	2,466	64	3,029	5,495

In 2024, female employees logged 2,981 hours, slightly outpacing male employees at 2,466 hours. In June 2025, training participation remained stable with 2,928 hours recorded for female employees and 3,029 hours for male employees. The average training hours per employee across MBI Selangor remained strong for both years.

Training Hours by Employee Category (Corporate Group)

Category	2024		June 2025	
	Head-count	Hours	Head-count	Hours
Senior Management	14	311	13	945
Management	42	1,408	43	1,727
Executive	59	3,266	62	2,846
Non-Executive	12	462	12	439
Total	127	5,447	130	5,957

An analysis by employee category shows a targeted approach to upskilling. Executive-level employees recorded the highest training participation in 2024 at 3,266 hours, consistent with their operational front-line responsibilities. Senior Management also demonstrated significant commitment, with 311 and 945 hours respectively for 2024 and 2025. Similarly, Non-Executive employees participated actively in essential safety and compliance-based training, reinforcing organisation-wide preparedness and operational consistency.

Talent Attraction and Development

List of Training Programmes

A broad range of programmes were delivered in 2024–2025, covering:

“Are You Joining?” – Disprz Webinar	Focus Group Discussion for Facilities Management Contract – UiTM Perak
“Move Your Company Forward Faster for 2030” – Webinar	Go ESG 2024: Empowering Talent in Achieving the SDGs
2-Day Workshop on GHG Emission Accounting & Management	Hasil-MEF Tax Seminar 2024 (second session, different module)
3rd REHDA Selangor Housing Convention 2024	Hasil-MEF Tax Seminar: Strengthen National Economy, Accelerate Business Sector
ASEAN Carbon Forum 2024 – Carbon Crediting Programme & Carbon Projects	HR Retreat: Empower, Engage and Excel in the Current Era
Business Finance for Entrepreneurs and New Business Start-Ups	ICREX 2024
Certificate in Human Resource Practitioner	IHRP x Dayforce Webinar
Chart Your Path – IDP Workshop for Professional Growth	IIAM Conference
Company Secretaries Training Programme Essential 1.0 (Part A, B & C)	Impact Comm 2025: Shaping Corporate Communication for Impact
Contract of Employment – Guide for Drafting the Letter of Employment (Updated with Employment Act Amendments 2022)	Introduction to Investigation Training
Corporate Security Investigation Techniques	Karnival Ban Canal 2024 (awareness/engagement)
Decoding Hydrogen to Support Energy Transition	Kursus MFRS 120
Designing & Implementing Competency Matrix	Kursus Pasukan Keselamatan Kebakaran, Kesedaran Awam & Simulasi Latihan Kebakaran
Developing a Competency Model for Organisational Excellence	Kursus Pemantapan Penulisan Dokumen Rasmi
Developing Salary Structure	Kursus Penilaian Dokumen Rasmi Kerajaan (Kertas Kerja, Minit Mesyuarat, Laporan)
Dialog Dinamik	Kursus Penyelaras Keselamatan dan Kesihatan Pekerjaan
Disability Equality Training	Level 1: Certificate in Risk Management
Drone Training	MAICSA Annual Conference 2024
Effective Safety & Health Committee Training	Malaysia Quran Hour
Emergency Preparedness & Response	Managing for Performance
Employee Development Accreditation (Module 1 & 2)	MARIM Conference 2024
Engagement Session with RLO	MBI Selangor Future Talk
Fixed Asset Management & Tracking System with an Overview of ISO 55000	Media Utilisation in Managing Perception During Crisis
Fixed Asset Management	MEF National Conference
	Mergers & Acquisitions Masterclass
	MFRS–15: Revenue from Contracts with Customers

MIA Conference 2024
MIA International Conference 2025
Multinational Tax Seminar 2024
Navigating e-Invoicing Implementation: From RFP to Integration
Navigating Malaysia's e-Invoicing Mandate
Navigating the Future: AI, Market Trends & Project Performance
Present Like a Pro: Canva & PowerPoint Mastery
Productivity Transformation Using AI & ChatGPT
Program Kesihatan Mental
Project Management Professional
RANDEX 2024
Regional Housing Conference 2024
Risk Management Conference & C-Suite Forum 2024
Selangor Leadership Forum – Leadership in Action
Seminar Pembangunan Tanah Malaysia Madani 2024
Seminar Pembangunan Majikan Tahun 2024
Seminar Raikan Setiausaha 2024 – “Dia Pencetus, Dia Setiausaha”
Seminar Service Tax Updates 2024 Vol. 4 (Latest Updates & Exemption)
SIS & Ringgit Programme
SSM National Conference 2024
Sustainability Leadership Forum
Team Building
The CEO Series: Economy & Business Forum
Tools for New Auditors
Unlocking Potential SABDA at SPARK 2024 (Second Session)
Unlocking Potential SABDA at SPARK 2024
Webinar e-Invoice Implementation Import Export & SST Vol. 2
Webinar Seminar Belanjawan 2025

Webinar Series: Decision Making in a Company – Role of Company Secretary
Work Smart, Not Hard with Microsoft Excel & ChatGPT
Work-Life Sustainability Strategies for a Future-Proof Work Environment
Bengkel Pemukiman Polisi dan Panduan Pengurusan Tatatertib dan Disiplin Kumpulan MBI Selangor
Bengkel Penulisan Berita Profesional Berkesan
Kursus Energy Management & Energy Audit in Buildings
Kursus Microsoft Power BI
Kursus Penterjemahan Am
Persidangan Audit ASEAN
Taklimat Hari Tapir Sedunia & Masyarakat dan Lombong
Taklimat HRX
Taklimat KWSP
Taklimat Pengurusan Prestasi Tahun 2024
Taklimat Zakat
Penubuhan Majlis Teknologi Maklumat Kumpulan MBI Selangor (MBI Selangor IT Council) – 2025
Program Hari Keselamatan Siber “Membangunkan Budaya Keselamatan Siber Yang Kukuh: Menangani Ancaman – 2025
Sesi Teh Tarik Kumpulan IT MBI Selangor & Syarikat Milikan – 2024



Talent Attraction and Development

In addition to skill development, MBI Selangor continues to uphold strong governance around performance management and career progression. All employees undergo structured performance and career development reviews guided by clear internal criteria, ensuring transparency in progression and confirmation processes. Promotion decisions are based on merit, competency, performance and organisational needs, and are subject to oversight by Management and the Board.

Benefits provided to full-time employees:

Full-time employees and their immediate family (spouse and children under 23 who are still studying) are covered under the Group Hospitalisation & Surgical Insurance Scheme, which includes: Hospitalisation (excluding maternity), Specialist and professional fees, Surgery and intensive care, Emergency treatment.	Permanent staff are subject to a retirement age of 60 years, with potential contract extension to 65 years based on performance and health.
All full-time staff are protected under the Group Term Life and Personal Accident Insurance Scheme, which covers: death, permanent disability, temporary disability, medical and surgical treatment due to accidents.	Our company provides benefits-in-kind including laptop, corporate mobile phones, petrol and toll cards as well as company cars with drivers for eligible members of top management based on their respective entitlements.
Full-time employees, their legal spouses, parents, parents-in-law, and dependents are eligible for outpatient medical benefits at designated panel clinics.	All staff (including full-time and contract) are covered under EPF (KWSP) and SOCSO (PERKESO) contributions, but temporary/part-time employees may only receive limited statutory contributions without access to additional company benefits.
	The handbook specifies annual performance bonuses and salary increments for eligible full-time staff; these are not extended to temporary or part-time employees.

Parental Leave:

Female employees are entitled to apply for maternity leave of ninety eight (98 days) consecutive days, inclusive of rest days and public holidays. Any additional leave is subject to the discretion of the company.
Full salary during maternity leave is considered.

Impact Story
**Strengthening Talent
 Development
 for the Water Sector**

In 2025, Selangor is advancing efforts to build a skilled water management workforce through a new collaboration between Pengurusan Air Selangor Sdn Bhd (Air Selangor), INPEN (Selangor) Sdn Bhd (STDC), and UNISEL Sdn Bhd (Universiti Selangor). The partnership establishes an integrated training ecosystem to upskill staff, vendors, and future talent, forming the foundation for a dedicated Selangor Water Academy.

STDC will offer technical and vocational programmes leading to skills certification, while Universiti Selangor will develop accredited academic pathways.

Air Selangor staff will serve as trainers to ensure industry standards, supporting Selangor's goal of strengthening water utility management and service delivery for the future.



Talent Attraction and Development

GOING FORWARD

Going forward, MBI Selangor aims to strengthen our talent attraction and development ecosystem through structured frameworks and continuous learning initiatives. We will enhance our Competency, Learning & Development, and Succession Planning Frameworks to ensure workforce readiness and leadership continuity. Focus will be placed on expanding Individual Development Plans (IDPs) to support personalised career growth, integrating AI-driven productivity tools for learning efficiency, and aligning training content with organisational strategy and ESG priorities.

MBI Group Highlights: Talent Attraction & Development

Across the MBI Group, subsidiaries within Land & Property, Water, and Energy & Utilities also demonstrated strong commitment to employee learning, mirroring the Group's overall emphasis on capability-building and professional growth.



Land & Property

Targeted Management Training

Landasan Lumayan Sdn Bhd (LLSB)

- » LLSB maintained a focused approach to development in 2024, delivering 36 training hours for male employees and 64 hours for female employees. Training participation concentrated on senior and junior management, with average training hours of 3 hours (Senior Management) and 7 hours (Junior Management). These programmes reinforced operational efficiency and compliance within the division.

Equitable Access to Comprehensive Multidisciplinary Training Programs

Permodalan Negeri Selangor Berhad (PNSB)

- » In 2024, PNSB recorded 2,985 total training hours, supported by a total investment of RM267,204. Participation was balanced with 1,507 hours for male employees and 1,478 hours for female employees, reflecting equal access to development. Average hours ranged from 8.5 hours for male employees to 8 hours for female employees. Training across management levels was comprehensive, with Middle and Junior Management receiving the highest number of hours. PNSB also introduced targeted programmes such as Canva Visual Worksuite Training, SICW Green Card Induction, E-Invoicing Training and tax-related briefings.

High-Impact Staff Development and Investment

Kumpulan Hartanah Selangor Berhad (KHSB)

- » KHSB achieved a strong overall performance, recording 2,330 total training hours in 2024 and investing RM254,070 in staff development. Male employees accumulated 1,102 hours, with female staff recording 1,228 hours. Average training hours per employee were among the highest within the Group – 79 hours for male employees and 65 hours for female employees. Training was highly structured across all levels, from Senior Management to Non-Executive, spanning leadership, governance, operational excellence and safety.
- » KHSB also shows a significant reduction in overall turnover from 2024 to 2025. However, a critical finding is that 100% of the turnover in 2025 was female, suggesting a potential issue with the retention of women that requires immediate investigation. Hiring in 2025 was exclusively male, a stark contrast to 2024, which risks reversing the company's gender diversity. The data indicates a need to review hiring practices, workplace culture, and support systems for female employees to ensure equitable treatment and retention.



Water

Upskilling through Multidisciplinary Capability Building

Cubiq Meters Sdn Bhd (Cubiq Meters)

- » Cubiq Meters delivered strong capability-building through 567 total training hours across its workforce. Male employees recorded 441 hours, with female employees logging 126 hours, averaging 27.56 hours and 25.2 hours per employee respectively. Training focused on areas such as project management skills, data analytics, Microsoft Excel competency, public speaking, procurement digitalisation and leadership development. These programmes directly support operating efficiency within water-related services.



Energy & Utilities

Cultivating a Supportive Workplace Culture

Smartsel Sdn Bhd (Smartsel)

- » Smartsel recorded 128 total training hours in 2024, with male employees contributing 32 hours and female employees 96 hours. Both groups achieved an average of 16 training hours per employee, reflecting balanced participation. Training focused on technical upskilling, operations and compliance-based competencies.
- » Smartsel also had new hires increasing from 4 in 2024 to 19 in 2025. While overall turnover increased in line with this growth, the retention rate for employees who took parental leave was 100%, which is a strong positive indicator of a supportive post-leave return-to-work process.



Invest, Tourism and Social Promotion

Investing In Human Capital

Yayasan Warisan Anak Selangor (YAWAS)

- » In 2024 and 2025 4,044 hours of training delivered involving 40 staffs. YAWAS has invested RM229,085.28 in staff development.



Diversity, Equity and INCLUSION

Why this is Important to Us

Diversity and inclusion strengthen decision-making and reflect the social fabric of Selangor. A transparent approach to recruitment and promotion builds trust and supports equitable access to opportunities for under-represented groups.

GRI Disclosure

GRI 405 (Diversity and Equal Opportunity) GRI 406 (Non-discrimination)

UNSDG Alignment



Our Strategy and Action

MBI Selangor manages Diversity, Equity, and Inclusion (DEI) through policies embedded in our Staff Terms and Conditions Handbook, which is approved by the Board of Directors. This framework ensures fair and transparent management across recruitment, employment, compensation, and advancement opportunities. We actively monitor the demographic composition of our workforce to ensure that our commitment to equal opportunity is reflected at all levels of the organisation, particularly in senior management and the Board.



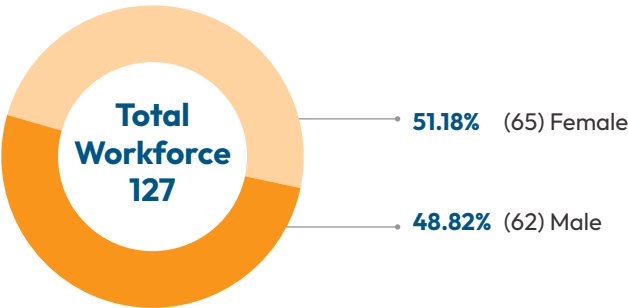
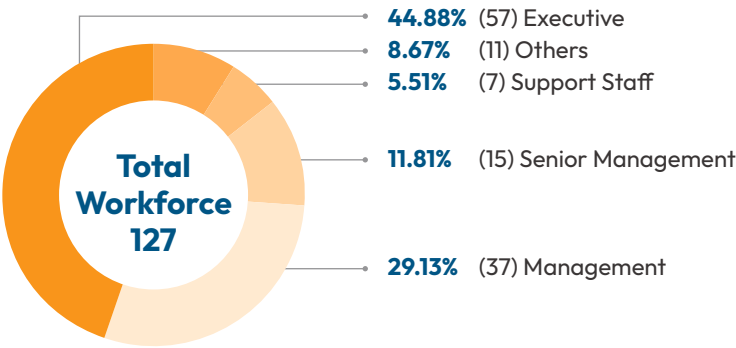
Diversity, Equity and Inclusion



Our Performance

Workforce Composition by Employee Category

Our workforce structure demonstrates a clear, hierarchical framework conducive to career progression and operational excellence. The strong representation at the Executive level (44.88%) forms a wide base of skilled professionals, ensuring effective implementation. This is supported by a robust 41% combined representation in Management and Senior Management roles, confirming a healthy leadership pipeline and a stable, well-defined organisational structure.

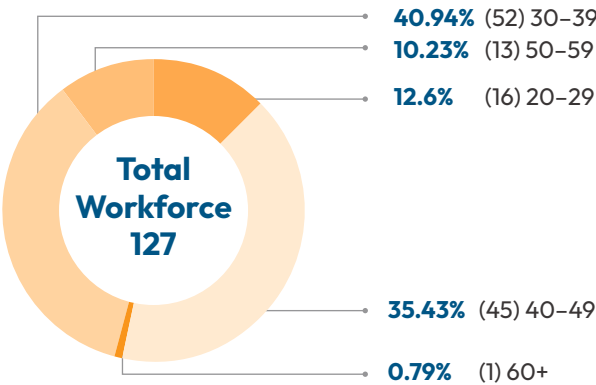


Workforce by Gender

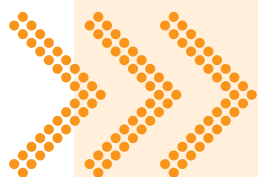
We have successfully established a foundational benchmark for gender inclusion, with a balanced workforce of 51.18% female and 48.82% male employees. This near parity across the organization demonstrates that our core talent acquisition and retention strategies effectively support equitable gender representation, providing a solid base for advancing more complex inclusion initiatives.

Workforce by Age Group

Our workforce is anchored by a highly experienced core, with 76.37% of employees concentrated in the 30-49 age range. This provides significant organizational stability, deep institutional knowledge, and seasoned leadership. This profile highlights a key strategic opportunity to bolster intergenerational knowledge transfer and inject emerging talent by enhancing recruitment and development pathways for the under-30 demographic.



Diversity, Equity and Inclusion



GOING FORWARD

Going forward, MBI Selangor will set measurable targets for female representation in leadership and middle management positions. We will also implement mandatory unconscious bias training for all hiring and promotion committees to further strengthen equitable practices.

MBI Group Highlights: Diversity, Equity and Inclusion

Across the MBI Group, a strong ethical framework is evident. The universal compliance with minimum wage laws, coupled with a clean record of zero reported discrimination cases, affirms a foundational commitment to equitable and respectful workplace practices for all employees.



Land & Property

Upholding Leadership Diversity

Landasan Lumayan Sdn Bhd (LLSB)

- » LLSB demonstrates a strong foundation of gender equity with a perfectly balanced 50:50 workforce. However, this operational parity has not yet translated to the boardroom, where female representation stands at 20%. This contrast highlights a clear opportunity to strengthen the leadership pipeline and bridge the gap between workforce and governance diversity.

Bridging the Governance Gender Gap

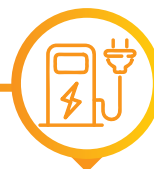
Kumpulan Hartanah Selangor Berhad (KHSB)

- » KHSB stands out with a significant female majority at the employee level (61%), showcasing success in gender-inclusive hiring. This strength, however, is not yet reflected in its senior leadership, presenting a strategic opportunity to cultivate and promote its internal female talent into governance roles to fully leverage its diverse workforce.

Pioneering Gender Inclusivity

Permodalan Negeri Selangor Berhad (PNSB)

- » Reflecting its construction and property sector context, PNSB's workforce is predominantly male (58%). This profile underscores a clear opportunity for targeted initiatives to attract and retain female talent, positioning the company to become a diversity leader in a traditionally male-dominated industry.



Energy & Utilities

Cultivating a Dynamic and Inclusive Culture

Heliosel Sdn Bhd (Heliosel)

- » Heliosel boasts the Group's youngest and most dynamically balanced workforce, with 73% of employees under 30 and a near-even gender split. This profile marks it as a hub for emerging talent and a model for building a modern, inclusive organizational culture from the ground up.

Gender Parity and Inclusive Leadership

Smartsel Sdn Bhd (Smartsel)

- » Smartsel is the Group's benchmark for integrated gender inclusion, achieving near-parity at both the board (46% women) and employee levels. This consistent representation across all tiers demonstrates that strategic intent and effective talent management can successfully create balanced and inclusive leadership structures.



Labour Practices and HUMAN RIGHTS

Why this is Important to Us

Respect for labour rights and human rights is fundamental to ethical public investment. Strong labour practices help safeguard employee welfare, promote safe working conditions, and prevent exploitation within the value chain. Respecting human rights also strengthens trust with stakeholders and demonstrates MBI Selangor's commitment to responsible business conduct. By maintaining high labour and human rights standards, MBI Selangor supports inclusive growth as a responsible employer and investor.

GRI Disclosure

GRI 407 (Freedom of Association)	GRI 408 (Child Labor)	GRI 409 (Forced or Compulsory Labor)
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UNSDG Alignment



Our Strategy and Action

MBI Selangor upholds the principles of decent work, non-discrimination, and equal opportunity in line with national laws and international labour standards. Our labour practices are managed through the Buku Panduan Terma dan Syarat Perkhidmatan which governs employment terms and grievance processes. Through this, we ensure that all employees and workers across our subsidiaries are treated fairly, ethically, and with respect. We also conduct internal checks and audits to mitigate the risk of forced or child labour across our direct operations and, increasingly, within our subsidiary supply chains.



Labour Practices and Human Rights

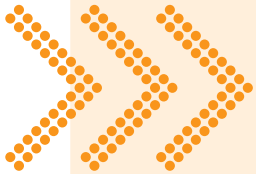
Impact Story Prioritising Mental Well-being for a Resilient Workforce



At MBI Selangor, employee well-being is central to building a resilient and high-performing workforce. Beyond physical safety, mental health is recognised as critical to an inclusive and supportive workplace.

Guided by the Occupational Safety and Health Act 1994 (OSHA 1994) and MBI Selangor's sustainability agenda, the organisation strengthened its focus on employee mental well-being through structured awareness, early screening and open dialogue initiatives. These efforts aim to foster a supportive work environment where employees feel empowered to recognise challenges, seek help and support one another.

MBI Selangor strengthened its commitment to employee well-being by implementing a series of mental health initiatives focused on awareness, open dialogue and early intervention. These included a mental health awareness session that reached 80 employees, followed by an online sharing session on anxiety and mental health attended by 45 employees. Subsequently, a voluntary mental health assessment was conducted, with 50 employees participating to support early screening and timely intervention. Collectively, these initiatives enhanced mental health literacy, reduced stigma, and reinforced a supportive workplace culture that prioritises psychological safety and responsible labour practices in line with MBI Selangor's sustainability agenda.



GOING FORWARD

Going forward, MBI Selangor will implement a formal human rights due diligence process to identify, prevent, and mitigate potential negative human rights impacts across high-risk supply chains. We will also strengthen our grievance mechanisms to ensure all employees and external workers have transparent and accessible channels for reporting concerns.

MBI Group Highlights: Labour Practices & Human Rights

Several subsidiaries operate formal OSH and labour-management structures that support fair labour practices and workers' rights.



Energy & Utilities

Hazard Reporting and Regulatory Compliance

Heliosel Sdn Bhd (Heliosel)

- » Workers are protected under OSH regulations, including the 2024 OSHA amendment granting the right to refuse dangerous work.
- » Hazard reporting is encouraged through HIRARC and Job Safety Analysis pathways.
- » In-house health screening facilities support early identification of health issues.



Land and Property

Comprehensive Medical Benefits and Health Screenings

Landasan Lumayan Sdn Bhd (LLSB)

- » Offers outpatient and inpatient medical benefits and supports a safe workplace through regular internal training.



Water

Holistic Wellness Culture through Preventative Care

Cubiq Meters Sdn Bhd (Cubiq Meters)

- » Ensures transparent hazard reporting and protects workers against reprisals.
- » Provides pre-employment and periodic medical check-ups.
- » Offers non-occupational health services, panel clinics and voluntary wellness programmes promoting healthy lifestyles.





Upholding Strong GOVERNANCE



“ We aim to realise integrity in every action. Our alignment with MACC for transparent operations is more than just about policies, they are our commitment to the people who trust us with Selangor's development.”

Mudirah Muhammad Nor

Head of Risk Management, Governance and Integrity





Building Trust and Ethical Leadership

MBI Selangor recognises that our long-term value creation is inextricably linked to our commitment to the highest standards of transparency, integrity, and accountability. Our mandate is not only to generate economic growth but also to ensure that all operations, from our investments to our daily processes, are underpinned by robust governance structures.

Given the MBI Group's diverse portfolio, which includes sectors with significant public interaction like Water, Utilities, and Land Development, we recognise our critical responsibility in safeguarding public trust and managing institutional risk. Our governance strategy is fully aligned with the Rancangan Selangor Pertama (RS-1) framework, which calls for continuous improvement in public sector integrity, efficiency, and data-driven management.

Additional Disclosure on Subsidiary Impact

While MBI Selangor maintains overall strategic and policy oversight, we also highlight the actions of the MBI Group subsidiaries. These initiatives demonstrate how our entire ecosystem is operationalising these standards, ensuring ethical conduct, compliance, and technological modernisation are embedded at every level of the organisation.





Corporate GOVERNANCE

Why this is Important to Us

Corporate governance is essential to ensure that MBI Selangor operates with transparency, accountability, and responsibility in all our decisions and actions. As a state-owned entity, we must demonstrate sound management practices and strict compliance with laws, regulations, and ethical standards.

Strong governance structures support effective oversight of our subsidiaries, promote disciplined risk management, and safeguard public resources. They also help align our business decisions with the State's development objectives and stakeholder expectations. By upholding good governance, MBI Selangor builds confidence among the State Government, investors, and the public, reinforcing our credibility and long-term sustainability as Selangor's strategic investment arm.

GRI Disclosure

GRI 201 (Economic Performance)	GRI 205 (Anti-corruption)
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UNSDG Alignment



Our Strategy and Action

MBI Selangor manages corporate governance through a comprehensive suite of internal policies and compliance frameworks instituted at the corporate level. These internal policies govern daily operations, ensuring consistency in data management, security, and process integrity across the organisation. These policies ensure compliance with key Malaysian laws and regulations, including the Malaysian Anti-Corruption Commission Act 2018 (Amendment), Whistleblower Protection Act 2010 (Act 711), Personal Data Protection Act 2010, and Occupational Safety and Health Act 1994 (Act 514).

Our approach is guided by the understanding that transparent governance must start at the top. We maintain strong financial and operational oversight over our subsidiaries to ensure alignment with our THRIVE28 Transformation Plan and Group Strategic. This includes rigorous internal controls, regular audits, and clear delegation of authority, ensuring that decisions are made ethically and in the best interest of the State. We also mandate adherence to the highest standards of financial management and disclosure, consistent with our role as a steward of public funds.



The full list of policies and Malaysian laws and regulations are attached on page 117. Full policies can be viewed online at <https://integriti.mbiselangor.com/polisi-polisi-ig/>.

Performance Data

Board Diversity: Composition of the Board of Directors and key management roles by gender, age, and other diversity metrics.

	Gender			Age			Vulnerable and Minority Groups	Status		
	Male	Female	Total	<30	30-50	>50		Independent	Non-Independent	
Board of Directors										
Chairman										
YAB Dato’ Seri Amirudin bin Shari	✓		4 Males		✓		x		✓	
Members										
YB Dato’ Dr. Ahmad Fadzli bin Ahmad Tajuddin	✓					✓			✓	
YB Dato’ Dr. Haniff bin Zainal Abidin	✓					✓	x		✓	
YBhg Dato’ Ts. Saipolyazan bin M Yusop	✓					✓	x		✓	
Board Nomination & Remuneration Committee (BNRC)										
Chairman										
YB Dato’ Dr. Ahmad Fadzli bin Ahmad Tajuddin	✓		2 Males 2 Females			✓	x		✓	
Members										
YB Dato’ Dr. Haniff bin Zainal Abidin	✓								✓	
YBhg Datin Paduka Hajah Badariah binti Abd Jalil		✓				✓	x	✓		
Puan Norlida binti Shariff		✓			✓	x	✓			
Board Investment & Finance Committee (BIFC)										
Chairman										
YB Dato’ Dr. Haniff bin Zainal Abidin	✓		3 Males			✓	x		✓	
Members										
YBhg Dato’ Johary bin Anuar	✓					✓	x		✓	
Encik Mohammed Rashdan bin Mohd Yusof	✓					✓	x	✓		

Corporate Governance

	Gender			Total	Age			Vulnerable and Minority Groups	Status	
	Male	Female	<30		30-50	>50	Independent		Non-Independent	
Board Audit Committee (BAC)										
Chairman										
YB Dato’ Salim bin Soib @ Hamid	✓					✓	x			✓
Members										
Encik Mohd Sabree bin Yaakub	✓		3 Males			✓	x			✓
YM Puan Raja Azura binti Raja Mahayuddin		✓	2 Females			✓	x	✓		
Puan Rosni binti Razali		✓				✓	x	✓		
Encik Kamaruzaman bin Md Riffin	✓					✓	x	✓		
Board Governance & Risk Management Committee (BGRMC)										
Chairman										
YBhg Dato’ Noordin bin Sulaiman	✓					✓	x	✓		
Members										
Encik Muhamad Hanafi bin Ahmad	✓		3 Males 1 Female		✓		x			✓
YBhg Profesor Rozanah binti Ab Rahman		✓				✓	x	✓		
Encik Ahmad Fauzi bin Adnan	✓					✓	x	✓		
Board Sustainability Committee (BSC)										
Chairman										
YBhg Dato’ Mohd Yazid bin Sairi	✓					✓	x			✓
Members										
YBrS Puan TPr. Annie Syazrin binti Ismail		✓	2 Males 3 Females		✓		x	✓		
YBhg Datin Paduka TPr. Noraini binti Roslan		✓				✓	x	✓		
YBrS Tuan Dr. Hariramalu A/L Ragavan	✓					✓	x	✓		
YBrS Puan Ir. Ts. Nurul Huda binti Mat Nor		✓			✓		x	✓		
Board Tender Committee (BTC)										
Chairman										
YBhg Dato’ Johary bin Anuar	✓					✓	x			✓
Members										
Puan Sabrina binti Adnan		✓	4 Males 1 Female		✓		x			✓
YDH Dato’ Ir. Haji Cheremi bin Haji Tarman	✓					✓	x	✓		
Encik Mohamad bin Mohamad Zain	✓					✓	x	✓		
Encik Rozahar bin Abd Kadir	✓					✓	x	✓		

List of Internal Policies

To strengthen governance practices across the group, MBI Selangor has instituted a comprehensive suite of internal policies. These include:

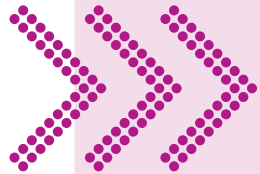
Information Technology Standards Policy	Group Investment Policy
General IT Policy	Policy on Receiving and Giving Gifts
IT Control and Monitoring Policy	Information Disclosure Policy
IT & Communication Usage Policy	Audit Charter
Cybersecurity Management Policy	Procurement Policy
ICT Operations and Asset Inventory Management Policy	Health and Safety Policy
Information Classification and Handling Policy	Recruitment Policy
Cloud Computing Management Policy	Promotion Policy
Fixed Asset Management Policy	Disciplinary and Conduct Policy
Group Strategic Planning and Performance Management Policy	Sexual Harassment Policy
Stakeholder Engagement Policy	Anti-Drug Policy
Project Management Framework & Policy	Policy on Related Party Transactions Involving Group Shareholders
Legal Services and Risk Management Policy	Risk Management Framework & Policy
External Influence and Support Letter Management Policy	Business Continuity Management (BCM) Policy
Conflict of Interest Policy for Board Members	Anti-Corruption Policy
Compliance Management Framework & Policy	Conflict of Interest Policy
Information System Risk Policy	Complainant Management Policy
Sustainability Policy	Whistleblowing Policy
Strategic Communication Policy	Third Party Due Diligence Policy
Crisis Communication Policy	Currently developing an Energy Policy and Finance related policies.

Malaysian Laws and Regulations

These policies ensure compliance with key Malaysian laws and regulations, including the:

Employment Act 1955 (Amendment 2022)	Minimum Retirement Age Act 2012 (Act 753)
Companies Act 2016	Whistleblower Protection Act 2010 (Act 711)
Malaysian Code on Corporate Governance (MCCG) 2021	Statutory Acts
Malaysian Anti-Corruption Commission Act 2018 (Amendment)	Selangor Land Rules
Personal Data Protection Act 2010	National Land Code (Act 56 of 1965)
Occupational Safety and Health Act 1994 (Act 514)	Town and Country Planning Act 1976 (Act 172)
Competition Act 2010 (Act 712)	Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (Act 613)

Corporate Governance



GOING FORWARD

Going forward, MBI Selangor is committed to strengthening the effectiveness of our Board and Management Committees, particularly in overseeing our ESG commitments. We will continue to update our internal governance policies to reflect international best practices and regulatory changes. Our focus remains on fostering a culture of accountability and transparency, ensuring all MBI Group activities contribute positively and ethically to the State's sustainable development goals.

MBI Group Highlights: Improving Governance

Across the Group, several subsidiaries have demonstrated a steadfast commitment to elevating governance standards, operationalising integrity, and integrating sustainability into strategic decision-making. Key initiatives include:

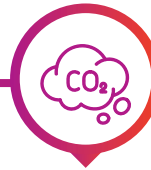


Mining and Minerals

Continuous Integrity Reinforcement and Anti-Corruption Measures

Kumpulan Semesta Sdn Bhd (KSSB)

- » A total of 9 Integrity and whistleblowing sharing sessions were conducted across 2024–2025, complemented by 11 employee briefings engaging over 200 participants.
- » The Corruption-Free Pledge was reaffirmed by 100% of staff in January 2025.
- » Awareness of the Third-Party Code of Conduct was extended to contractors and vendors during OSHE Day 2025, ensuring ethical alignment across the value chain.
- » A dedicated Corruption Risk Management Workshop engaged 23 key personnel to enhance the identification and mitigation of governance risks.
- » Key governance documents were updated, including the Speak-Up Committee Terms of Reference (TOR) and policy statements on Conflict of Interest and Entertainment & Hospitality.
- » The effectiveness of these measures was reflected in the Whistleblowing Survey 2025, which achieved a 60% staff response rate.



Water

Advancing Climate Alignment

Pengurusan Air Selangor Sdn Bhd (Air Selangor)

- » Strengthened ESG governance through regular Sustainability Working Committee meetings and improved GHG data tracking. Key milestones included the publication of the Sustainability Report and Sukuk Kelestarian Report, alongside enhanced stakeholder engagement via Sustainability Month and ESG Roadshows.
- » Air Selangor is adopting a phased approach towards IFRS Sustainability Disclosure Standards, targeting IFRS S1 compliance by 2027 and full IFRS S1 and S2 compliance by 2030, supported by enhanced governance, data maturity, and integration of sustainability risks into financial and strategic processes. The company implemented region-wide Materiality Matters workshops to refine strategic focus. Internal awareness was bolstered through quarterly "Snack Break" sessions, while reporting frameworks were harmonised with GRI, SASB, and Bursa Malaysia requirements.



Health, Care and Education

Fortifying Internal Controls

UNISEL Sdn Bhd (Universiti Selangor)

- » These tools have enhanced transparency and the university's ability to identify, assess, and mitigate potential risks affecting quality objectives.
- » By systematically identifying internal and external issues, Universiti Selangor has improved operational efficiency and built stakeholder confidence through clear, accessible reporting channels.
- » These initiatives have fostered a proactive governance culture, laying a solid foundation for continuous improvement and compliance with educational and statutory standards.



Investment Ventures

Governance in Sustainability and Climate Resilience

Kumpulan Perangsang Selangor Berhad (KPS Berhad)

- » Strategic Integration: Sustainability and climate resilience are embedded into all corporate strategies and operations to achieve the Group's ESG Roadmap and carbon neutrality goals.
- » Integrated Risk Management: Climate risks are systematically identified and managed through the Enterprise Risk Management (ERM) framework, ensuring high-level visibility on the Group Risk Profile.
- » Governance Alignment: The oversight structure adheres to the IFRS S2 Framework, ensuring clear accountability for climate-related risks and opportunities across all levels of the organisation.
- » Board-Level Oversight: The Board and its dedicated committees (SBC and BGRC) provide strategic direction on climate policy, carbon reduction initiatives, and long-term resiliency planning.
- » Cross-Functional Coordination: Senior executive committees (RGWC and CSC) ensure climate issues are communicated across the Group, set material ESG KPIs, and build sustainability capacity within subsidiaries.
- » Subsidiary Implementation: Business units are responsible for executing ESG strategies, managing dedicated budgets, and maintaining accurate data collection for transparent reporting.
- » Stakeholder & Operational Compliance: Sustainability representatives within each subsidiary serve as central points for stakeholder engagement and ensure day-to-day operations remain aligned with Group-wide ESG standards.



Anti-Bribery and CORRUPTION

Why this is Important to Us

Anti-bribery and corruption practices are essential to maintaining integrity, accountability, and public trust in MBI Selangor as a state-owned investment arm. Strong governance and ethical conduct ensure that all business activities, investments, and procurement processes are managed fairly and transparently.

By preventing bribery and corruption, we protect the State's assets, uphold our fiduciary responsibility, and ensure that resources are used for the benefit of the people of Selangor. Clear policies, robust internal controls, and compliance monitoring also reduce legal, financial, and reputational risks across the MBI Group. These practices reinforce our commitment to good governance and ethical leadership in every subsidiary and sector under our management.

GRI Disclosure

GRI 205 (Anti-corruption)	GRI 419 (Socioeconomic Compliance)
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UNSDG Alignment



Our Strategy and Action

Although MBI Selangor acts as an investment holding entity, we have taken proactive steps to align with Section 17A of the Malaysian Anti-Corruption Commission (MACC) Act 2009 as part of our commitment to integrity. We have developed and implemented an Organisational Anti-Corruption Plan (OACP) to strengthen internal controls, promote ethical conduct, and prevent corruption risks. In addition, we work closely with the Malaysian Anti-Corruption Commission (MACC) through strategic collaboration, consultation, and participation in collective action initiatives aimed at cultivating a corruption-free culture across the industry.

We operationalise anti-bribery and corruption through a comprehensive framework that includes:

- » Conflict-of-Interest Policy for Board Members
- » Anti-Corruption Policy
- » Conflict of Interest Policy
- » Complainant Management Policy
- » Whistleblowing Policy
- » Third Party Due Diligence Policy
- » External Influence and Support Letter Management Policy
- » Receiving and Giving Gifts Policy

These policies are implemented to ensure transparency, integrity, and accountability in all our dealings, ensuring that all decisions are made in the best interest of MBI Selangor without undue influence.



The full list of policies and Malaysian laws and regulations are attached on page 117. Full policies can be viewed online at <https://integriti.mbiselangor.com/polisi-polisi-ig/>.



Culture & Awareness

A cornerstone of our strategy is continuous engagement to embed a zero-tolerance culture. Anti-bribery initiatives are regularly reviewed during Board Committee meetings to ensure Directors remain updated, while employees receive periodic training and quarterly e-publication reminders. To ensure clarity and compliance, we provide accessible FAQs and established reporting channels, supported by regular audits to proactively mitigate risks before they materialise.



Governance Process

An Integrity Working Committee, comprising representatives from MBI Selangor and our subsidiaries, has been established to coordinate and strengthen integrity initiatives across the Group.

Reporting to the MACC's Division of Agency Integrity Management or Bahagian Pengurusan Integriti Agensi (BPIA) is carried out biannually, in January and July each year, as part of ongoing compliance and integrity monitoring efforts

We monitor our anti-corruption compliance programme through independent bodies, namely the Board Governance and Risk Management Committee (BGRMC) and the Integrity Committee, to ensure accountability and adherence to integrity standards



Managing Third-Party Risks

Relevant vendors and business partners with potential risks related to human rights, labour, environment, and corruption have been identified. Relevant policies are in place, alongside measures such as due diligence checks, contract clauses, and regular performance monitoring, to manage and mitigate these risks.



Due Diligence Process

We have a due diligence process through which it identifies, prevents, mitigates and accounts for actual and potential negative impacts on sustainability topics. These due diligence processes, include:

Grievance handling reviews

Analysing complaints for patterns of systemic failure.

Anti-bribery and corruption risk assessments

Periodic scanning of operations for corruption exposure.

Third-party due diligence

Screening external partners prior to engagement.

Conflict of interest declarations

Mandatory periodic declarations for employees and directors.

Evaluations of policy and compliance frameworks

Regular stress-testing of internal controls.



Whistleblowing Process

In line with our Whistleblowing Policy, employees and stakeholders are encouraged to raise concerns about company conduct through multiple official channels, including the Human Resources Department and the Integrity Unit. Additionally, concerns can be reported via external independent bodies:

SISPAA

Sistem Pengurusan Aduan Awam

SELCAT

The Selangor Select Committee on Competency, Accountability and Transparency

JP-ABAS

Jawatankuasa Pilihan Agensi, Badan Berkanun dan Anak Syarikat

Anti-Bribery and Corruption



Key Highlights & Achievements

- » Our Integrity and Governance Unit has developed a Self-Assessment Checklist for subsidiaries to assess their readiness in implementing "Adequate Procedures" in line with anti-corruption requirements.
- » We organised the Symposium Tadbir Urus in 2024 to strengthen awareness and implementation of good governance practices across its group of companies.
- » As part of anti-corruption and integrity initiatives, we have also held the Sukan Integriti MBI Group and the Mini Olympic MBI Group. These programmes are designed to promote ethical values, strengthen camaraderie, and encourage a culture of integrity and transparency among employees and subsidiaries.
- » We organised Anti-Corruption Training for our suppliers in 2023 to strengthen ethical conduct and integrity throughout its supply chain. Such training sessions for third-party suppliers are held every two years or as required.
- » In support of the Selangor State Government's integrity agenda of promoting integrity through early education, we contributed to an integrity awareness campaign that was recognised by the Malaysia Book of Records for involving the highest number of kindergarten participants, with 1,066 children engaged. The initiative was delivered in collaboration with Education Standing Committee (STANCO), MBI Selangor, the Selangor Association of Childcare Centres, Kindergartens and Care Centres, and Rasuah Busters, reflecting a collective commitment to embedding values of integrity and ethical behaviour from an early age. This achievement underscores MBI Selangor's role in advancing good governance and ethical awareness through community-based engagement aligned with its sustainability priorities.


RM

Performance Data

Examples of Risks



Procurement and Contract Management Risks

Potential exposure to unethical practices such as conflict of interest, or favouritism in vendor selection and contract awards.



Third-Party and Subsidiary Dealings

Risks arising from insufficient due diligence and oversight of subsidiaries, contractors, and partners that may not fully adhere to our integrity standards.



Gifts, Entertainment, and Facilitation Payments

Possibility of improper influence in decision-making through gifts or incentives offered by external parties.



Abuse of Power and Position

Risks of misuse of authority or insider information for personal or organisational gain.



Lack of Awareness or Weak Internal Controls

Limited staff understanding of anti-bribery policies or inadequate monitoring mechanisms that may lead to unintentional breaches.



100%

Operations assessed
for risks related to
corruption

(through CRM annually)



100%

Employees informed on
Anti-Corruption Policies
and Procedures

Communication Methods:

Electronic apps including WhatsApp,
e-flyer, website and Sharepoint.



100%

Business partners
informed of our
Anti-Corruption Policies
and Procedures

Communication Methods:

Integrity pacts and website

Anti-Bribery and Corruption

No. of Employees Trained on Anti-Corruption

No. of Employees Informed on Anti-Corruption Policies and Procedures	Percentage of Employees Informed on Anti-Corruption and Procedures	Initiatives or Programmes Implemented for Anti-Corruption Training (e.g: e-module on anti-corruption)
21	100	Mesyuarat CelO Kumpulan MBI Bil 01/2024 – 9 Feb
142		Kejohanan Ping Pong Sukan Integriti – 10 Aug
265		Kejohanan Bola Tampar Sukan Integriti – 23 & 24 Nov
250		Hari Integriti Kumpulan MBI – 29 Nov
200		Simposium Tadbir Urus Korporat – 4 Dec
24		Corruption Risk Management (CRM) – 26, 27 & 28
36		Ceramah Behind the Scene of Whistleblowing – 11 March
28		Mesyuarat CelO Kumpulan MBI Bil 01/2025 – 24 March
32		Program Penerangan CISM – 14 May
117		Sesi Ikrar Bebas Rasuah – 25 May
17		Sesi Ikrar bebas Rasuah – 2.0 – 30 July
22		Retreat Strategy Antirasuah Organisasi – 11 & 12 Aug
11		Sesi Ikrar Bebas Rasuah 3.0 – 28 Aug

MBI Selangor and its subsidiaries are required to submit Integrity and Governance Unit (IGU) reports to the MACC's Division of Agency Integrity Management or Bahagian Pengurusan Integriti Agensi (BPIA) twice a year. MBI Selangor reported detailed disclosures on the number of reported incidents, the categories of incidents, and the disciplinary actions taken across the MBI Group.

MBI Selangor maintains a structured and transparent complaint management and whistleblowing framework as part of its commitment to good governance, ethical conduct, and accountability. Multiple complaint channels are made available to internal and external stakeholders, including walk-in reporting, email, anonymous letters, and a dedicated whistleblowing platform, ensuring accessibility, confidentiality, and protection against retaliation.

During the reporting period, a total of 21 complaints were received, primarily through walk-in reporting, audit reporting, and Risk Department monitoring as well as whistleblowing channel. The majority of complaints were related to human resources management matters, project implementation, as well as issues concerning contracts and procurement. Complaints involved employees across different organisational levels, reflecting an organisational culture that encourages reporting and accountability regardless of hierarchy.

All complaints were assessed, investigated, and addressed in accordance with established internal procedures and governance protocols. Insights from complaint trends are used to strengthen internal controls, enhance human resource practices, and improve risk management measures.

Overall, the Group maintained a consistent approach in managing misconduct cases throughout the years, with all reported cases receiving appropriate follow-up and action. The absence of bribery-related cases and other serious misconduct reflects ongoing efforts to uphold ethical standards, integrity, and good governance.

The Group remains committed to strengthening its internal controls, reinforcing ethical awareness, and ensuring that all complaints are handled fairly, transparently, and in accordance with established policies and procedures.



GOING FORWARD

MBI Selangor will continue to strengthen our anti-corruption framework by investing in advanced compliance monitoring tools and enhancing our whistleblowing mechanisms. We plan to increase the frequency and depth of anti-corruption training across all MBI Group subsidiaries to maintain high ethical awareness. Our long-term goal is to maintain zero confirmed incidents of corruption, reinforcing our reputation as a trusted and ethical partner for the State of Selangor.

Anti-Bribery and Corruption

MBI Group Highlights: Operationalising Integrity

To ensure alignment, MBI Selangor policies are shared with subsidiaries for adoption where no current policy exists, with flexibility for business unit adjustments. Subsidiaries, in turn, are expected to share their policies with us. Several have made good progress during the year under review. These include:



Land & Property

Towards Becoming a "Developer of Choice" for Selangor

Kumpulan Hartanah Selangor Berhad (KHSB)

- » Conducts a dedicated Integrity Programme, alongside the implementation of its OACP and Anti-Bribery Management System (ABMS).
- » Percentage (%) of operations assessed for risks related to corruption: 100%
- » Percentage of Business partners informed of MBI Selangor's Anti-Corruption Policies and Procedures: 100%
- » Communication Methods: Integrity pacts and website
- » Percentage (%) of Board of Directors informed on Anti-Corruption Policies and Procedures: 100%
- » Communication Methods: Board meetings
- » Percentage (%) of employees informed on Anti-Corruption Policies and Procedures: 100%
- » Communication Methods: Integrity Programme
- » 100% of employees were trained on Anti-Corruption Policies and Procedures through 4 sessions, totalling 8 hours of training per cycle.

Enforcing Transparency within the Value Chain

Permodalan Negeri Selangor Berhad (PNSB)

- » PNSB mandates that all development projects undergo a rigorous Open Tender and Quotation process, with notices publicly published to prevent insider dealings.
- » Enhanced Integrity Vetting is now conducted on all potential joint venture partners to ensure land deals are transacted with reputable entities only. This is carried out through tender documents, integrity pledges, emails and letters.
- » Percentage (%) of Board of Directors trained on Anti-Corruption Policies and Procedures: 100%
- » Methods: Briefings, training, policies, approval papers
- » Percentage (%) of employees informed on Anti-Corruption Policies and Procedures: 100%
- » Communication Methods: E-mails, e-flyers and training briefing, training, policies, approval papers
- » Percentage (%) of employees trained on Anti-Corruption Policies and Procedures: 90%
- » Methods: Training, briefings, flyers, emails, banner, Visit to SPRM



Mining & Minerals

Upholding Corruption-Free Commitments

Kumpulan Semesta Sdn Bhd (KSSB)

- » A total of 9 integrity and whistleblowing sharing sessions were held across 2024–2025, alongside 11 employee briefings reaching over 200 participants.
- » The Corruption-Free Pledge was reaffirmed by all staff in January 2025.
- » Awareness on the Third-Party Code of Conduct was extended to contractors and vendors during OSHE Day 2025.
- » A Corruption Risk Management Workshop engaged 23 key personnel to enhance risk monitoring.
- » Key governance documents were updated, including revisions to the Speak-Up Committee TOR and Policy Statements on Conflict of Interest.



Energy & Utilities

"Group-First" Integrity Standard

Heliosel Sdn Bhd (Heliosel)

- » Heliosel is fully integrated into the Air Selangor Group Integrity & Governance Policy, ensuring it meets the highest utility-sector standards.
 - » Percentage (%) of operations assessed for risks related to corruption: 59%
 - » Percentage of Business partners informed of MBI Selangor’s Anti-Corruption Policies and Procedures: 100%
 - » Communication Methods: Integrity pacts and website
 - » Percentage (%) of Board of Directors informed and trained on Anti-Corruption Policies and Procedures: 80% Communication Methods: Board Committee Meetings and MBI Selangor Annual Conference
- » Percentage (%) of employees informed and trained on Anti-Corruption Policies and Procedures: 96%
 - » Communication Methods: Roadshow, emails, posters, and onboarding on integrity policies and procedures
 - » Total 38 hours of training conducted
 - » It has operationalised a dedicated integrity channel (ethics@aisholdings.com), allowing employees and vendors to report misconduct directly to the Group Integrity Unit, ensuring independence from local management.

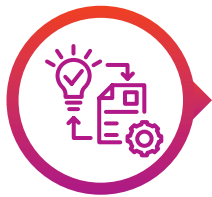
Embedding Integrity into Contracts

Smartsel Sdn Bhd (Smartsel)

- » Introduced mandatory Anti-Bribery & Corruption Clauses in all Service Level Agreements (SLAs) with infrastructure vendors.
- » Implemented a strict "No Entertainment" policy for project managers dealing with state connectivity rollouts to prevent any perception of bias in vendor supervision.

Number and percentage of employees informed of MBI Selangor’s Anti-Corruption Policies and Procedures

Employee Category	No. of Employees Informed on Anti-Corruption Policies and Procedures	Percentage of Employees Informed on Anti-Corruption and Procedures	Methods of Communication (e.g: email, intranet, etc.)
Senior Management	2	100	Intranet
Management	16		
Executive	3		
Support	1		



Innovation and TECHNOLOGY

Why this is Important to Us

Innovation and technology are central to MBI Selangor's role in supporting the economic development of Selangor. They help drive efficiency, improve decision making, and open new growth areas for the State's economy.

Through technology, we can strengthen data management, enhance transparency, and optimise the performance of our subsidiaries. Digital tools also enable better monitoring of environmental and social indicators, ensuring that our sustainability commitments are supported by accurate information. Innovation allows MBI Selangor to identify new investment opportunities, support emerging industries, and promote inclusive growth through modern solutions that benefit businesses and communities. This aligns with Selangor's Smart Selangor and Green Technology goals, positioning MBI Selangor as a key driver of sustainable development for the State.

GRI Disclosure

GRI 203 (Indirect Economic Impacts) GRI 102 (General Disclosures)



Our Strategy and Action

Under RS-1, innovation and technology are embedded within the State's vision to create a Smart, Liveable, and Sustainable Selangor. This vision is guided by the strategic themes of Strengthening the Economy and Advancing Sustainability. To operationalise this, MBI Selangor aligns its efforts with the Selangor Innovation and Digital Economy Framework, which champions the digital economy, smart city development, and Industry 4.0 adoption.

Our approach is further defined by our THRIVE28 Transformation Plan and Group Strategic Blueprint (GSB). Specifically, Strategy 5: Accelerating Digital Growth drives initiatives to leverage artificial intelligence, automation, and data analytics across MBI Selangor subsidiaries. By prioritising these areas, we aim to enhance operational efficiency, foster innovation, and ensure competitive agility.

To support this agenda, MBI Selangor works closely with subsidiaries that are also key state enablers:

SIDEC Sdn Bhd

Leads the digital economy expansion and start-up ecosystem.

SSDU Innovations Sdn Bhd

Spearheads smart city infrastructure and data integration.

(see page 136 for more information)

We have strengthened our internal governance to support secure digital adoption. This includes the implementation of the IT Policy, Cloud Migration Policy, and a Cybersecurity Governance Framework: These frameworks guide the upgrade of core systems, the establishment of a Security Operations Centre (SOC), and the deployment of an AI and Innovation Lab to promote continuous technology-driven improvement.

A prime example of our strategy in action is the implementation of the Selangor Intelligent Parking (SIP) and the management of our Affordable Housing Programme. We utilise data analytics to ensure equitable distribution and digital project management systems for real-time oversight. This demonstrates how we use technology not just for operational efficiency, but to address socio-economic needs transparently and effectively.



(see Impact Story on page 131, 132)

Key Initiatives & Achievements

We have successfully executed a series of modernisation initiatives aimed at improving resilience, sustainability, and governance.

1. Cloud-based Infrastructure & System Resilience

- » Migrated key applications and systems to cloud-based infrastructure to enhance scalability, availability, and data protection. The cloud environment supports high system uptime, secure backup, and remote access capabilities, enabling business continuity and disaster recovery readiness.



Achievements:

Improved system uptime to 99.9%, reduced dependency on on-premise servers, and strengthened disaster recovery capabilities with automated cloud backup.

2. IT Asset Modernisation (Laptop Leasing)

- » Implemented a leasing model for laptops to replace outdated and high-maintenance devices. This approach ensures consistent hardware performance, predictable maintenance costs, and up-to-date technology availability. Leasing also supports sustainability objectives by extending device lifespan through vendor-managed refurbishing and responsible recycling after the lease term.



Achievements:

Improved equipment reliability, reduced electronic waste generation, and ensured cost-efficient refresh cycles aligned with green ICT practices.



Innovation and Technology

3. Digital Tools for Management & Governance

- » Equipped Board members with iPads and implemented the Board Management System cloud-based document sharing platform to support paperless meetings, digital documentation, and efficient governance processes.



Achievements:
Reduced 8.03% printing volume and shortened meeting preparation time by 50%.

4. Sustainable Asset Disposal

- » Disposed of outdated IT assets through licensed e-waste recyclers in compliance with environmental sustainability.
- » Conducted disposal of decommissioned IT assets through a sale-to-existing-users programme, allowing staff to purchase their previously assigned laptops below market value.



Achievements:
Ensured 100% environmentally responsible disposal of obsolete devices. Diverted over 70% of retired laptops from e-waste channels, MBI Selangor's commitment to sustainability.

5. ID Printer Solution Implementation

- » Deployed a dedicated ID printer system to issue secure staff identification and monitor true printing usage by user ID, ensuring accountability and proper resource allocation.



Achievements:
Strengthened security and improved monitoring of printing activities, reducing unauthorised use by 15%.

6. Strengthen Digital Identity and Access Management

- » The initiative focuses on implementing a unified identity and access management framework to enhance security, compliance, and operational efficiency. It ensures secure authentication, centralized user management, and streamlined access control across systems and applications, reducing risks associated with unauthorized access and improving governance.



Achievements:
Enabled single sign-on (SSO) and multi-factor authentication (MFA) across all users, reducing identity-related security risks, improving compliance with data protection standards, and enhancing user experience through centralised access management.

7. Establish a Knowledge Exchange Platform

- » The initiative focuses on creating a centralised digital platform to facilitate knowledge sharing and collaboration across departments and organisations. This platform serves as a knowledge center, enabling easy access to resources, best practices, and process documentation, fostering a culture of continuous learning and innovation.



Achievements:
Implemented a unified knowledge exchange hub that connects multiple departments and organisations, improving information accessibility, reducing duplication of effort, and enhancing cross-functional collaboration.

Impact Story

The Selangor Intelligent Parking (SIP) System

“By unifying urban mobility through digital innovation, we are engineering a smarter, greener, and more accessible Selangor for everyone.”

In July 2025, MBI Selangor through its subsidiary Rantaian Mesra Sdn Bhd (RMSB) marked a significant milestone in the digitalisation of urban mobility with the launch of the Selangor Intelligent Parking (SIP) system (Phase 1) positioned as one of the anchor mobility services within the NINE Selangor Super App ecosystem. Rolled out across three four key local authorities, namely, Majlis Bandaraya Shah Alam, Majlis Bandaraya Subang Jaya, Petaling Jaya, and Majlis Perbandaran Selayang, this initiative establishes the foundation for a unified, state-wide parking ecosystem.

The SIP platform which will be seamlessly accessible via the NINE Selangor Super App as the single digital entry point for state services, functions as a centralised and integrated parking management system, enabling all participating local councils to standardise parking operations, streamline enforcement, and deliver a more consistent and efficient experience for users throughout the State. The system introduces cashless and digital parking transactions, supported by real-time data on parking availability, automated enforcement mechanisms, and user-friendly mobile interfaces. These features have significantly improved operational efficiency, reduced administrative workload, and enhanced convenience for both residents and visitors.

Through its data integration and advanced analytics capabilities, SIP collects and analyses parking data from different zones and local councils, producing valuable insights on user behaviour and parking patterns. These analytics empower the State to make evidence-based decisions regarding urban planning, transport optimisation, and traffic flow management.

Designed with a modular infrastructure, SIP is built for long-term integration. The roadmap includes expansion to all eleven local authorities in Selangor and interoperability with other smart mobility programmes, such as Demand Responsive Transit (DRT) and intelligent traffic systems.

As a flagship outcome of the THRIVE28 Transformation Plan, the SIP initiative demonstrates how strategic innovation can bridge inter-agency gaps, enhance public service delivery, and generate tangible social and environmental value. It is a definitive step towards realising Selangor's vision as a smart, liveable, and sustainable state.



Innovation and Technology

Impact Story

Using Technology for the Rumah Idaman Programme

“Through the Rumah Idaman initiative, MBI Selangor demonstrates how smart design, digital governance, and data analytics converge to deliver scalable, affordable, and sustainable housing for the people of Selangor.”

The Rumah Idaman programme is a perfect example of how MBI Selangor integrates innovation to solve pressing socio-economic challenges. We have used digitalisation and technology to transform the process of providing affordable housing, making it more transparent and efficient.

The initiative strategically applies Building Information Modelling (BIM) and Industrialised Building System (IBS) technology. This innovative approach allows for precise design coordination and value engineering, which in turn helps us bridge the gap between affordability and quality in large-scale housing development.

Governance is enhanced through digital monitoring and performance tracking systems via the Jawatankuasa Projek Pembangunan Rumah Idaman (JPPRI). This provides transparency, accountability, and real-time oversight of project progress, ensuring that our commitment to public trust is supported by reliable data.





Crucially, Rumah Idaman leverages data analytics from the Lembaga Perumahan Hartanah Selangor (LPHS) housing application portal (eHartanah) to assess demand patterns and allocation efficiency. This data-driven approach ensures equitable access for target income groups – particularly the B40 and M40 segments – aligning the programme directly with the State's inclusivity agenda.

As of July 2025, the digitalised management system has overseen the approval of 24 projects comprising 38,900 units, demonstrating its ability to handle large volumes and ensure timely delivery and transparent reporting to the State Government and relevant authorities.



Innovation and Technology

Impact Story

Selangor Aero Park - The Heart of Malaysia's Aerospace Industry

Selangor Aero Park @ KLIA Aeropolis is Malaysia's next-generation aerospace and advanced manufacturing hub, strategically developed within the KLIA Aeropolis ecosystem through a collaboration between Malaysia Airports Holdings Berhad (MAHB) and Menteri Besar Selangor (Incorporation) (MBI). The project reinforces Malaysia's ambitions under the Aerospace Industry Blueprint 2035, positioning Selangor as a connected, future resilient and globally competitive aerospace destination.

Recognised by the Federal Government as a strategic national project, Selangor Aero Park @ KLIA Aeropolis is set to become the region's emerging logistics and air-cargo powerhouse, catalysing high-value investments, strengthening supply chain connectivity, creating high-skilled jobs, and supporting Malaysia's long-term industrial and economic transformation.

Selangor Aero Park @ KLIA Aeropolis is developed in alignment with environmental, social and governance (ESG) principles, with sustainability, technology and innovation embedded as core foundations of its planning, development and operations. The Park is designed to promote responsible resource management, enhance environmental performance and build long-term resilience through future-ready infrastructure and digital innovation.





Adopting a people-centred approach, Selangor Aero Park @ KLIA Aeropolis supports liveability, workforce well-being and inclusive growth, while fostering a conducive ecosystem for talent, businesses and communities. Underpinned by sound governance and transparent management practices, it positions itself as a sustainable, innovation-driven aerospace ecosystem that delivers long-term value creation, strengthens competitiveness and enables responsible economic growth, while empowering the participation of local SMEs across the aerospace value chain.

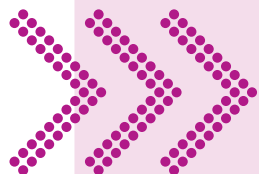
To accelerate national aerospace progress, five key strategies will be implemented at Selangor Aero Park @KLIA Aeropolis:

- » The creation of a future-focused and smart industrial ecosystem will promote innovation through R&D support, modern urban design principles and energy-efficient utilities that improve operational efficiencies and reduce carbon intensity across manufacturing, MRO and logistics activities.
- » The hub will operate under an investor-centric governance framework, enabling faster and more coordinated decision-making and facilitation between federal ministries, state agencies and local authorities.
- » Talent pipelines and industry-ready competencies will be strengthened through structured education, training and certification programmes aligned with evolving aerospace technological demands.
- » Integrated logistics and multimodal connectivity that includes KLIA, Subang Airport and Malaysia's busiest seaports, Westport and Northport, to form a seamless and resilient supply chain corridor for aerospace and high-value manufacturing.
- » Dedicated R&D and innovation facilities will facilitate technological breakthroughs across the aerospace value chain, supporting Malaysia's transition toward high-performance, sustainable and competitive industry leadership in the region.



Through these five sustainability led strategies, Selangor Aero Park @ KLIA Aeropolis is establishing a climate-resilient, innovation-driven and socially inclusive ecosystem that supports Malaysia's transition toward a low-carbon economy and reinforces its role as a responsible contributor within the global aerospace value chain.

Innovation and Technology



GOING FORWARD

Going forward, MBI Selangor aims to strengthen innovation and technology by enhancing digital infrastructure and upgrading accounting, human resources, and procurement systems to a unified, cloud-enabled platform and the establishment of a Security Operations Centre supported by managed cybersecurity services. We will drive continuous innovation by launching an AI and Innovation Lab, expanding the use of advanced analytics, robotic process automation, and Internet of Things (IoT) pilot projects to improve efficiency and decision-making.

We also target to enhance digital service delivery by developing mobile applications, expanding digital signature services, and improving user experience through integrated dashboards and paperless workflows. To support long-term sustainability, digital competencies will be nurtured among employees through training programmes. A Centre of Excellence is also planned to promote continuous improvement and technology adoption across all subsidiaries

MBI Group Highlights: Innovation and Technology

MBI subsidiaries are leveraging technology to drive digital transformation, operational efficiency, and smart city development across Selangor. Key initiatives include:



Investment Ventures and Digital AI

Advancing Selangor as a Digital Economy Leader

SIDEC Sdn Bhd (SIDEC)

- » To accelerate digital adoption by empowering businesses with cutting-edge technology, innovative solutions, and strategic support.
- » To foster a thriving startup and tech ecosystem, driving entrepreneurship, collaboration, and sustainable digital transformation.
- » To position Selangor as a regional leader in artificial intelligence (AI), semiconductor innovation, and smart mobility, strengthening its global competitiveness.
- » To facilitate high-impact collaborations between businesses, investors, and technology enablers, creating a dynamic digital economy.

Integrating Data and AI

SSDU Innovations Sdn Bhd (SSDU)

- » Implements key smart city initiatives leveraging data analytics and IoT devices to improve public services, traffic management, and environmental monitoring.
- » Manages a platform to facilitate inter-agency data sharing, enabling evidence-based decision-making for the State Government.
- » Pilots AI solutions for predictive maintenance and resource optimisation across municipal services.



Water and Utilities

Innovating Solutions to Address Water Security and Conservation

Cubiq Meters Sdn Bhd (Cubiq Meters)

- » CubiqNexus™, an in-house developed digital dashboard, provides real-time visibility of smart water distribution management to support smart city development.
- » Deploys smart water meters that enable real-time monitoring tracking of consumption and flow, leading to improved billing accuracy and enabling early leak detection to support NRW management.
- » Utilises smart meter data to identify premise leaks and abnormal usage patterns, enhancing demand forecasting and contributing to statewide water conservation efforts, while enabling utilities to provide their consumers with clearer visibility of water consumption.

Modernising through Digital Tools

Koridor Utiliti Selangor Sdn Bhd (KUSEL)

- » Promotes the digitalisation of submissions, data consolidation and coordination processes and approvals for utility works, reducing paper usage and lowering the operational carbon footprint.
- » Utilises digital mapping tools to coordinate and plan shared utility infrastructure such as Common Utility Trenches (CUT) and Dedicated Utility Road Crossings (DURC), minimising land disruption and supporting long-term efficiency.



Health, Care and Education

Integrating Technology to Drive Innovation

UNISEL Sdn Bhd (Universiti Selangor)

- » Promotes paperless administration and utilises online learning platforms to enhance educational delivery and reduce resource consumption on campus.
- » Integrates research and student projects focused on renewable energy, sustainable agriculture, and climate resilience into academic programmes, driving innovation from the education sector.

GRI Content Index

Statement of use	MBI Selangor has reported the information cited in this GRI content index for the period 1 January 2024 to 30 June 2025 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Page Number
GRI 2: General Disclosures 2021	2-1 Organizational details	Basis of This Report
	2-2 Entities included in the organization's sustainability reporting	Page 1
	2-3 Reporting period, frequency and contact point	Basis of This Report, Page 3
	2-4 Restatements of information	Not Disclosed
	2-5 External assurance	Not Disclosed
	2-6 Activities, value chain and other business relationships	Page 11,13,14-15
	2-7 Employees	Page 111
	2-8 Workers who are not employees	Not Disclosed
	2-9 Governance structure and composition	Page 39-40
	2-10 Nomination and selection of the highest governance body	Not Disclosed
	2-11 Chair of the highest governance body	Page 39-40
	2-12 Role of the highest governance body in overseeing the management of impacts	Page 39-40
	2-13 Delegation of responsibility for managing impacts	Page 39-40
	2-14 Role of the highest governance body in sustainability reporting	Page 3
	2-15 Conflicts of interest	Not Disclosed
	2-16 Communication of critical concerns	Page 125
	2-17 Collective knowledge of the highest governance body	Not Disclosed
	2-18 Evaluation of the performance of the highest governance body	Not Disclosed
	2-19 Remuneration policies	Not Disclosed
	2-20 Process to determine remuneration	Not Disclosed
	2-21 Annual total compensation ratio	Not Disclosed
	2-22 Statement on sustainable development strategy	Page 17-18, 37
	2-23 Policy commitments	Page 17-18, 37
	2-24 Embedding policy commitments	Page 17-18, 37
	2-25 Processes to remediate negative impacts	Page 125

GRI Standard	Disclosure	Page Number
GRI 2: General Disclosures 2021 (continued)	2-26 Mechanisms for seeking advice and raising concerns	Page 125
	2-27 Compliance with laws and regulations	Page 124
	2-28 Membership associations	Page 2
	2-29 Approach to stakeholder engagement	Page 41-42
	2-30 Collective bargaining agreements	Not Disclosed
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Page 43-44
	3-2 List of material topics	Page 44
	3-3 Management of material topics	Page 44
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Not Disclosed
	201-2 Financial implications and other risks and opportunities due to climate change	Not Disclosed
	201-3 Defined benefit plan obligations and other retirement plans	Not Disclosed
	201-4 Financial assistance received from government	Not Disclosed
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Not Disclosed
	202-2 Proportion of senior management hired from the local community	Not Disclosed
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Not Disclosed
	203-2 Significant indirect economic impacts	Not Disclosed
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Not Disclosed
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Page 127
	205-2 Communication and training about anti-corruption policies and procedures	Page 127-128
	205-3 Confirmed incidents of corruption and actions taken	Page 131
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Not Disclosed
GRI 207: Tax 2019	207-1 Approach to tax	Not Disclosed
	207-2 Tax governance, control, and risk management	Not Disclosed
	207-3 Stakeholder engagement and management of concerns related to tax	Not Disclosed
	207-4 Country-by-country reporting	Not Disclosed

GRI Content Index

GRI Standard	Disclosure	Page Number
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Not Disclosed
	301-2 Recycled input materials used	Not Disclosed
	301-3 Reclaimed products and their packaging materials	Not Disclosed
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Page 55
	302-2 Energy consumption outside of the organization	Not Disclosed
	302-3 Energy intensity	Not Disclosed
	302-4 Reduction of energy consumption	Page 56
	302-5 Reductions in energy requirements of products and services	Not Disclosed
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Page 72
	303-2 Management of water discharge-related impacts	Page 72
	303-3 Water withdrawal	Not Disclosed
	303-4 Water discharge	Not Disclosed
	303-5 Water consumption	Not Disclosed
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Page 79-82
	304-2 Significant impacts of activities, products and services on biodiversity	Page 79-82
	304-3 Habitats protected or restored	Page 79-82
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Not Disclosed
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Page 57
	305-2 Energy indirect (Scope 2) GHG emissions	Page 58
	305-3 Other indirect (Scope 3) GHG emissions	Page 58
	305-4 GHG emissions intensity	Page 58
	305-5 Reduction of GHG emissions	Page 59
	305-6 Emissions of ozone-depleting substances (ODS)	Not Disclosed
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Not Disclosed

GRI Standard	Disclosure	Page Number
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Page 66
	306-2 Management of significant waste-related impacts	Page 65
	306-3 Waste generated	Page 66
	306-4 Waste diverted from disposal	Page 66
	306-5 Waste directed to disposal	Not Disclosed
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Not Disclosed
	308-2 Negative environmental impacts in the supply chain and actions taken	Not Disclosed
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Page 109
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 106
	401-3 Parental leave	Page 106
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Not Disclosed
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Page 95
	403-2 Hazard identification, risk assessment, and incident investigation	Page 95
	403-3 Occupational health services	Not Disclosed
	403-4 Worker participation, consultation, and communication on occupational health and safety	Page 96-100
	403-5 Worker training on occupational health and safety	Page 96-100
	403-6 Promotion of worker health	Page 96-100
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Not Disclosed
	403-8 Workers covered by an occupational health and safety management system	Not Disclosed
	403-9 Work-related injuries	Not Disclosed
	403-10 Work-related ill health	Not Disclosed
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Page 103
	404-2 Programs for upgrading employee skills and transition assistance programs	Page 104-105
	404-3 Percentage of employees receiving regular performance and career development reviews	Not Disclosed

GRI Content Index

GRI Standard	Disclosure	Page Number
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Page 111
	405-2 Ratio of basic salary and remuneration of women to men	Not Disclosed
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Page 112
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Not Disclosed
GRI 408: C Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Page 113
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Page 113
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Not Disclosed
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Not Disclosed
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Page 91-94
	413-2 Operations with significant actual and potential negative impacts on local communities	Not Disclosed
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Not Disclosed
	414-2 Negative social impacts in the supply chain and actions taken	Not Disclosed
GRI 415: Public Policy 2016	415-1 Political contributions	Not Disclosed
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Not Disclosed
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Not Disclosed
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Not Disclosed
	417-2 Incidents of non-compliance concerning product and service information and labeling	Not Disclosed
	417-3 Incidents of non-compliance concerning marketing communications	Not Disclosed
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Not Disclosed



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