

A BREAKTHROUGH YEAR

ANNUAL REPORT 2023

INSIDE THIS REPORT

01

PROLOGUE

- 2 Basis of this report

02

OUR INVESTMENT CASE

- 4 Malaysia Airports at a Glance
- 8 Where We Operate
- 10 Corporate Information
- 11 Corporate Structure

03

OUR LEADERSHIP STATEMENT

- 14 Chairman's Statement
- 26 Group Chief Executive Officer's Message

04

OUR VALUE CREATION STRATEGY

- 40 Our Approach to Value Creation
- 42 Value Creation Model
- 44 Our Strategy
- 58 Material Matters
- 78 Stakeholder Engagement

05

OUR PERFORMANCE

- 87 Financial Review
- 100 Operational Review
- 124 Our Approach to Sustainability
- 130 Sustainability Review
- 158 Sustainability Performance Data
- 174 Bursa Malaysia Indicators
- 176 GRI Content Index
- 179 Independent Assurance Statement

06

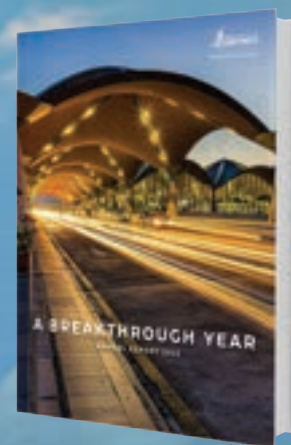
OUR GOVERNANCE

- 184 Board of Directors
- 186 Board of Directors' Profile
- 194 Group Senior Management
- 196 Group Senior Management's Profile
- 203 Subsidiaries Senior Management's Profile
- 208 Corporate Governance Overview Statement
- 251 Board Audit Committee Report
- 255 Statement on Risk Management and Internal Control
- 262 Dividend Policy
- 263 Additional Compliance Information

07

ADDITIONAL INFORMATION

- 264 Statement of Workforce
- 265 Airport Statistics
- 267 Analysis of Shareholdings
- 271 Share Price, Volume Traded and Market Capitalisation
- 272 List of Properties
- 278 Group Corporate Directory
- 279 Airport Directory
- 280 Notice of 25th Annual General Meeting
- 287 Statement Accompanying Notice of 25th Annual General Meeting
- 288 AGM Administrative Details
 - Form of Proxy
 - Annual Report Requisition Form





A BREAKTHROUGH YEAR

In a breakthrough year, Malaysia Airports strode confidently into a growth era following a successful recovery from the pandemic. To signify this transition, we set a three-year strategy to identify and seize opportunities for expansion centred around reimagining the passenger experience at our airports.

We firmly believe that prioritising passengers in our strategic approach is key to maintaining the competitiveness of our airports and increasing market share, especially as the aviation industry anticipates rapid expansion. The cover of this Annual Report depicts the rapid pace of our efforts and our journey to a bright future for the Group and its stakeholders.

Culminating this pivotal year, we achieved outstanding financial results as our Malaysian operations returned to profitability. 2023 has also stood out as one of the most profitable periods in our corporate history.

-  More information on this report
-  More information on our website
www.malaysiaairports.com.my



BASIS OF THIS REPORT

INTRODUCTION

This Integrated Report has been prepared with reference to the principles of the International Integrated Reporting Framework (<IR> framework) developed by the International Integrated Reporting Council (IIRC) and the recommendations in the Malaysian Code on Corporate Governance 2021 on integrated reporting.

This report aims to provide our stakeholders with transparent, relevant and integrated information of our business strategy, performance, and future prospects as well as environmental social and governance (ESG) considerations, leading to the creation of stakeholder value over the short, medium and long-term. We are guided by our vision to be 'A Global Airport Group that Champions Connectivity and Sustainability' and are resolute in our brand promise of 'Hosting Joyful Connections'.

APPLICABLE REQUIREMENTS AND STANDARDS

This report is prepared according to the following regulatory requirements:

- Main Market Listing Requirements of Bursa Malaysia Securities Berhad;
- Malaysian Financial Reporting Standards;
- International Financial Reporting Standards;
- Companies Act 2016;
- Malaysian Code on Corporate Governance 2021; and with reference to the voluntary standards for sustainability reporting:
- GRI Standards for Sustainability Reporting

VALUE CREATION MODEL

Our value creation model is disclosed on pages 40 to 43. It outlines our focus on value creation which is driven by championing connectivity as a global airport group and the sustainability of airport communities that we serve.

SCOPE AND BOUNDARY

This report covers our financial and non-financial performance during the period from 1 January 2023 to 31 December 2023. Information presented relates to the principal activities of the Group and all its subsidiaries, unless stated otherwise. Detailed information on investments in which Malaysia Airports has no controlling interest is not included.



The full report is also available online on our corporate website at www.malaysiaairports.com.my



REPORTING SUITE

The Reporting Suite for 2023 is similar to last year and comprises this Annual Report, Financial Statements and Airport Statistics.

NAVIGATION ICONS

Six Capitals

- F** Financial
- M** Manufactured
- I** Intellectual
- H** Human
- S** Social
- N** Natural

Key Stakeholders

- S1** Airlines
- S2** Regulatory Authorities
- S3** Passengers
- S4** Business Partners
- S5** Employees
- S6** Capital Providers
- S7** Tenants
- S8** Vendors and Service Providers
- S9** Associations and Professional Bodies
- S10** Media
- S11** Local Community

Material Matters

- M1** Total Airport Experience
- M2** Airport Safety and Security
- M3** Economic Performance
- M4** Cybersecurity and Data Privacy
- M5** Regulatory Compliance
- M6** Climate Change
- M7** Integrity and Anti-Corruption
- M8** Talent Attraction and Development
- M9** Supply Chain Management
- M10** Biodiversity
- M11** Noise Management
- M12** Market Presence
- M13** Waste
- M14** Human Rights
- M15** Water Effluent
- M16** Contribution to Local Community

MATERIALITY

The content of our integrated report is dependent on the principle of materiality. We include matters that substantially affect the Group's ability to create and sustain value over the short, medium and long-term. These matters are identified, prioritised and validated through a materiality assessment process that is described in this report. Our strategic responses to these material matters are presented in pages 58 to 75.

FORWARD LOOKING STATEMENT

This report contains forward looking statements, for example, Malaysia Airports' future direction, strategies, and potential opportunities for growth. These statements are based on various assumptions and are subject to a number of risks, uncertainties and contingencies, many of which are beyond the control of the Group. Unanticipated events and actual future events may differ materially from current expectations due to new business opportunities, changes in priorities by the Group and other factors.

ASSURANCE

Malaysia Airports obtained independent third-party assurance for the following information:

Content	Assurance	Framework
Annual Financial Statements	Reasonable assurance	<ul style="list-style-type: none"> • Companies Act 2016 • Malaysian Financial Reporting Standards • International Financial Reporting Standards
Statement on Risk Management and Internal Control	Limited assurance	<ul style="list-style-type: none"> • Bursa Malaysia Securities Berhad Listing Requirements
Sustainability Review and Indicators	Limited assurance	<ul style="list-style-type: none"> • With reference to GRI Standards for Sustainability Reporting

INFORMATION ON EXCLUSIONS

Malaysia Airports' disclosure appetite guides the limitation of information available in this report. Several requirements of the <IR> Framework have been excluded due to the unavailability of reliable information or specific legal prohibitions.

GLOBALLY,
MALAYSIA AIRPORTS
IS ONE OF THE
WORLD'S LARGEST
AIRPORT OPERATOR
GROUPS, BASED
ON THE TOTAL
NUMBER OF
PASSENGERS
HANDLED
ANNUALLY.

Manages

39
airports

throughout Malaysia

5 international airports | **17** domestic airports | **17** STOLports

Owns and manages 1 international airport
in Istanbul, Türkiye

OUR VISION

A Global Airport Group that Champions
Connectivity and Sustainability

BRAND PROMISE

Hosting Joyful Connections

CORE VALUES

Integrity, Customer-Centricity,
Accountability, New Ideas



AIRPORT SERVICES

Manage, operate and maintain airports, and provide airport-related services to ensure that airports operate efficiently, safely and securely with high service levels

Total Revenue

RM **4,045.5** million

Malaysia
RM **2,284.2** million

Overseas
RM **1,761.3** million

Profit Before Tax and Zakat

RM **510.8** million

Malaysia
RM **136.0** million

Overseas
RM **374.8** million

Group Passenger Traffic Movements

Malaysia
81.9 million
▲ 55.4% from 2022

Türkiye
37.6 million
▲ 20.5% from 2022



DUTY FREE AND NON-DUTIABLE GOODS

Operate duty-free outlets and provide management services for food and beverage outlets at designated airports

Total Revenue

RM **577.0** million

Profit Before Tax and Zakat

RM **21.1** million

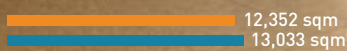
Number of Retail Outlets



Number of Employees



Retail Area



● 2022 ● 2023



PROJECT AND REPAIR MAINTENANCE

Offer consultancy, facility management services, maintenance of information, communication technology business ventures and provision of mechanical and electrical engineering

Total Revenue

RM **154.7** million

Malaysia
RM **54.6** million

Overseas
RM **100.1** million

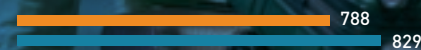
Profit Before Tax and Zakat

RM **71.9** million

Malaysia
RM **61.6** million

Overseas
RM **10.3** million

Number of Employees



● 2022 ● 2023

Our Malaysia operations comprises five key business activities which are **airport services, duty free and non-dutiable goods, project and repair maintenance, hotel and agriculture and horticulture.**

For overseas operations, in addition to ownership and management of Istanbul Sabiha Gökçen International Airport (IATA Code: SAW) in Istanbul, Türkiye, we also provide services for operations and maintenance of airports and airport-related services. Listed on the Main Market of Bursa Securities since November 1999, Malaysia Airports' market capitalisation stood at RM12.28 billion at the end of 2023.



HOTEL

Manage and operate hotels

Total Revenue

RM **105.3** million

Profit Before Tax and Zakat

RM **17.0** million

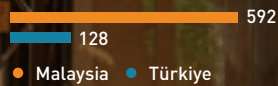
Number of Hotels

4

Number of rooms

720

Breakdown of rooms



* Total Revenue and Profit Before Tax and Zakat is for hotels in Malaysia. Revenue for hotel in Türkiye is RM 23.6 million, which is reported under Airport Services.



AGRICULTURE AND HORTICULTURE

Cultivate and manage oil palm and other agricultural products, and undertake horticulture activities, primarily landscaping services and products

Total Revenue

RM **31.6** million

Profit Before Tax and Zakat

RM **2.1** million

Oil Palm Planted Area

6,247.1 ha

Fresh Fruit Bunches

36,724.5 MT

We are a constituent of the FTSE4Good Bursa Malaysia Index. As a signatory to the Aviation Industry Commitment to Action on Climate Change, we strive to create a pathway to carbon neutral growth and a carbon-free future. Malaysia Airports also holds memberships in the Airports Council International (ACI) and the ACI Asia Pacific Regional Environmental Committee.

Competitive advantage

- Malaysia is located in a strategic location – in the heart of ASEAN, surrounded by high growth markets such as China and India.
- Competitive aeronautical and passenger charges - one of the lowest in the world.
- Well-equipped airports with safety standards certified by global bodies such as ISO, British Standards Institution, and ACI.
- Our flagship, KUL, is ranked No.9 globally for >40 mppa in the 2022 ACI's Airport Service Quality rankings.
- KUL's two terminals have a combined capacity of 75 mppa.
- KUL's three independent runway system facilitates efficient flight operations.
- 100 km² land bank surrounding KUL allows for aviation-related and commercial development.

WHERE WE OPERATE

International Airports

MALAYSIA

- KL International Airport (KUL)
- Kota Kinabalu International Airport (BKI)
- Kuching International Airport (KCH)
- Langkawi International Airport (LGK)
- Penang International Airport (PEN)

TÜRKIYE

- Istanbul Sabiha Gökçen International Airport (SAW)

Domestic Airports

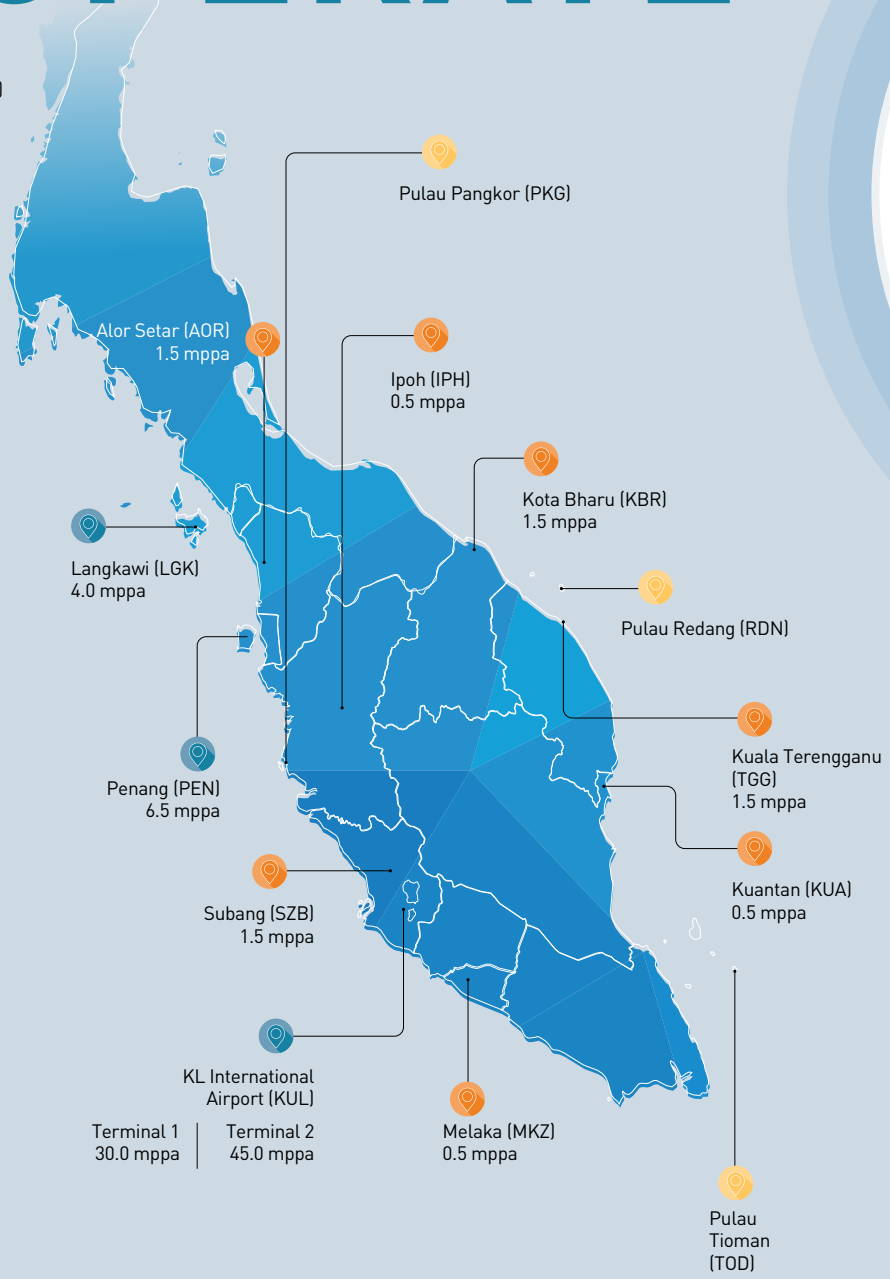
- Melaka Airport (MKZ)
- Sultan Abdul Aziz Shah Airport, Subang (SZB)
- Sultan Abdul Halim Airport, Alor Setar (AOR)
- Sultan Ahmad Shah Airport, Kuantan (KUA)
- Sultan Azlan Shah Airport, Ipoh (IPH)
- Sultan Ismail Petra Airport, Kota Bharu (KBR)
- Sultan Mahmud Airport, Kuala Terengganu (TGG)
- Bintulu Airport (BTU)
- Limbang Airport (LMN)
- Miri Airport (MYM)
- Mukah (MKM)
- Mulu Airport (MZV)
- Sibiu Airport (SBW)
- Labuan Airport (LBU)
- Lahad Datu Airport (LDU)
- Sandakan Airport (SDK)
- Tawau Airport (TWU)

Short Take-Off and Landing Ports (STOLPORTS)

- Pulau Pangkor (PKG)
- Pulau Redang (RDN)
- Pulau Tioman (TOD)
- Bakelalan (BKM)
- Bario (BBN)
- Belaga (BLG)
- Kapit (KPI)
- Lawas (LWY)
- Long Akah (LKH)
- Long Banga (LBP)
- Long Lellang (LGL)
- Long Semado (LSM)
- Long Seridan (ODN)
- Marudi (MUR)
- Kudat (KUD)
- Long Pasia (GSA)
- Semporna (SMM)

Duty Free and Non-Dutiable Goods

- KL International Airport (KUL)
- Kota Kinabalu International Airport (BKI)
- Kuching International Airport (KCH)
- Langkawi International Airport (LGK)
- Penang International Airport (PEN)





Agriculture and Horticulture

- KL International Airport (KUL)
- Bintulu Airport (BTU)
- Miri Airport (MYY)
- Sibul Airport (SBW)

Hotels

- Four locations in and around KUL and SAW:
- KLIA Terminal 1 landside
 - KLIA Terminal 1 airside
 - KLIA Terminal 2 airside
 - SAW landside

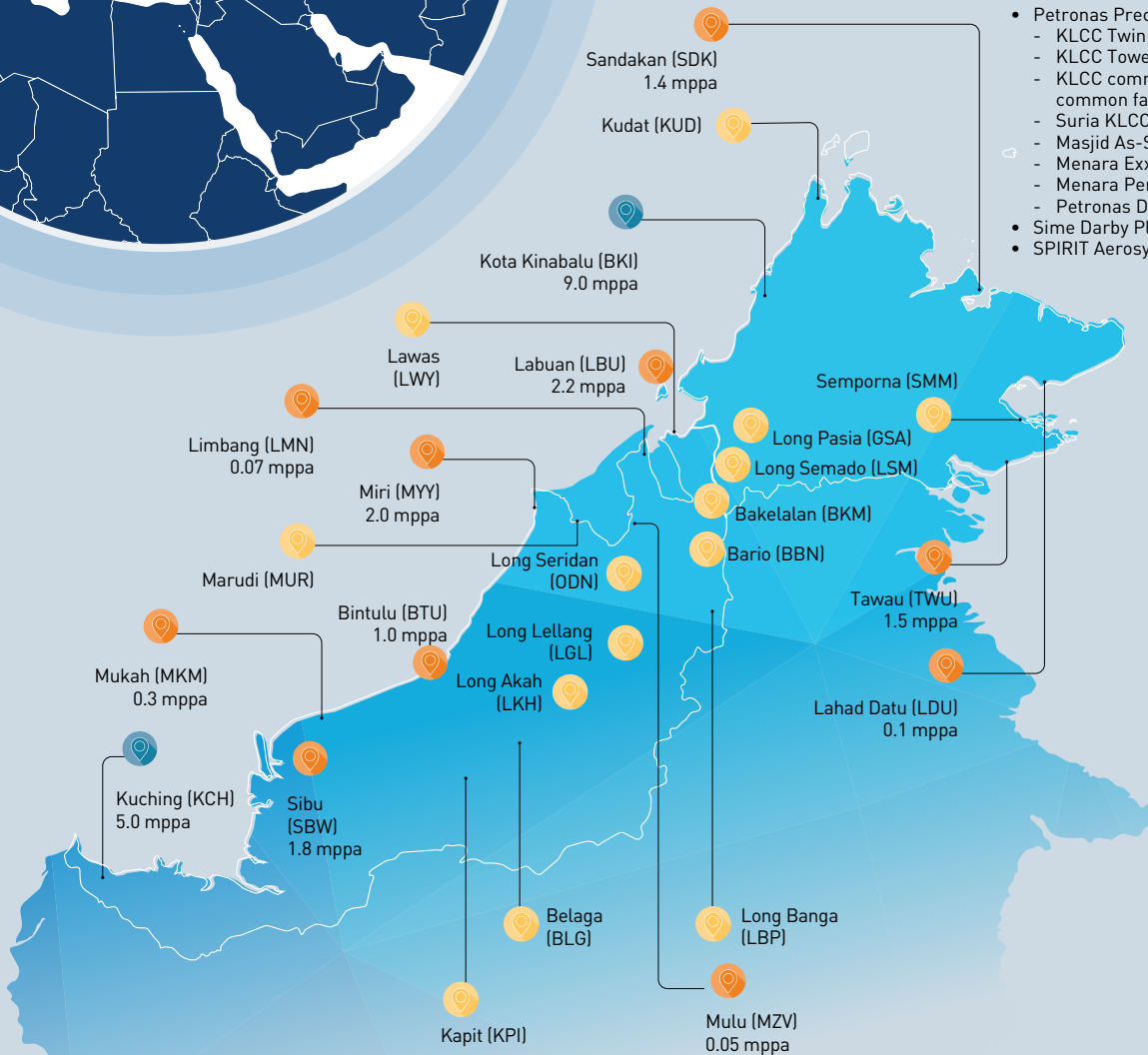
Project and Repair Maintenance

Airports

- KL International Airport (KUL)
- Langkawi International Airport (LGK)
- Penang International Airport (PEN)
- Sultan Abdul Aziz Shah Airport, Subang (SZB)
- Sultan Ismail Petra Airport, Kota Bharu (KBR)
- Hamad International Airport (DOH)

Buildings

- Airbus Helicopters Malaysia
- Bank Negara Malaysia
- Cainiao Aeropolis eWTP Hub
- Malaysia Airports Corporate Office
- Malaysian Research Accelerator for Technology & Innovation (MRANTI)
- MAS Golden Lounge
- Mitsui Outlet Park KLIA
- Persada PLUS
- Petronas Precinct Buildings
 - KLCC Twin Towers
 - KLCC Tower 3 (Retail Podium)
 - KLCC common estate & common facilities
 - Suria KLCC
 - Masjid As-Syakirin KLCC
 - Menara ExxonMobil
 - Menara Permata Sapura
 - Petronas Digital Collaboration Center
- Sime Darby Plantation
- SPIRIT Aerosystems Malaysia



CORPORATE INFORMATION

BOARD OF DIRECTORS

Tan Sri Datuk Zainun Ali
(Chairman)
(Non-Independent Non-Executive)

Dato' Zamzuri Abdul Aziz
(Non-Independent Non-Executive)

Dato' Normah Osman
(Non-Independent Non-Executive)

Datuk Amran Hafiz Affifudin
(Non-Independent Non-Executive)

Rohaya Mohammad Yusof
(Non-Independent Non-Executive)

Dato' Ir. Mohamad Husin
(Senior Independent Non-Executive)

Ramanathan Sathiamutty
(Independent Non-Executive)

Cheryl Khor Hui Peng
(Independent Non-Executive)

Dato' Seri Ir. Koe Peng Kang
(Independent Non-Executive)

Chris Chia Woon Liat
(Independent Non-Executive)

Mohd Nizam Mohd Khir
(Non-Independent Non-Executive)
(Alternate Director to Dato' Zamzuri Abdul Aziz)

BOARD AUDIT COMMITTEE

Cheryl Khor Hui Peng
(Chairman)
(Independent Non-Executive)

Datuk Amran Hafiz Affifudin
(Non-Independent Non-Executive)

Dato' Ir. Mohamad Husin
(Senior Independent Non-Executive)

Dato' Seri Ir. Koe Peng Kang
(Independent Non-Executive)

BOARD NOMINATION AND REMUNERATION COMMITTEE

Dato' Ir. Mohamad Husin
(Chairman)
(Senior Independent Non-Executive)

Datuk Amran Hafiz Affifudin
(Non-Independent Non-Executive)

Ramanathan Sathiamutty
(Independent Non-Executive)

Cheryl Khor Hui Peng
(Independent Non-Executive)

BOARD PROCUREMENT COMMITTEE

Dato' Ir. Mohamad Husin
(Chairman)
(Senior Independent Non-Executive)

Dato' Zamzuri Abdul Aziz
(Non-Independent Non-Executive)

Dato' Normah Osman
(Non-Independent Non-Executive)

Ramanathan Sathiamutty
(Independent Non-Executive)

Mohd Nizam Mohd Khir
(Non-Independent Non-Executive)
(Alternate Director to Dato' Zamzuri Abdul Aziz)

BOARD RISK MANAGEMENT COMMITTEE

Ramanathan Sathiamutty
(Chairman)
(Independent Non-Executive)

Rohaya Mohammad Yusof
(Non-Independent Non-Executive)

Dato' Ir. Mohamad Husin
(Senior Independent Non-Executive)

Cheryl Khor Hui Peng
(Independent Non-Executive)

BOARD SUSTAINABILITY COMMITTEE

Rohaya Mohammad Yusof
(Chairman)
(Non-Independent Non-Executive)

Cheryl Khor Hui Peng
(Independent Non-Executive)

Dato' Seri Ir. Koe Peng Kang
(Independent Non-Executive)

BOARD DEVELOPMENT COMMITTEE

Dato' Seri Ir. Koe Peng Kang
(Chairman)
(Independent Non-Executive)

Dato' Zamzuri Abdul Aziz
(Non-Independent Non-Executive)

Dato' Normah Osman
(Non-Independent Non-Executive)

Dato' Ir. Mohamad Husin
(Senior Independent Non-Executive)

Chris Chia Woon Liat
(Independent Non-Executive)

Mohd Nizam Mohd Khir
(Non-Independent Non-Executive)
(Alternate Director to Dato' Zamzuri Abdul Aziz)

ACTING GROUP CHIEF EXECUTIVE OFFICER/ GROUP CHIEF FINANCIAL OFFICER

Mohamed Rastam Shahrom

GROUP COMPANY SECRETARY

Zawardi Salleh
SSM Practicing Certificate No.
202008003088
MAICSA 7026210

REGISTERED OFFICE

Malaysia Airports Corporate Office
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Selangor Darul Ehsan
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Fax : 603-8777 7512
E-mail : zawardi@malaysiaairports.com.my

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Jalan Damantela
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Damansara Heights
50490 Kuala Lumpur
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Fax : 603-2094 9940/2095 0292

AUDITORS

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Level 23A, Menara Milenium
Jalan Damantela
Pusat Bandar Damansara
50490 Kuala Lumpur
Tel : 603-7495 8000
Fax : 603-2095 9076/78

PRINCIPAL BANKERS

Malayan Banking Berhad
HSBC Bank Malaysia Berhad
RHB Bank Berhad

STOCK EXCHANGE LISTING

Listed on Main Market of
Bursa Malaysia Securities Berhad
Listing Date : 30 November 1999
Stock Name : AIRPORT
Stock Code : 5014
Stock Sector : Transportation & Logistics

CORPORATE STRUCTURE

Malaysia Airports Holdings Berhad	
100%	Malaysia Airports Sdn Bhd
100%	Malaysia Airports (Sepang) Sdn Bhd
30%	MFMA Development Sdn Bhd
100%	Malaysia Airports Consultancy Services Sdn Bhd
100%	Urusan Teknologi Wawasan Sdn Bhd
49%	Malaysia Airports Consultancy Services Middle East LLC
100%	Malaysia International Aerospace Centre Sdn Bhd
100%	Malaysia Airports (Niaga) Sdn Bhd
100%	Eraman (Malaysia) Sdn Bhd
100%	Malaysia Airports (Properties) Sdn Bhd
100%	K.L. Airport Hotel Sdn Bhd
100%	MAB Agriculture-Horticulture Sdn Bhd
20%	Kuala Lumpur Aviation Fuelling System Sdn Bhd
100%	Airport Ventures Sdn Bhd
100%	Malaysia Airports Technologies Sdn Bhd
100%	Malaysia Airports MSC Sdn Bhd
40%	Istanbul Sabiha Gökçen Uluslararası Havalimanı Yatırım Yapım ve İşletme A.Ş.
40%	SGC Havalimanı İşletmeleri Ticaret ve Turizm A.Ş.
30%	Cooling Energy Supply Sdn Bhd
100%	Malaysia Airports Capital Berhad
100%	Malaysia Airports Cities Sdn Bhd
40%	Istanbul Sabiha Gökçen Uluslararası Havalimanı Yatırım Yapım ve İşletme A.Ş.
40%	SGC Havalimanı İşletmeleri Ticaret ve Turizm A.Ş.
100%	KLIA Aeropolis Sdn Bhd
100%	Malaysia Airports International Sdn Bhd
100%	MA Elogistics Sdn Bhd
30%	Alibaba KLIA Aeropolis Sdn Bhd
100%	Malaysia Airports (Subang) Sdn Bhd
100%	BP Malaysia Airports Subang Aerotech Sdn Bhd
100%	BPMA HS Sdn Bhd
100%	MAHB (Mauritius) Private Limited
100%	Malaysia Airports (Labuan) Private Limited
30%	Segi Astana Sdn Bhd
23%	Airport Cooling Energy Supply Sdn Bhd
20%	Istanbul Sabiha Gökçen Uluslararası Havalimanı Yatırım Yapım ve İşletme A.Ş.
20%	SGC Havalimanı İşletmeleri Ticaret ve Turizm A.Ş.

In 2023, Malaysia Airports made 'Reimagining Passenger Experience' our core strategic focus and launched a comprehensive programme to improve and modernise our terminal identity, look and feel, and design for greater efficiency and an enhanced passenger journey





CHAIRMAN'S STATEMENT

A BREAKTHROUGH YEAR



CHAIRMAN'S STATEMENT

“2023 was a breakthrough year for Malaysia Airports. Making progress on all fronts, we capped the year with a profit after tax that exceeded that of 2019, and set the Group on a focused growth trajectory.

In early 2024, we inked new Operating Agreements with the Government of Malaysia which affirm Malaysia Airports' continued role of operating, managing, maintaining and developing the 39 airports and STOLports in Malaysia for the next 45 years until 2069.

Through a capital return mechanism in the new agreements, Malaysia Airports will have the flexibility to strategically invest in airport development and modernisation, and alleviate the financial burden on the Government.”

TAN SRI DATUK ZAINUN ALI
Chairman

Opportunity amidst challenges

In 2023, the global economic environment was challenging due to tight monetary policies to address inflation. The monetary policy measures to manage inflation include interest rate hikes which had continued to dampen growth. As a result, global economic growth had slowed to 3.1% in 2023 compared to 3.5% in 2022.

In Malaysia, the economy faced challenges, primarily weak external demand from the dampened global environment, manpower shortages which impacted commodity production and higher cost of living. Nevertheless, the Malaysian economy expanded by 3.7% in 2023 compared to 8.7% in 2022, according to Bank Negara Malaysia. The continued recovery of tourism activities continued to be one of the key drivers of economic growth in Malaysia, with 20.1 million tourist arrivals in Malaysia in 2023, which was double that of 2022, but still 22.8% lower than pre-pandemic levels in 2019. In Türkiye, despite facing severe inflation, the economy grew by 4.5% in 2023, compared to 5.5% in 2022.

In 2023, there was continued evidence of strong pent up demand globally for air travel post-pandemic, and the reopening of China's borders for international travel in early 2023 provided an extra boost. Passenger traffic in Malaysia showed robust growth to reach 77.8% of 2019 levels in 2023 while at our airport in Türkiye, Istanbul Sabiha Gökçen International Airport (IATA Code: SAW), passenger traffic had exceeded 2019's levels by 4.5%.

Passenger movements for operations in Malaysia reached

77.8%
of 2019 levels

Passenger movements for operations in Türkiye was

4.5%
of above 2019 levels

CHAIRMAN’S STATEMENT

An inflection point

At the beginning of 2023, despite challenging global and domestic economic conditions, the aviation sector was in the midst of a remarkable recovery. Malaysia Airports was at an inflection point – the Group was fresh from the announcement that we had returned to profitability for 2022 following the pandemic, but to build on the momentum in the evolving operating environment, we knew that it was imperative not just to maintain competitiveness but also to enhance it and to sustain and grow usage of our airports and services.

We also acknowledged that what had worked well in the past to lead us to success may not suffice to propel us forward in the dynamic landscape.

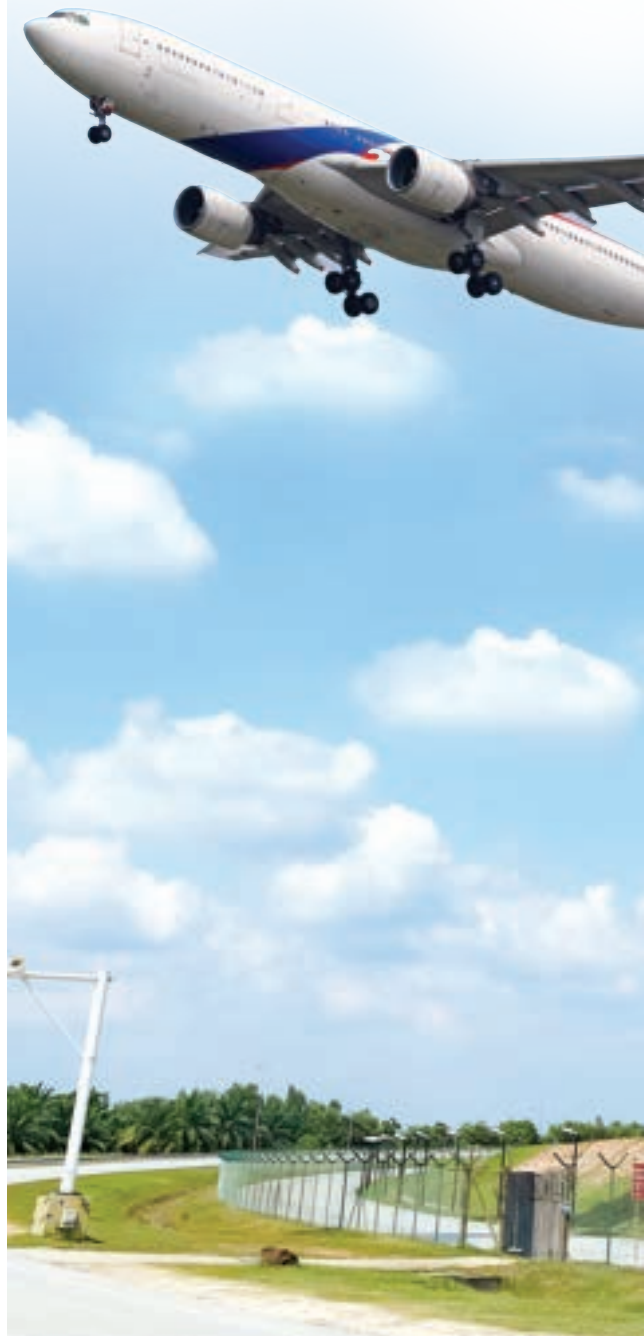
Malaysia Airports therefore faced a watershed test of our capabilities – to create and capture opportunities in an otherwise challenging economic environment globally as well as in the countries in which we operate. While the indicators pointed to robust growth in air traffic and travel, reimagining the passenger experience and ensuring competitiveness in the face of increased traffic are critical steps in maintaining and growing market share in the aviation sector. To compound the complexity of the challenges, the Group was embarking on multi-year projects to replace critical assets at our main hub, KL International Airport (IATA Code: KUL) which had reached the end of their lifespan, namely the Aerotrain and the Baggage Handling System.

It was time to tap into our resilience and adaptability – traits of our organisation which had served us well during the pandemic – and build upon our strengths.

I am proud that our people rose to the occasion and met the challenges head on. The Group embarked on a journey to reimagine the passenger experience at our airports, and optimise operational efficiency to ensure that our airports are able to accommodate growing traffic without compromising service quality. We were focused, tenacious and unrelentless in our efforts.

In a nutshell, collectively, we turned 2023 into a breakthrough year for Malaysia Airports, and moved from post-pandemic recovery to set our course firmly on a growth trajectory.

I am therefore pleased to share with stakeholders how Malaysia Airports shifted the Group’s priorities and strategy towards expansion and development, leveraged on long-standing relationships with stakeholders and achieved stellar results this year.





CHAIRMAN'S STATEMENT

Building a solid growth trajectory

With all indicators pointing at air traffic growth in the short to medium term, the Group recognised the need to build on our foundations for sustained expansion. At the starting point of our journey was a simple premise – prioritise passengers as they play a pivotal role in shaping our ability to deliver value for stakeholders.

3-Year Strategic Plan (2024 - 2026)

Following on from that, there were several strategic measures that the Board had put in place. Chief among them was formulating a strategic plan for a three-year period spanning 2024 to 2026, centred on the overarching theme 'reimagining the passenger experience'. The strategic plan outlines the Group's focus on elevating the passenger experience and enhancing flight connectivity across our airport network, while delivering unparalleled convenience, choice and comfort by rejuvenating our commercial and retail offerings. It also addresses accelerating the Group's off-terminal development business, the expansion of Penang International Airport (IATA Code: PEN), strengthening our international business primarily at SAW, our commitment to building a sustainable business and the Group's focus on execution.

A workforce united by a common purpose

One of the keys to the success of the Group's strategic focus was the alignment of our corporate goals with the Group's identity framework to foster a common purpose that unites our workforce. Complementing our Vision, Brand Promise and Core Values, we emphasised the significance of our people's collective role in moving the Group forward through a Purpose Statement –

'To create delightful experiences through great airport ecosystems, great people, great service, and great operations'.



CHAIRMAN'S STATEMENT

Anchored by sustainability principles

Recognising that the Group's business operates within an ecosystem with interdependencies among stakeholders, Malaysia Airports has always maintained its commitment towards building a sustainable business that creates long term value for stakeholders. To amplify the Group's vision 'A Global Airport Group that Champions Connectivity and Sustainability', the Board in 2023 formed a Board Sustainability Committee to oversee the Group's commitments in Environmental, Social and Governance (ESG) matters and to provide a forum for more in-depth discussion on incorporating sustainability considerations throughout our business.

Environmental stewardship

Malaysia Airports also underscored its commitment towards building a sustainable business, by launching the Group's journey towards Net Zero Carbon Emissions by 2050. The commitment is supported by the Group's Environmental Masterplan 2.0 which outlines the progression of the Group over a long-term roadmap towards a net zero carbon future in line with Malaysia's long-term pledge to become a net zero greenhouse gas emissions nation at by 2050.

Our stakeholders will already see some of our work in progress in terms of environmental stewardship as Malaysia Airports increases the adoption of renewable energy, primarily solar power, by installing photovoltaic solar panels on the rooftops of airport terminals and other buildings.

Currently we are proud that the Group's solar power capacity is approximately 22.5 MWp from solar projects across six airports, including KUL, which reduces Scope 2 carbon emissions by 15%.

Under the Environmental Masterplan 2.0, the Group will rapidly increase its use of renewable energy including converting available land within the vicinity of KUL to house a solar farm.

We also took a collaborative approach to work with members of the airport ecosystem to strengthen existing partnerships and open up new avenues for growth and innovation. An example of this was the Group's collaboration with Malaysia Aviation Group, which we proudly unveiled the nation's inaugural Electric Ground Support Equipment (e-GSE) infrastructure. This groundbreaking initiative marks a significant stride in our collective efforts to mitigate carbon emissions and noise pollution in the aviation industry.

Transitioning from conventional diesel-powered Ground Power Units to state-of-the-art Electric Ground Power Units yields remarkable benefits, in terms of reduced carbon emissions and lower noise levels. This pioneering initiative underscores our commitment to sustainability and our dedication to advancing eco-friendly practices by partnering with stakeholders within the aviation sector.

Making positive human impact

In the social sphere, Malaysia Airports is committed to bringing a positive human impact through our operations. In this regard, we constantly examine how our business can positively impact our employees' development, wellbeing and safety, promote diversity, champion human rights and enrich the communities in which we operate.

Despite aviation being a traditionally male-centric industry, I am proud of the diversity of the Malaysia Airports workforce. At Board-level, for our holding company in Malaysia, at the end of 2023, the Board had 40% female directors, with each bringing a wealth of experience and expertise to the table. In our operations in Türkiye, one-third of the board of İstanbul Sabiha Gökçen Uluslararası Havalimanı Yatırım Yapım ve İşletme A.Ş. comprises female directors. Across the Group, approximately one-third of our employees are female.



CHAIRMAN'S STATEMENT

Employee learning and development stands as a cornerstone of our social objectives, aligning closely with the Group's commitment to fostering an inspiring workplace environment and nurturing the holistic growth of our employees, both professionally and personally.

In 2023, our focus on learning and development took centre stage, particularly within our operations in Malaysia. We witnessed a significant uptick in the average training hours per employee, soaring by 45.7% YoY to clock 51 hours per employee, compared to 35 hours per employee in 2022. Empowering our employees with the tools, resources, and opportunities needed to thrive in an ever-evolving landscape is a catalyst for the Group's sustainable success and reinforcing our position as an employer of choice.

In 2023, Malaysia Airports' community enrichment initiatives as part of the #MYAirportCARES programme, benefitted 3,343 individuals across Malaysia. These initiatives encompassed a variety of impact-driven programmes that brought together our employees and other members of the airport community to make a positive impact on the communities we serve.

One such initiative, the MYAirportCARES School Airport Tour, aimed to inspire young aviation enthusiasts through immersive airport tours. Throughout the year, the Group facilitated visits for over 1,800 students from 40 primary and secondary schools, offering them a behind-the-scenes look at airport operations and to learn first hand from our employees and members of the airport community across 21 airports in Malaysia.

We also support the educational journey of B40 students residing near our airports. Through our efforts, we provided school uniforms and essential back-to-school supplies to 300 students, ensuring they could begin the new academic year with confidence and enthusiasm. In collaboration with the MyKasih Foundation, we extended assistance to an additional 300 needy students by funding their necessities through MyKasih student smartcards that enable students to purchase essential items such as food, beverages, books, and stationery from school canteens and bookstores.

Lending a helping hand

To alleviate the suffering of communities devastated by humanitarian crises, Malaysia Airports stepped up to contribute towards the humanitarian relief efforts. Following the devastating earthquake in southeast Türkiye in February

2023, SAW was used as a rescue and logistics hub for rescue personnel and relief efforts, as well as a crisis management centre. Our colleagues at the airport stepped up to provide all necessary support and assistance including food and drink for the relief workers.

The Group, together with SAW and our employees, donated approximately EUR5.0 million for humanitarian relief to the Disaster and Emergency Management Authority of Türkiye (AFAD) and Turk Kızılay (Turkish Red Crescent).

Upholding governance and integrity

Malaysia Airports remains steadfast in its commitment to fostering robust corporate governance practices, underpinned by a culture of integrity and transparency across the Group. We recognise that good corporate governance serves as the cornerstone guiding our strategic direction, decision-making processes, and accountability. Ultimately, a culture of governance and integrity enables the Group to continue to deliver sustainable long-term value to our stakeholders.

This Annual Report encapsulates our dedication to upholding exemplary corporate governance standards. It includes a comprehensive Corporate Governance Overview Statement pages 208 to 250 and a detailed Statement on Risk Management and Internal Control pages 255 to 261. Furthermore, within the Material Matters section of this report, stakeholders will find highlights on the Group's progress in 'Integrity and Anti-Corruption' and 'Regulatory Compliance' pages 73 and 71. These sections provide insight into our ongoing efforts to uphold the highest standards of governance and ethical conduct throughout our operations.

The Group's Board of Directors and Management have also reiterated their unwavering commitment to upholding a corruption-free workplace, in the presence of senior members of the Malaysian Anti-Corruption Commission. As part of this commitment, the Corruption-Free pledge is also delivered online to all employees within the Group, which they digitally sign to affirm their accountability and dedication to maintaining a corruption-free environment.

In addition to the digital pledge, the Group conducts both online and in-person briefings on anti-bribery and corruption matters. In 2023, 99.65% of employees completed these briefings, underscoring the widespread understanding and commitment to combating corruption within the organisation.

CHAIRMAN'S STATEMENT

Results

I am pleased to share with stakeholders that in this breakthrough year, Malaysia Airports produced stellar results in its key focus areas. Across all airports in our network the Group recorded a total of 119.5 million passenger movements or approximately 84.6% of 2019's record high. This was also the first time we passed the 100 million threshold since the pandemic. For our operations in Türkiye, passenger movements for SAW exceeded 2019 levels by 4.5% to register 37.6 million passenger movements, a new record for the airport.



For the financial year ended 31 December 2023 (FY2023), Malaysia Airports recorded **revenue of RM4,914.2 million, 57.2% higher year-on-year (YoY).**

Revenue from airport operations which combines both aeronautical and non-aeronautical **revenue increased significantly by 60.6% YoY to RM4,598.9 million**, due to higher passenger movements, in particular international passengers.

Malaysia operations recorded a Profit Before Tax and Zakat (PBT) of RM384.6 million, a significant turnaround compared to the Loss Before Tax of RM263.2 million in FY2022. Our operations in Türkiye recorded its second year of profits with PBT of RM113.1 million, with four profitable quarters throughout FY2023.

To cap our stellar performance in FY2023, in terms of net profit, although overall passenger movements fell short of pre-pandemic levels, Malaysia Airports' net profit of RM543.2 million for FY2023 exceeded our 2019's numbers by 1.15%.

In February 2024, the Board approved a single-tier final dividend of 10.80 sen per ordinary share for FY2023. As such the total dividend payout for FY2023 is RM180.2 million based on the number of ordinary shares issued at the end of FY2023. This is in line with the Group's dividend policy to distribute a dividend payout of at least 50% of the consolidated annual net profit after taxation and minority interest annually, subject to availability of distributable reserves.

CHAIRMAN'S STATEMENT

Recognition from stakeholders

We are pleased that our efforts received encouragement, support and recognition from our stakeholders. In particular, we are proud of the recognition from the Government of Malaysia and its trust in Malaysia Airports as demonstrated by the signing of the Operating Agreements in March 2024 under which the Group will continue to operate, manage, maintain and develop the network of 39 airports and STOLports for the next 45 years until February 2069. In addition, the Operating Agreements provide for favourable commercial terms and a transparent investment return mechanism which give Malaysia Airports the flexibility to pursue strategic investments which are essential to enhance airport capacity, facilities and infrastructure to elevate overall service standards.

The support and approvals from the Government at Federal, State and local levels with regards to our development plans, particularly for the expansion of Penang International Airport, the KLIA Aeropolis and the Subang Airport Regeneration Plan, is also recognition of the role of Malaysia Airports in generating long-term value for stakeholders through our initiatives. In addition, the support of the Government of Türkiye and government agencies has been evident in their support for the expansion of SAW in the completion of the airport's second runway in 2023 as well as agreeing to invoke the force majeure provisions which reduced the Group's financial burden from the pandemic.

We are also greatly encouraged by the support from shareholders. When the Group declared its dividends for FY2022, we offered shareholders a dividend reinvestment plan that enables them to receive dividends in the form of the Group's shares in lieu of cash. This offer was taken up by the vast majority of shareholders resulting in an 87.5% subscription rate for shares under the dividend reinvestment plan. Over the course of the year, the Group's foreign shareholding has increased by over six percentage points. This increased support is an indication of the higher optimism on the Group's recovery and growth prospects.

We are also proud to be recognised by human capital specialists as an employer of choice. In particular, we were singled out by GRADUAN, HRD Corporation and Talentbank in their rankings and awards for human capital practices. This is a recognition of our efforts in nurturing talent and developing our people as well as our ability to provide an exciting and fulfilling career path for our people.

In addition, our efforts to provide a high quality of service to passengers continue to be recognised. In Airports Council International's annual Airport Service Quality survey for 2023, KUL was ranked 9th and Langkawi International Airport (IATA Code: LGK) clinched the top spot in their respective categories. This is the third consecutive year that KUL has been placed in the top 10, and that LGK has topped its category.



CHAIRMAN'S STATEMENT

Outlook

In terms of economic outlook, the International Monetary Fund (IMF) forecasts the global GDP is projected to grow at 3.1% in 2024 from 3.0% in 2023, on the account of greater-than-expected resilience in the United States and several large emerging market and developing economies, as well as fiscal support in China.

Meanwhile, Bank Negara Malaysia expects Malaysia's GDP to grow between 4% - 5% in 2024, driven by resilient domestic demand and expenditure and the expected recovery in exports from improved external demand. Tourism is a key economic sector that is expected to improve further while the progress of multi-year infrastructure projects and the implementation of catalytic initiatives will also drive domestic growth.

The IMF also expects Türkiye's GDP growth to moderate from 4.0% in 2023 to 3.1% in 2024, supported by expansionary fiscal policies, increase in net minimum wage as well as the reconstruction efforts in earthquake zones with large multiplier effects.

In terms of industry outlook, IATA estimates the global passenger traffic to recover to 99% of 2019 levels in 2024 driven by the accelerated recovery following the reopening of Chinese market in January, increase in domestic air travel from strong pent-up demand as well as the effects of early opening and robust domestic demand in North America. Over a longer horizon (2019 - 2040), global passenger traffic is expected to grow with an annual increase of 3.4%.

Traffic in Asia Pacific is expected to recover to 94% of 2019 levels in 2023 and exceed pre-pandemic levels in 2024 (110%), as the gradual ramp-up of airline operations and return of tourism are poised to drive further growth. Despite being the only region to reach its pre-pandemic passenger levels in 2024, Asia Pacific is likely to see the most rapid growth in passenger traffic with an annual increase of 4.5% in the number of passengers between 2019 and 2040, at which point the region is expected to make up more than half of global passenger demand.

Meanwhile, traffic in Europe is expected to remain resilient and continue its strong momentum to reach 2019 levels and 110% in 2024, and continue to steadily grow with an annual increase of 2.2% between 2019 and 2040.

Additionally, the Malaysian Aviation Commission (MAVCOM) anticipates passenger traffic for Malaysia to reach between 93.9 million and 107.1 million passengers in 2024, reflecting a growth of 10.0% to 25.0% over 2023. This forecast signifies a recovery of up to 98% of 2019 levels due to domestic and international travel to China and the ASEAN region.

This optimism in passenger recovery and growth trajectory is essential for Malaysia Airports to catalyse financial stability, foster further innovation, enhance competitiveness and further fuel performance and sustainable growth.





CHAIRMAN'S STATEMENT

Thank you

I would like to extend a warm welcome back to Dato' Zamzuri Abdul Aziz and his alternative, Encik Mohd Nizam Mohd Khir, who rejoined the Board on 5 June 2023, as well as Datuk Amran Hafiz Affifudin, Dato' Seri Ir. Koe Peng Kang and Mr Chris Chia Woon Liat who joined the Board on 1 September 2023, 12 December 2023 and 11 March 2024 respectively.

The Board would also like to thank our former members, Tan Sri Mohamad Salim Fateh Din, Datuk Azailiza Mohd Ahad, Datuk Johan Mahmood Merican and Ms Wong Shu Hsien who resigned in 2023, as well as our former Managing Director, Dato' Sri Iskandar Mizal Mahmood. On behalf of the Board, I would like to record our appreciation for their service and contribution towards the Group.

Furthermore, the Board extends its heartfelt gratitude to our dedicated employees who have tirelessly served the Group with unwavering commitment throughout the year. We recognise and appreciate the numerous sacrifices they have made in fulfilling their responsibilities, and we are immensely grateful for their steadfast support.

We also extend our sincere appreciation to our shareholders and all other stakeholders, including various ministries, government agencies, airline partners, retail partners, vendors and other business partners, for their invaluable support and contributions in navigating the challenges and seizing the opportunities of 2023.

As we embark on the journey into 2024, we do so with renewed confidence in our capabilities to generate value for our stakeholders. We are poised to embrace new opportunities for growth and development while ensuring the sustainability of our hard-earned achievements in transforming the Group. As custodians of the nation's gateways, we remain committed to creating long-term value for our stakeholders as we continue to build and nurture a sustainable business for the future.

TAN SRI DATUK ZAINUN ALI

Chairman



For those who need some peace and quiet before their journey, there are numerous lounge options for you. Rest, relax, and recharge, or perhaps catch up on work to get your journey off to a great start





GROUP CHIEF EXECUTIVE OFFICER'S MESSAGE



A BREAKTHROUGH YEAR YIELDS STELLAR RESULTS

“In a breakthrough year for Malaysia Airports, we resolved that our core strategic focus would be to delight passengers and reimagine their journey through our airports. Working in tandem with key airport stakeholders to enhance the passenger experience, we achieved several major milestones in our corporate journey.

We take pride that our efforts in 2023 culminated in one of the most profitable years in the history of Malaysia Airports.”

Mohamed Rastam Shahrom
Acting Group Chief Executive Officer



GROUP CHIEF EXECUTIVE OFFICER'S MESSAGE

Malaysia Airports began 2023 with renewed energy, having posted a significant turnaround to return to profitability in 2022. With the pandemic serving as a catalyst for urgent transformation of the aviation industry, Malaysia Airports had embarked on a Group-wide effort to put in place the building blocks for a sustainable business that creates long-term value for stakeholders. In 2023 therefore, the Group completed its transition from recovery to growth, amply demonstrating its multifaceted capabilities as a custodian of strategic national infrastructure, coupled with the nimbleness to capitalise on revenue generating opportunities.

As the operator of international gateways including the crown jewels, KL International Airport (IATA Code: KUL), and Istanbul's city airport, Istanbul Sabiha Gökçen International Airport (IATA Code: SAW) in Türkiye, we have a full agenda in growing the market share of our airports while ensuring that passengers and other stakeholders continue to be well served. Nevertheless, one thing remains constant – we must always put our passengers first and foremost at the very top of our agenda.

Therefore, with passenger experience as key in everything that we do, we have refocused the Group's strategic growth plan on delighting our passengers as the foundation for creating long-term value for the Group and its stakeholders.

The theme for this year's annual report, 'A Breakthrough Year', encapsulates our efforts to transform the passenger journey through our airports. Through numerous iterations, we refined processes, empowered our people through training, leveraged on technology, and explored avenues to enhance the overall passenger experience. As our airports operate within an ecosystem, it was crucial for us to engage with other stakeholders and present them with a compelling value proposition to harness the synergies inherent in a collaborative approach.

119.5 million
passenger movements
in 2023

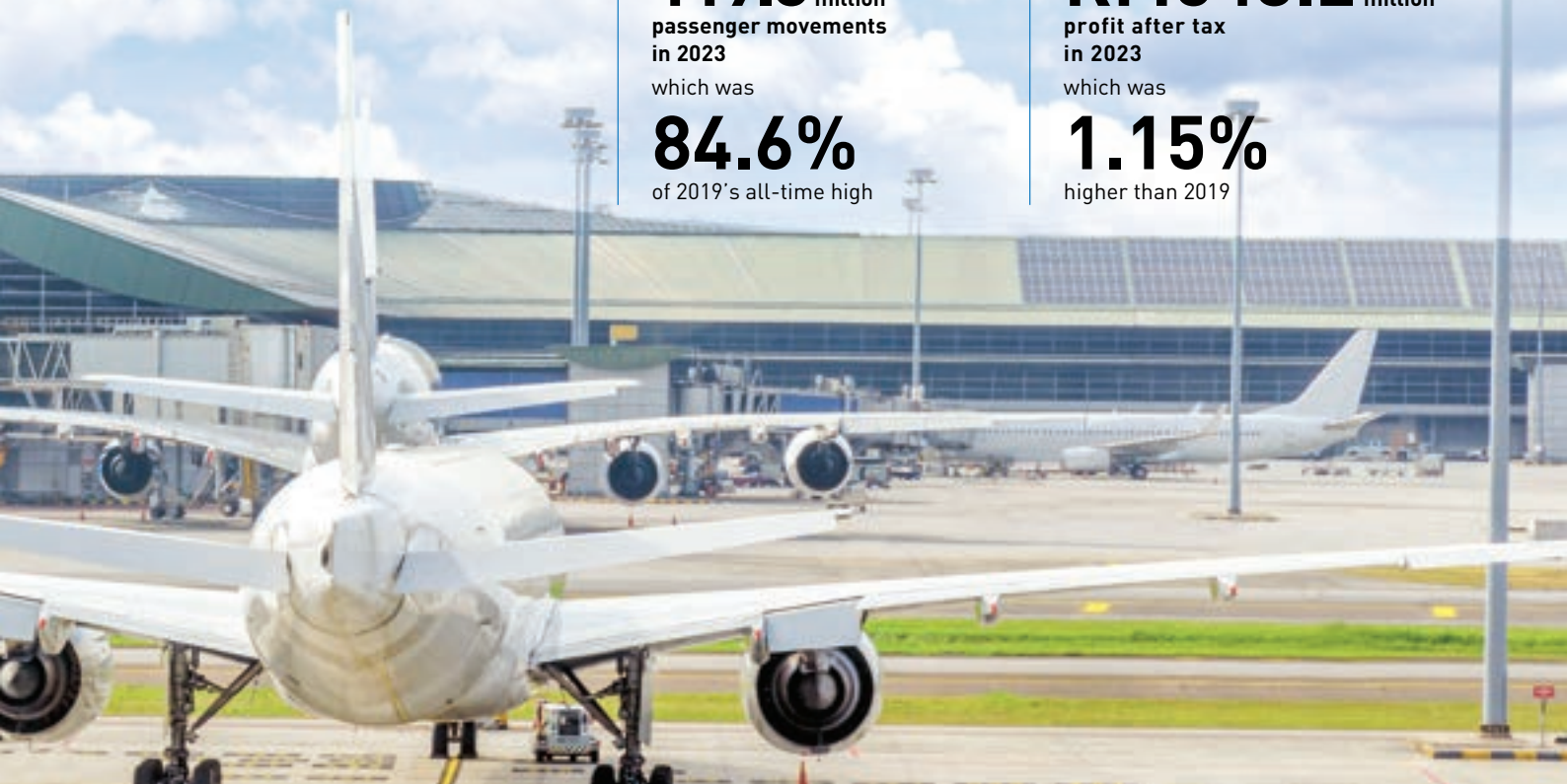
which was

84.6%
of 2019's all-time high

RM543.2 million
profit after tax
in 2023

which was

1.15%
higher than 2019



GROUP CHIEF EXECUTIVE OFFICER'S MESSAGE

Our efforts enabled us to celebrate several key milestones in this landmark year. The Group recorded a total of 119.5 million passenger movements or approximately 84.6% of the all-time high in 2023. This was also the first time we passed the 100 million threshold since 2019. In our operations in Türkiye, passenger movements for SAW shot past 2019 levels by 4.5% to register 37.6 million passenger movements, a new record for the airport.

Although overall passenger movements were still short of pre-pandemic levels, for the financial year ended 31 December 2023 (FY2023), Malaysia Airports' net profit surged past our 2019 numbers by 1.15% to RM543.2 million. This achievement signaled one of the most profitable years for Malaysia Airports since the inception. The Group also declared a final dividend of 10.80 sen per share for FY2023.

In recognition of the Group's consistent financial performance, Malaysia Airports was honoured with The Edge Billion Ringgit Club award in 2023 for the 'Highest Return to Shareholders over Three Years' for the Transportation and Logistics sector. The award is testament to our prudent management, consistent performance as well as our resilience and agility, given the volatility of the operating environment over the three-year period.

We are proud that our transformative efforts have been recognised by the Government of Malaysia with the signing of the Operating Agreements in March 2024 entrusting the Group with the continued role of operating, managing and maintaining, 39 airports and STOLports for the next 45 years until February 2069. In addition, the Operating Agreements also provide for favourable commercial terms and a transparent investment return mechanism which give Malaysia Airports the flexibility to pursue strategic investments which are essential to enhance airport capacity, facilities and infrastructure to elevate overall service standards, thereby expanding Malaysia Airports' role beyond being a pure airport operator, to an airport developer.

I am pleased to share with Malaysia Airports' shareholders the highlights of this breakthrough year, our achievements and the challenges we overcame in creating value for shareholders, and our strategies for future growth and development.

An elevated passenger experience

Our core strategic focus for 2023 was reimagining the passenger journey through our airports and elevating their experience by enhancing convenience, comfort and connectivity.

ACI accreditation for customer experience

In tandem with the increase in passenger movements, it was crucial to ensure the passenger experience at our main hub at KUL continued to adhere to international best practices and standards. Hence, in early 2023, Malaysia Airports embarked on the Airport Customer Experience Accreditation (ACEA) programme, an initiative of Airports Council International (ACI) World that builds airports' long-term capacity to enhance customer experience management.

By the end of 2023, KUL had made significant progress, with ACI accrediting our airport at Level 2 of the ACEA programme's five levels, reflecting the airport's success in orchestrating a seamless passenger-centric journey to enhance customer satisfaction. The accreditation also signifies Malaysia Airports' focus on continuous improvement of customer experience and services in line with international standards.

Airport Service Quality recognition for KUL and LGK

Our efforts at KUL were also recognised in passenger feedback, resulting in a score of 4.99 out of a possible 5.00 points in ACI World's Airport Service Quality (ASQ) programme, the globally recognised initiative that provides ACI member airports with tools and expertise to measure and improve passenger satisfaction, business performance and airport service quality. Langkawi International Airport (IATA Code: LGK) scored a perfect score of 5.00 in the same programme.

With these scores, KUL was tied 9th in the ASQ rankings for airports in Asia Pacific with capacity of over 40 million passengers per annum (mppa) while LGK secured the top spot for airports with capacity of 2-5 mppa, a testament to our ability to maintain passenger satisfaction despite the increase in passenger movements in the year.



GROUP CHIEF EXECUTIVE OFFICER'S MESSAGE

Leveraging on technology

As we recognise the importance of our ability to collect, consolidate and address passenger feedback, we deployed STARdesk, an electronic feedback management platform, at KUL to encourage passengers to submit their feedback through the MYAirports mobile app regarding issues that they encounter at the airport. This enables our customer experience team to validate and respond to passenger feedback within 15 minutes. The feedback received on the platform is also analysed to enable Malaysia Airports to recognise trends, identify common pain points and take proactive action.

We further leveraged on technology to enhance passenger convenience for a stress-free journey through the terminal by reducing manual checks, allowing passengers to navigate check points quickly and by-pass congestion. For example, we launched a Self-Service Bag Drop system in May 2023, which lets passengers check-in their baggage faster and more efficiently, taking only 45 seconds to check-in each bag.

Comfort, convenience and care

We also addressed the challenges to passenger experience posed by the suspension of the Aerotrain operations at KUL, that shuttles passengers to and from the Satellite Terminal at KUL Terminal 1. The suspension was part of the replacement programme for the Aerotrains which had reached their end-of-life after being in service since the inception of KUL.

While a Shuttle Bus Service is the primary mode of transportation pending the new Aerotrain going into operations in Q1 2025, Malaysia Airports has taken multiple steps to enhance the interim solution. First, to ferry passengers to and from the Satellite Terminal, we added low deck buses with larger capacity to boost the efficacy of the shuttle bus fleet and to ensure that even at peak periods, there are buses standing by for passengers. Our customer experience team assists passengers at the point of boarding and ensures that capacity limits are adhered to so that passengers complete the four-minute bus trip in comfort.

Secondly, the Aero FastTrack was introduced as a paid premium option to provide passengers a tailor-made meet-and-greet service to ensure a seamless, smooth and swift journey through KUL. Guests who purchase the Aero FastTrack package are assisted by FastTrack ambassadors

Leveraging on international best practice and know-how, technology and an innate service culture, we were determined to go the extra mile for passengers.

upon arriving at the airport kerbside to expedite their passage through airport check points. They are then ferried to the Satellite Terminal in a premium MPV before a buggy ride takes them to the departure gate.

Further, in early 2024, we made available a Premium Shuttle Bus complete with lounge facility for departing and arriving first and business class passengers at KUL Terminal 1 to ensure a seamless transfer between the Main Terminal Building and the Satellite Building.

Going the extra mile for passengers

To provide a stress-free start for departing passengers from the moment they arrive at the airport, in early 2024, we launched 'The KLIA Trolley Crew' a complimentary porter service which is free for all passengers at KUL Terminal 1. The KLIA Trolley Crew welcomes passengers at the kerbside of the Departure level by getting them a trolley and lifting their luggage onto the trolley. The KLIA Trolley Crew also operates at the Baggage Reclaim Area at the arrival hall to assist arriving passengers with their luggage.

Exciting shopping, dining and hospitality options

Malaysia Airports' Commercial Reset which has seen the transformation of our commercial and retail spaces has transformed the passenger experience at our airports. At the end of 2023, the Group had leased 88% of lettable commercial space for airports in Malaysia. Operational occupancy had progressed strongly to 81% at the end of 2023, compared to 55% in Q1 2023.

These new outlet openings translate into winning propositions for passengers, providing them with a wide range of shopping and dining options that make for a fun and rewarding time at the airport.

We also showcased Malaysian art and cultural performances at the airport terminals to enrich the passenger experience, in line with our Corporate Responsibility pillars to support Malaysian art, culture and heritage.

GROUP CHIEF EXECUTIVE OFFICER'S MESSAGE

To headline the new dining and shopping offerings at our airports, the Group secured exciting international and local brands, including Malaysian culinary icon, Chef Wan.

Our airports also welcomed refreshed shops by Polo Ralph Lauren, Michael Kors, Bulgari, Tory Burch, TUMI, Sunglass Hut, Kashka and Gold City at KUL, while Lego, Royal Selangor, Bath & Body Works and Victoria's Secret at PEN and Habib Jewels at LGK that opened their doors to passengers in 2023.

Among the new food and beverage brands at the airports in 2023 were international chains, Din by Din Tai Fung, Hard Rock Café, Jamie Oliver's Pizzeria and Paul Le Café, and Malaysian franchises, Ahh-Yum, Grandmama's, Jibby Chow, Serai, Kitchen by Open House and Petit Cafe by Chef Wan 1958.

Adding to the 'Sense of Malaysia' outlet at KUL Terminal 1, we extended the concept store to our other international terminals - KUL Terminal 2, BKI, KCH, LGK and PEN - to showcase the richness of Malaysian culture and heritage featuring gifts, souvenirs, handicraft and delicacies.

Eraman unveiled its new duty free emporiums at KUL Terminal 1 with a revamped concept design which offers a wider range of products and brands. At PEN, the opening of Eraman's new chocolate store at International Departures was popular with passengers seeking gifts before flying off.

We also acknowledged the rising demand for rest and recharge services. In line with international best practice, the Group is future-proofing its lounge strategy by focusing on a single host airline lounge by Malaysia Airlines, while lounges for other airlines, alliances and passengers are operated by renowned lounge operators such as SSP and Plaza Premium Group which manage more than 270 lounges worldwide.

In total, seven lounges have been identified for KUL Terminal 1, giving travellers an elevated lounge experience and a wide range of options including a state-of-the-art first and business class lounge as well as paid lounges. The first Kepler sleeping pod facilities outside Türkiye also made their debut with two transit hotels at KUL Terminal 1.

Restoring pre-pandemic network connectivity

In 2023, we continued to make a push to restore the airline network and flight connectivity of our airports which had declined during the pandemic. The wide availability of airlines and routes greatly benefit passengers in terms of choice as well as pricing of flights for their travel.

In 2023, encouraging traffic demand coupled with the resumption and launch of new airlines have contributed to a 9.1% increase in airlines operating within Malaysia Airports' network of local airports to 72 airlines from 66 airlines in 2022.

Our main hub, KUL, had earned the distinction of being named by the global travel data provider, OAG, as the most internationally connected airport in Asia Pacific, and the 4th most connected globally. KUL also topped the OAG's global rankings of Low-Cost Carrier Airport Megahubs. In addition, the Malaysian Aviation Commission (MAVCOM) had noted that Malaysia had retained its position as the 5th most connected country in ASEAN, while KUL Terminal 1 upheld its status as the 3rd most connected airport in ASEAN.

At SAW, we expanded the network connectivity with 12 new international destinations across Europe, Africa and the Middle East and the introduction of two new airlines – British Airways and Royal Air Maroc. This has resulted in a favourable mix of international passengers making up 52% of the total, and a vast improvement in international connectivity. SAW was also ranked 8th in OAG's list of top 10 European airports for international connectivity for 2023, a great leap from its 55th placing in 2019.

Most Internationally Connected Airports



Low-Cost Carrier Airport Megahubs



Source: OAG Megahubs Index 2023



GROUP CHIEF EXECUTIVE OFFICER'S MESSAGE



Flourishing international business

Our airport in Istanbul, Türkiye, SAW, continued its outstanding performance into 2023, surpassing its 2019 passenger movements by 4.5% and achieving an all time high of 37.6 million passengers in 2023. The airport also recorded four quarters of profits throughout 2023, the first year that it has maintained consistent profitability through the year. The completion of the airport's second runway in December 2023 which doubles its airside capacity is a catalyst for significant expansion of air traffic in the following years in addition to enhancing efficiency at SAW.



Malaysia Airports also completed the divestment of its 11% stake in GMR Hyderabad International Airport Limited (GHIAL), the holding company that manages Hyderabad International Airport in India, to the GMR Group for USD100.0 million. The divestment of the stake originally acquired in 2008 for USD10.0 million, yielded a 10-fold gain compared to the original cost, or 1.3 times over the latest carrying amount. The divestment is in line with Malaysia Airports' international business growth strategy to streamline its overseas investment portfolio and unlock value from its non-core assets.

GROUP CHIEF EXECUTIVE OFFICER'S MESSAGE

Close collaboration with stakeholders

We worked hand in hand with stakeholders to harness the synergies of our collaborative efforts, resulting in win-win situations for Malaysia Airports and its stakeholders.

Expanding airport development responsibilities

On behalf of Malaysia Airports' employees, I would like to thank the Government of Malaysia for its trust in Malaysia Airports and its confidence in our capabilities to operate, manage, maintain, and develop the nation's 39 airports and STOLports for the next 45 years until 11 February 2069. We are excited about our added role to pursue strategic investments to build a balanced and sustainable path for Malaysia Airports and its airport network to play a vital role as an economic development catalyst for Malaysia.

In this breakthrough year also, Malaysia Airports was appointed by the Government of Malaysia to manage the expansion of Tawau Airport (IATA Code: TWU) and to oversee the expansion project for Sultan Ismail Petra Airport, Kota Bharu (IATA Code: KBR) currently undertaken by the Government. This is a departure from the traditional role of the Group as an airport operator and the Government's role as owner to develop and expand the airports. Entrusting Malaysia Airports in this manner is a recognition of our experience in airport management and our ability to execute projects and initiatives to improve passenger experience at the airports.

In addition, Malaysia Airports received the green light from relevant Government authorities to commence physical works for two significant expansion projects. First is the Malaysian Cabinet's approval for the expansion of Sultan Abdul Aziz Shah Airport, Subang (IATA Code: SZB) to cater for jet operations and to double its capacity from 1.5 mppa to 3.0 mppa as part of the positioning of SZB as a regional aviation maintenance, repair and overhaul (MRO) hub. The second project was the expansion of Penang International Airport (IATA Code: PEN) from 6.5 mppa to 12.0 mppa which represents the first phase of the expansion of the airport to cater to 25.0 mppa in the future.

Malaysia Airports' expanded role as an airport developer lays the groundwork for enhancing airport capacity, facilities and infrastructure, thereby elevating overall service standards.

Greater efficacy in the airport ecosystem

In the airport ecosystem, we work alongside the Civil Aviation Authority of Malaysia (CAAM) and other members of the airport community to ensure the safety and security of airport operations, particularly at the airside, through regulations, oversight and monitoring of the technical and safety standards. Together, we completed 74 aerodrome emergency exercises including 12 full-scale exercises and 27 evacuation drills throughout our airport network in 2023.

Malaysia Airports also continued to take the lead in breaking new ground with the airport community as we worked through 2023 with airport stakeholders to implement the Airport Collaborative Decision-Making (A-CDM) integrated system to increase operational efficiency within the KUL ecosystem. The airport stakeholders are the Ministry of Transport, CAAM, Malaysia Airlines, AirAsia, Batik Air, Aerodarat, Pos Aviation and Ground Team Red who collectively manage air traffic control, airline operations and ground handling at KUL.

The A-CDM is a significant advancement in Malaysia Airports' ongoing efforts to meet the twin challenges of growing passenger volumes and the need for environmental stewardship. Our trial runs have shown that the implementation of A-CDM enhances operational cohesion, facilitates better resource allocation, promotes predictability and elevates airport efficiency which in turn translates into improved punctuality for passengers and cost savings for all parties. In addition, the A-CDM will see a reduction in fuel consumption and emissions, in line with Malaysia Airports' ESG commitments towards a greener and more sustainable aviation sector.

The Group also embarked on a collaborative effort with airport stakeholders to reduce queue times for passengers at various touch points. At check-in, we worked with airline partners to revamp the current queue system at check-in counters. At immigration checkpoints, we developed a predictive queue management dashboard which assists the Immigration Department in optimising manpower allocation, particularly during peak periods. At departure gates, the Group is also currently redesigning the security screening process, potentially halving the queue times.



GROUP CHIEF EXECUTIVE OFFICER'S MESSAGE

Enhancing sustainable value creation

True to our corporate vision to become 'A Global Airport Group that Champions Connectivity and Sustainability', we continued to break new ground in the area of sustainability, enhancing our ability to create long term value for stakeholders.



INVESTING IN RENEWABLE ENERGY

- 6 airports including KUL tap on solar energy
- Reduce scope 2 emissions by **15%**
- Solar farm in the works to provide over **20%** of KUL's total energy needs

Environmental stewardship milestones

Environmental stewardship was at the top of our corporate agenda, with the announcement of our commitment to achieve Net Zero Carbon Emissions by 2050 together with a roadmap towards achieving the goals as laid out in the Group's Environmental Masterplan 2.0. In 2023, we made strides towards achieving these stated goals, particularly in the use of renewable energy and improving energy efficiency.

Among our immediate goals was to tackle Scope 1 and Scope 2 emissions. In this regard, we accelerated the roll out of renewable energy initiatives, primarily, the installation of solar photovoltaic panels at our airports. Currently, six airports in Malaysia tap into solar energy while work remains in progress at two other airports, with total solar power capacity of 22.5 MWp, potentially reducing the Group's Scope 2 emissions by 15%. The use of solar energy costs 30% less than conventional power, generating savings of about RM2.1 million in 2023.

Given our experience with the availability and reliability of solar energy, the Group has begun planning to expand our use of solar energy by building a 30 MW solar photovoltaic farm to supply power to KUL. Based on 2022 energy usage data, this potentially increases the percentage of solar energy from 4.2% to 22.4% of KUL's total energy needs while reducing carbon emissions by up to 59,000 tCO₂e yearly.

Improved energy efficiency

In a joint venture with TNB Engineering Corporation Sdn Bhd, the Group transformed and modernised the district cooling plant at KUL which powers the airport's air-conditioning needs, to improve efficiency and run fully on electricity. This has resulted in lowering the Group's cooling costs, namely chilled water cost, which was 7.6% lower YoY in 2023, compared to 2022.

As a result of the Group's renewable energy and energy efficiency measures, electricity intensity per passenger in Malaysia recorded a sharp reduction of 21.3% YoY in 2023.

GROUP CHIEF EXECUTIVE OFFICER'S MESSAGE

Giving back to communities we serve

In this record-breaking year in terms of profitability, we remain firmly committed to giving back to the communities we serve.

Humanitarian aid for those in need

To alleviate the suffering of communities devastated by humanitarian crises, Malaysia Airports stepped up to contribute towards the relief efforts. Following the devastating earthquake in southeast Türkiye in February 2023, our airport in Istanbul, SAW, was used as a rescue and logistics hub and crisis management centre for rescue personnel and relief efforts. Our colleagues at the airport provided all necessary support and assistance including providing food and drink for those involved in the relief efforts. Donations from our employees to the Disaster and Emergency Management Authority of Türkiye (AFAD) and Turk Kızılay (Turkish Red Crescent) totalled just over EUR 5.0 million.



Making a difference in the community

Closer to home, our focus was centred primarily on education initiatives. A total of 21 airports in Malaysia opened their doors to over 1,800 students from 40 primary and secondary schools through the MYAirportCARES School Airport Tour programme.

Over 600 B40 students around our airports benefit from our education aid programmes in which Malaysia Airports contributes back to school necessities such as uniforms, bags and other supplies as well as on-going assistance for students to buy food and books in the course of the school year. In addition, in conjunction with the CAPA Asia Aviation Summit & Sustainability Awards 2023 hosted by Malaysia Airports, a donation of smart TVs and sports equipment was made to SK Bukit Bangkong (A), a primary school in the vicinity of KUL.

Through the airport tours, we aim to inspire young aviation enthusiasts by taking them behind the scenes at various airside and landside locations, and encouraging them to engage with members of the airport community to learn first-hand about airport operations.

GROUP CHIEF EXECUTIVE OFFICER'S MESSAGE

Recognising our employees' contribution

We take great pride in our people who are the heartbeat and pulse of Malaysia Airports, and celebrate their dedication and commitment in ensuring the success of our business operations.

Our employees contribute in myriad roles, from security and customer service to operations and management, to create a welcoming environment for passengers and ensuring that their journeys begin and end with safe, efficient and pleasant experiences at our airports.

During the pandemic, Malaysia Airports had made a commitment to employees to maintain a policy of zero retrenchments despite the pressure on our available financial resources. Against this backdrop, we are pleased to continue to enhance the welfare of our employees by completing collective agreements with all three unions – KESMA, KEPEMAB and KEPMAS – in 2023. I would like to express my thanks to the union chiefs for their spirit of mutual cooperation which enabled frank and transparent discussions to be held, leading to the speedy finalisation of the three collective agreements

in a period of two months. The collective agreement provide for improved terms of employment including across-the-board salary increments together with an increase in certain allowances and annual leave entitlement.

Talent management and recognition

Employee learning and development continue to be important aspects of our strategic focus. In 2023, in line with our commitment to nurture the professional and personal growth of our employees, the average training hours rose by 45.7% YoY to 51 hours per employee, compared to 35 hours per employee in 2022. The Group's investment for training for employees in Malaysia rose 69.5% YoY to RM3.9 million in 2023, compared to RM2.3 million in 2022.

We are therefore proud that the capabilities and talents of our people are recognised in the international aviation industry. Airports Council International (ACI) Asia-Pacific awarded its signature Young Executive Award 2023 to our employee, Noor Sabrina Mat Barhan, Acting Manager, Stakeholder Relations & Regulatory Affairs for her research paper on 'The Future of the Airport Workforce' that explores the trends in airport workforce challenges and provide recommendations on shaping the future of the airport workforce.

We are also honoured in being acknowledged as a leading employer of choice. Notably, GRADUAN, HRD Corporation, and Talentbank have singled us out in their accolades for our exceptional human capital practices. This recognition underscores Malaysia Airports' dedication to fostering and developing talent within our workforce, and providing them with enriching career and development opportunities.



GROUP CHIEF EXECUTIVE OFFICER'S MESSAGE

A strategy for continued growth

To ensure that Malaysia Airports continues to build on its growth momentum, the Group has formulated a 3-year strategic plan which is anchored on improving the passenger journey and focused on execution.

3-Year Strategic Plan (2024 - 2026)

The strategic plan outlines the strategic focus of the Group for 2024 - 2026, and features eight strategic themes with ambitious targets.

Malaysia Airports 3-Year Strategic Plan (2024 - 2026)

Strategic Themes		Targets
	Reimagining Passenger Experience Establish an exciting and comprehensive programme to improve and modernise our terminal identity, look and feel, and design for greater efficiency and an enhanced passenger journey	KUL to attain Top 5 airport ranking in ACI's Airport Service Quality annual survey
	Enhancing Airline and Hub Connectivity Attract reputable carriers to operate into Malaysia, enhance accessibility, and strengthen connectivity to the West, West Asia and India to support KUL's growth as a regional hub	KUL as a leading hub with connectivity to 107 international destinations
	Rejuvenating Commercial and Retail Enhance the non-aeronautical business through the revitalisation of commercial offerings and spaces at airports including the rejuvenation of the Eraman brand and outlets	KUL as one of the best airport shopping and retail destinations
	Accelerating Off-Terminal Opportunities Create economic value through the synergistic airport-aeropolis ecosystem development at KLIA Aeropolis, KLIA's Aeronautical Support Zone and Subang Airport	Off-terminal revenue to grow by 1.5x over 3 years
	Penang International Airport (PEN) Terminal Expansion Project Expansion of PEN or Northern Getaway Development (NGD) Project outlines the terminal, aviation facilities and public infrastructure expansion whilst tapping on commercial opportunities at airside and landside	Laying the foundation and building internal capability for development and capacity growth
	Strengthening International Business Strengthen business performance by improving connectivity and elevating passenger experience in Istanbul Sabiha Gökçen International Airport (SAW)	
	Commitment to ESG Integrate Environmental, Social and Governance (ESG) practices throughout the Group's businesses to create and deliver long-term value to its stakeholders	Carbon emissions reduction from 14% to 40% for airports in Malaysia
	Focusing on Execution Boost organisational resources and capabilities to effectively facilitate the implementation of the key People Agenda	Fulfil human resource requirements and build capability in terms of competencies, leadership and innovative mindset

For further information on the Group's strategic plan, please refer to Our Strategy on pages 44 to 57.



GROUP CHIEF EXECUTIVE OFFICER'S MESSAGE

A call to embrace and embody the Group's purpose

I have full confidence in our team executing the strategic plans and delivering the targeted results to stakeholders. Our people have demonstrated their resilience and determination on the frontlines of the pandemic, as they faced and overcame the grimmest moments in both the Group's history and the aviation industry as a whole.

Therefore, to see the strategic plan to fruition, we have rallied our people with a clear and compelling purpose. We introduced the Group's purpose statement – 'To create delightful experiences through great airport ecosystems, great people, great service and great operations', to state in simple terms our daily mission and goals at work.

We have developed several workstreams to integrate the Group's corporate identity into critical business operations. This will enhance the alignment between the overarching vision, brand promise, values and purpose of the Group with the daily tasks and operations that each employee undertakes. By instilling a sense of pride and unity in the Malaysia Airports brand across all aspects of daily operations, we firmly believe that this will be the pivotal factor to achieve the ambitious objectives outlined in our strategic plan.

We firmly believe that instilling a sense of pride and unity in the Malaysia Airports brand across all aspects of daily operations is the pivotal factor to achieve the ambitious objectives outlined in our strategic plan.

Heartfelt thanks and gratitude

In this breakthrough year, we have many stakeholders and partners to thank for their support and contribution.

I extend my deepest appreciation to our Board of Directors for their guidance and leadership at the helm of Malaysia Airports. Their strategic direction, unwavering support, and insightful counsel have been instrumental in propelling us forward to pursue our ambitious goals.

I am equally grateful to my colleagues for their unwavering commitment, dedication and resilience. Their numerous sacrifices throughout 2023 have been pivotal to our achievements.

Furthermore, I wish to express my heartfelt thanks to all our stakeholders, including the Governments of Malaysia and Türkiye, various ministries, government agencies, airline and retail partners, vendors, and other business collaborators, as well as our shareholders, for their invaluable support which is a cornerstone of the Group's success.

I am confident that the collaborative spirit between Malaysia Airports and its stakeholders that has led to a breakthrough year in 2023 will continue to strengthen in the future. As we chart the journey ahead together, I look forward to working closely with all of you in 2024 and beyond.

MOHAMED RASTAM SHAHROM
Acting Group Chief Executive Officer

CROISSANT

PAUL
LE CAFÉ

COFFEE

KELUAR
EXIT →



↑
↑
↑



Whether for a quick bite or a leisurely meal with friends and family before flying off, we have you covered. Our airports offer a wide range of Malaysian and international food and beverage offerings to suit and satisfy all taste buds

OUR APPROACH TO VALUE CREATION

Malaysia Airports seeks to create positive sustainable value for our stakeholders. Our approach to value creation integrates a balanced consideration of the operating environment, risks, areas of interest of our stakeholders as well as material matters that impact our business and our stakeholders.

Operating Environment

We regularly assess the operating environment and industry outlook which may affect our strategy and decisions

- Economy
- Aviation Industry

Refer to pages 16 to 17

Key Risks

We implement appropriate mitigation and control measures to effectively manage ten key risks

R1 Strategic	R6 Key Projects
R2 Customer Experience	R7 Financial
R3 Safety and Security	R8 Regulatory & Compliance
R4 Cyber Security	R9 People
R5 Digitalisation	R10 Sustainability

Refer to pages 257 to 259

Stakeholders' Areas of Interest

We regularly engage with key stakeholders to determine their interests, priorities, needs and expectations, and to respond appropriately

S1 Airlines	S7 Tenants
S2 Regulatory Authorities	S8 Vendors and Service Providers
S3 Passengers	S9 Associations and Professional Bodies
S4 Business Partners	S10 Media
S5 Employees	S11 Local Community
S6 Capital Providers	

Refer to pages 78 to 86

Capitals

We allocate the six capitals as resources across our business activities, enabling us to generate outputs and outcomes for our stakeholders

F Financial Capital	M Manufactured Capital
I Intellectual Capital	H Human Capital
S Social Capital	N Natural Capital

Refer to page 41

Strategy

We develop our strategy anchoring on eight strategic themes

- Reimagining Passenger Experience
- Enhancing Airline and Hub Connectivity
- Rejuvenating Commercial and Retail
- Accelerating Off-Terminal Opportunities
- Penang International Airport (PEN) Expansion Project
- Strengthening International Business
- Commitment to ESG
- Focusing on Execution

Refer to pages 44 to 57

Material Matters

Through a materiality assessment conducted with stakeholders, we identified the top material matters which impact our strategic decisions across our business activities

M1 Total Airport Experience	M5 Regulatory Compliance
M2 Airport Safety and Security	M6 Climate Change
M3 Economic Performance	M7 Integrity and Anti-Corruption
M4 Cybersecurity and Data Protection	M8 Talent Attraction and Development
	M9 Supply Chain Management

Refer to pages 58 to 75

Value Creation Model

We seek to create value to our stakeholders through our five business activities, taking into consideration all of the above and underpinned by effective governance and risk management.

Airport Services

Duty Free and Non-dutiable Goods

Hotel

Project and Repair Maintenance

Agriculture and Horticulture

Refer to pages 42 to 43

We embed Environmental, Social and Governance (ESG) considerations in our value creation process, guided by our Sustainability Framework, Material Matters and Our Strategy. Please refer to pages 126 to 127, 58 to 75 and 44 to 57 respectively.

OUR APPROACH TO VALUE CREATION

We create value by transforming the six capitals across our business activities to generate impactful outputs and outcomes for our stakeholders.

F FINANCIAL CAPITAL

The equity, debt and operating cash flow generated from our business activities form the financial capital that is strategically utilised across our business activities and invested in other forms of capitals

RM5,170.7 million in share capital

RM1,845.1 million in cash and cash equivalents

RM4,587.1 million in borrowings

M MANUFACTURED CAPITAL

The physical infrastructure and assets that we manage, operate and invest in represent the manufactured capital essential for our business activities

39 airports in Malaysia and **1** in Türkiye

4 hotels with 720 rooms in Malaysia and Türkiye

79,018.7 square metres of airport retail space in Malaysia

6,247.1 hectares of palm oil planted area in Malaysia

Off-terminal real estate

I INTELLECTUAL CAPITAL

The expertise, knowledge and rights to manage and operate 39 airports in Malaysia and 1 in Türkiye form our intellectual capital in addition to the systems and solutions we deploy throughout our business activities to enable us to operate efficiently

Rights to manage and operate airports in Malaysia and Türkiye

More than 30 years of experience in managing and operating airports in Malaysia

Airports 4.0 digital transformation initiative

Knowledge and expertise in the provision of total facilities management and consultancy services

H HUMAN CAPITAL

The diversified range of skills, capabilities and experience of our employees act as the human capital that plays a key role across our business activities

9,835 employees across 3 countries

RM3.9 million invested for employee training and development in Malaysia

S SOCIAL CAPITAL

The relationships, network, collaboration and trust within and between our stakeholders as well as the surrounding communities form the social capital that enables partnerships and cooperation across our business activities

1,274 Malaysian vendors and service providers engaged

Proactive and continuous engagement with Government, regulators, airlines, passengers and related stakeholders

N NATURAL CAPITAL

The renewable and non-renewable resources we utilise account for our natural capital in addition to our efforts to manage the impact on the environment from the by-products and emissions generated across our business activities

22.5 MWp solar power capacity across 6 airports in Malaysia

571,085,455 kWh of energy consumed for airport operations in Malaysia and Türkiye

10.81 million cubic metres of water consumed for airport operations in Malaysia and Türkiye

VALUE CREATION MODEL

OUR VISION ▶ A Global Airport Group that Champions Connectivity and Sustainability

OUR CAPITALS ... AND OUR STRATEGIES

INPUTS

F FINANCIAL CAPITAL
As at 1 January 2023:

- RM5,114.3 million in share capital
- RM1,529.6 million in cash and cash equivalents
- RM4,841.8 million in borrowings

M MANUFACTURED CAPITAL

- 39 airports in Malaysia and 1 in Türkiye
- 79,018.7 square metres of airport retail space in Malaysia
- 4 hotels with 720 rooms in Malaysia and Türkiye
- 6,247.1 hectares of palm oil planted area in Malaysia
- Off-terminal real estate

I INTELLECTUAL CAPITAL

- Rights to manage and operate airports in Malaysia and Türkiye
- More than 30 years of experience in managing and operating airports in Malaysia
- Airports 4.0 digital transformation initiative
- Knowledge and expertise in the provision of total facilities management and consultancy services
- Stakeholder relationships

H HUMAN CAPITAL

- 9,835 employees across 3 countries
- RM3.9 million invested for employee training and development in Malaysia

S SOCIAL CAPITAL

- 1,274 Malaysian vendors and service providers engaged
- Proactive and continuous engagement with Government, regulators, airlines, passengers and related stakeholders

N NATURAL CAPITAL

- 22.5 MWp solar power capacity across 6 airports
- 571,085,455 kWh of energy consumed for airport operations in Malaysia and Türkiye
- 10.81 million cubic metres of water consumed for airport operations in Malaysia and Türkiye



Underpinned By

OPERATING ENVIRONMENT

For details on our Operating Environment, please refer to pages 16 to 17

GOVERNANCE

For details on our Governance, please refer to pages 208 to 250

RISKS

For details on our Risks, please refer to pages 257 to 259

Sustainability Framework

Malaysia Airports developed a new Sustainability Framework that aims to provide a more holistic approach in addressing the Group's material matters and aligning with our organisational strategy.

World Class Experience

- M1 Total Airport Experience
- M2 Airport Safety & Security (Customer)
- M3 Economic Performance
- M4 Cybersecurity and Data Privacy
- M5 Regulatory Compliance
- M7 Integrity & Anti-Corruption
- M9 Supply Chain Management
- M12 Market Presence

Net-Zero and Resilient Airport

- M6 Climate Change
- M10 Biodiversity
- M11 Noise Management
- M13 Waste
- M15 Water Effluent

Empowering our People and Communities

- M2 Airport Safety & Security (Employee)
- M8 Talent Attraction & Development
- M14 Human Rights
- M16 Contribution to Local Community

VALUE CREATION MODEL

OUR BRAND PROMISE ▶ Hosting Joyful Connections

ENABLE OUR BUSINESS ... TO CREATE VALUE FOR OUR **STAKEHOLDERS**

KEY BUSINESS ACTIVITIES



Airport Services



Duty Free and Non-dutiable Goods



Hotel



Project and Repair Maintenance



Agriculture and Horticulture

OUTPUTS

- RM4,914.2 million in revenue
- RM2,285.2 million in EBITDA
- 119.5 million total passenger movements
- 72 airlines (excluding full freighters)
- 707 airport retail outlets throughout Malaysia
- 74.4% average hotel occupancy rate in Malaysia, 96% in Türkiye
- 36,725.0 metric tonnes of fresh fruit bunches
- Aeropolis development around KUL and SZB
- Digital airport solutions and systems including Self-Service Check-In, Self-Service Bag Drop, MYairports App, STARdesk, ISG Portpal, shopMYairports and shop@SAW
- 14 clients in Malaysia and 1 in Qatar
- 442,027 training hours for employees in Malaysia
- 8,143 employees in Malaysia trained on occupational health & safety
- RM429,927.56 invested for community enrichment programmes in Malaysia
- RM949.9 million spent on Malaysian vendors and service providers
- Strong relationships with stakeholders
- 27,725.39 MWh of solar power generated in Malaysia
- 104,864 tonnes in Scope 1 and Scope 2 carbon emissions at KUL*
- 3.4% of waste at KUL recycled

* Emissions data is up to FY2022 and is independently verified as part of the renewal of KUL's Airport Carbon Accreditation (ACA) at Level 3: Optimisation in FY2023.

OUTCOMES

- RM180.2 million in dividends
- RM474.4 million in User Fees and taxes contributed to the Government
- 147 destinations comprising of 113 international and 34 domestic destinations
- KUL ranked #9 globally in Airport Service Quality (ASQ) among airports with above 40 million passengers per annum (mppa)
- LGK ranked #1 globally in Airport Service Quality (ASQ) for the 2-5 mppa category
- Efficient airport operations complying to international and local regulatory requirements
- Enhanced airport experience, capacity and security leveraging on digitalisation, technology and automation
- Average of 51 training hours per employee in Malaysia
- Zero workplace fatalities
- 3,343 beneficiaries from 53 community enrichment programmes in Malaysia
- 96% of procurement spending on Malaysian vendors and service providers
- 11.6% reduction in Scope 1 and Scope 2 carbon emissions (vs 2019) at KUL*
- 14,915.42 tonnes of carbon emissions avoided from use of solar power in Malaysia
- Renewal of KUL's Airport Carbon Accreditation at Level 3: Optimisation

STAKEHOLDER GROUPS IMPACTED

- S2
- S6
- S1
- S2
- S3
- S7
- S1
- S2
- S3
- S5
- S2
- S4
- S8
- S11
- S2
- S6









OUR STRATEGY

Malaysia Airports realigned its strategies in 2023 to focus on improving passenger experience. Leveraging on the Group’s strengthened financial and operational foundations, Malaysia Airports is now primed to unlock a great airport ecosystem.

Prior to this in 2022, Malaysia Airports was focused on navigating post-pandemic challenges and opportunities. The Group returned to profitability as a lean and resilient entity, demonstrating its ability to capitalise on business opportunities and the sustainability of its cost containment measures.

In light of the Group’s enhanced financial performance and improved operating environment in 2023, Malaysia Airports was well positioned to capitalise on growth opportunities to generate value for its stakeholders. Therefore, a 3-Year Strategic Plan (2024 - 2026) was developed, taking into consideration the external environment, risks and opportunities as well as matters that may affect the achievement of strategic objectives and the Group’s ability to create value over time.

With the aim of ‘Reimagining Passenger Experience’, the Group has turned its focus towards elevating the overall passenger experience across its airport network. The implementation and execution of the strategic plan is key to driving sustained long-term value for its primary stakeholders. The 3-Year Strategic Plan (2024 - 2026) is anchored on eight strategic themes:

STRATEGIC THEMES	LINKS
 <p>Reimagining Passenger Experience Establish an exciting and comprehensive programme to improve and modernise our terminal identity, look and feel, and design for greater efficiency and an enhanced passenger journey</p>	<p>M H S2 S3 M1 M2 M5</p>
 <p>Enhancing Airline and Hub Connectivity Attract reputable carriers to operate into Malaysia, enhance accessibility, and strengthen connectivity to the West, West Asia and India to support KUL’s growth as a regional hub</p>	<p>F M S S1 S2 S3 M1 M3 M5 M12</p>
 <p>Rejuvenating Commercial and Retail Enhance the non-aeronautical business through the revitalisation of commercial offerings and spaces at airports including the rejuvenation of the Eraman brand and outlets</p>	<p>F M I S3 S7 S11 M1 M3</p>
 <p>Accelerating Off-Terminal Opportunities Create economic value through the synergistic airport-aeropolis ecosystem development at KLIA Aeropolis, KLIA’s Aeronautical Support Zone and Subang Airport</p>	<p>F M I H S S1 S2 S3 S5 S6 S7 S8 S10 S11 M1 M2 M3 M4 M5 M6 M7 M10 M12 M13 M14 M15 M16</p>
 <p>Penang International Airport (PEN) Terminal Expansion Project Expansion of PEN or Northern Getaway Development (NGD) Project outlines the terminal, aviation facilities and public infrastructure expansion whilst tapping on commercial opportunities at airside and landside</p>	<p>M S S1 S2 S3 M1 M3 M5 M12 M16</p>
 <p>Strengthening International Business Strengthen business performance by improving connectivity and elevating passenger experience in Istanbul Sabiha Gökçen International Airport (SAW)</p>	<p>F M I H S N S1 S2 S3 S5 S6 M1 M2 M3 M4 M5 M6</p>
 <p>Commitment to ESG Integrate Environmental, Social and Governance (ESG) practices throughout the Group’s businesses to create and deliver long-term value to its stakeholders</p>	<p>F M I H S N S1 S2 S3 S5 S6 S7 S9 S10 S11 M1 M2 M3 M4 M5 M6 M7 M10 M12 M13 M14 M15 M16</p>
 <p>Focusing on Execution Boost organisational resources and capabilities to effectively facilitate the implementation of the key People Agenda</p>	<p>F M I H S N S1 S2 S3 S5 S6 S7 S9 S10 S11 M1 M2 M3 M4 M5 M6 M7 M10 M12 M13 M14 M15 M16</p>

OUR STRATEGY



REIMAGINING PASSENGER EXPERIENCE

Establish an exciting and comprehensive programme to improve and modernise our terminal identity, look and feel, and design for greater efficiency and an enhanced passenger journey.

Key Activities that Created Value in 2023

Introduced new airport services for a more seamless and enhanced passenger journey

- Implemented premium bus shuttle service and lounges for business and first class passengers.
- A very significant number of new Retail, Food & Beverage outlet openings; described in more detail in the Rejuvenating Commercial and Retail section on pages 49 to 50.
- A number of simple uplifts to the ambience in KUL Terminals 1 and 2; a Welcoming Wall at kerbside arrival area, vibrant local art showcases and performances through RUANG@KUL and RENTAK@KUL, free buggy services as well as the Aero FastTrack paid service.

Adopted the latest airport technology innovations

- Self-Service Bag Drop, Self-Service Check-In and biometric facial recognition system at KUL.
- Service Ticketing Automation & Resolution (STARdesk), our new digital platform which integrates customer feedback from various electronic and social media channels for a speedy response and resolution.
- Upgraded passenger Wi-Fi at KUL to the latest Wi-Fi 6 standard to provide faster and seamless connectivity.

Short to Medium Term Focus

- 1) Embark on Terminal Identity, Modernisation and Efficiency 2026++ (TIME26++), for four key passenger segments namely Economy Passengers, First and Business Passengers, Passengers Requiring Assistance (reduced mobility, families with children, elderly) and Group Passengers
 - While covering all our airports, it will have a focus on KUL to prepare for Visit Malaysia Year 2026
 - To improve the passenger's experience, new products and services will be delivered through six work streams:
 - Redesign and Refurbish
 - Ambience & Entertainment
 - Fixing the Basics
 - New Services
 - Seamless Journey
 - Digitalisation
 - Redesign and Refurbish: Redesigning passenger flow, throughput capacity, interior design and wayfinding with the outcome of a warm arrival and departure statement that promotes an efficient, modern and easy to use experience at five critical touch points namely:
 - Check-in Hall
 - Immigration Departure
 - Immigration Arrival
 - Baggage Reclaim
 - Arrival Hall

OUR STRATEGY



REIMAGINING PASSENGER EXPERIENCE

Short to Medium Term Focus

- **Ambience & Entertainment:** Curated Malaysia Cultural Heritage programmes all year round with local art and culture communities via cultural performances, exhibitions, festive celebrations as well as bespoke Malaysia motive decorations to promote Malaysian culture and heritage.
- **Fixing the Basics:** Continuous facility upgrades to further uplift facility standards such as new and lighter airport trolleys, upgrading of airport seats with charging ports and improvement of airport wayfinding signages.
- **New Services:** New product offerings to elevate passengers experience through the airport for the following segments
 - **Family with Children:** Designated parking closer to the terminal, installation of kids playground, dedicated family with children lanes through the airport.
 - **Group Travellers:** A dedicated group check-in terminal to facilitate group processing and needs.
 - **Premium Travellers:** Private premium terminal and private car service to aircraft and arrival providing personalised travel experience.
- **Seamless Journey:** Redesign processing touchpoints namely check-in, security screening and immigration to reduce queue times thus increase dwell times for passengers to relax, shop and dine at the airport.
- **Digital Experience:** Drive the Self-Service Check-In and Self-Service Bag Drop systems adoption by establishing strategic partnerships with key airlines and extend Self-Service Bag Drop across all our international airports.

2) Complete the interim phase of the Subang Airport Regeneration Plan which will double the terminal capacity from 1.5 million passengers per annum (mppa) to 3 mppa.

Key Performance Indicators

		FY2023	FY2022
Operational			
Airport Service Quality (ASQ) Score	KUL	4.99	4.99
	LGK	5.00	5.00
Digitalisation			
MYairports Total Active Users	MY	56,833	20,687
STARdesk Complaints Resolution Rate [%]	MY	93.4	Nil*

* STARdesk officially launched in May 2023

Links to :

Capitals:



Stakeholders:



Material Matters:



OUR STRATEGY



ENHANCING AIRLINE AND HUB CONNECTIVITY

Attract reputable carriers to operate into Malaysia, enhance accessibility, and strengthen connectivity to the West, West Asia and India to support KUL's growth as a regional hub.

Key Activities that Created Value in 2023

Catalysed traffic recovery and enhance network connectivity through strategic collaboration with airlines and other stakeholders

- Collaborative efforts with stakeholders to enhance Malaysia's appeal as a destination:
 - Became a member of the Matching Grant Evaluation Committee (Penilai Geran Sepadan Penerbangan Antarabangsa dan Charter - GSPC) under Tourism Malaysia to evaluate proposals by airlines to ensure tourism promotion strategies are aligned.
 - Joint pursuit and strategic collaboration with State Tourism Offices i.e. Penang Global Tourism to attract Qatar Airways to resume their services into PEN by showcasing the market potential and demand for air travel.
 - The creation of the National Air Connectivity Development Committee (NACDC) spearheaded by the Ministry of Transport (MOT) in collaboration with key industry stakeholders aimed at bolstering connectivity into Malaysia.
- The Group network of airports has seen encouraging signs of increasing air travel demand with annual passenger traffic and capacity recovery in FY2023 reaching 84.6% and 88.5% of 2019 levels respectively:
 - Commencement of ten new international services into KUL (Shenzhen Airlines, Super Air Jet, TransNusa, SalamAir, Sichuan Airlines, Xiamen Air, Air China), BKI (T'way Air), KCH (Indonesia AirAsia) as well as PEN (Xiamen Air).
 - Resumption of daily services by Qatar Airways into PEN and several Chinese carriers into Malaysia i.e. Air China into KUL, China Southern Airlines into BKI and PEN, following relaxation of travel restrictions by the Chinese government.
- To foster traffic rebound and growth, two incentive programmes are in place:
 - Launch of the new Airline X-celeration Programme in January 2023 aimed to incentivise airline partners to diversify their network offerings by introducing new services.
 - Continuation of the Special Incentive Programme introduced in July 2022, geared towards expediting airlines' operational plans and enhancing hub capabilities through collaborative efforts.

Short to Medium Term Focus

- 1) Strengthen Western Connectivity by leveraging on KUL's strategic location and actively engaging key oneworld carriers to establish operations into KUL. This effort will be supported by an enhanced incentive programme to attract and retain these carriers.
- 2) Enhance West Asia Network Expansion from Malaysia by capitalising on the growth of West Asian and Middle Eastern carriers' mega hub network.
- 3) Pursuit of India-based carriers into the Group's airports, leveraging on India's promising market potential.
- 4) Continuous collaboration with Tourism Malaysia and State Tourism offices by actively engaging key airlines along with NACDC's support.
- 5) Hosted Routes Asia 2024 in LGK in February 2024 together with Tourism Malaysia. This event brings together airlines, airports and tourism authorities to drive Asia Pacific's air service development and continue to fuel the region's aviation recovery. Besides serving as a networking and knowledge sharing platform, we believe that we will be able to enhance our visibility, strengthen our relationship with key industry partners and position ourselves as a leader within the industry.

OUR STRATEGY



ENHANCING AIRLINE AND HUB CONNECTIVITY

Key Performance Indicators

		FY2023	FY2022
Operational			
Passenger Movements (million)	MY	81.9	52.7
Commercial Aircraft Movements	MY	685,323	549,473
No. of Airlines (excluding full freighters)	MY	72	66

Links to :

Capitals:



Stakeholders:



Material Matters:



OUR STRATEGY



REJUVENATING COMMERCIAL AND RETAIL

Enhance the non-aeronautical business through the revitalisation of commercial offerings and spaces at airports including the rejuvenation of the Eraman brand and outlets.

Key Activities that Created Value in 2023

Increased operational occupancy of commercial spaces in line with the air traffic recovery in Malaysia

- Accelerated the opening of outlets to achieve an operational occupancy rate of 81% at the end of 2023 from 55% in Q1 2023, enabled by 'E-Procure', an online tender process to reduce lead times for the tender process as well as the establishment of a 'Fit In-Fit Out' team to assist tenants with the renovation of the premises.

Elevated the retail and food and beverage (F&B) landscape of airports in Malaysia with the opening of new brands as well as refreshed outlets to provide an exciting shopping and dining experience for passengers

- Opening of new outlets at KUL Terminal 1 including Jamie Oliver's Pizzeria, Taco Bell, Illy Café, Hard Rock Café, and local champions i.e. Jibby Chow, Serai, Flight Club Signature and Kitchen by OpenHouse. Several outlets underwent refreshed new looks i.e. Burger King, Noodles Signature, Starbucks and O'Briens.
- Opening of new outlets at KUL Terminal 2 including Din by Din Tai Fung, The Refinery, KREATE, Ahh-Yum, Taste of India, Jollibee, Subway, The Coffee Bean & Tea Leaf and Starbucks.
- Launched McDonald's, Starbucks and Dunkin' Donuts at BKI, as well as Subway and Noodles at TWU.
- New concepts established for Polo Ralph Lauren, Michael Kors, Bulgari, Tory Burch, TUMI, Sunglass Hut, Kashkha and Gold City featuring enhanced store facades for an elevated shopping experience and ambience at KUL Terminal 1.
- Opening of Lego, Royal Selangor, Bath & Body Works and Victoria's Secret at PEN; as well as Habib Jewels at LGK.
- Established 'Sense of Malaysia' outlets across five international airports in Malaysia including KUL Terminal 2, BKI, KCH, LGK and PEN to showcase the richness of Malaysian culture and heritage featuring local souvenirs, crafts as well as delicacies.

Strengthened Eraman's performance and brand presence with revitalised outlets, improved offerings, expanded partnerships, leveraging on technology

- Launch of Eraman's flagship Duty Free Emporium stores at KUL Terminal 1 Satellite Building, featuring a completely revamped and fresh concept design, self-checkout counters as well as a wide range of products featuring local and international brands.
- Expanded Eraman's retail and F&B segment in Malaysia with the opening of a new chocolate store at PEN, new Burger King franchise outlets at both KUL Terminal 1 and Terminal 2 as well as Singgah, a new in-house brand at KUL Terminal 1.
- Expanded Eraman's partnership with Plaza Premium Group by leveraging on Plaza Premium's loyalty programme 'Smart Traveller' to make available selected Eraman duty free and duty paid products for points redemption by Smart Traveller members.
- Partnered with leading international and local financial institutions such as UOB, Maybank and Mastercard on Eraman's strategic campaigns to drive sales and foster brand loyalty.
- Expanded Eraman's product offerings on shopMYairports, aligning with the Click & Collect initiative.

OUR STRATEGY



REJUVENATING COMMERCIAL AND RETAIL

Short to Medium Term Focus

- 1) Accelerate the opening of more new brands and outlets as part of the Commercial Reset initiative to further raise the retail profile of KUL and other airports in Malaysia, expand the variety of commercial offerings while elevating the shopping and dining experience for passengers.
- 2) Rejuvenate Eraman’s outlet concept while selected retail and F&B stores across KUL and other airports in Malaysia to undergo brand refresh.
- 3) Enhance Eraman’s outlet digitalisation with self-service checkout at main stores, system automation, collaboration with brands for interactive digitalisation, contactless technologies as well as focus on digital marketing.

Key Performance Indicators

		FY2023	FY2022
Performance Indicator			
Non-Aeronautical Revenue (RM million)	Group	1,894.9	1,206.5
Retail Sales of Duty Free and Non-Dutiable Goods Revenue (RM million)	Eraman	571.1	262.4

Links to :

Capitals:



Stakeholders:



Material Matters:





OUR STRATEGY



ACCELERATING OFF-TERMINAL OPPORTUNITIES

Create economic value through the synergistic airport-aeropolis ecosystem development at KLIA Aeropolis, KLIA's Aeronautical Support Zone and Subang Airport.

Key Activities that Created Value in 2023

Unlocking KLIA Aeropolis and driving Malaysia Airports' renewable energy (RE) roadmap

- Secured approval-in-principle of the Pindaan Kebenaran Merancang (Planning Approval) for KLIA Aeropolis from Majlis Perbandaran Sepang (Sepang Town Council) in January 2024.
- Established a strategic partnership for a 30MW Solar Photovoltaic project on a 166-acre site, expandable up to 60MW, to power KUL. This would be amongst the largest solar farms for self consumption. Upon the initial phase launch, ratio of solar to the energy mix for KUL will surge from 4.2% currently to 22.4%, with solar contributing up to 72% during peak hours.

Catalysed economic growth at SZB

- Secured approval of the Pindaan Kebenaran Merancang for Subang Airport Regeneration Plan (SARP) from Majlis Bandaraya Shah Alam (Shah Alam City Council) pertaining to the Business Aviation and Aerospace segment in January 2024.
- Enhance SZB's credibility through undertaking infrastructure and facilities developments to facilitate the SARP development, tailored to the Business Aviation and Aerospace segments. This solidifies SZB as the 'Preferred Aerospace and Business Aviation hub' in the region.

Short to Medium Term Focus

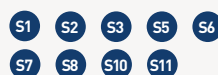
- 1) Catalyse phase 1 of Aeropolis Industrial Park of 200 acres, positioning it as the regional hub for air-centric and high value industries by attracting leading global aerospace and high-tech firms to establish operations.
- 2) Elevate KUL's appeal by injecting vibrancy, drawing visitors and creating a population base, whilst prioritising RE and green initiatives at Aeropolis Resort City, an integrated leisure-commercial destination. This strategic focus aligns with Visit Malaysia 2026.
- 3) Propel progress in the Business Aviation and Aerospace Ecosystem Zones within SARP with rigorous detailed design, strategic planning, streamlined infrastructure works and timely facilities development. This supports:-
 - Completion of Dassault Aviation's Execujet MRO Facility, set to be operational in 2024.
 - Completion of Collins Aerospace' MRO Build-to-Suit Facility, expected to be operational by 2024.
 - Further growth stimulation within the industry ecosystem with a ready-built multi-tenanted facility for regional operators requiring smaller footprint.
- 4) Maximise land utilisation at SZB through the development of two plots, prioritising global anchors, including Business Jet original equipment manufacturer (OEM)-owned maintenance, repair and overhaul (MRO) facilities and international Business Aviation charters.
- 5) Complete relocation of DHL from SZB to KUL by April 2024. The new KUL gateway will be DHL Express' first fully auto-sort gateway in Malaysia, increasing processing capacity by >400%. This reinforces KUL's link to the global logistics network.

Links to :

Capitals:



Stakeholders:



Material Matters:



OUR STRATEGY



PENANG INTERNATIONAL AIRPORT (PEN) TERMINAL EXPANSION

Expansion of PEN or Northern Getaway Development Project outlines the terminal, aviation facilities and public infrastructure expansion whilst tapping on commercial opportunities at airside and landside.

Key Activities that Created Value in 2023

Expansion PEN's terminal capacity from 6.5 million passengers per annum (mppa) to 12 mppa to accommodate the increase of passenger traffic

- Secured approval from Cabinet of Malaysia in February 2023 with a favourable capital recovery mechanism, to pursue the expansion and upgrade plans for PEN.
- Secured approval for the Planning, Design Management and Pre-Construction process including project feasibility study as well as permits from relevant authorities and agencies.

Short to Medium Term Focus

- 1) Commence the procurement process to start the overall project including the pre-qualification, tendering, and appointment of the service providers.
- 2) Embark on project implementation, to be carried out in three packages namely Ancillary Works, Apron and Facilities Works as well as Main Terminal Works and Associated Works.
- 3) Commence of the physical construction works in Q3 2024.

Key Performance Indicators

Performance Indicator	Future State	Current State
Terminal Capacity (mppa)	12.0	6.5
Total Gross Floor Area (GFA) (sqm)	115,672*	54,582
Aircraft Stands (nos)	28**	16
Terminal Car Park Lots (lots)	3,623	2,324

* GFA inclusive of 20% commercial space

** Operational aircraft stands inclusive of six remote bays

Links to :

Capitals:



Stakeholders:



Material Matters:



OUR STRATEGY



STRENGTHENING INTERNATIONAL BUSINESS

Strengthen business performance by improving connectivity and elevating passenger experience in Istanbul Sabiha Gökçen International Airport (SAW).

Key Activities that Created Value in 2023

Drove aeronautical and non-aeronautical revenue through improved business performance and operational efficiencies.

- Opening of SAW's second runway in December 2023 to enhance airside operations and terminal capacity with 80 landings and take-offs per hour.
- Expanded SAW's network by introducing diversified network routes with 12 additional international destinations to Plovdiv, Rhodes, Mytilene, Amman, London-Heathrow, Kazan, Podgorica, Al-Qassim, Alexandria, Kutaisi, Dortmund, and Birmingham.
- Secured the commencement of two new airlines operating into SAW namely British Airways and Royal Air Maroc.
- Sustained partnerships with HMSHost, a leading global restaurateur travel experience company, with the launch of four new F&B stores and the renewal of 22 existing stores in SAW.

Elevated the passenger journey experience at SAW

- Enhanced the ambience, amenities and service quality by maximising the seating areas, installing 25 charging stations across the terminal, adding more screening devices at the immigration areas, and refurbishing passengers' washrooms.
- Launched 'SAW Care' hotline, an enhanced Customer Relationship Management platform to manage passenger inquiries and complaints holistically.
- Introduced a digital solution namely XOVIS, a passenger flow management system to monitor and manage crowd movements at the terminal.
- Implemented a smart parking system for passengers who use the long-term parking subscription and complimentary services at SAW.
- Implemented 'E-Translator', a real-time language translation that provides a language accessibility to passengers and to ensure effective communication across language barriers, which has also been awarded as the 'Aviation Technology Project of the Year'.
- Recruited additional terminal inspection officers and dedicated 'Ask Me' personnel to ensure passengers experience good service quality, a seamless journey as well as an improved customer experience.

Short to Medium Term Focus

- 1) Attract new airlines and destinations through targeted marketing in the Europe, Middle East and Africa (EMEA) as well as the Commonwealth of Independent States (CIS) region.
- 2) Create new slots for Middle Eastern and cargo carriers through partial or fully removal of runway closure period.
- 3) Embark on terminal capacity expansion by undertaking various terminal decongestion projects to improve passenger processing time by approximately 20%.
- 4) Commence the second phase of the car park expansion project, adding 650 parking spaces and the third phase to follow with 800 more parking spaces by summer 2024.
- 5) Upgrade technology infrastructure to improve free Wi-Fi access.
- 6) Enhance retail business via reconfiguration of the Duty-Free stores for increasing dwell time.

OUR STRATEGY



STRENGTHENING INTERNATIONAL BUSINESS

Key Performance Indicators

Performance Indicator		FY2023	FY2022
Passenger Movements (million)	SAW	37.6	31.2
Commercial Aircraft Movements	SAW	222,250	195,388
No. of Airlines	SAW	45	44
Aeronautical Revenue (RM million)	SAW	1,056.8	789.3
Non-Aeronautical Revenue (RM million)	SAW	680.8	520.3

Links to :

Capitals:

F M I H S N

Stakeholders:

S1 S2 S3 S5 S7

Material Matters:

M1 M2 M3 M4 M12



OUR STRATEGY



COMMITMENT TO ESG

Integrate Environmental, Social and Governance (ESG) practices throughout the Group's businesses to create and deliver long-term value to its stakeholders.

Key Activities that Created Value in 2023

Launched the Group's 'net-zero carbon emissions by 2050' goal which aims to reduce the environmental impact of the Group's business activities

- Launched the Environmental Masterplan 2.0 which sets out the Group's environmental policies, targets and roadmaps from 2023 until 2030 as the first phase of the net-zero journey and activated the Environment Task Force to streamline the initiatives, reporting and engagements with relevant stakeholders.
- Secured a six-month subscription for February–July 2023 for low carbon or 'green electricity' from Tenaga Nasional Berhad (TNB) under TNB's Green Electricity Tariff programme.
- Expanded the solar power programme through the installation of solar photovoltaic panels at BKI in 2023, leading to a total solar power capacity of 22.5 MWp at six airports nationwide.
- Launched Malaysia's first Electric Ground Support Equipment (e-GSE) infrastructure through collaboration with Malaysia Aviation Group (MAG).

Valued the relationship with employees by creating an inspiring workplace that promotes diversity, development, safety and transparency

- 40% of the total Board members and 34.3% of the total Group's workforce are female.
- Continued broadcast of OSH alerts across the Group to increase awareness among staff, particularly to provide information on communicable diseases as well as safety and health guidelines.

Promoted sound governance practices and integrity culture

- Launched Cybersecurity Acceleration Programme 2.0 to safeguard and strengthen the organisation against cyber threats and attacks.
- Continued roll out of ISO 37001: 2016 Anti-Bribery Management Systems across the Group, with MA Niaga and UTW as the newly certified subsidiaries in 2023.

Short to Medium Term Focus

- 1) Establish KUL Electric Vehicle Transformation Plan which aims to provide more infrastructure on EV Charging Stations and engagement with Ground Handlers on their fleet transformation.
- 2) Establish a Greenhouse Gas (GHG) data inventory for MASB Airports by conducting GHG Assessments in BKI, KCH, LGK and PEN.
- 3) Drive the Asset Replacement Programme for MA (Sepang) and MASB airports with a focus on energy savings and optimisation through the replacement of lights as well as Air Conditioning and Mechanical Ventilation.
- 4) Utilise the KUL Airport Collaborative Decision Making (A-CDM) Project to monitor and assess operational efficiency for aircraft Landing and Take-Off, with an aim to reduce Scope 3 emissions.

OUR STRATEGY



COMMITMENT TO ESG

Key Performance Indicators

		FY2023	FY2022
Environmental			
Reduction in Scope 1 and 2 Carbon Emissions (%)*	KUL	Nil	11.6%
Energy Consumption (kWh/passenger)	Airports in Malaysia	6.3	8.0
	SAW	1.4	1.6
Solar Power Generated (MWh)	KUL	27,725	19,122
Total Waste Generated (kg/passenger)	KUL	0.13	0.12
Recycling Rate (%)	KUL	3.4	4.4
Cost Savings from Using Green Energy (RM million)	Airports in Malaysia	2.13	1.46
Social			
Community Investment (RM)	Group	29.1 mil	1.1 mil
Occupational Accident Rate			
Incident Rate	MY	1.01	0.45
Frequency Rate	MY	0.40	0.18
Severity Rate	MY	7.31	5.13
Governance			
Employees briefed on anti-corruption policies**	Group	8,350	8,454

* Emissions data is up to FY2022 and is independently verified as part of the renewal of KUL's Airport Carbon Accreditation (ACA) at Level 3: Optimisation in FY2023.

** Management, Executive and Non-Executive

Links to :

Capitals:



Stakeholders:



Material Matters:



OUR STRATEGY

▶ FOCUSING ON EXECUTION

Boost organisational resources and capabilities to effectively facilitate the implementation of the key People Agenda.

Key Activities that Created Value in 2023

Focussed hiring on core and critical roles to respond to the increasing passenger traffic and improve guest experience at the airports

- Regulatory Compliance being key to our operations, led to the hiring of 142 AVSEC and 55 AFRS personnel respectively across all airports.
- Our enhanced focus on Customer centricity saw the establishment of 52 CEM sector leaders positions at KUL to drive immersion into positive guest experience at the airports.
- Elevated our resources in the Bussing Operations with higher headcount to facilitate and improve bussing experience for passengers at KUL Terminal 1, as efficient connection is core to the passenger experience, right from the touchpoints at the Terminal through the boarding on the plane.

Developed skills and competencies to support talent growth and excellence

- Building a healthy talent pipeline for our young talent is key to the success of our future talent pool, hence we

have participated actively in the MyStep Programme and hired 125 personnel to support workforce needs as well as supporting the national agenda.

- Project Management is central to our operations as we enhance our productivity through meticulous analysis of our processes in our effort for continuous improvement. In 2023, we focussed on capability development targeting on supporting our talent with professional growth through Project Management Professional (PMP)® Certification, which was attended by 27 project managers.
- Developed a signature Leadership Programme, with the main objective of nurturing visionary leaders across our middle management level with 123 Managers and Senior Managers trained on the Malaysia Airports Visionary & Effective Leadership (MARVEL) Programme.

Forged Better Industrial Harmony, Inclusivity & Safety @ Work

- Successfully signed Collective Agreement 10 between the Group and Unions.

Short to Medium Term Focus

- 1) Strengthen resources and build organisational capabilities through hiring of best talents and growing a healthy leadership bench strength with a robust succession planning process in place in developing a strategic talent pipeline. This is mapped to support the efficient execution of our business plans.
- 2) Systematic Workforce planning to resource a productive operating model that is agile to respond to the changing market landscape.
- 3) Continue to enhance the quality of our talent pool with support for talent professional growth and excellence through Project Management Professional (PMP)® Certification for project managers, aligned with the core requirement of our business and operations.
- 4) Embed the fundamentals of having strong leadership skills through the development of the current and future leaders using multiple development channels and intervention. (e.g. talent assessment, training programs, coaching and mentoring, with structured approach to the development of individual development plans (IDP).

Key Performance Indicators

		FY2023	FY2022
Total training hours (hours)	MY	442,027	297,545
	SAW	2,024	6,260
Average total hours of training per employee (hours)	MY	51.0	35.0
	SAW	3.8	12.2

Links to :

Capitals:



Stakeholders:



Material Matters:



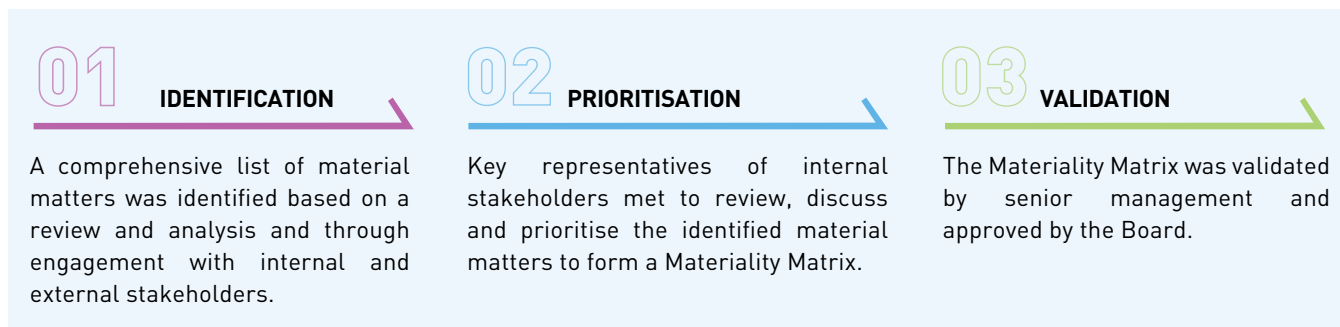
MATERIAL MATTERS

Malaysia Airports together with its stakeholders have identified a set of material matters which are significant to the Group’s ability to create value for its stakeholders. While the Group continuously manages and monitors its material matters, we report on the top matters which have significant impact on our value creation model and influence our business strategy and targets.

MATERIALITY PROCESS

Materiality Assessment

The material matters were initially identified and prioritised in 2018 following a materiality assessment process as described below.



MATERIALITY MATRIX

The Materiality Matrix plots material matters in two dimensions – first, impact on Malaysia Airports and secondly, significance to key stakeholders – and maps them to the Sustainability Framework. This guides Malaysia Airports in addressing and managing matters of utmost importance for the business as well as stakeholders.

REVIEW OF MATERIAL MATTERS IN 2023

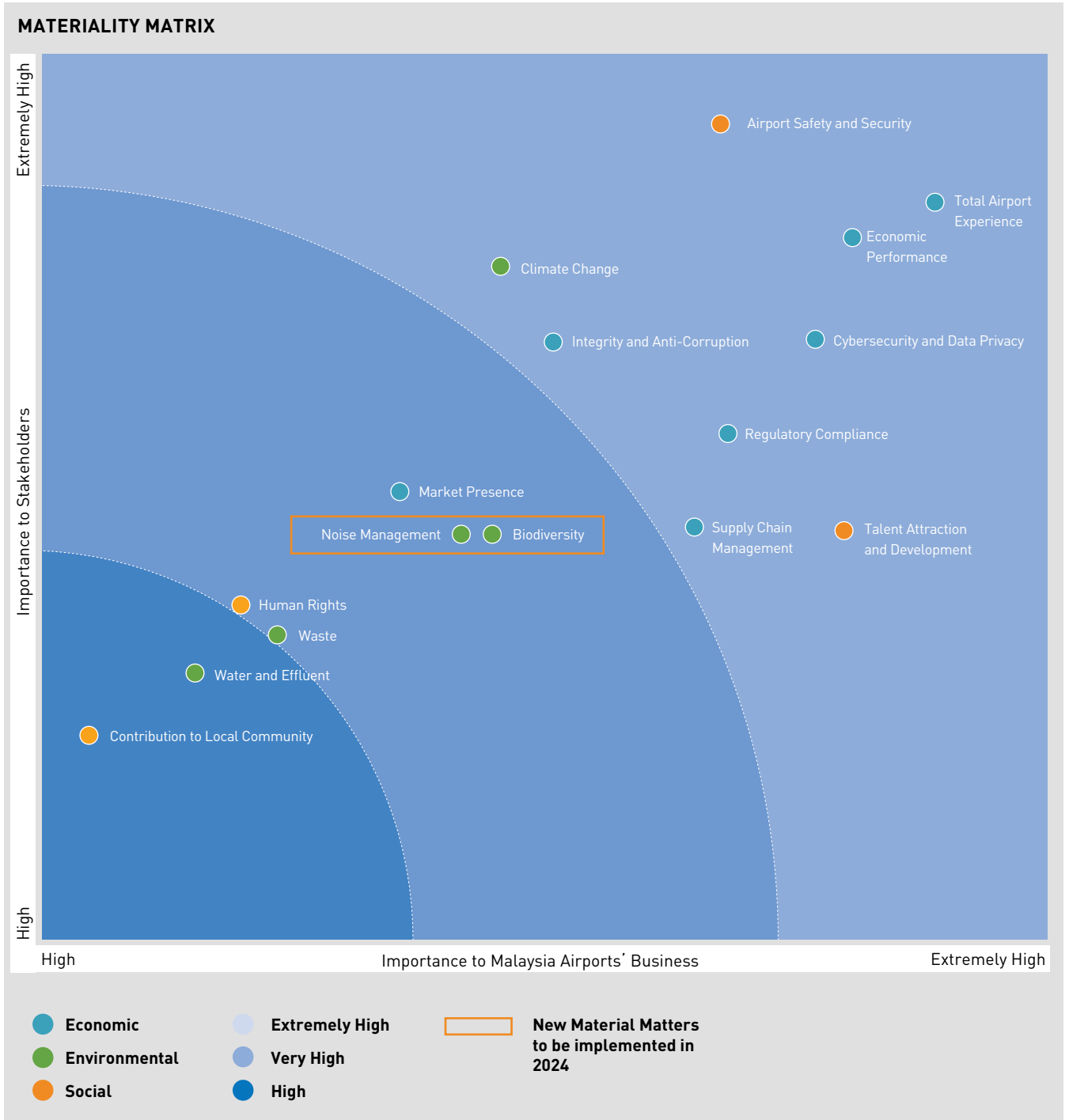
In 2023, Malaysia Airports started to refresh the Materiality Matrix in line with our commitment to address evolving challenges arising from changes in the operating environment and to align our strategic priorities with stakeholders’ concerns. Two new material matters, noise management and biodiversity, have been identified as a result of the review.

Following the review of key stakeholders for the Group, a workshop was organised to determine the material matters for the Group moving forward. At the workshop, an inventory of material matters was presented to the stakeholders to facilitate a prioritisation exercise. The stakeholders then prioritised the material matters by ranking the importance of each item as well as the impact of each matter on them.

Based on the prioritisation exercise, the Group developed a refreshed Materiality Matrix as depicted below which was then validated by the senior management and approved by the Board Sustainability Committee.



MATERIAL MATTERS



MATERIAL MATTERS

M1 TOTAL AIRPORT EXPERIENCE

Total Airport Experience refers to matters impacting the experience of our passengers as they journey through the airports that we manage. This encompasses Malaysia Airports’ efforts in managing airport capacity, enhancing service quality, digitalisation of airport services and transportation and connectivity for the convenience and comfort of our passengers. This Material Matter will be discussed below under four separate headings for clarity – Airport Capacity, Airport Service Quality, Digitalisation, and Transport and Connectivity.

STAKEHOLDERS INVOLVED



CAPITALS AFFECTED AND TRADE-OFFS:



LINK TO STRATEGY AND KEY ENABLERS

- Reimagining Passenger Experience
- Enhancing Airline and Hub Connectivity
- Rejuvenating Commercial and Retail
- Penang International Airport (PEN) Terminal Expansion Project
- Focusing on Execution

LINK TO UN SDGS



HIGHLIGHTS

AIRPORT CAPACITY

Airport Capacity refers to the airports’ ability to cater for increasing passenger traffic and to manage capacity constraints through airport expansion and space optimisation. Airport capacity is an important factor in ensuring operational safety and efficiency, service standards as well as passenger comfort. It is also one of the factors that airlines take into consideration when deciding on route development which impacts Malaysia Airports’ earnings and growth.

Airport expansion projects

In 2023, there were four on-going expansion projects to increase the capacity of the airports namely:

- KBR from 1.5 million passengers per annum (mppa) to 4 mppa. The expansion works is progressing and is scheduled to complete in early 2025.
- PEN from 6.5 mppa to 12 mppa. Cabinet and other approvals have been obtained, and in March 2024, Malaysia Airports announced a pre-qualification exercise to appoint contractors for the project.
- SZB from 1.5 mppa to 3.0 mppa. The Subang Airport Regeneration Plan was approved by the Government in 2023, and renovation works are in progress to enable jet operations to commence at the airport in 2024.
- TWU from 1.5 mppa to 3.0 mppa. The allocation for the upgrading of the airport was approved in 2023.

Terminal optimisation projects

Terminal optimisation projects are on-going at BKI, IPH and TOD to optimise the capacity of the existing facilities.

KEY PERFORMANCE INDICATORS AND TARGETS

The current capacity of all airports under the Group is shown in the section ‘Where We Operate’ on pages 8 to 9.



MATERIAL MATTERS

M1

TOTAL AIRPORT EXPERIENCE

DIGITALISATION

Digitalisation refers to the digital framework encompassing enhancement, capacity development and digital innovations across Malaysia Airports' operations including terminal optimisation, operational efficiency, revenue generation, regulatory compliance and health protection. In the face of the Industrial Revolution 4.0, it is crucial to ensure up-to-date technologies are used to improve efficiency, reduce human error and to redirect resources to critical areas of operations.

HIGHLIGHTS

Airport Collaborative Decision Making (A-CDM) at KUL

The project will enable aviation players at KUL to access and share real time data, collaborate to improve planning and operational efficiency as well as optimise resources and capacity. The Operational Readiness and Airport Transfer (ORAT) for the A-CDM commenced in November 2023. The system was launched in March 2024.

Self-Service Bag Drop rolled out

The Group launched Self-Service Bag Drop at KUL in May 2023, a self-service bag check system which lets passengers check-in their baggage faster and more efficiently, taking only 45 seconds to check-in each bag.

This self-service option allows passengers to directly drop their baggage, elevating their experience, improving airport operations and enabling faster passenger processing. This initiative was successfully rolled out in May 2023 at the KUL Terminal 1 with six units at the Row B check-in counter following an official launch with Malaysia Airlines. In future, Malaysia Airports will expand the availability of Self-Service Bag Drop at KUL Terminal 1 and Terminal 2 in 2024 and other international airports from 2025 until 2027.

Self-Service Check-In

The Self-Service Check-In system underwent enhancements commencing in October 2023, transforming from a single-function enrolment kiosk to a dual-function system that includes both check-in and enrolment capabilities. Additionally, it has integrated biometric features with the Self Service Bag Drop system where enrolled passengers can simply scan their faces to facilitate the baggage drop process. Malaysia Airlines, located at KUL Terminal 1, has successfully utilised this upgraded version and kiosk. The adoption of this innovation has led to a gradual increase in utilisation, due to its expanded functionalities. This is a truly transformational initiative that focuses on delivering a seamless passenger experience, optimising operational efficiency, embracing digital capabilities, and fostering collaboration. Malaysia Airports has been recognised by the IDC Future Enterprise Awards 2023 as the Winner for the Best in Future of Customer Experience for the Seamless Journeys through the Digitalisation of the MYairports App.



MATERIAL MATTERS

M1 TOTAL AIRPORT EXPERIENCE

HIGHLIGHTS

STARdesk

Successfully launched the STARdesk system in May 2023 to encourage passengers to submit their feedback through the MYAirports mobile app regarding issues that they encounter at the airport. By implementing this centralised ticketing system and streamlining processes, Malaysia Airports has enhanced response times, communication, and issue resolution, resulting in higher customer satisfaction levels as indicated by key metrics such as Net Promoter Score and Customer Satisfaction. The project also focused on gaining deeper insights into customer needs and preferences through analytics and data management, allowing for personalised experiences.

SMARTQ

The Smart Queue Monitoring System, equipped with 3D IoT sensors, serves as a digital solution for efficiently tracking passenger flow, queue length, process and waiting times, data analysis and people movement at the airports. It was successfully implemented in September 2023. The ability to monitor passenger queue management at airports empowers the operations team to oversee and enhance the overall passenger journey experience. The system also facilitates airports in meeting MAVCOM requirements by providing reporting and passenger flow data.

Airport Integrated Safety & Security System (AIS3)

The project is still in implementation mode and target to complete by Q3 2024. As part of our effort to future-proof safety and security, this project embarked in 2022 to modernise its security systems and infrastructure with Artificial Intelligence (AI) technologies while complying to the latest local and international standards and policies. Continuous deployment and enhancement of AI and Video Analytics to ensure higher accuracy and larger coverage of the use cases and adding more use cases in the future for better surveillance and outcome.

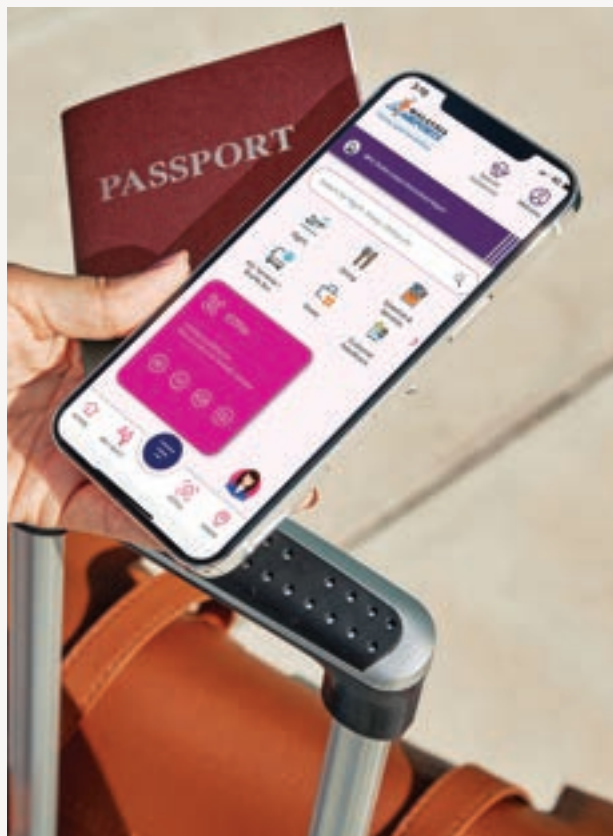
Internet of Things (IoT) Platform

The project was implemented in 2023 to monitor the status and location of all the buses at near real-time accuracy by using Internet of Things (IoT) technology. It provides our Management and operations teams an informative dashboard and for passengers, it provides information on buses and other key matters at the terminals as the platform is integrated with

the MYairports app and digital displays at strategic locations in KUL Terminal 1. The project started in May 2023 and completed in Dec 2023 while the digital display integration is expected to go live in mid-2024.

Technology refresh for KUL and SAW

The Wi-Fi technology at KUL was upgraded to the latest Wi-Fi 6 standard. This improves the passenger experience and ensures faster, seamless connectivity. The availability of fast and reliable Wi-Fi also encourages the use of our mobile app, MYairports, which was also enhanced during the year. At SAW, we began providing free Wi-Fi throughout the airport to enhance the overall passenger experience, increase satisfaction and build loyalty. The airport’s mobile app was also upgraded to enable passengers find their luggage, check their car park status, make e-payments for car parking.



MATERIAL MATTERS

M1

TOTAL AIRPORT EXPERIENCE

HIGHLIGHTS

Moving forward

Among the key focus areas is the strategic integration of cloud-based multi-airport Flight Information Display System (FIDS) and Resource Management System (RMS) for holistic airport management. In our operations in Malaysia, we manage international and domestic airports on a network basis, and hence, they vary in terms of passenger volume, profitability, digital maturity and other characteristics. Nevertheless airports require modernisation commensurate with their level of activity and economic magnitude. The right business model is therefore crucial to achieve the value of digital solutions.

As such Malaysia Airports is examining 'common use' facilities for better control and management of their assets, such as counters, gates, the baggage handling systems, telephone systems and information display systems, which aim to benefit the economics of the airports. In every aspect of today's airport terminal, the advantages of utilising technology properly are becoming increasingly apparent.

In the network of 39 airports in Malaysia, 21 are equipped with FIDS while the remaining STOLports rely on manual systems.

Currently the FIDS at the 21 airports is provided by several vendors offering a variety of products. Moving forward, the Group is planning to design and construct a new architecture for a cloud-based system for FIDS and RMS which will be hosted in the public cloud and readily accessible for other operational requirements. A cloud-based platform offers an optimal setting for the integration, facilitation, and exchange of data and collaboration. By integrating these systems, airports can improve resource utilisation, minimise delays, and enhance the overall efficiency and passenger experience.

The implementation of cloud-based multi-airport FIDS and RMS will be conducted in stages by the airport. The FIDS application must first be deployed at KUL in order to leverage the FIDS software framework at our main hub. By utilising the FIDS framework in conjunction with a subscription model at KUL airport, it is possible to optimise the design and architecture of FIDS without the necessity of creating new FIDS for every other airport in Malaysia, thereby creating a sustainable framework for modernising the airports and ensuring that the benefits of digital solutions are distributed equitably across the network.

KEY PERFORMANCE INDICATORS AND TARGETS

Key Performance Indicators	2023	2022	2021
Total active users			
MYAirports	56,833	20,687	5,992
shopMYairports	11,435	10,139	4,764

MATERIAL MATTERS

M1 TOTAL AIRPORT EXPERIENCE

TRANSPORTATION AND CONNECTIVITY

Transportation and Connectivity refer to ground transportation and network connectivity that link our airports to passengers, employees, airlines, visitors and suppliers within, to and from the airport. Good ground connectivity streamlines the passengers' airport experience before they even set foot at the airport premises as the ease of getting to the airport is an important factor. The more convenient their journey to the airport, the more likely they will use it. In terms of network connectivity, with more connections available to passengers, they are able to enjoy the convenience of a greater number of options for their journey and potentially benefit from more competitive pricing.

HIGHLIGHTS

Connectivity for airports in Malaysia

Connectivity for airports in Malaysia continues to improve. In 2023, encouraging traffic demand coupled with the resumption and the launch of new airlines has contributed to a 9.1% increase in airlines operating within Malaysia Airports' network of local airports to 72 airlines from 66 airlines in 2022.

At SAW, at the end of 2023, there were 45 airlines flying into the airport, which was 76% of the pre-pandemic number of 59 airlines.

Multi-storey carpark at PEN

The newly constructed seven-storey carpark at PEN Airport opened for public use in April 2023. The new facility enhances the availability of parking for motor vehicles by providing 1,742 car parking bays including 22 for the disabled, and 660 bays for motorcycles.

Ground network in Malaysia

The Group has maintained the existing transportation and connectivity network that enables passengers to get to the airports easily. For our main hub at KUL, this includes the Express Rail Link, bus and taxi services, as well as road connectivity for private vehicles through multiple highway links. E-hailing services are also a popular mode of transportation to the airport.

Ground connection to SAW

The metro rail line linking SAW to downtown Istanbul which began operations in 2022 provides a fast and convenient connectivity for passengers. SAW is also well connected to downtown Istanbul via highways and is serviced by public transportation including taxis, rental cars, buses and private shuttle buses.



MATERIAL MATTERS

M1

TOTAL AIRPORT EXPERIENCE

AIRPORT SERVICE QUALITY

Airport Service Quality refers to matters impacting the experience of our passengers as they journey through the airports that we manage. This encompasses Malaysia Airports' efforts in managing airport capacity, enhancing service quality, digitalisation of airport services and transportation and connectivity for the convenience and comfort of our passengers. This Material Matter will be discussed below under four separate headings for clarity – Airport Capacity, Airport Service Quality, Digitalisation, and Transport and Connectivity.

HIGHLIGHTS

Global leaders in service quality

KUL scored 4.99 out of 5.00 in the Airport Service Quality (ASQ) survey by Airports Council International (ACI), while LGK returned a perfect score of 5.00. This ranked KUL at #9 in the above 40 mppa category while LGK ranked #1 in the 2-5 mppa category.

The scores achieved by both airports in 2021 and 2022, this indicates the sustained consistency of high service quality across all 31 of ASQ's indicators despite annual passenger traffic expanding at KUL and LGK post-pandemic.

Level 2 ACI accreditation for KUL for customer experience

With the increase in passenger movements, it was crucial that passenger experience at our main hub at KUL continues to adhere to international best practice and standards. Hence, in early 2023, Malaysia Airports embarked on ACI's Airport Customer Experience Accreditation (ACEA) programme that builds airports' long-term capacity to enhance customer experience management. By the end of 2023, KUL had made significant progress, with ACI accrediting our airport at Level 2 of the ACEA programme's five levels, reflecting the airport's success in orchestrating a seamless passenger-centric journey to enhance customer satisfaction.

STARdesk electronic feedback management platform

As we recognise the importance of our ability to collect, consolidate and address passenger feedback, we deployed STARdesk, an electronic feedback management platform at KUL, in May 2023 to encourage passengers to submit their feedback through the MYAirports mobile app regarding issues that they encounter at the airport. This enables our customer experience team to validate and respond to passenger feedback within 15 minutes. The feedback received on the platform is also analysed to enable Malaysia Airports to recognise trends, identify common pain points and take proactive action.

Aerotrain replacement project

The replacement of the Aerotrain at KUL Terminal 1, is progressing to complete in 2025. In the meantime, Malaysia Airports has taken multiple steps to enhance the interim Shuttle Bus Service. This includes boosting the capacity of the shuttle bus fleet and to ensure that even at peak periods, there are buses standing by for passengers and that capacity limits are adhered to so that passengers complete the four-minute bus trip in comfort. Recently the Group introduced the Aero FastTrack service, a paid premium option for passengers requiring a swift transfer to or from the Satellite Building. In early 2024, a Premium Shuttle Bus complete with lounge facility for departing and arriving first and business class passengers was also introduced.

Baggage handling improvements

The replacement of the Baggage Handling System (BHS) at KUL Terminal 1 is currently in progress. In the meantime, we launched the Self-Service Bag Drop in May 2023, a self-service bag check system which enables passengers to self-check their baggage in a speedy and efficient manner, taking only 45 seconds to check-in each bag. This reduces queuing time at the airport for passengers. At SAW, the IT and control systems in the BHS were upgraded to enhance accuracy and efficiency in baggage handling.

Expansion of retail, F&B and hospitality outlets

The Group has recruited new retail, F&B and hospitality tenants under its Commercial Reset programme, enhancing the customer experience at the airports. Retail brands that opened new stores include Polo Ralph Lauren, Michael Kors, Bulgari, Tory Burch and TUMI. Airport outlets of F&B brands that opened in 2023 include international chains Din by Din Tai Fung, Hard Rock Café, Jamie Oliver's Pizzeria and Paul Le Café, and Malaysian franchises, Ahh-Yum, Grandmama's, Jibby Chow and Kitchen by Open House. In addition, Plaza Premium First and TFS Travel Club Lounge & Bar lounges and the Kepler Transit Hotel welcomed passengers at KUL Terminal 1 in 2023.

MATERIAL MATTERS

M1 TOTAL AIRPORT EXPERIENCE

KEY PERFORMANCE INDICATORS AND TARGETS

Airport Service Quality Ranking and Score

Airport	2023	2022	2021
KUL			
Rank	9	9	1
Score	4.99	4.99	5.00
LGK			
Rank	1	1	1
Score	5.00	5.00	5.00

Airport Service Quality Scores for Key Indicators - KUL

ASQ Score	2023	2022	2021
Courtesy & helpfulness of staff	4.99	4.99	4.99
Comfort of waiting/gate areas	4.98	4.99	4.98
Speed of baggage delivery	N/A	N/A	4.97
Waiting time to check-in	4.98	4.98	4.94
Waiting time at passport check	4.99	4.99	4.98
Ambience of the airport	4.99	5.00	4.98

Type of Feedback Received

Type of feedback	2023	2022	2021
Enquiries	12,423	17,315	12,782
Lost and Found	3,631	2,022	412
Complaints	3,806	1,619	227
Compliments	1,634	561	265
Suggestions	342	205	50
Total	21,836	21,722	13,736

MATERIAL MATTERS

M2

AIRPORT SAFETY AND SECURITY

Airport Safety and Security refers to the anticipation, recognition, evaluation and control of hazards or threats arising in or from the airport. Safety and security are a major concern because the timely and safe passage of our passengers and the well-being of the airport community rely on stringent safety and security measures being in place.

STAKEHOLDERS INVOLVED



CAPITALS AFFECTED AND TRADE-OFFS:



LINK TO STRATEGY AND KEY ENABLERS

- Reimagining Passenger Experience
- Focusing on Execution

LINK TO UN SDGS



HIGHLIGHTS

Aerodrome Emergency Exercises

Malaysia Airports completed 100% of its 74 scheduled Aerodrome Emergency Exercises. This includes 12 full scale exercises, 11 partial exercises, 24 tabletop exercises and 24 building fire drills. All relevant external stakeholders were included in the exercises, enhancing the knowledge and readiness towards emergency preparedness. One of the full scale exercises was conducted with the National Disaster Management Agency as part of the National Disaster Preparedness Year 2023 at TGG.

Airport Fire and Rescue Service (AFRS) vehicles

Malaysia Airports initiated a three-year programme in 2021 to replace aging AFRS fire vehicles at the airports as the vehicles were reaching their maximum lifespan. In 2023, 17 fire vehicles were replaced at the following airports – AOR (2), BTU (2), IPH (2), KBR (2), LDU, LMN, MKZ, MYY, MZV, SBW, SDK, TGG and TWU.

Training of AFRS personnel

With the rise in air traffic in 2023, Malaysia Airports recruited 55 new personnel to fill AFRS vacancies to maintain requisite levels of AFRS manpower and Rescue and Fire Fighting capabilities. The Group also provided training for eight employees to be certified as AFRS Subject Matter Experts by international bodies.

STOLport security documentation

Documentation for STOLport Security Programmes for five STOLports and STOLport Contingency Plans for seven STOLports were prepared and submitted to CAAM for endorsement in line with applicable regulations.

Airport Safety and Security Initiatives Audits and Assessments

Safety Management Systems Assessments and Security Audits were conducted regularly at airports to assess compliance with Standards and Recommended Practices and to identify areas for potential improvement. In 2023, among the focus areas was the inspection of security equipment, security restricted areas and controlled areas within the airports.

KUL Airside Safety Committee meetings

The committee meets quarterly to discuss safety issues at the airside.

MATERIAL MATTERS

M2

AIRPORT SAFETY AND SECURITY

HIGHLIGHTS

Runway inspections and surveillance

On-site inspections were conducted regularly by the Runway Safety Teams to ensure compliance with runway safety Standards and Recommended Practices (SARPs). In addition, Malaysia Airports continues to deploy the Foreign Object Debris Detection System (FODDS) following the installation of high precision FODDS radars at KUL in 2023. This enhances the accuracy and efficiency of runway safety surveillance as the smallest FOD items such as rice grains, pebbles and wildlife can be swiftly detected.

Wildlife strikes

Existing mitigation measures to reduce bird strikes continued to be practised to ensure the incidence rate remained within acceptable level of safety performance.

KEY PERFORMANCE INDICATORS AND TARGETS

Key Performance Indicators

	2023	2022	2021
Number of Aerodrome Emergency Exercises conducted	74	72	21
Percentage of targeted safety exercises completed (%)	100	100	100
Number of Safety Management System Certified Airports	18	16	16



MATERIAL MATTERS

M3 ECONOMIC PERFORMANCE

Economic Performance refers to the economic value generated and distributed by Malaysia Airports. As a public-listed entity, our primary responsibility is to create shared value for our stakeholders. Our economic performance is crucial to the existence of the business and the interests of our stakeholders which include healthy economic returns, continued employment and business opportunities.

STAKEHOLDERS INVOLVED

S1 S2 S4 S6 S7

CAPITALS AFFECTED AND TRADE-OFFS:

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LINK TO STRATEGY AND KEY ENABLERS

- Rejuvenating Commercial and Retail
- Accelerating Off-Terminal Business
- Strengthening International Business
- Penang International Airport (PEN) Terminal Expansion Project

LINK TO UN SDGS



HIGHLIGHTS

Economic value generated

For the financial year ending 31 December 2023 (FY2023), economic value generated by Malaysia Airports Holdings Berhad increased to RM5.4 billion compared to RM3.4 billion in the previous year. Most of the economic value generated were redistributed to our employees, capital providers and the Government. Malaysia Airports Holdings Berhad retained an economic value of RM1.7 billion as a result of the distribution above, which had also increased by 65.1% from FY2022.

KEY PERFORMANCE INDICATORS AND TARGETS

Economic Performance

	2023	2022	2021	Change 2023 vs 2022
	RM' million			%
Economic Value Generated				
Revenue*	5,443.1	3,415.6	*1,883.1	59.4%
Economic Value Distributed				
Operating costs	(1,774.2)	(1,231.8)	(915.8)	44.0%
Employee wages and benefits	(953.5)	(751.4)	(675.7)	26.9%
Payments to providers of capital	(666.3)	(193.6)	(634.1)	>100%
Payments to Government	(357.8)	(214.4)	**190.8	66.9%
Economic Value Retained	1,691.4	1,024.4	(151.8)	65.1%
**Community Investments	29.1	1.1		>100%

* The Economic Value Generated includes revenue, other income and share of results of associates and joint ventures

** Total community investments refer to actual expenditures in the reporting period, not commitments. This includes voluntary donations plus investment of funds in the broader community where the target beneficiaries are external to the organisation.

MATERIAL MATTERS

M4

CYBERSECURITY AND DATA PROTECTION

Cybersecurity and data protection are a key consideration which refers to Malaysia Airports’ capabilities in protecting the security and privacy of stakeholders’ business information and systems. Airport operations are a national security matter and as processes and transactions are increasingly digitalised and data is shared among airport stakeholders for efficiency and effectiveness of our airports, there are increased risks relating to cyber-related security threats and exposure of data to third parties. As such, cybersecurity is crucial to ensure the data of stakeholders and the Group’s own data and digitalised processes are always protected.

STAKEHOLDERS INVOLVED

S1 S3 S9

CAPITALS AFFECTED AND TRADE-OFFS:

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LINK TO STRATEGY AND KEY ENABLERS

- Reimagining Passenger Experience

LINK TO UN SDGS



HIGHLIGHTS

Malaysia Airports has in place a Cybersecurity Acceleration Programme to safeguard the Group from threats. Following a comprehensive review of the programme, the Group launched the Cybersecurity Acceleration Programme 2.0 to strengthen the organisation against ever-evolving cyber threats and attacks. For our operations in Türkiye, in 2023, we made technology investments to improve and enhance our cybersecurity capabilities.

Enterprise risk assessments

Risk assessments are regularly conducted by all divisions and subsidiaries. The cybersecurity-related risk has been assessed at the corporate level for all systems managed by the Group’s IT Division and identified risks will be rectified in ongoing mitigation projects.

Employee Training

As our employees can be a strong line of defence against cybersecurity threats, an online learning programme is conducted quarterly, and all employees must pass the exam quiz to gauge their understanding of all topics they have learned. Cybersecurity posters are also produced quarterly to enhance employees’ knowledge on protecting data confidentiality, preserving data integrity and promoting data availability for authorised users.

Operating procedures updates

Malaysia Airports regularly updates applicable Standard Operating Procedures and General Procedures to include cybersecurity security elements for the development and testing team and other related parties. There are also knowledge sharing sessions with all relevant stakeholders on cybersecurity and IT governance.

SAW investments in cybersecurity

Investments in upgrading the airport’s cybersecurity capabilities have resulted in better visibility and awareness of cyber threats. In addition, data relating to the attacks is gathered and analysed to enhance protection and to assess and detect future threats. Training for employees is also conducted to increase their awareness on cyber threats. The airport also conducts internal audits, and ensures that corrective and preventive actions are taken to minimise the risk of cybersecurity breaches.

MATERIAL MATTERS

M5

REGULATORY COMPLIANCE

As Malaysia Airports operates within a highly regulated industry, it is imperative that the Group adheres to and complies fully with international and national laws and regulations on aviation as well as regulations promoting environmental, social and governance stewardship.

STAKEHOLDERS INVOLVED

S2 S6 S9

CAPITALS AFFECTED AND TRADE-OFFS:

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LINK TO STRATEGY AND KEY ENABLERS

- Enhancing Airline and Hub Connectivity
- Rejuvenating Commercial and Retail
- Strengthening International Business
- Accelerating Off-Terminal Opportunities
- Commitment to ESG

LINK TO UN SDGS



HIGHLIGHTS

Compliance with all applicable laws and regulations

Malaysia Airports has in place a strong governance structure that emphasises adherence to and full compliance with all applicable laws and regulations that relate to all aspects of our operations.

Compliance with anti-competition laws

Malaysia Airports is governed under the provisions of the Malaysian Aviation Commission Act 2015, specifically Part VII of the Act which deals with competition. As the Malaysian Aviation Commission Act 2015 is excluded from the application of the Competition Act 2010, Malaysia Airports is therefore subject to the guidelines issued by MAVCOM relating to Part VII (Competition) of the Malaysian Aviation Commission Act 2015. No legal action was taken against Malaysia Airports for anti-competitive behaviour, anti-trust or monopoly practices in 2022.

KEY PERFORMANCE INDICATORS AND TARGETS

Key Performance Indicators and Targets

	2023	2022	2021
Number of non-compliance with applicable laws or regulations	None	None	None
Amount of fines or non-monetary sanctions in relation to non-compliance	None	None	None

MATERIAL MATTERS

M6 CLIMATE CHANGE

We address climate change by managing the impact of our business from the use of energy and the emissions associated with the business.

- Energy refers to the consumption and efficient use of electricity and energy generated from renewable and non-renewable sources.
- Emissions refer to the discharge of environmentally hazardous substances and greenhouse gas into the atmosphere such as dust, dark smoke, emissions with metallic compounds, carbon dioxide, methane, nitrous oxide.

STAKEHOLDERS INVOLVED



CAPITALS AFFECTED AND TRADE-OFFS:



LINK TO STRATEGY AND KEY ENABLERS

- Commitment to ESG

LINK TO UN SDGS



HIGHLIGHTS

Increased Renewable Energy Capacity

In 2023, Malaysia Airports further expanded its solar power programme to achieve a total solar power capacity of 22.5 MWp. This has the potential to reduce Scope 2 carbon emissions by up to 15%.

Malaysia Airports Net Zero 2050 Pathway

The roadmap is a long-term pathway that spans the period of 2023-2050 to reduce the Group's Scope 1, Scope 2 and Scope 3 carbon emissions in a phased and systematic manner. The roadmap includes targets and milestones for each phase which cumulates in net zero Scope 1 and Scope 2 emissions by 2040 and net zero Scope 3 emissions by 2050.


Level 3 ACA accreditation for KUL

KUL's certification at Level 3 'Optimisation' of Airports Council International (ACI)'s Airport Carbon Accreditation (ACA) programme was renewed in 2022/2023 by ACI. The airport has maintained its Level 3 certification since 2018. In this programme, ACI utilises internationally recognised methodologies to independently assess and recognise the efforts of airports to manage and reduce their carbon emissions through seven levels of certification.

MATERIAL MATTERS

M7 INTEGRITY AND ANTI-CORRUPTION

Integrity and Anti-Corruption refer to upholding ethics and advocating anti-corruption in our everyday conduct across all levels of dealings in the workplace. Corruption in any form has a negative effect on our business and ability to generate value, and also compromises the trust we enjoy in our relationship with stakeholders.

<p>STAKEHOLDERS INVOLVED</p> <p>S5 S6</p>	<p>CAPITALS AFFECTED AND TRADE-OFFS:</p> <p>I H F</p> <p>⊕ ⊕ ⊖</p>
<p>LINK TO STRATEGY AND KEY ENABLERS</p> <ul style="list-style-type: none"> Commitment to ESG 	<p>LINK TO UN SDGS</p> 

HIGHLIGHTS

Anti-Bribery Management System

The implementation of the ISO 37001: 2016 Anti-Bribery Management Systems (ABMS) is rolled out in stages to cover the Group. Two of the Group’s subsidiaries in Cluster 2, namely Malaysia Airports (Niaga) Sdn Bhd and Urusan Teknologi Wawasan Sdn Bhd, successfully received full certification with zero non-conformance recorded.

ABMS training and awareness sessions were also conducted for all subsidiaries to provide information and exposure on ABMS.

Corruption Risk Assessment

A total of 101 corruption risk scorecards for the Group’s operations are registered in Malaysia Airports risk scorecard system of which 100% successfully underwent assessments in 2023 for corruption risks and reviews of their internal controls. This excludes the Group’s foreign operations in Türkiye and MACS ME.

Lower corruption risk

The Group also successfully conducted a Corruption Risk Assessment Workshop to review the corruption risks as

recommended by the Guidelines on Adequate Procedures pursuant (5) of Section 17A(5) of the Malaysian Anti-Corruption Commission (MACC) Act 2009 which recommends that a comprehensive risk assessment is done every three years, with intermittent assessment conducted when necessary. Guided by the zero-tolerance approach by the Board of Director coupled with Management commitment and various key initiatives implemented in fighting corruption, Malaysia Airports has successfully mitigated its overall corruption risk category from high to medium based on the MACC Risk Assessment in 2023.

Corruption-Free Pledge

The Group’s Board of Directors and Management reaffirmed their commitment to maintain a corruption-free workplace, witnessed by the senior members of the MACC. The Corruption-Free Pledge is also circulated digitally across the Group and digitally signed by the employees in the Group to hold each of them accountable and responsible for maintaining a corruption-free workplace within the Group. The Group also provides briefings online and in person on anti-bribery and corruption matters. In 2023, 99.65% of the employees in the Group completed these briefings.

KEY PERFORMANCE INDICATORS AND TARGETS

	2023	2022	2021
Employees briefed on anti-corruption policies*	8,350	8,454	8,943
Number of confirmed incidents of corruption	0	0	0
Number of concerns raised through Whistleblowing Programme	32	6	1

* Management, Executives and Non-Executives

MATERIAL MATTERS

M8

TALENT ATTRACTION & DEVELOPMENT

This refers to our human resource policies and management with reference to three major areas.

- Employment refers to the fair treatment of employees with regard to terms and conditions of employment.
- Training and Education refers to the Group’s approach to training and upgrading employee skills, and performance and career development reviews and the management of career endings due to retirement or termination.
- Labour Management Relations refers to our consultative practices with employees and their representatives, including the approach to communicating significant operational changes.

STAKEHOLDERS INVOLVED

S5 S11

CAPITALS AFFECTED AND TRADE-OFFS:

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LINK TO STRATEGY AND KEY ENABLERS

- Commitment to ESG

LINK TO UN SDGS



HIGHLIGHTS

Fair treatment for employees

Malaysia Airports provides fair treatment to all employees as per terms and conditions of employment. It also complies with the Employment Act 1955 and the Industrial Relations Act 1967. These two laws provide stipulations regarding employment terms and conditions, rights of employees and maintainomg industrial harmony between employers and employees, and where applicable, trade unions.

Sponsorship for degree programme

Collaboration with UiTM to develop employees by providing them with the opportunity to pursue a part time degree in Accounting. It is a five-year course starting in 2021 and to complete by 2025.

ISG-Malaysia Airports Cross Fertilisation Programme

Short term and long term talent exchange programme between employees in Malaysia and Türkiye to enhance their leadership and functional skills.

Pre-retirement planning

Malaysia Airports has implemented a pre-retirement programme to assist employees in preparing for their retirement phase. The programme is designed to provide employees with the necessary support and resources to plan for a smooth transition into retirement. It aims to empower employees to make informed decisions regarding their financial security, health, and overall well being during their retirement years.

MATERIAL MATTERS

M9

SUPPLY CHAIN MANAGEMENT

This refers to procurement practices as well as ensuring that suppliers act in accordance with the Group's policies and procedures, while adhering to good sustainability practices.

- Procurement practices refers to supporting local suppliers at significant locations of operations.
- Supplier environmental assessment refers to the negative environmental impacts either through its own activities or as a result of its business relationships with other parties.
- Supplier social assessment refers to the negative social impacts either through its own activities or as a result of its business relationships with other parties.

STAKEHOLDERS INVOLVED

S8

CAPITALS AFFECTED AND TRADE-OFFS:



LINK TO STRATEGY AND KEY ENABLERS

- Commitment to ESG

LINK TO UN SDGS



HIGHLIGHTS

Incorporation of a Sustainability Questionnaire in tender documents as part of the evaluation process to gauge a potential vendor's level of sustainability awareness and the creation of sustainability conscious/friendly database as reference for future vendor selection.

Vendor assessment

Integration of a weighted scoring system into the tender evaluation process.

*Immerse
yourself in the
mesmerising
blend of
Malaysia's vibrant
tapestry right here
at our airports,
where dining
and shopping
experiences can
be an exquisite
adventure through
the best Malaysia
has to offer*

RESTORAN



KITCHEN
by **OpenHouse**

Lot MTB-5-L32

KITCHEN
by **OpenHouse**
malaysian cuisine

DIJALAN SRI HATI (MALAYSIA) SDN. BHD. (434755-U)











STAKEHOLDER ENGAGEMENT

The airports business operates in an ecosystem involving multiple stakeholders. While each stakeholder has its roles and responsibilities, there is a high level of interdependence among airport stakeholders. Stakeholders often work in tandem to ensure safety, efficiency and service quality across a broad range of airport operations and collaborate to address ESG concerns. As such, stakeholder engagement very much an essential aspect of Malaysia Airports’ business.




Key Stakeholders

In 2023, as part of the initiatives relating to the review of the Group’s Sustainability Framework, we re-categorised our key stakeholders. With this, the Group will streamline engagement with stakeholders and better identify and address their concerns.

As a result, there are 11 categories of key stakeholders of the Group in the airport ecosystem that are both key to the business and are most impacted by our business operations:

Key Stakeholders	Description
 S1 Airlines	The various companies and entities operating within the aviation industry, including commercial airlines, cargo carriers and related service providers.
 S2 Regulatory Authorities	Government bodies or agencies responsible for overseeing and enforcing regulations, standards and policies relating to aviation and airport operations including policy makers and technical regulators.
 S3 Passengers	Individuals who travel through airports either as departing, arriving or transferring passengers.
 S4 Business Partners	Entities with which the airport collaborates in various capacities to support its operations, services and commercial activities. Business partners play a crucial role in enhancing the overall airport experience for passengers and visitors while also contributing to the airport’s revenue generation.
 S5 Employees	Individuals employed within the organisation, spanning from entry-level employees to executives, whose interests and welfare are crucial considerations in organisational planning and decision-making.
 S6 Capital Providers	Entities or individuals who supply financial resources to businesses or projects in exchange for a return on investment.
 S7 Tenants	Businesses, organisations and service providers that operate within airport premises under lease agreements or concession agreements.
 S8 Vendors and Service Providers	Businesses, organisations and service providers that provide essential services and products that keep Malaysia Airports’ operations running smoothly as well as the satisfaction of passengers.

STAKEHOLDER ENGAGEMENT

Key Stakeholders	Description
S9  Associations and Professional Bodies	Organisations representing specific industries, professions or interests relating to aviation, travel and airport operations. These organisations play a crucial role in the aviation ecosystem by advocating for the interests of their members, promoting industry standards and best practices, and facilitating collaboration and networking within the sector.
S10  Media	Various communications channels and entities that play a significant role in shaping public perception. Media stakeholders encompass a range of platforms such as newspapers, television networks, radio stations, online new outlets, social media platforms and travel-related publications.
S11  Local Community	Residents, businesses and organisations located in the vicinity of the airport or those directly impacted by its operations.

Key Stakeholder Engagement

Several factors make key stakeholder engagement an integral part of our business and embedded in the way we operate. First, the aviation industry is highly regulated on both domestic and international fronts.

Secondly, we are listed on Bursa Malaysia and our shareholders cover a wide range of institutional investors such as Government-Linked investment companies, investment funds, pension funds as well as retail investors, both domestic and overseas, and the Group is covered by a wide range of investment analysts. The Group also maintains close contact with its bond holders and bankers.

Thirdly, our business requires discussion, coordination and collaboration with many parties within the airport ecosystem to ensure that complex processes are executed successfully, and with little margin for error.

Also, as a large employer of choice, we constantly engage our employees to understand their concerns. We also engage with the community around our airports to understand the impact of our business on them and to assist those in need.

Therefore, through regular and close engagement with our key stakeholders, we are able to understand their concerns and work closely with them for our business to succeed for the long term and for us to deliver long term value to stakeholders.

As key stakeholder engagement this year is centred around the Group's transition from recovery to growth, and our renewed focus on passenger experience, the table below focuses mainly on those concerns.

STAKEHOLDER ENGAGEMENT

Material Matters			
M1 Total Airport Experience	M5 Regulatory Compliance	M9 Supply Chain Management	M13 Waste
M2 Airport Safety & Security	M6 Climate Change	M10 Biodiversity	M14 Human Rights
M3 Economic Performance	M7 Integrity & Anti-Corruption	M11 Noise Management	M15 Water Effluent
M4 Cybersecurity and Data Privacy	M8 Talent Attraction & Development	M12 Market Presence	M16 Contribution to Local Community

Frequency of Engagement	Regular	Daily	Annual	Ad-hoc
	■	■	■	■



AIRLINES

- Regular meetings and face-to-face discussions
- Security facilitation meeting
- Airline operating committees
- Foreign carrier airlines meeting
- Local carrier airlines meeting
- Feedback surveys

Areas of Interest	Our Response	Links to:
Innovation and technology advancement	<ul style="list-style-type: none"> Establish partnerships and joint collaboration with strategic airlines to accelerate their operational plans. Introduce Airline X-celeration Programme, a new incentive programme for airline partners (including new, resumption and expansion) to speed up their growth and expansion in Malaysia. Collaborated on implementation of Airport Collaborative Decision Making (A-CDM) at KUL for improved efficiency, safety and quicker turnaround times. Promote Self-Service Check-In and Self-Service Bag Drop for passengers to enjoy a seamless and quicker journey through the airport. 	<p>Strategic Pillars</p> <p>Pillar 1: Maintain Airport Safety, Security and Deliver Exceptional Airport Environment</p> <p>Pillar 2: Sustainable Business Growth</p> <p>Pillar 3: Digitilisation and Innovation</p> <p>Pillar 4: Net Zero Airport Operations</p> <p>Material Matters</p> <p>M1 M2 M3 M4 M6</p>
Airport safety	<ul style="list-style-type: none"> Continued to engage airlines and airport community via airside committees. Carry out frequent Runway Safety inspections and Runway Safety Team meetings. Put in place the Safety Management System and obtained Aerodrome certification. Carry out regular safety and emergency simulation exercises by Airport Fire and Rescue Service. Conduct Foreign Object Debris walkabouts. 	
Terminal and building infrastructure	<ul style="list-style-type: none"> Continued critical upgrading works such as the replacement of the track transit system and baggage handling system, while providing interim solutions for passenger convenience and comfort. Expansion of selected airport terminals to expand capacity and facilities. 	
Sustainability	<ul style="list-style-type: none"> Collaborated with Malaysia Aviation Group to launch Malaysia’s first Electric Ground Power Unit (e-GPU) that runs on electricity instead of diesel as a more sustainable alternative. 	



STAKEHOLDER ENGAGEMENT



REGULATORY AUTHORITIES

- Engagement sessions, face-to-face and meetings, and dialogue sessions
- Consultation sessions on regulatory matters

Areas of Interest	Our Response	Links to:
Regulatory compliance	<ul style="list-style-type: none"> Conducted regular audits, inspections and consultations on the Quality of Service framework. Carried out engagements and discussions with regulators on the finalisation and direction of the Operating Agreements, KLIA Development Agreement and Land Lease Agreement. Adhered to industry standards and obtained certifications. Adhered to international and national laws, regulations, and best practices. Worked closely with CAAM on the implementation of the A-CDM at KUL. Worked closely with the National Disaster Management Agency and other agencies in implementing Aerodrome Emergency Exercises. 	Strategic Pillars Pillar 2: Sustainable Business Growth Pillar 3: Digitalisation and Innovation Pillar 4: Responsible Governance and Regulatory Compliance Pillar 5: Net Zero Airport Operations
Airport competitiveness	<ul style="list-style-type: none"> Collaborated with the Ministry of Transport to establish the National Air Connectivity Development Committee which comprises various stakeholders which have direct impact on the travel and tourism industry. Assessed opportunities and potential for collaboration with key stakeholders to improve connectivity into Malaysia besides making Malaysia a chosen tourism destination. Leveraged on government training programmes for staff learning and development. 	Pillar 6: Environmental Management Pillar 8: People Empowerment and Talent Acquisition
Infrastructure development	<ul style="list-style-type: none"> Maximised land bank through KLIA Aeropolis and Subang Airport Regeneration initiatives. Leveraged technology for airport operations. 	Material Matters
Environmental and Climate Change	<ul style="list-style-type: none"> Engaged in environmental monitoring. Adhered to local and national environmental regulations on energy, noise, water and effluent, air quality and waste management. Conducted noise contour and impact surveys. Obtained the renewal of KUL's Level 3 Airport Carbon Accreditation. Continued to support Malaysia's renewable energy agenda through the production of solar power at KUL. Encouraged guests and the airport community to Recycle, Reduce and Reuse waste. 	
Licensing	<ul style="list-style-type: none"> Obtained Aerodrome Operator Licenses from the Malaysian Aviation Commission [MAVCOM] and Aerodrome Certification from the Civil Aviation Authority of Malaysia [CAAM]. 	

STAKEHOLDER ENGAGEMENT



PASSENGERS

- Airport Service Quality surveys
- Social media
- MAVCOM Quality of Service audits
- Customer Feedback Management

Areas of Interest	Our Response	Links to:
Airport service quality and experience	<ul style="list-style-type: none"> Enrolled KUL in Airports Council International’s Airport Customer Experience Accreditation programme to improve our capabilities in line with international standards and industry best practice. Expanded Wi-Fi capabilities at airports for passenger convenience. Enhanced shopping, dining and hospitality options at airports for passengers’ convenience and comfort. Enhanced e-Commerce platforms, #shopMYairports and shop@SAW in Malaysia and Türkiye respectively, to provide a seamless and contactless shopping experience and enable tenants to reach non-travellers. Enhanced airside Shuttle Bus Service for better efficiency and convenience at KUL, introduced Fast Track and Premium services. Introduced new passenger lounges and airside hotel for passenger comfort and convenience. Comply with the MAVCOM’s Quality of Service framework. Improved digital processes which include the Self-Service Check-In and Self-Service Bag Drop for improved efficiency and passenger experience. 	<p>Strategic Pillars</p> <p>Pillar 1: Maintain Airport Safety, Security and Deliver Exceptional Airport Environment</p> <p>Pillar 3: Digitalisation and Innovation</p> <p>Material Matters</p> <p>M1 M2 M4</p>
Customer service	<ul style="list-style-type: none"> Implemented STARdesk an online feedback platform that passengers to provide feedback using the MYAirports all for faster and better management and resolution, as well as the capability to spot trends and take proactive action. Provide the public with updates via traditional media, social media and the MYairports app. Engagement with passengers by Airport CARE Ambassadors. 	
Cleanliness	<ul style="list-style-type: none"> Maintain washroom cleanliness and facilities as they are key to positive passenger experience. Continue to maintain ‘Adopt A Washroom’ programme in which Management-level employees volunteer to oversee certain washrooms to ensure their cleanliness. 	
Communication and announcements	<ul style="list-style-type: none"> Provide the public with updates via social media. Provide guests with help and guidance via the Airport CARE InfoCentre at KUL. Produce inflight ‘Convergence’ magazine. Improved wayfinding signages. 	
Airport security and safety	<ul style="list-style-type: none"> Continue to enhance Self-Service Check-In which is driven by facial recognition and other technology to improve passenger experience. 	



STAKEHOLDER ENGAGEMENT



BUSINESS PARTNERS

- Engagement sessions, face-to-face and meetings, and dialogue session

Areas of Interest	Our Response	Links to:
Airport Operations	<ul style="list-style-type: none"> • To promote operational efficiency, the Airport Collaborative Decision Making (A-CDM) serves as a bridging process to connect airport stakeholders on a single platform for increased efficiency. 	<p>Strategic Pillars</p> <p>Pillar 1: Maintain Airport Safety, Security and Deliver Exceptional Airport Environment</p> <p>Pillar 2: Sustainable Business Growth</p> <p>Material Matters</p> <p>M1 M3</p>



EMPLOYEES

- Town halls, engagement sessions
- Focused group discussions on targeted issues
- Employee performance review

Areas of Interest	Our Response	Links to:
Employee health and safety and wellbeing	<ul style="list-style-type: none"> • OSH training and briefings for all employees to promote a safe and healthy workplace. • Continue to provide awareness and updates on COVID-19 to employees. • Provided fitness and childcare facilities at HQ. 	<p>Strategic Pillars</p> <p>Pillar 1: Maintain Airport Safety, Security and Deliver Exceptional Airport Environment</p> <p>Pillar 4: Responsible Governance and Regulatory Compliance</p> <p>Pillar 8: People Empowerment and Talent Acquisition</p> <p>Material Matters</p> <p>M1 M7 M8 M14</p>
Employment terms and benefits	<ul style="list-style-type: none"> • Complete three collective agreements with employees unions - KESMA, KEPEMAB and KEPMAS. 	
Corporate integrity	<ul style="list-style-type: none"> • Committed to the Malaysian Government initiated Integrity Pact. • Have in place a Code of Ethics and Conduct, a Whistleblowing Policy, the Malaysia Airports Integrity Plan and our Corruption Risk Management System and Policies. • Conducted a Corporate Integrity System Assessment. • Conducted Integrity Perception Surveys. 	
Employee engagement	<ul style="list-style-type: none"> • Conducted townhalls, walkabouts, 'Let's Connect Session' engagements, internal communications and union engagements. 	
Training and career development	<ul style="list-style-type: none"> • Accelerated Learning and Development via online learning programmes. • Average training hours for employees in Malaysia rose by 45.7% YoY to 51 hours per employee, compared to 35 hours per employee in 2022. 	

STAKEHOLDER ENGAGEMENT



CAPITAL PROVIDERS

- Analyst briefing sessions
- One-on-one engagements

Areas of Interest	Our Response	Links to:
Financial returns Communication of strategic plan	<ul style="list-style-type: none"> Regular review of business and investment plans to match the current and predicted social-eco climate. Formulated a 3-year strategic plan to pursue growth. Put in place measures to improve cost structure and reduce operating cost. 	Strategic Pillars Pillar 2: Sustainable Business Growth Pillar 4: Responsible Governance and Regulatory Compliance Material Matters M3 M5 M7
Governance and transparency	<ul style="list-style-type: none"> Adhere to the Malaysian Code on Corporate Governance. 	
Company reputation	<ul style="list-style-type: none"> Regularly publish literature and press releases that highlight our activities, awards, and accolades. 	
Regulatory compliance	<ul style="list-style-type: none"> Adhere to Bursa Malaysia's listing requirements. Became a constituent of the FTSE4 Good Bursa Malaysia Index. Incorporated Sustainability Reporting into our annual disclosures. 	
Financial results	<ul style="list-style-type: none"> Announce financial results every quarter. 	



TENANTS

- Standard contracting procedure
- Communication plans and projections
- Engagements, briefings, one-one communication

Areas of Interest	Our Response	Links to:
Commercial terms	<ul style="list-style-type: none"> Practice standard contracting procedure. Introduced a new rental model for retail tenants as part of an ongoing effort to retain and attract business partners. 	Strategic Pillars Pillar 1: Maintain Airport Safety, Security and Deliver Exceptional Airport Environment Pillar 2: Sustainable Business Growth Pillar 3: Digitalisation and Innovation Material Matters M1 M3
Customer satisfaction	<ul style="list-style-type: none"> Enhanced the Commercial Reset strategy. Workflow improvements to reduce lead time for tender process via automated tender process e-Procure and establish 'Fit in-Fit Out' team for speedy outlet renovations. Implemented a cashless payment ecosystem for increased customer convenience. Enhanced #shopMYairports, an e-Commerce platform that enhances passengers' retail experiences, allows the non-travelling public to purchase duty absorbed goods and supports the recovery of airport retail tenants. Departing international passengers can pre-purchase and pick up their duty-free goods at the airport through this platform as well. 	



STAKEHOLDER ENGAGEMENT



VENDORS AND SERVICE PROVIDERS

- Tenders and request for proposals
- Briefing on processes and updates on projects

Areas of Interest	Our Response	Links to:
Procurement process	<ul style="list-style-type: none"> • Regular review and adhered to procurement policies, procedures, and guidelines. • Implemented e-Procure and automated procurement process to improve efficiency and digitalisation. • Briefed vendors on procurement anti-bribery and anti-corruption measures as part of Vendor Integrity programme. 	<p>Strategic Pillars</p> <p>Pillar 2: Sustainable Business Growth</p> <p>Pillar 4: Responsible Governance and Regulatory Compliance</p>
Prompt payments	<ul style="list-style-type: none"> • Implemented the Vendor Management System to keep track of procurement and payments. 	<p>Material Matters</p> <p>M9</p>



ASSOCIATIONS AND PROFESSIONAL BODIES

- Engagement sessions, face-to-face and meetings, and dialogue sessions

Areas of Interest	Our Response	Links to:
Regulatory Requirements, Airport Guidelines	<ul style="list-style-type: none"> • To benchmark against other airports on the best practices for operations, security, economic and environmental affairs. 	<p>Strategic Pillars</p> <p>Pillar 1: Maintain Airport Safety, Security and Deliver Exceptional Airport Environment</p> <p>Pillar 2: Sustainable Business Growth</p> <p>Pillar 4: Responsible Governance and Regulatory Compliance</p> <p>Pillar 5: Net Zero Airport Operations</p> <p>Pillar 6: Environmental Management</p> <p>Pillar 7: Biodiversity Conservation and Preservation</p> <p>Material Matters</p> <p>M1 M2 M3 M4 M6</p> <p>M10 M11 M13 M14 M15</p>

STAKEHOLDER ENGAGEMENT



MEDIA

- Media briefings/interviews
- Press conferences
- Website and events
- Social media

Areas of Interest	Our Response	Links to:
Environmental, social and governance issues	<ul style="list-style-type: none"> Issued press releases and conducted press briefings regularly. Practised sound and transparent decision making. 	Strategic Pillars Pillar 2: Sustainable Business Growth Material Matters M3
Media relations	<ul style="list-style-type: none"> Granted media interviews when appropriate and visit media occasionally. 	



LOCAL COMMUNITY

- Community engagement
- Strategic partnerships
- News media
- Social media
- Website

Areas of Interest	Our Response	Links to:
Corporate citizenship	<ul style="list-style-type: none"> Continue to give back to the local communities through our #MyAirportCARES programme. Provided education aid to 600 B40 students. Provided over 1,800 students from 40 primary and secondary schools guided airport tours through the #MYAirportCARES School Airport Tour programme. 	Strategic Pillars Pillar 9: Community Nurturing Material Matters M16

FINANCIAL REVIEW

Breakthrough results for FY2023

Malaysia Airports recorded one of its highest ever net profit in history of RM543.2 million, surpassing FY2019's net profits. Our operations in Türkiye continued to be profitable, recording its second year of profits. The Group also declared a single-tier final dividend of 10.80 sen per ordinary share.

REVENUES

For the financial year ended 31 December 2023 (FY2023), Malaysia Airports recorded revenue of RM4,914.2 million, 57.2% higher year-on-year (YoY). This was due to a 42.4% YoY increase in passenger movements to 119.5 million passengers as airline services and connectivity to our airports continued to increase, as well as higher commercial and retail contribution.

On a segmental basis, revenue from airport operations increased significantly by 60.6% YoY to RM4,598.9 million. Aeronautical segment revenue increased by 63.2% YoY to RM2,704.0 million, buoyed by the increase in passenger movements which was driven by the reopening of China's borders in early 2023, the increase in airline seat capacity as the airlines continued to reactive their aircraft as well as new airline operations into our airports.

Non-aeronautical segment revenue also increased significantly by 57.1% YoY to RM1,894.9 million. This growth can be attributed to Malaysia Airports' Commercial Reset initiative, which revitalised our commercial and retail spaces, enhancing the overall passenger experience across our airports. Additionally, the resurgence in air traffic and heightened demand from international travellers, particularly the return of Chinese tourists, further fueled this growth.

Revenue from non-airport operations rose YoY by 19.8% to RM315.3 million due to higher revenue from the hotel and project and repair maintenance businesses. The revenues from the hotel business had increased 45.9% YoY to RM128.9 million while the project and repair maintenance business contributed RM154.6 million in revenue, an increase of 20.0% YoY. Revenue from our agriculture and horticulture business declined by 31.2% YoY to RM31.6 million due to lower commodity prices and a labour shortage which impacted production.

On a geographical basis, Malaysia operations continued to demonstrate robust growth in revenue of 79.3% YoY to RM3,052.9 million, while revenue from operations in Türkiye grew 32.9% YoY to RM1,761.2 million. Operations in Qatar recorded a 1.8% YoY increase in revenue to RM100.1 million.

EBITDA

Malaysia Airports reported Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA) of RM2,285.5 million in FY2023, a significant improvement of 92.7% YoY compared to FY2022.

EBITDA for operations in Malaysia of RM1,002.1 million in FY2023, more than a three-fold increase over FY2022, driven by revenue growth. Türkiye operations reported a YoY increase of 35.5% in EBITDA to RM1,274.9 million in line with higher international passenger growth. However, Qatar operations recorded a slight decrease in EBITDA to RM8.5 million, down by RM3.0 million compared to FY2022.

PBT AND PAT

The Group recorded a Profit Before Tax and Zakat (PBT) of RM506.1 million, a significant improvement from the PBT of RM184.6 million in FY2022. This improvement was attributed to an increase in revenue, other income and share of profit from associates and joint ventures, coupled with higher gain on fair value of the investment in GMR Hyderabad International Airport Limited recorded in FY2023.

Malaysia operations recorded a PBT of RM384.6 million, a significant turnaround compared to LBT of RM263.2 million in FY2022. Our operations in Türkiye recorded its second year of profits with PBT of RM113.1 million, compared to PBT of RM436.8 million in FY2022. In FY2022, owing to a Force Majeure relief granted to SAW, our operations in Türkiye had made a one-off gain of RM535.9 million which cushioned the finance cost in the financial year. Qatar operations recorded

FINANCIAL REVIEW

a PBT of RM10.3 million which was marginally lower than the RM12.3 million in the previous year.

The Group's Profit After Tax and Zakat (PAT) for FY2023 amounted to RM543.2 million, marking a substantial increase compared to the FY2022 PAT of RM187.2 million. Notably, this figure even surpassed the FY2019 PAT of RM537.0 million, despite FY2019 being a record-breaking year for passenger movements. Our operations in Malaysia recorded PAT of RM346.9 million, which was an improvement by RM534.4 million, in line with the higher EBITDA in FY2023.

For operations in Türkiye, PAT in FY2023 was RM192.5 million which was lower by RM172.1 million primarily due to higher finance costs as mentioned above. Operations in Qatar recorded a PAT of RM5.0 million in FY2023, which was lower by RM6.3 million from FY2022.

SHARE OF RESULTS OF ASSOCIATES AND JOINT VENTURES

The share of results from associates recorded a profit of RM29.4 million, an improvement of RM12.6 million compared to profit of RM16.8 million recorded in FY2022. This includes share of profits from MFMA Sdn Bhd, Kuala Lumpur Aviation Fuelling System Sdn Bhd and Alibaba KLIA Aeropolis Sdn Bhd of RM15.8 million, RM13.5 million and RM1.6 million respectively. However, this was offset by the share of losses from Cooling Energy Supply Sdn Bhd of RM1.5 million.

Our share of joint venture profits was RM5.7 million in FY2023, compared to RM12.2 million in FY2022. This was largely due to lower share of profits from Segi Astana Sdn Bhd which decreased to RM0.4 million compared to RM4.1 million the previous year as well as from Airport Cooling Energy Supply Sdn Bhd which returned a lower share of profit of RM5.3 million as compared to RM8.1 million in FY2022.

STRONG FINANCIAL POSITION

Cash Position

The Group's operating cash flow amounted to RM1,679.3 million, a 61.5% increase compared to FY2022. At the end of 2023, Malaysia Airports' cash balances and money market investments stood at RM2,350.1 million, 21.2% higher than RM1,939.8 million at the end of 2022. Cash balances remained

strong from improvement in net cash from operating activities. Cash on hand for Malaysia operations stood at RM858.5 million while for operations in Türkiye, cash on hand amounted to RM1,491.6 million which were 20.3% and 21.6% higher than FY2022 respectively.

Funding

For FY2023, Malaysia Airports' credit ratings were reaffirmed at AAA by RAM Holdings Berhad (RAM) and A3 with a stable outlook by Moody's.

At the end of FY2023, borrowings for the Group stood at RM4,587.1 million, which was 5.3% lower than the previous year. Borrowings for operations in Malaysia stood at RM3,181.8 million while for operations in Türkiye, borrowings stood at RM1,405.3 million which were 4.5% and 7.0% lower respectively than the year before.

With regards to contingency credit lines as at the end of 2023, undrawn credit lines amounted to RM7,740.0 million. This comprises RM6,700.0 million in untapped Sukuk programmes and RM1,040.0 million in undrawn revolving credit facilities.

Capital Strength

As a result of prudent financial management and proactive measures, Malaysia Airports closed FY2023 with a strong balance sheet and a lower gearing ratio of 0.28 times, compared to 0.39 times in FY2022. This will allow the Group to gear up further if required. By exercising strict financial discipline in maintaining undrawn lines, there is ample liquidity available to fund future growth with total undrawn facilities at the end of 2023 standing at RM7,740.0 million.

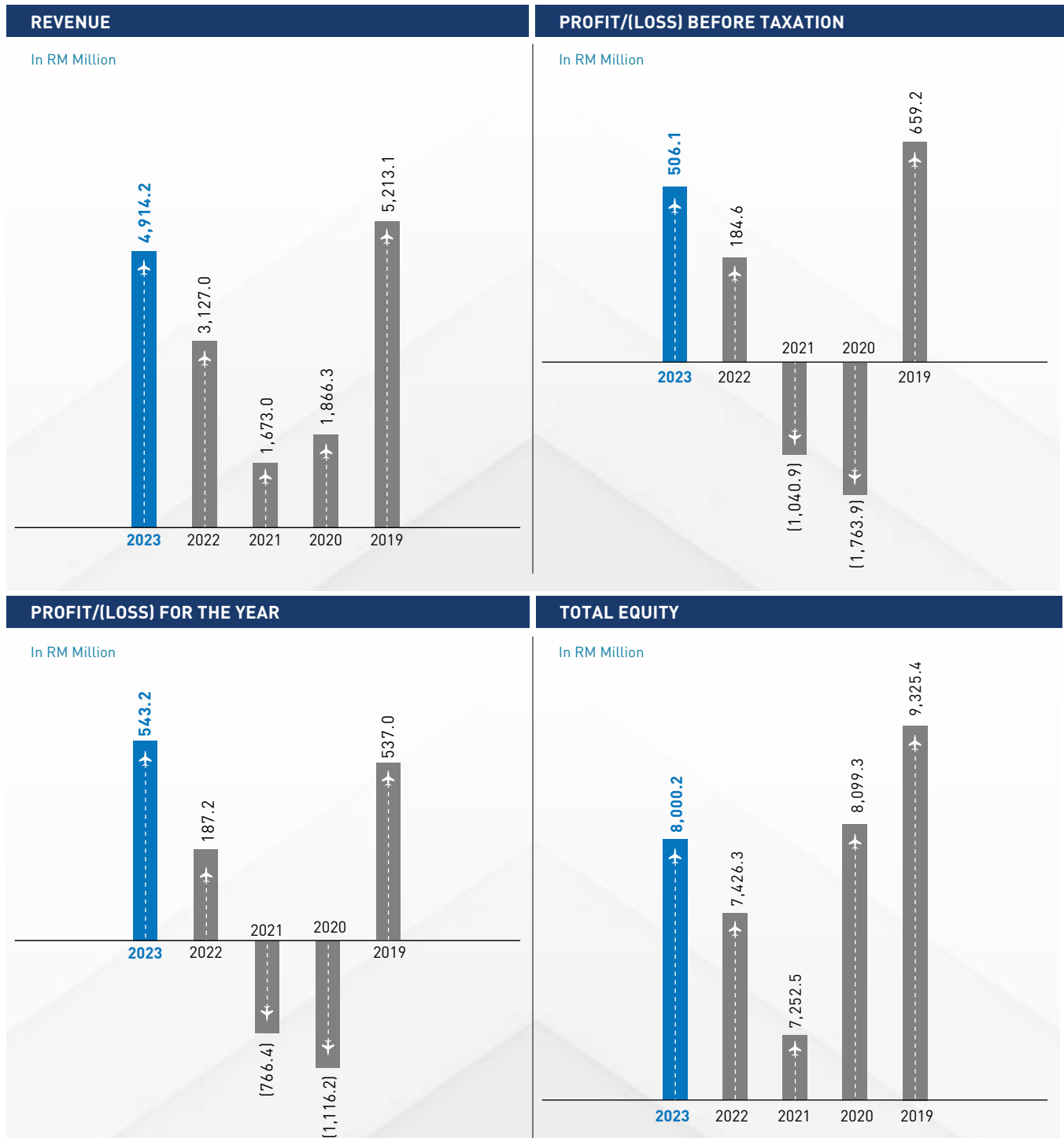
Dividend

In February 2024, the Group declared a single-tier final dividend of 10.80 sen per ordinary share for FY2023. As such the total dividend payout for FY2023 is RM180.2 million based on the number of ordinary shares issued as of 31 December 2023. This is in line with the Group's dividend policy to distribute a dividend payout of at least 50% of the consolidated annual net profit after taxation and minority interest annually, subject to availability of distributable reserves.



FINANCIAL REVIEW

FIVE-YEAR FINANCIAL SUMMARY



FINANCIAL REVIEW

GROUP FIVE-YEAR SUMMARY

CONSOLIDATED STATEMENT OF PROFIT OR LOSS					
For the financial years ended 31 December					
In RM Million	2023	2022	2021	2020	2019
Revenue	4,914.2	3,127.0	1,673.0	1,866.3	5,213.1
Profit/(Loss) before tax and zakat	506.1	184.6	(1,040.9)	(1,763.9)	659.2
Taxation and zakat	37.1	2.6	274.5	647.7	(122.1)
Profit/(Loss) for the year	543.2	187.2	(766.4)	(1,116.2)	537.0
Profit/(Loss) attributable to:					
Owners of the Company	543.2	187.2	(766.4)	(1,116.2)	537.0
Profit/(Loss) for the year	543.2	187.2	(766.4)	(1,116.2)	537.0
Earnings per share attributable to equity holders of the Company (sen)					
Basic, for profit/(loss) for the year	29.17	7.82	(49.66)	(70.75)	28.90

CONSOLIDATED STATEMENT OF FINANCIAL POSITION					
For the financial years ended 31 December					
In RM Million	2023	2022	2021	2020	2019
ASSETS					
Non-current assets	17,145.4	16,865.0	17,348.0	17,856.5	17,781.7
Current assets	3,309.6	2,585.0	2,814.6	2,422.4	4,401.0
Total assets	20,455.0	19,450.0	20,162.6	20,278.9	22,182.7
EQUITY					
Share capital	5,170.7	5,114.3	5,114.3	5,114.3	5,114.3
Perpetual sukuk	997.8	997.8	997.8	997.8	997.8
Retained earnings	1,671.4	1,250.7	1,121.0	1,944.9	3,284.7
Hedging reserve	16.9	32.6	(19.7)	(36.2)	(18.0)
Foreign exchange reserve	139.7	24.7	30.9	74.4	(54.2)
Other reserves	3.6	6.2	8.2	4.1	0.8
Total equity	8,000.2	7,426.3	7,252.5	8,099.3	9,325.4
Non-current liabilities	8,542.4	9,166.3	9,770.8	10,701.8	9,568.2
Current liabilities	3,912.4	2,857.4	3,139.2	1,477.7	3,289.1
Total liabilities	12,454.8	12,023.7	12,910.0	12,179.6	12,857.3
Total equity and liabilities	20,455.0	19,450.0	20,162.6	20,278.9	22,182.7
Net asset per share (RM)	4.81	4.48	4.37	4.88	5.62



FINANCIAL REVIEW

GROUP QUARTERLY PERFORMANCE

Year 2023 In RM Million	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year 2023
Financial Performance					
Revenue	1,034.4	1,232.0	1,276.3	1,371.5	4,914.2
Profit before tax and zakat	63.3	133.9	87.1	221.8	506.1
Profit net of tax	58.2	102.5	94.8	287.7	543.2
Earnings per share (sen)	2.65	5.31	4.82	16.41	29.17
Year 2022 In RM Million	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year 2022
Financial Performance					
Revenue	570.8	689.8	863.6	1,002.8	3,127.0
Profit/(Loss) before tax and zakat	(150.4)	(91.1)	(19.1)	445.2	184.6
Profit/(Loss) net of tax	(104.8)	(58.2)	(9.0)	359.1	187.2
Earnings per share (sen)	(7.17)	(4.37)	(1.42)	20.77	7.82

FINANCIAL REVIEW

CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER

In RM Million	2023	2022
Revenue	4,914.2	3,127.0
Cost of inventories sold	(283.4)	(128.1)
Other income	493.9	259.6
Operating expenditure	(2,839.2)	(2,072.1)
Depreciation and amortisation	(1,148.2)	(837.2)
Operating profit	1,137.3	349.2
Finance costs	(666.3)	(193.6)
Share of results of associates	29.4	16.8
Share of results of joint ventures	5.7	12.2
Profit before tax and zakat	506.1	184.6
Taxation and zakat	37.1	2.6
Profit net of tax	543.2	187.2
Profit attributable to:		
Owners of the Company	543.2	187.2
Earnings per share attributable to equity holders of the Company (sen)		
- Basic, for Profit for the year	29.17	7.82



FINANCIAL REVIEW

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER

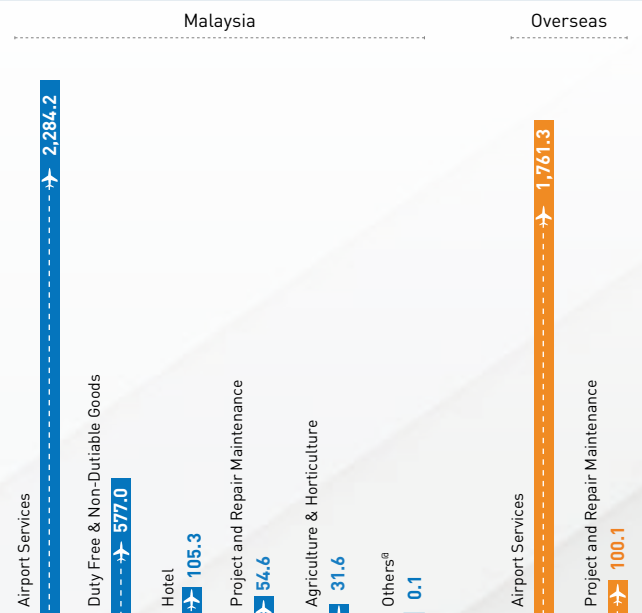
In RM Million	2023	2022
Assets		
Property, plant and equipment	462.0	418.3
Right-of-use assets	141.3	132.1
Intangible assets	14,662.7	14,579.7
Investments and financial assets	730.8	602.5
Other non-current assets	1,148.6	1,132.4
Current assets	3,309.6	2,585.0
Total assets	20,455.0	19,450.0
Equity and liabilities		
Share capital	5,170.7	5,114.3
Perpetual sukuk	997.8	997.8
Retained earnings	1,671.4	1,250.7
Hedging reserve	16.9	32.6
Foreign exchange reserve	139.7	24.7
Other reserves	3.6	6.2
Total equity	8,000.2	7,426.3
Non-current liabilities	8,542.4	9,166.3
Current liabilities	3,912.4	2,857.4
Total liabilities	12,454.8	12,023.7
Total equity and liabilities	20,455.0	19,450.0
Net asset per share (RM)	4.81	4.48
Return on assets	2.7%	1.0%

FINANCIAL REVIEW

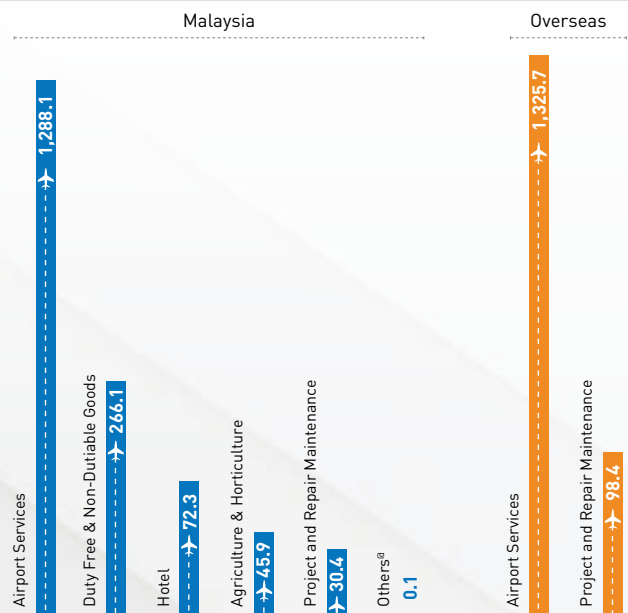
GROUP SEGMENTAL ANALYSIS

REVENUE

2023: RM4,914.2 Million

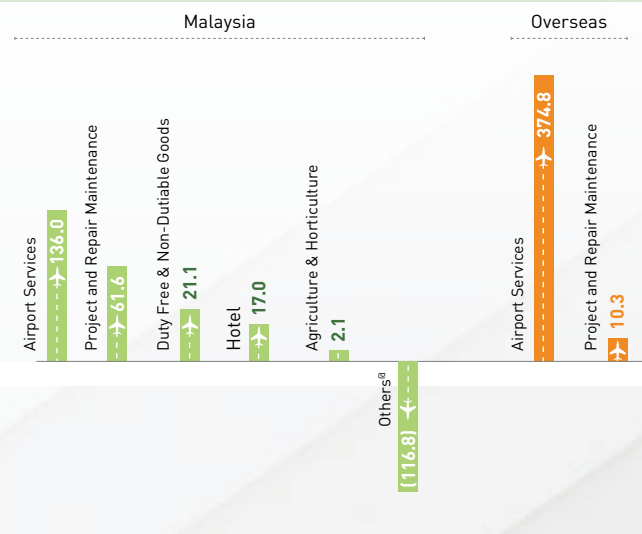


2022: RM3,127.0 Million

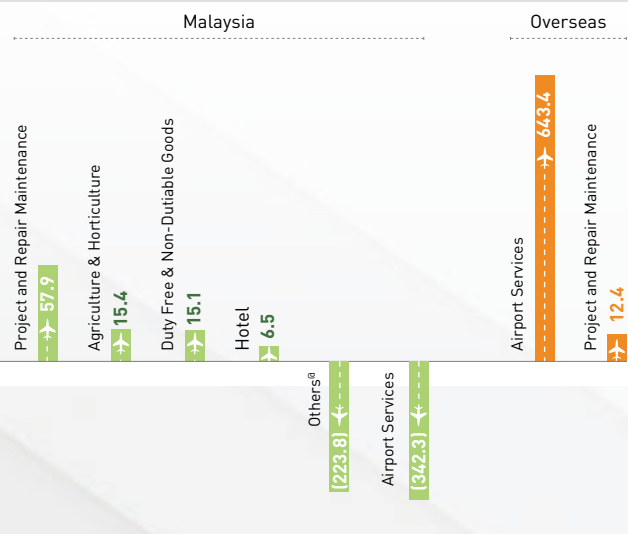


PROFIT/(LOSS) BEFORE TAX AND ZAKAT

2023: RM506.1 Million



2022: RM184.6 Million



Note:

The group revenue segmental analysis excludes inter-segment transactions and consolidated adjustments

^a Other segmental profit before taxation includes inter-segment eliminations and consolidation entries



FINANCIAL REVIEW

GROUP SEGMENTAL ANALYSIS

REVENUE

AERONAUTICAL



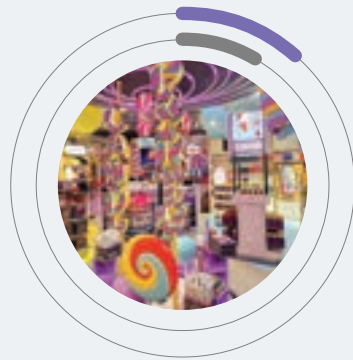
2023
55.0%
2022
53.0%

NON-AERONAUTICAL (RENTAL & OTHERS)



2023
27.0%
2022
30.2%

DUTY FREE & NON-DUTIABLE GOODS



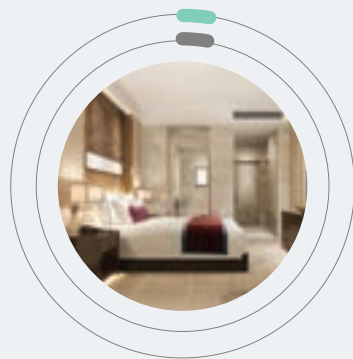
2023
11.7%
2022
8.4%

PROJECT AND REPAIR MAINTENANCE



2023
3.1%
2022
4.1%

HOTEL



2023
2.6%
2022
2.8%

AGRICULTURE & HORTICULTURE



2023
0.6%
2022
1.5%

FINANCIAL REVIEW

STATEMENT OF INCOME DISTRIBUTION

FOR THE FINANCIAL YEARS ENDED 31 DECEMBER

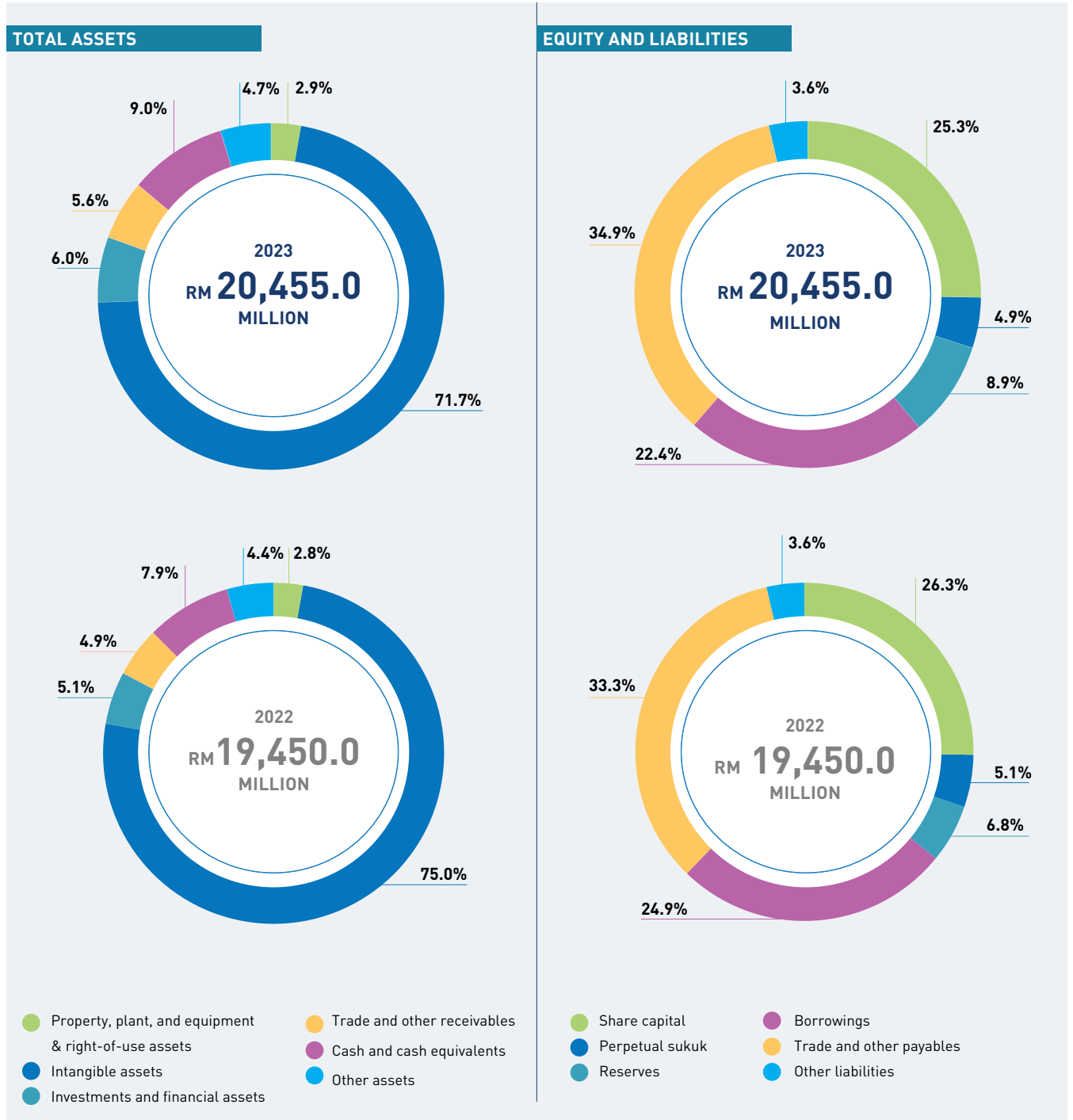
In RM Million	2023	2022
Current income available for distribution¹	5,443.2¹	3,415.6¹
To supplier		
Purchase of goods and services	1,774.2	1,231.8
To employees		
Employment costs	953.5	751.4
To financier		
Finance costs	666.3	193.6
To government		
User fee and taxation	357.8	214.4
Utilisation of assets		
Depreciation and amortisation	1,148.2	837.2
Retained for re-investment, future growth and dividend payment		
Net increase in retained profits	543.2	187.2
	5,443.2	3,415.6

¹ Current income available for distribution includes revenue, other income and share of results of associates & joint ventures




FINANCIAL REVIEW

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER





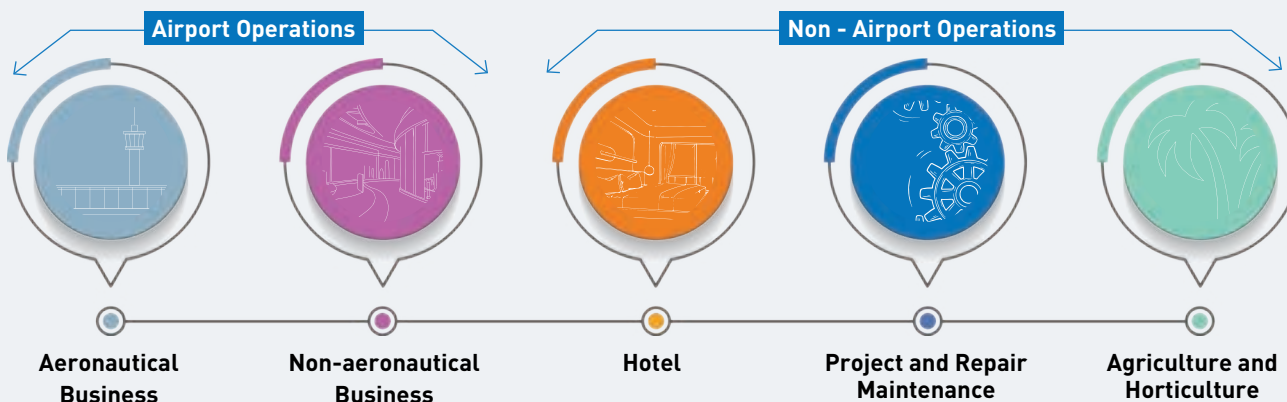
A woman wearing a blue hijab and a blue and white striped shirt is standing at a self-service check-in kiosk in an airport. She is looking down at the kiosk, and her hands are near the top of the machine. The background is slightly blurred, showing other people and airport signage. The text is overlaid on the right side of the image, enclosed in a white border.

Begin your travel journey with our self-service check-in facility, equipped with biometric facial recognition. It is simple, convenient, and saves time, giving passengers more time to explore the exciting shopping, dining, and lounge options at the airport

OPERATIONAL REVIEW

OVERVIEW

Malaysia Airports' business operations comprises five key business activities:



Aeronautical business and non-aeronautical business which are the Group's airport operations form the bulk of the Group's revenues. Three other business activities namely Hotel, Project and Repair Maintenance and Agriculture and Horticulture form the Group's non-airport operations. Beyond that, there are landside development activities relating to the use of Malaysia Airports' landbank around KUL and SZB airports.

KEY AIRPORT STATISTICS

Group	MY	SAW
Passenger Movements (million)		
119.5	81.9	37.6
42.4%	55.4%	20.5%
Commercial Aircraft Movements		
908,298	686,048	222,250
21.9	24.9	13.7%
Cargo Movements (metric tonnes)		
995,329	940,397	54,932
-12.1%	-13.2%	10.2%

*Year-on-year change compared to 2022

Group-wide

Malaysia Airports' network including Istanbul Sabiha Gökçen International Airport (IATA Code: SAW) in Türkiye recorded 119.5 million passengers in 2023, representing a growth of 42.4% year-on-year (YoY). This was a notable achievement as it was the first time the Group's passenger movements surpassed the 100 million mark since 2020. Compared to pre-pandemic volumes, this represented 84.6% of 2019 levels. International passenger movements totalled 58.2 million while domestic passenger movements totalled 61.3 million, reaching 86.2% and 83.2% of 2019 levels respectively.

The surge in passenger movements was driven largely by the improving travellers' confidence and demand for air travel, approval of more slots at other international airports, increased reactivation of aircraft by airlines, new aircraft delivery and China's highly anticipated reopening of its international borders in January 2023.

There were 72 airlines (excluding full freighters) operating to all airports managed by the Group in 2023 linking 147 destinations (113 international and 34 domestic), compared to 66 airlines operating to 121 destinations (86 international and 35 domestic) in 2022.

Commercial aircraft movements increased by 21.9% YoY. International aircraft movements Group-wide had increased by 60.2% YoY while domestic aircraft movements grew 3.2% YoY. The overall average load factor was 77.2% in 2023, 5.9 percentage points higher than 2022, and for the month of December 2023 the average load factor was the highest for the year at 80.0%.

Cargo movements amounted to 995,329 metric tonnes, representing a decline of 12.1% YoY.



OPERATIONAL REVIEW

Airports in Malaysia

The passenger movements for airports in Malaysia registered a sizable 55.5% YoY growth with 81.9 million passengers in 2023. Compared to 2022, international passenger movements demonstrated a significant rebound of 133.7% to reach 38.6 million while domestic passenger movements grew 19.7% to 43.3 million. In December 2023, the total international passenger movement for airports in Malaysia exceeded 4.0 million for the first time since the pre-pandemic period in February 2020.

Overall aircraft movements increased by 24.9% YoY. In terms of airlines, six new airlines began services to Malaysia while seven airlines resumed services to Malaysia which together served 20 city pairs across seven countries with the highest traffic to Indonesia, China, South Korea and the Middle East. In terms of new services, there were eight new international services from four of our international airports in Malaysia. The average load factor was 77.2% in 2023, 5.9 percentage points higher than 2022. Cargo movements decreased by 13.2% YoY to 940,397 metric tonnes.

The considerable growth for our operations in Malaysia was notable because of the challenges faced by the aviation industry in the course of 2023 for example, rising air fares, the long lead time required to reactivate aircraft from pandemic storage, delays in new aircraft deliveries, inflation and severe weather patterns. Nevertheless, air traffic continued to be driven by post-pandemic 'revenge travel' particularly with the reopening of China's international borders, and the increase in airlines seat capacity with the reactivation of aircraft coupled with new aircraft deliveries.

KUL

KUL registered a substantial 86.0% YoY growth with 47.2 million passenger movements. There was a notable growth in international passenger movements which saw a 128.1% YoY increase while domestic passenger movements recorded a 31.8% growth YoY. International passenger movements accounted for over 50% of the total in Q4 2023. This potentially indicates that the airport is returning to its pre-pandemic position in which international passenger movements typically exceeded domestic movements.

Passenger movements at KUL Terminal 1 grew 77.5% with 23.7 million passengers while KUL Terminal 2 grew a remarkable 95.3% YoY with a total of 23.6 million. Commercial aircraft movements at KUL increased by 60.9% YoY.

Airports in Malaysia excluding KUL

These airports accounted for 34.7 million passenger movements, a 27.0% increase YoY. They comprised 6.1 million international passenger movements, a major increase of 168.3%YoY and 28.6 million domestic passenger movements, an 14.3% YoY increase. Penang International Airport (IATA Code: PEN), Sultan Azlan Shah Airport, Ipoh (IATA Code: IPH), Sultan Ahmad Shah Airport, Kuantan (IATA Code: KUA) registered over 50% growth in passenger movements. Commercial aircraft movements for airports in Malaysia excluding KUL increased by 4.3% YoY.

SAW

SAW passenger traffic reached new milestones, growing 20.5% YoY to register 37.6 million movements. This achievement is significant for two major reasons – first, it was 4.5% higher than pre-pandemic 2019 levels and secondly, it was also SAW's highest passenger traffic in the airport's history. International passenger movements increased by 24.6% YoY to 19.6 million, surpassing 2019 levels by 37.5%. Domestic passengers grew by 16.3% YoY to 18.0 million movements which was 82.8% of 2019's levels. This was also the first year that international passenger movements represented more than half of the total passenger movements. The growth was driven by rapid expansion of airlines and new services particularly in the international sector by Pegasus, Ajjet, British Airways and Flynas.

Total commercial aircraft movements increased 13.9% YoY, with international aircraft movements recording an increase of 17.3% and domestic aircraft movements increasing by 10.0%. The average load factor was 82% in 2023, 1 percentage points higher than 2022.

OPERATIONAL REVIEW

AERONAUTICAL BUSINESS

The airport services business derives its revenues from airlines and passengers who use our airports, as well as cargo which is transported through our airports. The main categories of revenues are passenger service charges, aircraft landing and parking charges and charges for use of airport facilities. These aeronautical revenues are strongly correlated with the number of airlines flying to our airports, passenger movements (in particular, a higher proportion of international passengers) and the volume of cargo handled using our facilities.



KEY PRIORITIES

- Improve service quality
- Leverage on technology
- Boost network connectivity
- Expand and optimise airport capacity
- Enhance safety and security

Enhancing Passenger Experience

Our efforts to grow air traffic resulted in the Group's passenger movements surpassing the 100 million mark for the first time since 2020. With the robust air traffic recovery across the network, we turned our focus towards creating a great experience for passengers and enhancing safety and security as they journey through the airports.

In 2023, aeronautical revenues grew a robust 63.2% YoY to RM2,704.0 million. Operations in Malaysia contributed RM1,647.2 million which was 89.8% higher than the previous year while operations in Türkiye contributed RM1,056.8 million, an increase of 33.9% YoY. The revenue growth was achieved on the back of a 42.4% YoY growth in passenger movements, totalling 119.5 million for the year.



OPERATIONAL REVIEW



embarked on the Airport Customer Experience Accreditation (ACEA) programme, an initiative of Airports Council International (ACI) that builds airports' long-term capacity to enhance customer experience management. By the end of 2023, KUL had made significant progress, with ACI accrediting our airport at Level 2 of the ACEA programme's five levels, reflecting KUL's success in orchestrating a seamless passenger-centric journey to enhance customer satisfaction.

Ranked among global leaders in service quality

KUL scored 4.99 out of 5.00 in the annual Airport Service Quality (ASQ) survey by ACI, while LGK returned a perfect score of 5.00. This ranked KUL at #9 among airports with above 40 million passengers per annum (mppa) while LGK ranked #1 in the 2-5 mppa category.

Taken together with the airports' ASQ scores in 2021 and 2022, it is clear that there has been sustained consistency of high service quality across all 31 of the ASQ indicators despite annual passenger traffic expanding sharply at KUL and LGK post-pandemic. This is amplified by the data-driven approach taken by the Group to analyse passenger feedback data, share insights with the wider airport community and collaborate with stakeholders to identify and implement measures to enhance service quality.

Compliance with Quality of Service framework

In addition, the Quality of Service (QoS) framework was introduced by MAVCOM to enhance service standards at airports in Malaysia. The framework which was rolled out at KUL Terminals 1 and 2 in 2018, was extended to LGK and BKI in 2023. Under the QoS framework, Malaysia Airports must meet pre-defined targets in particular service elements, and non-compliance may incur penalties linked to the Group's aeronautical revenues. LGK now operates with 11 QoS elements, while Kota Kinabalu International Airport (IATA Code: BKI) has implemented 19 elements since July 2023. Learning from KUL's experience, both LGK and BKI have successfully complied with all elements. MAVCOM is currently in the developmental phase for QoS at

Improve service quality

Malaysia Airports recognises the importance of enhancing our service quality and offerings to passengers in order to elevate passenger experience at the airports. The focus on passenger experience intensified in 2023 when our network of airports witnessed robust growth in passenger volume, and at KUL, our main hub, projects to replace critical assets, the Aerotrain and the Baggage Handling System, progressed to the execution stage.

International accreditation for KUL in customer experience

With the increase in passenger movements, it is crucial that passenger experience at our main hub at KUL continues to adhere with international best practice and standards. Hence, in early 2023, Malaysia Airports

OPERATIONAL REVIEW

Kuching and Miri airports, scheduled for implementation in Q3 2024. The Group also leveraged on its prior experience managing the QoS framework at KUL to ensure a successful roll out at LGK and BKI with both airports ensuring their compliance with the framework’s applicable criteria.

A vibrant ambiance

While all efforts are being made to improve the quality of our services, we have also taken steps to create a vibrant ambiance at our airports. Festive celebrations, a dedicated Kids Zone at the Satellite Terminal and art and cultural exhibitions, together with visually appealing heritage murals and ‘Instagrammable’ installations are now regular features at our airports. Additionally, live cultural performances offer guests an immersive experience of our nation’s rich heritage, enriching the overall ambiance of our airports.



Passenger comfort, convenience and care prioritise

The replacement of the Aerotrain at KUL Terminal 1 is progressing on schedule and is expected to complete in Q1 2025.

While a Shuttle Bus Service is the primary mode of transportation pending the new Aerotrain, Malaysia Airports has taken multiple steps to enhance the interim solution to ensure that passengers continue to enjoy comfort, convenience and care in their journey through our main hub. First, to ferry passengers to and from the Satellite Terminal, we boosted the shuttle bus fleet with low deck buses with larger capacity in order to maintain the availability of buses standing by for passengers, even at peak periods. Our customer experience team is stationed at the boarding points to assist passengers and ensure that capacity limits

are adhered to, so that passengers complete the four-minute bus trip in comfort.

Secondly, the Aero FastTrack was introduced as a paid premium option to provide passengers a seamless, smooth and swift journey through KUL. Guests who purchase the Aero FastTrack package are assisted by FastTrack ambassadors upon arriving at the airport kerbside through expedited check-in, immigration clearance and customs screening. They are then ferried to the Satellite Terminal in a premium MPV before a buggy ride takes them to the departure gate.

Further, in early 2024, we introduced a Premium Shuttle Bus complete with lounge facility for departing and arriving first and business class passengers at KUL Terminal 1 to ensure a seamless transfer between the Main Terminal Building and the Satellite Building.

Improvements in baggage handling

The replacement of the Baggage Handling System (BHS) at KUL is currently in progress as it is at the end of its life cycle. The replacement of the BHS will result in greater efficiency and speed in baggage handling at the airport as well as reduce energy usage and carbon emissions.

In the meantime, we launched the Self-Service Bag Drop at KUL in May 2023, a self-service bag drop system which enables passengers to self-check their baggage in a speedy and efficient manner, taking only 45 seconds to check-in each bag. This reduces queuing time at the airport for passengers. In tandem, the Group also upgraded the Self-Service Check-In, which offers biometric facial recognition for passengers at KUL checkpoints, and integrated it with the Self-Service Bag Drop system, to offer passengers the convenience of a quick and seamless experience at check-in.

In early 2024, to enhance the seamless transition through the airport, the Group introduced the KLIA Trolley Crew who assist passengers by getting them a trolley and lifting their luggage onto it. The complimentary service is available at the kerbside at the departure level and at the baggage claim area in the arrival hall.

At SAW, the IT and control systems in the BHS was upgraded to meet the ECAC3 requirement and to improve operational efficiency. The project is currently at more than 50% completion and target to be completed before Summer 2024.

OPERATIONAL REVIEW

Leverage on technology

The Group continued to leverage on technology and digitalisation to streamline operations and improve coordination within the airport ecosystem. The improved efficiencies from the use of technology will enhance the delivery of services, resulting in greater convenience and a better experience for passengers.

Airport Collaborative Decision Making at KUL

The Airport Collaborative Decision Making (A-CDM) initiative which kicked off at KUL in early 2022 aims to enable aviation players at the airport to access and share real time data, collaborate to improve planning and operational efficiency as well as optimise resources and capacity. As such, the system promotes predictability and facilitates better resource allocation leading to reduced runway wait times for airlines and improved punctuality for passengers.

In 2023, the Group worked with airport stakeholders to implement the integrated system namely, the Ministry of Transport, the CAAM, Malaysia Airlines, AirAsia, Batik Air, Aerodarat, Pos Aviation and Ground Team Red which encompassing air traffic control, airline operations and ground handling at KUL. The Operational Readiness and Airport Transfer (ORAT) for the A-CDM commenced in November 2023, and the system was launched in March 2024.

STARdesk electronic feedback management platform

As we recognise the importance of our ability to collect, consolidate and address passenger feedback, we deployed STARdesk, an electronic feedback management platform at KUL to encourage passengers to provide feedback via the MYAirports app. This enables our customer experience team to validate and respond to passenger feedback within 15 minutes. The feedback received on the platform is also analysed to enable Malaysia Airports to recognise trends, identify common pain points and take proactive action.

Internet of Things (IoT) Platform to manage airside bus fleet

The project was implemented in 2023 to monitor the status and location of all the buses at near real-time accuracy by using Internet of Things (IoT) technology. It provides our Management and operations teams an informative dashboard and for passengers on buses and other key matters at the terminals as the platform is integrated with the MYAirports app and digital displays at strategic locations in KUL Terminal 1. The project started in May 2023 and completed in Dec 2023 while the digital display integration is expected to go live in mid-2024.

Technology refresh for KUL and SAW

The Wi-Fi technology at KUL was upgraded to the latest Wi-Fi 6 standard. This improves the passenger experience and ensures faster, seamless connectivity. The availability of fast and reliable Wi-Fi also encourages the use of our mobile app, MYairports, which was also enhanced during the year. At SAW, we began providing free Wi-Fi throughout the airport to enhance the overall passenger experience, increase satisfaction and build loyalty. The airport's mobile app was also upgraded to enable passengers find their luggage, check their car park status, make e-payments for car parking.

Implemented E-Translator at SAW

As international passenger movements continue to grow at SAW, it was important for us to enhance our ability to communicate effectively with passengers and other members of the airport community. As a result, we launched E-Translator a communication tool that provides real-time language translation. This streamlines the communication process, reduces time and resources for translation and also minimises the margin for errors and miscommunications.

Boost network connectivity

As the network connectivity of our airports has a strong impact on passengers' ease and cost of travel and routing choices, it was imperative that we restore the airlines and routes which had been disrupted by the pandemic. Therefore throughout 2023, we collaborated closely with airlines to reinstate their pre-pandemic routes, enhance flight frequencies and offer new destination options. We also successfully attracted new airline partners to initiate operations at our facilities.

Among the initiatives to catalyse traffic recovery and enhance network connectivity was the introduction of the Airline X-celeration Programme in January 2023, a new incentive programme for airline partners to accelerate traffic recovery by encouraging airlines to introduce new routes and expansions into Malaysia. In the meantime, the Group continued to implement the Special Incentive Programme which began in July 2022 to accelerate the operational plans of airlines to improve connectivity through joint collaborations with local and foreign airlines to increase hubbing capabilities at KUL, BKI and PEN.

OPERATIONAL REVIEW

In addition, we worked closely with travel industry stakeholders including Tourism Malaysia, state tourism offices and travel agencies in their efforts to promote air travel to Malaysia. The Group also collaborated with the Ministry of Transport to establish the National Air Connectivity Development Committee comprising key industry stakeholders of the travel and tourism industry to strengthen Malaysia’s position as a leading aviation hub and to promote the nation as a tourism destination of choice.

As a result of our efforts to catalyse traffic recovery and enhance network connectivity, ten new international services commenced operating into KUL (Shenzhen Airlines, Super Air Jet, Transnusa, SalamAir, Sichuan Airlines, Xiamen Air and Air China), BKI (T’way Air), KCH (Indonesia AirAsia) as well as PEN (Xiamen Air). Qatar Airways resumed its pre-pandemic service to PEN with daily flights. Several Chinese carriers also resumed their pre-pandemic services into Malaysia with Air China resuming its flights to KUL and China Southern Airlines returning to BKI and PEN. We also welcomed new operations into KUL by Xiamen Airlines from Chongqing and Air China from Chengdu.



At SAW, the airport saw the addition of 12 new international destinations, primarily European and Middle Eastern cities, namely Alexandria, Al-Qassim, Amman, Birmingham, Dortmund, Kastamonu, Kazan, Kutaisi, London-Heathrow, Plovdiv, Podgorica, and Rhodes. The airport also saw introduction of two new airlines, British Airways and Royal Air Maroc in 2023.

In 2024, we were pleased to see the first direct service linking KUL and SAW operated by Batik Air. The service which began operating in February 2024 will see four weekly flights between the airports.

Expand and optimise airport capacity

Airport capacity is an important factor in ensuring service standards, passenger comfort and experience as well as operational safety and efficiency. It is also a key consideration for airlines to decide on route development, and as such, airport capacity constraints may potentially impact Malaysia Airports’ earnings and growth.

On-going expansion projects progressing well

In 2023, for operations in Malaysia there were four on-going expansion projects to increase the capacity of the airports namely:

KBR

Increase capacity from 1.5 mppa to 4 mppa. The expansion works is progressing and is scheduled to complete in early 2025.

PEN

Increase capacity from 6.5 mppa to 12 mppa. Cabinet and other approvals have been obtained, and the planning and design development was completed in 2023. In March 2024, Malaysia Airports announced a pre-qualification exercise to appoint contractors for the project and physical construction works are expected to commence in Q4 2024.

SZB

Increase capacity from 1.5 mppa to 3.0 mppa. The Subang Airport Regeneration Plan was approved by the Government in 2023, and renovation works are in progress to enable jet operations to commence at the airport in mid-2024.

TWU

Increase capacity from 1.5 mppa to 3.0 mppa. The allocation for the upgrading of the airport was approved by Government of Malaysia in 2023. The design development and procurement for the project will be led by the Ministry of Transport and is expected to commence in 2024.

In addition, terminal optimisation projects are on-going at BKI, IPH and Tioman STOLport (IATA Code: TOD) to optimise the capacity of the existing facilities.



OPERATIONAL REVIEW

Completion of second runway at SAW

At SAW, the airport's second runway was completed in December 2023. This is a significant expansion for several reasons. First, the new runway doubles the airside capacity, namely by 80 landings and take-offs per hour. Secondly, the length and width of the second runway allows the airport to accommodate the widest-bodied aircraft. Thirdly, the runway's parallel configuration ensures that the necessary separation between the airport's two runways so that they can be operated independently, which results in more efficient and effective air traffic movement.

In tandem with the anticipated growth in passenger volumes, the airport has also undertaken several initiatives to expand and optimise the terminal premises. This includes expansion of immigration areas, security checkpoints, queuing areas at terminal entry points, the introduction of additional x-ray and scanning devices and the completion of the multi-storey car park.

With its expanded capacity, SAW is poised to maintain its position as the second largest airport in Istanbul and Türkiye.

Enhance safety and security

Airport safety and security refers to the anticipation, recognition, evaluation and control of hazards or threats arising in or from the airport which may compromise the safety and security of passengers, staff, aircraft and infrastructure within the airport premises. It encompasses a range of measures, procedures and technologies designed to mitigate risks and respond effectively to various threats and emergencies to ensure the timely and safe passage of our passengers, the well-being of the airport community and the protection of national security interests. In addition, as the digitalisation of information, procedures and processes accelerates across the airport ecosystem, it is crucial that we protect our digital assets, data and workflow from online and cybersecurity threats and attacks.



100% of planned Aerodrome Emergency Exercises implemented

Malaysia Airports completed 100% of its 74 scheduled Aerodrome Emergency Exercises. This includes 12 full scale exercises, 11 partial exercises, 24 tabletop exercises and 24 building fire drills. All relevant external stakeholders were included in the exercises, enhancing the knowledge and readiness towards emergency preparedness. One of the full scale exercises was conducted with the National Disaster Management Agency as part of the National Disaster Preparedness Month 2023 at TGG.

Replacement of Airport Fire and Rescue Service (AFRS) vehicles completed

In 2021, the Group initiated a three-year programme in 2021 to replace aging AFRS fire vehicles which were reaching their maximum lifespan. In 2023, the final batch of 17 fire vehicles were replaced at the following airports – AOR (2), BTU (2), IPH (2), KBR (2), LDU, LMN, MKZ, MYY, MZV, SBW, SDK, TGG and TWU.

OPERATIONAL REVIEW

Enhancing AFRS capabilities and knowledge base

With the rise in air traffic in 2023, Malaysia Airports recruited 55 new AFRS personnel to maintain the requisite levels of AFRS manpower and Rescue and Fire Fighting capabilities. The Group also provided training for eight employees to be certified as AFRS Subject Matter Experts by international bodies to enhance our internal expertise and knowledge base.

Development of STOLport security documentation

Documentation for STOLport Security Programmes for five STOLports and STOLport Contingency Plans for seven STOLports were prepared and submitted to CAAM for endorsement in line with applicable regulations.

On-going Airport Safety and Security Initiatives

Audits and Assessments: Safety Management Systems Assessments and Security Audits were conducted regularly at airports to assess compliance with Standards and Recommended Practices and to identify areas for potential improvement. In 2023, among the focus areas was the inspection of security equipment, security restricted areas and controlled areas within the airports.

Airport Integrated Safety and Security System

Malaysia Airports continued to enhance its efforts to future-proof safety and security at the airports by modernising the security systems and infrastructure using Artificial Intelligence (AI) technologies while complying with the latest local and international standards and policies. The project began in 2022 is targeted for completion in the second half of 2024.

On-going cybersecurity training for employees

As our employees can be a strong line of defence against cybersecurity threats, an online learning programme is conducted quarterly, and all employees must pass the exam quiz to gauge their understanding of all topics they have learned. Cybersecurity posters are also produced quarterly to enhance employees' knowledge on protecting data confidentiality, preserving data integrity and promoting data availability for authorised users.

SAW investments in cybersecurity

In 2023, we also made technology investments to improve and enhance our cybersecurity capabilities for our operations in Türkiye. In addition to gaining better visibility and awareness of cyber threats, data relating to the attacks is gathered and analysed to enhance protection and to assess and detect future threats. Training for employees is also conducted to increase their awareness on cyber threats. The airport also conducts internal audits, and ensures that corrective and preventive actions are taken to minimise the risk of cybersecurity breaches.





OPERATIONAL REVIEW



OPERATIONAL REVIEW

NON-AERONAUTICAL BUSINESS

The two main components of the Group’s non-aeronautical business are first, rental and royalties derived from leasing out airport space for commercial use, and secondly, retail sales of duty free and non-dutiable goods by our subsidiary, Malaysia Airports (Niaga) Sdn Bhd which is better known by its brand name, Eraman. The Group’s strategy in this business segment has been centred on the revitalisation of first, commercial offerings and spaces at airports under the on-going Commercial Reset, and secondly, the Eraman brand and outlets.



KEY PRIORITIES

Rental and royalties

- Boost operational occupancy of commercial spaces
- Revitalise essential commercial offerings
- Leverage on strong partnerships

Retail sales of duty free and non-dutiable goods

- Eraman brand and outlet revitalisation
- Brand experience and partnerships
- Digitalisation

Revitalisation Efforts Yield Results Aided By Strong Recovery In Air Traffic

In 2023, Group-wide non-aeronautical revenues grew 57.1% YoY to RM1,894.9 million. Revenues from rental and royalties stood at RM1,143.5 million, a YoY increase of 41.7%. Notably, retail sales of duty free and non-dutiable goods by Eraman contributed revenues of RM571.1 million, 117.6% higher than the previous year.

This is underpinned by the acceleration of operational occupancy of the commercial spaces at the airports which



OPERATIONAL REVIEW



RENTAL AND ROYALTIES

Boost operational occupancy of commercial spaces

During the year, Group worked alongside tenants to complete the necessary preparatory work to enable them to begin operating at the premises in the shortest possible timeframe. This included workflow improvements to reduce the lead time for the tender process by using an online tender process, 'E-Procure'. A 'Fit In-Fit Out' team was also formed to assist tenants with the renovation of the premises and to enable the various stages of the fit out works to progress smoothly.

In addition, the opening of the outlets was also timed to match the pace of recovery in air traffic at the respective airports to balance between the potential sales volume for tenants and the availability of commercial offerings such as retail, food and beverage and other services to passengers. We were pleased that tenants were prepared to begin operations prior to passenger volumes reaching the threshold of 50% of the pre-pandemic passenger volume in 2019. For example, the success of the beachheads initiated by Costa Coffee and The Refinery at KUL Terminal 2 had motivated other tenants to follow suit.

By the end of 2023, 88% of the lettable commercial space at the airports had been leased out. The Group achieved an operational occupancy rate 81%, surpassing the pre-pandemic level of 79% in 2019.

Revitalise essential commercial offerings

Malaysia Airports also revitalised its essential commercial offerings, namely retail and food and beverage (F&B).

In terms of retail offerings, the Group has recruited new retail brands to heighten the airport shopping experience. Retail brands that opened new stores KUL Terminal 1 include fresh new concepts from Polo Ralph Lauren, Michael Kors, Bulgari, Tory

stood at 81% by the end of 2023 compared to 55% in Q1 2023, and higher turnover aided by the strong recovery in passenger movements, in particular international passengers in 2023. The return of tourists from Mainland China was also a driver for revenues in this segment.

Rental and royalties at SAW grew 29.3% YoY with a total revenue contribution of RM622.5 million. This includes revenue generated from SAW's duty free business of RM371.3 million which is 27.2% higher YoY. In addition to continued efforts by Dufry, the world's largest duty free airport operator which operates the travel retail offerings at SAW, the growth in international passengers at SAW was also a key driving factor.

OPERATIONAL REVIEW

Burch, TUMI, Sunglass Hut, Kashkha and Gold City featuring enhanced store facades for improved shopping experience and ambience. At other airports in Malaysia, we witnessed the opening of Lego, Royal Selangor, Bath & Body Works and Victoria’s Secret at PEN and Habib Jewels at LGK.

‘Sense of Malaysia’ concept stores also expanded across five international airports in Malaysia including KUL Terminal 2, BKI, KCH, LGK and PEN to showcase the richness of Malaysian culture and heritage through gifts, souvenirs, handicraft and local delicacies.

F&B also took centre stage at the airports with international and local operators opening new outlets. KUL Terminal 1 welcomed exciting new tenants which included international brands Jamie Oliver’s Pizzeria, Taco Bell, Illy Café, Hard Rock Café, and local champions such as Jibby Chow, Serai, Flight Club Signature and Kitchen by OpenHouse. Existing tenants such as Burger King, Noodles Signature, Starbucks and O’Briens also presented refreshed new looks at the terminal.

KUL Terminal 2 was also a hive of activity with the launch of new outlets, namely Din by Din Tai Fung, The Refinery, KREATE, Ahh-Yumm, Taste of India, Jollibee, Subway, The Coffee Bean & Tea Leaf and Starbucks. At other airports in Malaysia, BKI’s new outlets were McDonald’s, Starbucks and Dunkin’ Donuts, while Subway and Noodles opened at TWU.

All in all, passengers will find at our airports a host of options for ‘retail therapy’ and a delicious spread of local and international food and drinks that will delight their tastebuds.

Leverage on strong partnerships

To deliver best in class services to passengers, Malaysia Airports has also cemented partnerships with world-class operators in the airport space. For example partnerships with globally renowned travel dining operators such as SSP and HMSHost have enabled the F&B offerings at the airports to be refreshed.

In addition, to respond to the growing demand for rest and recharge services, Malaysia Airports is future-proofing its lounge strategy. In this regard, the Group focuses on host airline lounges while securing renowned lounge operators such as SSP and Plaza Premium Group to operate lounges for other airlines, alliances and passengers. Leveraging on

their vast experience in managing over 270 airport lounges globally, these operators provide an elevated customer experience for travellers at our airports in Malaysia. For example, at KUL Terminal 1 there are currently six lounge options which include the inaugural Plaza Premium First and TFS Travel Club Lounge & Bar lounges in Malaysia.

We were also pleased to welcome the Kepler Transit Hotel to KUL Terminal 1 in 2023, Kepler’s first sleeping pod facility outside of its home country, Türkiye. Currently, Kepler also operates a transit hotel at the international transit area at SAW.



At SAW, the Group is building on the success of its existing F&B and travel retail partnerships. A key milestone was the extension by HMSHost of its 22 F&B outlets at SAW from 2026 until 2032 ensuring the passengers continue to enjoy the holistic dining options together with technological solutions such as pre-ordering, order kiosks and other innovations. Alongside the extension of HMSHost’s presence at SAW, the global travel specialists will also introduce four additional stores, which blend global and local flavours and designs to create a sense of place to enhance the passenger experience at the airport.

OPERATIONAL REVIEW

RETAIL SALES OF DUTY FREE AND NON-DUTIABLE GOODS

Eraman brand and outlet revitalisation

Under the on-going Eraman reset plan, the brand and its outlets have undergone a revitalisation programme. In 2023, the revitalisation effort saw the opening of new Duty Free emporiums at KUL Terminal 1's Satellite Building featuring a totally revamped concept design, and a wide range of products from local and international brands both new and familiar. The outlet contributed revenue of RM118.0 million in 2023.

To further raise the retail profile of the airports, Eraman is set to undergo a new retail transformation of its flagship emporium at the Contact Pier of KUL Terminal 1 that is expected to be completed by Q3 2024. It aims to elevate the travel retail experience and enhance customers' satisfaction with a refreshed walk-through concept design and will boast new product offerings and renowned brand choices.

Eraman's brand and outlet revitalisation was also responsible for generating higher revenues at other airports in Malaysia. For example the new chocolate store which opened at the International Departure area of PEN was well patronised by passengers making their final purchases before their flights, generating additional revenue of over RM4.0 million for Eraman in 2023.

Eraman's F&B segment was also expanded with new Burger King outlets opening at both KUL Terminal 1 and Terminal 2. We also introduced our new in-house brand, Singgah, a local kopitiam (coffee shop) concept café at the Contact Pier Domestic, KUL Terminal 1, which resonates with local and international travellers alike.

Brand experience and partnerships

To maximise Eraman's reach and engagement, the Group implemented focused and thematic promotions aligned with key objectives to drive sales, build brand loyalty and strengthen customer engagement and connectivity.

Specific targeted promotions to drive sales, capitalise on market opportunities were initiated in 2023, building on the foundational building blocks that had previously put in place such as the Eraman Privilege Card.

In addition, Eraman also put in place key strategic initiatives in 2023 to drive sales through impactful collaborations with leading local and international financial institutions such as UOB, Maybank and Mastercard. Leveraging on these partnerships, Eraman successfully tapped into their premium card regional databases, offering preferential incentives to their customers to boost sales revenue and foster brand loyalty. Thematic campaigns for festive seasons and special events such as Christmas, National Day, and birthday promotions further augmented Eraman's prominent brand presence in the travel retail industry.

The Group also expanded its partnership with Plaza Premium Group by leveraging on Plaza Premium's loyalty programme 'Smart Traveller' to make available selected Eraman duty free and duty paid products for points redemption by Smart Traveller members.

These strategic partnerships have been pivotal in boosting sales for Eraman in 2023.

Digitalisation

Improvements to the back office processes from digitalisation initiatives had also led to efficiencies in operations and the reduction of errors. In particular, the activation of an electronic system to manage end-to-end sourcing and purchasing shortened the time required for the issuance of purchase orders resulting in better management of our stock of goods. Coupled with the online daily sales reporting dashboard for the Management, the digitalisation efforts also improved our ability to scale up our operations to match the recovery in passenger traffic.

The use of digital solutions also extended to the outlets. For example at Eraman's main outlets, self-service checkout, self ordering kiosks and cashless payments are solutions which leverage on the use of technology. In addition, the expansion of Eraman's products for sale on the Group's shopMYairports digital application enables passengers to buy online and pick up their purchases at the airport under the app's Click & Collect option.

These digitalisation initiatives improved both the customer experience and back office management which contributed to Eraman's revenues growing more than double that of 2022, namely by 117.6% YoY.

OPERATIONAL REVIEW

HOTEL

Malaysia Airports operates hotels in both Malaysia and Türkiye. In Malaysia, the hotels are operated by Malaysia Airports' wholly owned subsidiary, KL Airport Hotel Sdn Bhd, under the brand 'Sama-Sama Hotel'. There are three Sama-Sama Hotels – the five-star Sama-Sama Hotel KL International Airport (Sama-Sama Hotel KLIA) and two airside transit hotels – Sama-Sama Express KLIA Terminal 1 and Sama-Sama Express KLIA Terminal 2. In Türkiye, the hotel is known as 'Airport Hotel' and is located landside at SAW.

KL Airport Hotel Sdn Bhd also operates the Aero FastTrack service at KUL Terminal 1, a premium kerbside-to-gate service, alongside the Sky Suite Airport Lounges at KUL Terminal 1 and Terminal 2. In 2023, in addition to opening the Sky Suite Airport Lounge, KL Airport Hotel Sdn Bhd began managing Lanai Kijang, the hotel facility at Bank Negara Malaysia's learning and development centre, and the Asian School of Business Residence.



KEY PRIORITIES

- Drive hotel occupancy
- Increase average daily rate
- Boost Aero FastTrack and Sky Suite Airport Lounges

Increasing Demand For Services

The performance of the hotel business is dependent on several factors. Traditionally, passenger traffic at KUL and airline routes are key drivers of occupancy rates as transit passengers and airline crew layovers are key customer segments. In addition, the demand for meeting and event facilities is another key factor.

In 2023, revenues for the Group's hotel business continued to show strong growth of 45.8% YoY with a total of RM128.9 million. Revenues for operations in Malaysia grew by 45.6% YoY to RM105.3 million, while hotel revenues from operations in Türkiye grew 46.6% YoY to RM23.6 million.

For hotel operations in Malaysia, the average daily rate increased by 16.0% over 2022 while for hotel operations in Türkiye, the average daily rate increased by 35% YoY. Malaysia hotel operations have



OPERATIONAL REVIEW



Drive hotel occupancy

The Group intensified its sales effort in the hotel segment to capture opportunities from the recovery of air traffic. Sales for 2023 were channelled primarily through direct bookings, online travel agents, wholesale and corporate sales.

In this regard, the hotel segment has seen its revenues from key customer segments growing up to 18% beyond 2019 pre-pandemic levels, in particular, the corporate, wholesale, government, and group business. However, the airline crew customer segment is still lagging 2019 levels due to the increase in turnaround flights by airlines and the revised staffing policies in reducing crew sets for certain airlines customers. Nevertheless, the Group has intensified its marketing efforts in other customer segments which more than make up for this shortfall.

In 2023, the Group managed 1,012 rooms, a substantial increase from 592 rooms in 2022. This was due its venture into the hotel property management business in early 2023 to manage the Lanai Kijang, the Malaysian Central Bank's hotel at its learning and development centre, and Asian Business School Residence in Kuala Lumpur. Through the management of Lanai Kijang, the Group increased its hotel revenues by RM2.6 million.

Increase average daily rate

The average daily rate increased by 16.0% YoY for 2023 to RM433.90. This was despite the increased competition from new hotels in the vicinity of KUL which placed pressure on the average daily rate. Guest satisfaction remained high at over 90% due to the improvement of the room ambience, upgrading of security features such as the hotel key card system and enhancement of F&B offerings which enabled Sama-Sama Hotels to continue to deliver a superior and refined product to guests.

geared up since the completion of the renovation and refurbishment works at Sama-Sama Hotel KLIA. Growing passenger numbers and the rising demand in the MICE (Meetings, Incentives, Conventions and Events) segment provided a boost for the hotel business in Malaysia in 2023.

In addition, the push to diversify the revenue streams for this segment through the Aero FastTrack and airport lounge services is gaining traction. With the opening of the Sky Suite Airport Lounge at KUL Terminal 2, revenues from the landside lounges have increased by 48.0% YoY to RM2.7 million, while lounge usage at the Sky Suite Airport Lounge at KUL Terminal 1 has increased by 26.0% YoY.

OPERATIONAL REVIEW

In addition, the hotel’s efforts in community building programmes to benefit disadvantage persons around the vicinity of the hotels and humanitarian aid efforts resonated with guests. The Group’s team building efforts to create a strong bond among hotel employees had also boosted employee morale and improved our delivery of services to guests.

In a benchmarking exercise, we are pleased that Sama-Sama Hotels maintained its second placing in a Revenue Generation Index amidst stiff competition from international brands operating in the vicinity of KUL as well as those with convenient transportation links to the airport.

Boost Aero FastTrack and Sky Suite Airport Lounges

In addition to the hotels, KL Airport Hotel Sdn Bhd operates the Aero FastTrack service at KUL, a premium kerbside-to-gate service that offers guests fast track lanes for check-in, customs and immigration, transportation services and buggy and concierge services. It also operates the Sky Suite Airport Lounges which are located on the airside at KUL Terminal 1 and landside at KUL Terminal 2.

In 2023, the Group efforts to boost usage of the Aero FastTrack and Sky Suit Airport Lounges gained traction among passengers. Aero FastTrack sales surged by 237.0% compared to 2022, as passengers sought private and exclusive options to the airside airport buses shuttling them between the Main Terminal Building and Satellite Building at KUL Terminal 1. Average spend per customer also increased by 104% for the service, indicating that passengers were opting for the end-to-end meet and greet service. The new premium airside bus service has also been well received by passengers.

The Group also boosted the use of the Sky Suite Airport Lounges with strategic partnerships with global airport lounge specialists such as Priority Pass, Dragon Pass and Dreamfolks. In addition, the Group also collaborated with major credit card issuing banks such as Bank Simpanan Nasional, CIMB Bank, HSBC and Maybank to offer the use of the lounges as a credit card perk.



Awards received in 2023

Sama-Sama Hotel KL International Airport

- **World Luxury Hotel Award**
Best Luxury Airport Hotel – Asia Region
Best Luxury Business Hotel in Malaysia
- **Haute Grandeur Award**
Best Airport Hotel Global
Best Culinary Experience in Malaysia
Best Conference Venue Hotel in Malaysia*
Most Unique Guest Experience in Malaysia*
- **HAPA Awards***
Best 5-Star Hotel
Best Service Experience Hospitality & Tourism – 5-Star Hotel
Best 30 All Day Dining Restaurant – Continents
Special Resilience Award
- **FAB Award***
Airport Hotel of the Year – APAC Region

Sama-Sama Express Hotel KLIA Terminal 1

- **World Luxury Hotel Award**
Best Luxury Concept Hotel in Malaysia*
Best Airport Transit Hotel in Asia
Best Luxury Eco Hotel – SEA

Expedia – 2023 Top Production on member Only Deals

Sama-Sama Express Hotel KLIA Terminal 2

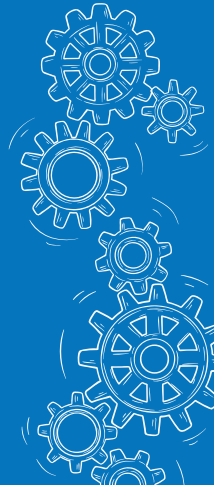
- Best Airport Transit Hotel in SEA
Luxury Contemporary Hotel – SEA Region*
Best Luxury Eco Hotel in SEA

* new in 2023

OPERATIONAL REVIEW

PROJECT AND REPAIR MAINTENANCE OPERATIONS

This business segment comprises operations in Malaysia and Qatar. In Malaysia, we operate through Malaysia Airports' wholly owned subsidiary, Urusan Teknologi Wawasan Sdn Bhd (UTW). In Qatar, the Group operates through Malaysia Airports Consultancy Services Middle East LLC (MACS ME), in which it owns a 49% stake.



KEY PRIORITIES

- Implement contracts serving DOH
- Secure new business while extending existing contracts
- Harness technology efficiencies

MACS ME has provided facilities management at Hamad International Airport (IATA Code: DOH) in Doha, Qatar since 2013. Among the services provided by MACS ME are comprehensive management services, interim security services, custodial and janitorial services, RFID system to track suspicious baggage as well as equipment supply and maintenance support for the RFID system.

UTW is a leading Total Facilities Management services provider in Malaysia with over 20 years of experience. Certified with ISO 9001:2015 Quality Management System, ISO 14001:2015 Environmental Management System and ISO 45001:2018 Occupational Health and Safety Management Systems, UTW delivers the highest standards of performance in Facilities Management Services for prestigious facilities and clients ranging from our own airports to the offices and facilities of established Malaysian institutions and multinational companies operating in Malaysia.

Delivering Operational Excellence

In total for 2023, revenues project and repair maintenance operations segment grew 20.1% YoY to RM154.8 million in 2023.

MACS ME's revenue increased by 1.8% YoY to RM100.1 million, on the back of delivery of services under airport management contracts at DOH, namely Projects CP310 for IT maintenance support and FM0015 for facilities management.

For 2023, revenues for UTW, excluding inter-company revenues, stood at RM54.6 million, an increase of 79.2% YoY.

MACS ME

Implement contracts serving DOH

In terms of the existing projects, for CP310, 2023 was MACS ME's fourth year of a five-year contract period which ends in December 2024. CP310 was awarded in 2014, and MACS ME had secured a two further extensions of the term on the back of its excellent performance. The Group expects to begin negotiations for the extension of CP310 in the first half of 2024.

With FM0015, the project was awarded in April 2015 and has been extended by a series of change orders, with the latest Change Order 12 expiring end-July 2024.

MACS ME further secured a contract for airport IT maintenance services in relation to the expansion of Hamad International Airport project. This new project is testament to the excellent delivery and performance by MACS ME of its prior obligations at Hamad International Airport.

OPERATIONAL REVIEW

It has also had to successfully navigate the challenges particularly in recruiting manpower from outside Qatar due to travel restrictions and a complex and costly hiring process. In addition, operational costs have increased due to inflation, impacting the existing contracts.

UTW

Secure new business while extending existing contracts

UTW's client list include an impressive list of internal customers as well as the offices and facilities of established local and international companies and organisations. These include airports – KUL, LGK, PEN and SZB, the Malaysia Airports Corporate Office – as well as Petronas Twin Towers and Petronas Tower 3, Petronas Digital Collaboration Centre, KLCC Common Estate and Common Facilities, Masjid Asy-Syakirin, Menara ExxonMobil, Menara Permata Sapura, Mitsui Outlet Park KLIA, Airbus Helicopters Malaysia, Persada PLUS, Sepang International Circuit, SPIRIT AeroSystems Malaysia, Cainiao Aeropolis eWTP Hub and Novugen Pharma (Malaysia).

UTW's focus in 2023 was to reassert our position as a reputable and innovative partner that provides comprehensive facility management services to support Malaysia Airports and its stakeholders while leveraging technology advancements.

We continued to strengthen our competitive position in facility management, prioritising business diversification and long-term sustainability. This resulted in new contracts worth RM152.2 million in the year from various clients from within as well as outside the airports business while successfully securing contract extensions valued at RM22.4 million. In 2023, UTW's new contracts include the following:

- Airport Baggage Handling System at PEN
- Cleaning management services at PEN
- Operate, manage and maintain the Golden Lounge at KUL
- Facility management services at Bank Negara Malaysia's Headquarters, Lanai Kijang and Document Control Centre
- Provision of electrical maintenance services at Suria KLCC and the Retail Podium at KLCC Tower 3

Harness technology-driven efficiencies

In addition, we also enhance our strategies for future uncertainties by implementing innovative technology solutions in our facility management services through our in-house system, SMART ASSET Management System ('SAMs') as well as digitalisation and robotics. This contributes to enhanced operational efficiency and cost optimisation as well as resilience and adaptability.

A significant milestone was the establishment of a Facility Management Operation Centre that integrates customer calls online with technology and digital solutions to address the customers' needs. In addition, the team continued to transform workflows through the incorporation of robotic solutions and digitalisation initiatives particularly in relation to 'Internet of Things' solutions.

UTW also received a 5-star SCORE rating from the Construction Industry Development Board (CIDB) for Exemplary Leadership, Excellent Management & Technical Capabilities and Excellent Integrated ICT & Project Management. This is a recognition of UTW as a leader in the Facilities Management industry.

UTW is also duly certified in accordance with the following standards in the provision of its services:

- ISO 9001:2015 Quality Management System
- ISO 14001:2015 Environmental Management System
- ISO 45001:2018 Occupational Health & Safety Management System
- ISO 41001:2018 Facility Management System
- ISO 37001: 2016 Anti-Bribery Management System
- F01 - Fasilitas Bangunan dan Infrastruktur Am (General Building and Infrastructure Facilities)
- Suruhanjaya Pendaftaran Kontraktor Perkhidmatan Elektrik

OPERATIONAL REVIEW

AGRICULTURE AND HORTICULTURE

Malaysia Airports' agriculture and horticulture business segment is conducted by its wholly-owned subsidiary, MAB Agriculture-Horticulture Sdn Bhd (MAAH). MAAH is focused primarily on the cultivation and management of mature oil palm and coconut plantations as well as landscaping at KUL. Its new crops are pineapple, banana and ginger.



KEY PRIORITIES

- Manage manpower shortages
- Seek efficiencies through Lean Six Sigma high impact projects

MAAH's activities are duly certified in accordance with international and local standards. Its oil palm business is conducted in accordance with ISO 9001: 2015 certification and Malaysian Sustainable Palm Oil (MSPO) 2350:2013 certification. The pineapple and banana crops are duly certification under the Malaysian Good Agricultural Practice (myGAP) by the Malaysian Department of Agriculture, and the company is also registered as a genuine producer to sell cash crop suckers (Medium Term).

A Challenging Period

In 2023, MAAH's revenues declined 31.2%YoY to RM31.6 million due to lower production of fresh fruit bunches of 36,724.5 metric tonnes, which was 12.3% lower than 2022, as well as due to the average price of crude palm oil which was steadier albeit lower in 2023 compared to volatile year in 2022. The average price for the year was RM3,809.50 per tonne, a decline of 25.1% YoY.

Manage manpower shortages

This business segment continued to be impacted by industry-wide manpower shortages which had persisted following pandemic era restrictions on foreign workers entering Malaysia. As a result, in particular, the harvesting and collection of oil palm fresh fruit bunches which is time-sensitive and reliant on foreign workers was affected.

MAAH's landscape, maintenance and cash crops businesses were also disrupted. In addition, the yearly monsoon period had resulted in cyclical flooding, adversely impacting harvesting and crop recovery activities in the plantation.

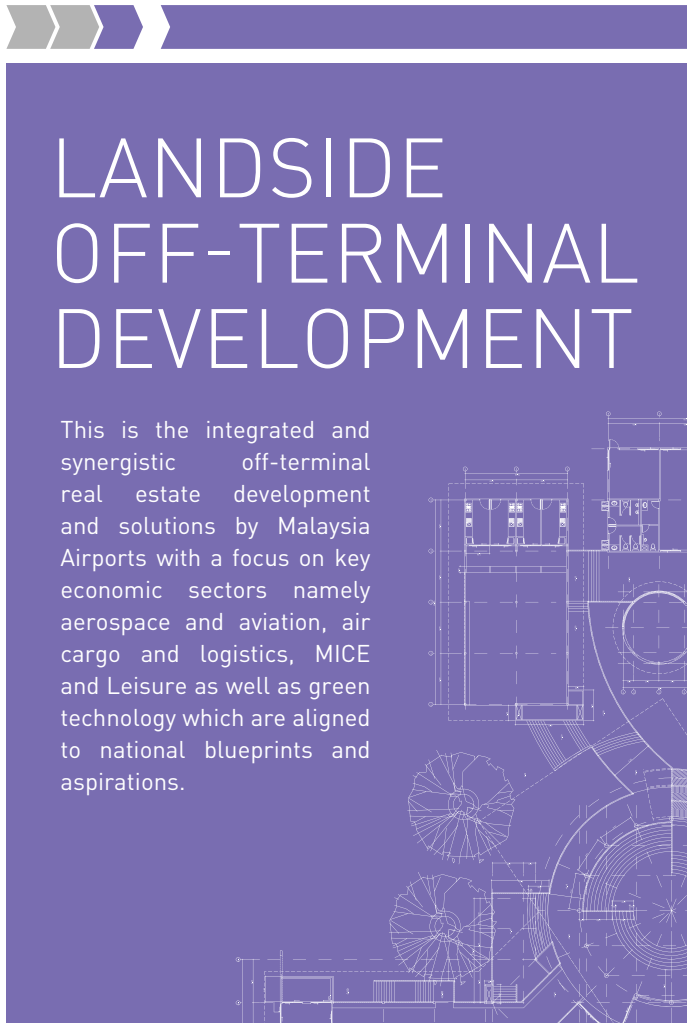
Following a validation exercise on the manpower requirements for this segment, the Group received approval to recruit 300 foreign workers for harvesting and maintenance activities in 2023. However only 60% of the approved number of workers had begun their service by the end of 2023, partially alleviating the shortage.

Seek efficiencies through Lean Six Sigma high impact projects

To address the issue of manpower constraints, the company instituted a series of Lean Six Sigma high impact projects to optimise workflow and use of available resources. This included examining our operations to improve on product quality, streamline logistics, determine pricing and reduce and reuse waste.

The Lean Six Sigma initiatives had resulted in cost savings and efficiencies amounting to over RM700,000 while effectively reducing losses by RM3.2 million. Three company employees are duly trained and certified with Lean Six Sigma credentials, with one of them holding Black Belt certification, while two other employees have been identified for future training and certification.

OPERATIONAL REVIEW



LANDSIDE OFF-TERMINAL DEVELOPMENT

This is the integrated and synergistic off-terminal real estate development and solutions by Malaysia Airports with a focus on key economic sectors namely aerospace and aviation, air cargo and logistics, MICE and Leisure as well as green technology which are aligned to national blueprints and aspirations.

At present, at KUL, the Aeronautical Support Zone 1 which serves the airport support ecosystem is 98% developed, and hosts global anchors such as Alibaba’s Cainiao Aeropolis eWTP Hub and Airbus’ Asia Pacific Customer Service Centre and facilitates more than 200 logistics players. In SZB, we have attracted global aviation market leaders such as Spirit Aerosystem and Senior Aerospace into an established aerospace and business aviation ecosystem. Approximately 60 companies employing over 4,000 high-skilled workers are located in SZB, spurring the development of both the breadth and depth of the local value chain. These achievements underscore our capabilities in airport synergistic development strategies and our commitment to formulate and execute a comprehensive masterplan at both KUL and SZB.

The development of integrated industrial precincts by Malaysia Airports have the potential to become engines of growth beyond the airport boundaries which attract substantial foreign and domestic direct investments in the e-commerce logistics and maintenance, repair and overhaul (MRO) sectors.

Moving Swiftly Ahead

Malaysia Airports received approval-in-principle for its Subang Airport Regeneration Plan from the Cabinet in February 2023. Following that, in January 2024, the Group received approval from the Shah Alam City Council for the submitted Kebenaran Merancang (Planning Approval) amendments from the Shah Alam City Council for the Subang Airport Regeneration Plan for the Business Aviation and Aerospace segment. In addition the Group has also received approval-in-principle of the amendments to the layouts for KLIA Aeropolis from the Sepang Town Council in January 2024.

In tandem with the Group’s sustainability efforts, a partnership has been secured for a 30MW Solar Photovoltaic project for KUL’s consumption on a 166-acre site within the KLIA Aeropolis. The solar energy generated by the project will potentially increase renewable energy utilisation at KUL from the current 4.2% to 22.4%.

KEY PRIORITIES

- Subang Airport Regeneration Plan (SARP)
- KLIA Aeropolis Master Planning

KLIA Aeropolis Sdn Bhd, the centralised development arm for Malaysia Airports, provides real estate portfolio management for the Group including principal leasing activities such as sublease of land and rental of logistics warehouses, hangarage, light industrial facilities, and operation offices on mid to long term leases to generate a stable and predictable income stream.



OPERATIONAL REVIEW

Subang Airport Regeneration Plan

The regeneration plan will position the Sultan Abdul Aziz Shah Airport or Subang Airport as a leading Business Aviation Hub in the Asia Pacific.

The regeneration plan is centred on three segments namely Aerospace Ecosystem, Business Aviation and City Airport which will transform Subang Airport into an integrated mixed development, combining terminal-linked commercial and high value aerospace industries. The development will also feature integrated and seamless air, rail and road connectivity, enhancing the attractiveness and creating vibrancy for the Subang Airport and its surrounding area.

This provides a strong value proposition to foreign aerospace and business aviation operators to establish a regional operations hub at Subang Airport.

Concurrently, significant progress has been made across various workstreams within the Business Aviation and Aerospace Ecosystem Zones of the Subang Airport Regeneration Plan, encompassing detailed design, planning, and infrastructure works, all of which are on track as planned, including relocation of DHL from Subang to KUL in April 2024.

Looking ahead, in the short to medium term, these initiatives are poised to maximise land utilisation through the development of two plots, prioritising global Business Aviation anchors, including Business Jet OEM-owned MRO facilities and international Business Aviation charters. The ready infrastructure and range of real estate solutions available at

Subang Aerotech Park reinforces Subang Airport as a preferred aerospace hub, attracting continued interest from aerospace manufacturers, assemblers, component MRO operators, and other complementary commercial offerings.

Over the longer term, the Subang Airport Regeneration Plan involves redevelopment of existing airside layout, transforming it into a dedicated Business Aviation zone. The move will cater up to six hangar blocks, facilitating the relocation of existing Business Aviation operators and providing space for future operators. This aligns with our commitment to foster sustainable growth and create an environment conducive to the evolving needs of the Business Aviation and Aerospace industry.

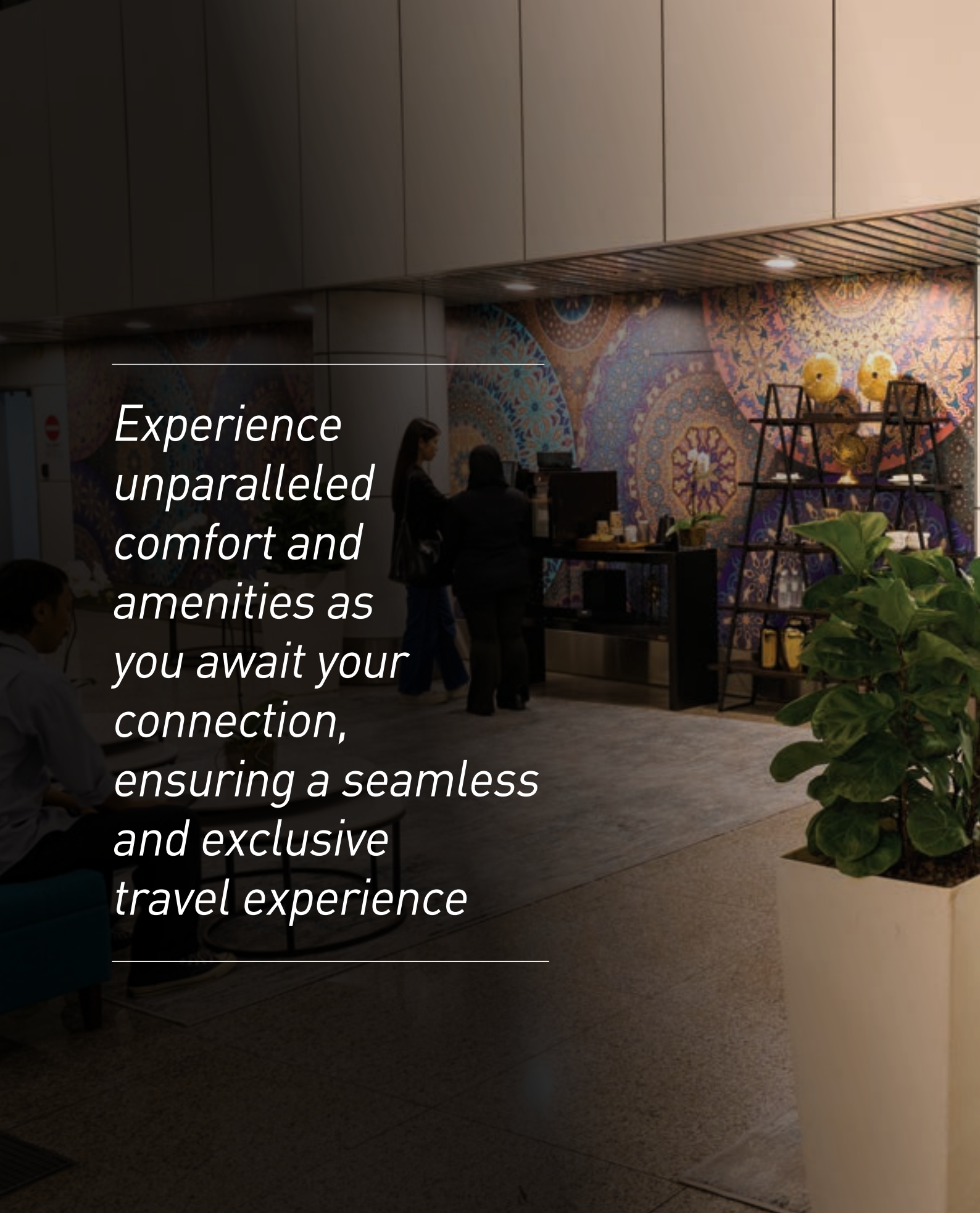
KLIA Aeropolis Master Planning

In the short to medium term, the on-going business development and strategic market intelligence efforts will be focused on the priority areas which include:

- Aeropolis Industrial Park: a hub for air-centric and high value industries, attract global operators and tapping China+1 potential.
- Aeropolis Resort City: a leisure-focused hub injecting vibrancy, attracting overnight and short-stay tourist spending, creating a population base and prioritising and integrating renewable energy and green initiatives.

Over the longer term, the Group will focus on initiatives that underscore our commitment to fostering economic growth, creating vibrant hubs, and championing sustainability within the KLIA Aeropolis development.





Experience unparalleled comfort and amenities as you await your connection, ensuring a seamless and exclusive travel experience



OUR APPROACH TO SUSTAINABILITY



VISION
 A Global Airport Group
 that Champions Connectivity and Sustainability

We share a collective responsibility with other industry players to ensure sustainable aviation practices. To this effect, Malaysia Airports has embarked on a crucial journey to enhance our sustainability framework, develop a comprehensive strategy and roadmap and engage with stakeholders towards achieving net-zero carbon emissions by 2050.

- Tan Sri Datuk Zainun Ali, Chairman

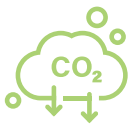
Malaysia Airports recognises that to achieve our corporate vision, we need to go beyond creating economic value for shareholders. Rather, there is a need to balance profit-making and operational excellence with conducting our business in a manner that is responsible, sustainable and creates long term value for stakeholders. In this regard, our operations must be built on the foundations of sustainability which combine business goals with solid Environmental, Social and Governance (ESG) considerations.

This Sustainability Review informs stakeholders on how sustainability works within Malaysia Airports, and summarises the key ESG achievements and performance highlights. That is followed by a discussion of the materiality process and how the material matters are determined and reviewed. We also outline our engagement with key stakeholders in this review.

OUR APPROACH TO SUSTAINABILITY

Sustainability Performance Highlights for 2023

ENVIRONMENTAL



Net-Zero

Carbon Emissions 2050 Pathway Launched May 2023

Electric Ground Support Equipment (in collaboration with Malaysia Aviation Group) **A National First**



Completed installation of solar photovoltaic panels at BKI

Group solar capacity **22.5 MWp**

SOCIAL



Female representation in Malaysia Airports

Board of Directors:

40%

Employees:

34%

Supporting Local Suppliers via local procurement

RM949.9 million
96% local suppliers



Community and Humanitarian Aid

RM29 million

GOVERNANCE

Operations assessed for corruption-related risks

100%



Boosting

Cybersecurity capabilities

Cybersecurity Acceleration Programme 2.0 launched

2 new subsidiaries certified for Anti-Bribery Management Systems

- MA Niaga and UTW



OUR APPROACH TO SUSTAINABILITY

ESG GOVERNANCE

Board direction and oversight

Recognising the importance of ESG considerations in creating long-term sustainable value for stakeholders, Malaysia Airports constantly works to embed these sustainability factors in the Company’s value creation model and value chain. The Board of Directors provides overall strategic direction with regards to Malaysia Airports’ ESG model through the Company’s Sustainability Policy and Framework. In 2023, the Board had also delegated the oversight of Sustainability matters to the Board Risk Management Committee.

Following that, in November 2023, the Board formed a Board Sustainability Committee. The Board Sustainability Committee will review and monitor the effectiveness of the Group’s sustainability strategies, policies, principles, practices, priorities and targets including its commitment to achieve net zero carbon emissions by 2050. The Committee is chaired by Puan Rohaya Mohammad Yusof and comprises two other members, Madam Cheryl Khor Hui Peng and Dato’ Seri Ir Koe Peng Kang.

Management level

At Management level, the Senior General Manager, Strategy is responsible for ensuring the ESG model is translated into actionable tangible initiatives by business and support units in line with the Sustainability Policy and Framework. The incumbent is a member of the Management Executive Committee (EXCO), chaired by the Group Chief Executive Officer, and comprises the top management of Malaysia Airports, which is responsible for highlighting and reporting on sustainability matters to the EXCO, and where relevant to the Board Sustainability Committee and the Board of Directors.

The Sustainability Unit assists the Senior General Manager, Strategy in the day-to-day running and management of Group-wide sustainability initiatives, engages stakeholders and provides consulting services to them on all sustainability matters.

Other Board and Management committees

In addition, Board and Management committees also monitor sustainability targets and initiatives, and track the progress towards achieving these targets. These Board and management committees include:

Environmental <ul style="list-style-type: none"> Board Sustainability Committee 	Social <ul style="list-style-type: none"> Board Nomination and Remuneration Committee
Governance <ul style="list-style-type: none"> Board Audit Committee Board Risk Management Committee Board Procurement Committee Whistleblowing Committee 	

Sustainability Policy and Framework

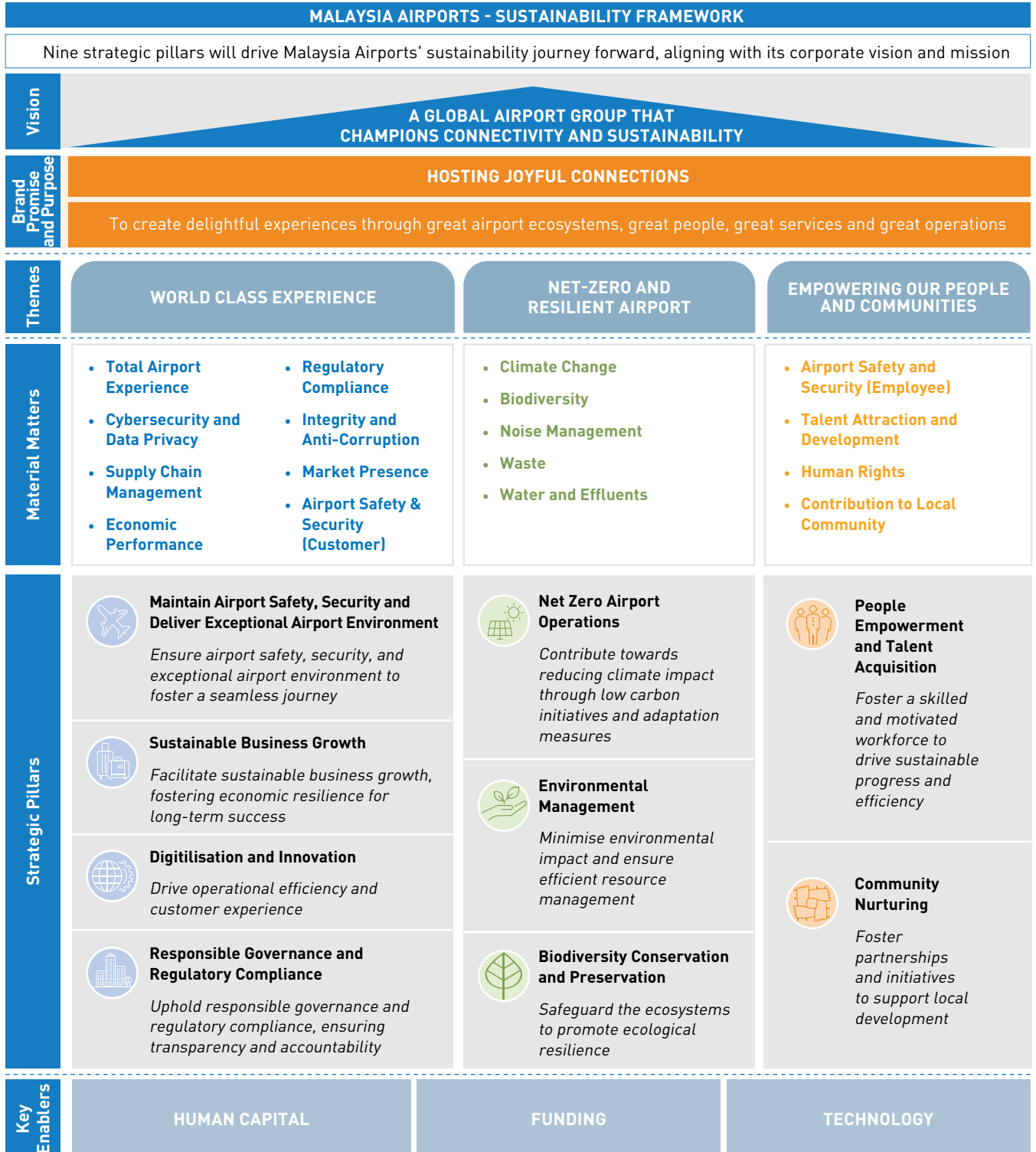
Malaysia Airports has been guided by a Sustainability Policy since 2010. The policy was updated in 2021 to align the Group’s business decisions and strategies with ESG considerations and stakeholders’ concerns. Additionally, as a Government-Linked Company, Malaysia Airports supports the Malaysian Government’s national commitments towards the United Nations (UN) Sustainable Development Goals (SDGs).

Malaysia Airports has initiated the development of a revised Sustainability Framework in 2023 that aims to provide a more holistic approach in addressing the Group’s Material Matters and aligning with our organisational strategy. The Sustainability Framework is anchored by three key sustainability pillars: Environmental, Social and Governance (ESG) with each comprising strategic priorities, Key Performance Indicators (KPIs), and targets. This approach strengthens the integration of ESG considerations into the Group’s operation and aligns with the existing sustainability drivers. It also enables the Group to adapt to changes in the operating environment to unlock opportunities while managing potential risks that may impact our operations.

As we progress, the Sustainability Framework will serve as our compass that guides us in value creation for our stakeholders through sustainable operations. The Framework also takes into consideration the global agenda and our commitment to the UN SDGs. The new Sustainability Framework will be implemented in 2024 as per the illustration on page 127.

In line with the new Sustainability Framework, the Group also started to refresh its Material Matters and Materiality Matrix, and updated its Key Stakeholders. For further information about Material Matters and Key Stakeholders, please refer to pages 58 to 75 and 78 to 86 of this report.

OUR APPROACH TO SUSTAINABILITY



Note: The above illustration of Malaysia Airports' Sustainability Framework which is targeted to be implemented in 2024.

OUR APPROACH TO SUSTAINABILITY

In addition to the Sustainability Policy, the following policies, procedures and guidelines also serve to embed the ESG model in Malaysia Airports’ operations and are available on our corporate website:

Environment	<ul style="list-style-type: none"> • Energy Policy 	<ul style="list-style-type: none"> • Environmental Management Policy
Social	<ul style="list-style-type: none"> • No Smoking Policy • Occupational Health And Safety Policy • Policy On Prevention And Eradication Of Drug And Alcohol Abuse In The Workplace 	<ul style="list-style-type: none"> • Risk Management Policy Statement • Sexual Harassment Policy • Stop - Work Policy • Terms and Conditions
Governance	<ul style="list-style-type: none"> • Code of Ethics • Conditions of Use • Fraud Policy • Gift Policy 	<ul style="list-style-type: none"> • Privacy Notice • Anti-Bribery and Corruption Policy Statement • Procurement Manual • Sustainability Policy

United Nations Sustainable Development Goals

The United Nations has identified 17 SDGs, representing a call for action by all countries to promote prosperity while protecting the planet. Ending poverty must go hand-in-hand with specific goals and strategies that build economic growth and address a range of social needs including education, health, social protection, and job opportunities while tackling climate change and environmental protection.

Malaysia Airports has aligned its material matters, Sustainability Pillars with all 17 SDGs.

Sustainability Ratings

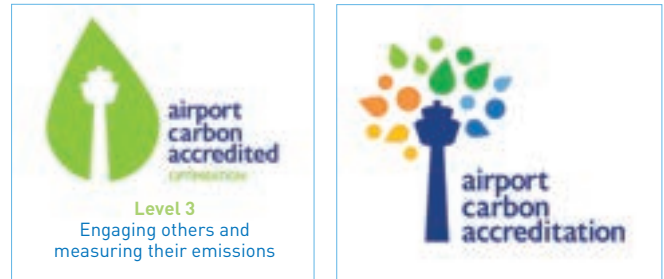
Malaysia Airports’ efforts in sustainability receive independent ratings from local and international organisations which score the Group’s impact in the environmental, social and governance spheres. These are the latest ratings assigned to Malaysia Airports.

<p>FTSE4Good</p> <p>This rating enables investors to evaluate a company’s engagement with and control over ESG matters across various dimensions.</p> <p>FTSE Russell Rating Score for FY2023 2.9</p>	<p>SUSTAINALYTICS</p> <p>The ESG Risk Ratings provided by Sustainalytics are designed to assist both companies and investors in identifying ESG issues that could potentially lead to financial risks. These ratings quantify the extent to which ESG issues threaten the overall value of a company.</p> <p>Sustainalytics Rating Score for FY2023 21.3</p>	<p>MSCI</p> <p>The MSCI ESG Rating by Morgan Stanley Capital International is crafted to assess a company’s ability to withstand long-term industry-specific ESG risks and its effectiveness in managing these risks in comparison to its industry peers.</p> <p>MSCI Rating Score for FY2023 BBB</p>
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OUR APPROACH TO SUSTAINABILITY

Accreditation

Airports Council International (ACI) has renewed Malaysia Airports' Level 3 certification under its Airport Carbon Accreditation programme, a global airport-specific carbon management initiative. The renewal follows an independent assessment by ACI under its carbon management certification standard for airports globally. Malaysia Airports has participated in the Airport Carbon Accreditation programme since 2016 in its efforts to transition towards a sustainable, low-carbon future.



KUL's certification at Level 3 'Optimisation' was renewed in 2022/2023 by ACI. The airport has maintained its Level 3 certification since 2018. In this programme, ACI utilises internationally recognised methodologies to independently assess and recognise the efforts of airports to manage and reduce their carbon emissions through seven levels of certification.

Reporting Framework and Independent Audit

In line with its progress in integrated reporting, the Group took a decision in 2022 to merge its annual and sustainability reports. This enables stakeholders to understand the business of the Group in a more comprehensive manner in line with the Group's corporate vision to be 'A Global Airport Group that Champions Connectivity and Sustainability'.

A sustainability review is provided in this report together with data tables on sustainability performance indicators.

The sustainability reporting in this report has been prepared with reference to the following frameworks:



In addition, the sustainability information contained in this report has been audited by SIRIM QAS International Sdn Bhd, an independent party.

Further information regarding the Group's sustainability efforts and results is available at our corporate website: www.malaysiaairports.com.my

SUSTAINABILITY REVIEW

ENVIRONMENT

As one of the world's largest airport operator groups, Malaysia Airports has taken steps to embrace sustainability initiatives that are environmentally conscious in its airport operations. The world's resources are finite, and the consumption of these resources in our business activities has an impact on the environment and therefore, our Sustainability Policy reiterates the need for prudence in managing these resources.

Operating within an airport ecosystem alongside other stakeholders, we engage our stakeholders to work together towards greater resource efficiency and jointly implement key initiatives to protect the environment. In 2023, we made progress on several fronts, in particular launching the Environmental Masterplan 2.0, making a commitment to net zero carbon emissions by 2050 and expanding renewable energy capacity.



SUSTAINABILITY REVIEW

OUR APPROACH AND PROGRESS IN 2023

We launched our Environmental Masterplan 2.0

In FY2023, Malaysia Airports launched its Environmental Masterplan 2.0 which sets out the Group’s environmental policies, targets and roadmaps from 2023 until 2030. This initiative is in line with the Twelfth Malaysian Plan and marks Malaysia Airports’ firm commitment toward a lower carbon future.

The Environmental Masterplan 2.0 covers the eight key environmental aspects which are most relevant to the Group’s business activities, and to which the Group has the greatest potential to bring positive impact, namely:

Carbon Emissions	Energy	Water	Waste
Air Quality	Noise	Wildlife	Land and Water Contamination



→ To streamline initiatives, reporting and engagement with relevant stakeholders, an Environment Task Force has been activated to cover each of the eight areas of the Environmental Masterplan 2.0.

SUSTAINABILITY REVIEW

One of the key features of the Environmental Masterplan is Malaysia Airports' roadmap towards Net Zero Carbon Emissions by 2050. The roadmap is a long-term pathway from that spans the period of 2023-2050 to reduce the Group's Scope 1, Scope 2 and Scope 3 carbon emissions in a phased and systematic manner. The roadmap includes targets and milestones for each phase which cumulates in net zero Scope 1 and Scope 2 emissions by 2040 and net zero Scope 3 emissions by 2050.

Malaysia Airports' Journey towards Net Zero Carbon Emissions 2050

Long-term pathway to reduce TCO₂e for Scope 1, Scope 2 & Scope 3

2016 - 2020

ENVIRONMENTAL MASTERPLAN 1.0

- Achieved 16% CO₂e reduction for KUL [as at 2019]*
- 2016 was selected as the baseline
- Focusing on KUL for 8 performance areas

2023 - 2026

ENVIRONMENTAL MASTERPLAN 2.0

PHASE 1 (INTERIM)

Scope 1 & 2

- 25% CO₂e reduction target for KUL
- 15% CO₂e reduction target for MASB
- Maintain 8 performance areas
- Establishment of MASB GHG Data Inventory

MASB refers to Malaysia Airports Sdn Bhd, which manages the international and domestic airports of the Group in Malaysia, other than KUL.



SUSTAINABILITY REVIEW



WHAT ARE SCOPE 1, 2 AND 3 EMISSIONS?

Scope 1 emissions

Greenhouse Gas (GHG) emissions from sources that Malaysia Airports owns or controls directly, e.g. from running air conditioning at airports and company vehicles.

Scope 2 emissions

GHG emissions that Malaysia Airports causes indirectly from the energy we purchase and use, e.g. from electricity that we buy for our business activities.

Scope 3 emissions

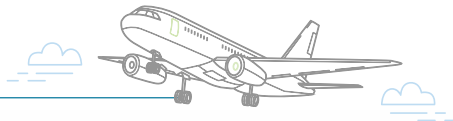
GHG emissions that Malaysia Airports is indirectly responsible for, up and down its value chain e.g. employee commuting and travel, airside activities at our airports by airlines and other airport stakeholders.

SUSTAINABILITY REVIEW

Based on Greenhouse Gas (GHG) Emission data gathered at the Group’s main hub at KUL for 2023, Scope 1 and Scope 2 emissions form 0.2% and 13.2% of total emissions while Scope 3 emissions form 86.5% of total emissions, with the biggest source of Scope 3 emissions being aircraft landings and take-offs. This is a clear indication that in order to reduce Scope 3 emissions, the collaboration and cooperation with other airport stakeholders is critical.

778,914 tCO₂e
TOTAL GHG EMISSIONS

Emissions above 3000ft are not part of an airport's carbon footprint



Emissions below 3000ft are included in an airport's carbon footprint

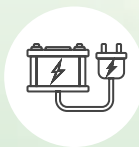


1,819 tCO₂e
Scope 1

(Malaysia Airports' vehicles and emergency power generators)

103,045 tCO₂e
Scope 2

(electricity consumption for terminal buildings)



SUSTAINABILITY REVIEW

In Phase 1 of the journey towards net zero emissions which covers the period from 2023 - 2026, and addresses primarily Scope 1 and Scope 2 emissions, Malaysia Airports has set targets to reduce these emissions for KUL by 25% and for all other airports in Malaysia by 15%. Among the strategies employed to kickstart Phase 1 are:

- **Addressing Scope 1 and Scope 2:** Purchase green energy where available, install renewable energy equipment such as solar photovoltaic panels, install additional electric vehicle charging stations, replace and upgrade existing lighting with energy efficient LED lights.
- **Addressing Scope 3:** Collaborate with external stakeholders on joint carbon reduction initiatives, transition to Electric Ground Support Equipment (e-GSE) and electric vehicles, integrate circular economy in our business to reduce waste sent to landfills.



674,050 tCO₂e
Scope 3

Airline Emissions
(ground and flight operations <3000ft)

GSE Emissions
(fossil-powers ground support equipment)

Partner Emissions
(electricity consumed by tenants and private developers at the airport)

User Emissions
(passengers and airport users' surface access)



SUSTAINABILITY REVIEW

Indicators	Measurement Unit	2019	2021	2022
(a) Scope 1 emissions	tonnes of CO ₂ e (tCO ₂ e)	2,366	1,857	1,819
(b) Scope 2 emissions	tCO ₂ e	116,250	64,622	103,045
(c) Scope 3 emissions	tCO ₂ e	1,198,953	318,487	674,050
(d) Carbon emissions avoidance from solar energy generation (tCO ₂)	tCO ₂	14,635	12,916.38	14,915.42

Note:

Emissions data is up to FY2022 and is independently verified as part of the renewal of KUL's Airport Carbon Accreditation (ACA) at Level 3 : Optimisation FY2023

The latest audited carbon emissions data which is available is only for KUL in FY2022; the data is verified by an independent assessment under the Airport Carbon Accreditation programme. In FY2022, total carbon emissions for KUL amounted to 778,914 tonnes of CO₂e, an increase of 102% YoY as aircraft and passenger movements at KUL increased following the reopening of Malaysia's borders in April 2022.

Scope 1 and Scope 2 emissions amounted to 0.2% and 13.2% respectively, while Scope 3 emissions formed 86.5% of our carbon footprint. This is somewhat similar to 2021 in which Scopes 1 and 2 emissions formed 0.5% and 16.8% respectively, while Scope 3 emissions formed the bulk of KUL's carbon footprint accounting for 82.7% of emissions.

Based on the strategies for Phase 1 of the journey towards net zero emissions, Malaysia Airports launched several initiatives in 2023.

Scope 2

Expansion of Solar Power Capabilities

In 2022, Malaysia Airports sustained its solar power programme with a total solar power capacity of 19.1 MWp. This has the potential to reduce Scope 2 carbon emissions by 14,915.42 TCO₂e or 15% of Malaysia Airport's Scope 2 emissions. In 2023, Malaysia Airports has further extended its Solar Power Programme from 19.1 MWp to 22.5 MWp by completing the Solar Project at BKL.

Green Electricity Purchase

Despite very limited supply, Malaysia Airports bid and secured a six-month subscription for February-July 2023 for low carbon or 'green electricity' from Tenaga Nasional Berhad (TNB) under TNB's Green Electricity Tariff programme. Under the programme, TNB supplies customers with electricity derived from renewable energy resources such as solar power plants, hydropower stations and other renewable energy plants.

Scope 3

Electric Ground Support Equipment (e-GSE)

We engaged with Malaysia Aviation Group Malaysia and jointly launched the nation's first e-GSE infrastructure. This initiative is a major step forward towards reducing carbon emissions and noise pollution within the aviation sector by replacing traditional diesel-powered Ground Power Units with Electric Ground Power Units (e-GPU). The impact of the e-GPU is significant; it reduces emissions by 50,000kgs of CO₂ emission and produces less than 65db(A) of noise emissions compared to the diesel-powered option.

SAF and CORSIA Task Force


Malaysia Airports is also a participant in the Civil Aviation Authority of Malaysia's (CAAM) taskforce on Sustainable Aviation Fuel (SAF) and Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), which are a part of the industry-wide global initiatives to reduce emissions produced by the international aviation sector.
















Total
Solar power capacity of 22.5 MWp
reduces Scope 2 carbon emissions by **15%**

Subscribed **TNB's Green Electricity Tariff** programme for low carbon or 'green electricity'

Engaged with **Malaysia Aviation Group Malaysia** and jointly launched nation's first **e-GSE infrastructure**

SUSTAINABILITY REVIEW

 ENERGY

Indicators	Measurement Unit	2021	2022	2023
(a) Total energy consumption	kWh	 350,463,164  48,463,751	 423,131,586  50,202,040	 517,296,408  53,789,047
(b) Energy Intensity Per Passengers	KWH/Passengers	 32.6  1.9	 8.0  1.6	 6.3  1.4
(c) Total solar energy generation (MWh)	MWh	 16,686.56	 19,122.34	 27,725.39

Electricity consumption for airports in Malaysia for 2023 amounted to 517.3 million kWh, an increase of 22.3% YoY. Electricity intensity per passenger reduced by 21.3%. By comparison, passenger movements for airports in Malaysia had increased by 55.5% YoY in 2023.

At SAW, electricity consumption for 2023 was 53.8 million kWh, an increase of 7.1% YoY, despite passenger movements expanding by 20.5% YoY in 2023.

Malaysia Airports also has put in place programmes to reduce energy consumption.

Expansion of solar power capabilities

In 2023, Malaysia Airports further expanded its solar power programme to achieve a total solar power capacity of 22.5 MWp. The installation of solar photovoltaic panels at the rooftop and carpark buildings of KUL Terminal 1 combined with the existing solar power infrastructure at KUL Terminal 2 brings the airport's total solar capacity to 14 MWp. Apart from KUL, the installation of solar panels at BKI was completed in January 2023 while work remains in progress at IPH and AOR. Together with prior completed installations at KUA, LGK, MKZ and PEN, the total solar power capacity at these airports is 8.5 MWp. In 2023, the Group saved RM2,139,513.49 through the use of solar energy.

Energy saving initiatives

In 2023, at SAW, the use of LED lighting has saved 44,018 kWh representing savings of 132,054 TL.

Proof of Concept Battery Energy Storage System

KUL signed a collaboration agreement between MA Sepang and TNB Research Sdn Bhd to implement Proof of Concept Battery Energy Storage System for the capacity of 500 kW/1 MWh for the period of 1 September 2022 till 31 August 2023. This initiative is to store electricity energy during off peak time to shave the Maximum Demand based on load profile which manages energy more efficiently.

Electric vehicle charging stations

Electric vehicle charging stations have also been installed at short-term car parks at KUL for public use to encourage the use of electric vehicles to ferry passengers to and from the airports. In supporting the electrification of the airside and landside area, in 2024 KUL will start to develop the KUL Electric Vehicle Transformation Plan which provides more infrastructure on EV Charging Stations and engagement with Ground Handlers on their fleet transformation.

Electricity intensity per passenger was **21.3% lower** YoY in 2023



The Group saved **RM2.1 million** through the use of solar energy

Implemented **Proof of Concept Battery Energy Storage System** for the capacity of 500 kW/1 MWh

To develop **KUL Electric Vehicle Transformation Plan** in 2024

SUSTAINABILITY REVIEW



WATER

Indicators	Measurement Unit	2021	2022	2023
(a) Total volume of water used	million cubic metres	7.7 0.25	9.3 0.33	10.4 0.41
(b) Water Intensity Per Passengers	liters/Passengers	718 9.8	177 10.8	127 10.8
(c) Total rainwater harvested and savings in consumption	cubic meters	41,933	39,594	38,568
(c) Total savings in value	RM	95,744	99,842	110,304.48

At MY, a total of 10.4 million cubic meters of water was used in 2023. This resulted in water consumption intensity of 127 litres per passenger, which was 28% lower than the consumption intensity in 2022.

At SAW, a total of 0.41 million cubic meters of water was used in 2023 resulting in water consumption intensity of 10.8 litres per passenger, unchanged from 2022.

Malaysia Airports also has put in place programmes for alternative water supply.

Water harvesting

KUL Terminal 2 features an on-going harvesting system that collects rain water as well as condensation from air handling units. The collected water is channelled for use for flushing toilets and landscape watering. In 2023, a total of 38,568 m³ of water was collected for this purpose, translating to RM110,304.48 of savings based on prevailing water tariff rates. The water harvesting system was implemented at MKZ where the collected water is used to fill the tanks of the airport’s fire engines.

Recycling water from KUL’s Southern Balancing Pond

This project began in 2021 to produce potable water for usage at KUL by recycling water from the airport’s Southern Balancing Pond. The preparatory works for this project remains on track for completion in 2024.

Initiatives at SAW

At SAW, rainwater is collected and used in garden irrigation systems, with amounts varying seasonally. In addition, the airport’s toilets and sinks are equipped with faucets and other devices which aim to save water usage.

Water consumption intensity

per passenger was

28% lower

YoY in 2023

A total of

38,568 m³

of water was collected

RM110,304.48
of savings



















Produce **potable water for usage at KUL**



Rainwater is collected and used in garden irrigation systems at SAW

SUSTAINABILITY REVIEW

 WASTE

Indicators	Measurement Unit	2021	2022	2023
(a) Total waste generated	million kg	 2.9	 6.39	 10.77
		 8.8	 9.2	 11.20
(b) Total recycled waste	million kg	 0.2	 0.28	 0.37
		 2.9	 3.7	 4.4
(c) Total waste sent to landfill	million kg	 2.7	 6.11	 10.4
		 5.9	 5.5	 6.8

In terms of waste generated, measurements are made only for KUL. In 2023, a total of 10.4 million kg of waste was sent to the landfill with 369,792 kg sent for recycling. This resulted in a recycling rate of 3.4%. In addition, a total of 14 tonnes of scheduled waste was collected and disposed of according to applicable regulations.

At SAW, a total of 6.8 million kg of waste was sent to the landfill while 4.4 million kg was sent for recycling, while a further 56.6 tonnes of scheduled waste was collected and disposed of according to applicable regulations. This has resulted in a recycling rate of 7.7% for non-hazardous recyclable waste, while a recycling-recovery rate of 0.75 was achieved for hazardous waste.

Further developments at KUL

In 2023, KUL conducted a workshop to engage with tenants at KUL Terminal 1 and Terminal 2 and increase their awareness and support for recycling waste. We also engaged with our employees at KUL through the airport's Safety, Health and Environment (SHE) committee and participated in the SHE Carnival 2023. One of the activities during the carnival was a staff initiative to gather 3R items to inculcate a culture of recycling. In 2024, the Group plans to audit the waste at KUL to streamline the recycling policies and procedures.

Conducted a workshop to **increase awareness** and **support for recycling waste**

SUSTAINABILITY REVIEW

AIR QUALITY

Sustainability Matters	Indicators	Measurement Unit	2021	2022	2023
Emissions – Air Quality/ Pollution	(a) Amount of air emissions of pollutants and particulate matter	Air Pollution Index	KUL T1 PM : 46 m ³ SO ₂ : 0 ppm CO : 0 ppm NO ₂ : 0 m ³	KUL T1 PM : 28 m ³ SO ₂ : 0 ppm CO : 0 ppm NO ₂ : 0 m ³	KUL T1 PM : 46 m³ SO ₂ : 7 ppm CO : 11 ppm NO ₂ : 0 m³
			KUL T2 PM : 19 m ³ SO ₂ : 0 ppm CO : 0 ppm NO ₂ : 0 m ³	KUL T2 PM : 19 m ³ SO ₂ : 0 ppm CO : 0 ppm NO ₂ : 0 m ³	KUL T2 PM : 9 m³ SO ₂ : 0 ppm CO : 0 ppm NO ₂ : 0 m³

Note:

i. The results were based on Q4 monitoring only

At KUL, we measure our impact on air quality with reference to four pollutant indicators that are components of Malaysia’s Air Pollution Index as determined by the Department of Environment. They are particulate matter (PM), sulphur dioxide (SO₂), carbon monoxide (CO) and nitrogen dioxide (NO₂). In each of the four parameters, Malaysia Airports meets the permitted limits set by the Department of Environment.

At SAW, the airport has complied with all regulations for air quality as determined by HEAS, which manages airside operations at the airport. Measurement of the air quality at the terminal is determined with reference to several parameters namely, persistent organic pollutants (POP), volatile organic compounds (VOC) namely CO, NO, CO₂ and O₂, hazardous air pollutants (HAP) and particulate matter (PM). In addition, the terminal’s Trigeneration Facility is subject to further regulations which require the measurement of NO₂, SO₂, NO, CO and particulate matter. In all aspects, the regulations for air quality have been complied with.

In efforts to improve air quality at SAW, electrostatic and carbon filters are used in ventilation systems throughout the terminal. In addition, at the trigeneration plant, an exhaust filtering system is used to reduce air pollution.

SUSTAINABILITY REVIEW



NOISE

Sustainability Matters	Indicators	Measurement Unit	2021	2022	2023
Noise	(a) Compliance with regulatory noise limits	dBA	47.7 - 70.3	49.3 - 70.1	42.0 - 79.7

Note:

i. The results were based on Q4 monitoring only

ii. The results for N11 points in Q4 were based on C5 Bus lounge as per management directive

Noise levels are measured in and around the vicinity of KUL, as our busiest airport. Based on an Environmental Impact Assessment, the Department of Environment has set a Demarcation Area within the vicinity of KUL. Noise levels are measured at 20 points in the Demarcation Area in the day time and at night to ensure compliance with the noise limits set by the Department of Environment. For 2023, noise levels measured at 17 out of the 20 points for day time, and 15 out of 20 points for night time complied with the Department of Environment's set limits.

At SAW, airport noise control is managed by HEAS. In accordance with applicable occupational safety and health legislation, in-terminal noise measurements in 2023. In addition, the Trigeneration Plan needs to comply with the terms of environmental permit granted by the Ministry of Environment, which include noise limits. The noise levels at SAW were within the limits set by the authorities.

SUSTAINABILITY REVIEW



WILDLIFE

Sustainability Matters	Indicators	Measurement Unit	2021	2022	2023
Wildlife strikes	(a) Incidents of wildlife strikes within airport inner boundary	Numbers	KUL : 37 *MASB : 61	KUL : 64 MASB : 109	KUL : 83 MASB : 79

*MASB refers to Malaysia Airports Sdn Bhd, which manages the international and domestic airports of the Group in Malaysia, other than KUL.

Wildlife strikes in which wildlife (usually birds) collide with aircraft pose a serious hazard at airports. In 2023, 83 wildlife strikes were recorded under 300 feet within the inner boundary of KUL and 79 wildlife strikes at MASB airports. In addition, KUL incidents are measured against each 1,000 aircraft movements resulting in an incident rate of 0.26 for 2023. This is a reduction of 50% compared to 2022 during which an incident rate of 0.56 was recorded. This is slightly above the annual Safety Performance Target of 0.200 set by the Civil Aviation Authority of Malaysia.

In 2023, several new measures were introduced while existing measures were beefed up to reduce wildlife hazards.

Bird profiling studies

In 2023, KUL participated in studies to identify and prioritise risks by Bird Profiling through hazards and species identification. The studies were also conducted at LGK and AOR.

Increased frequency of regular wildlife dispersal

KUL and other airports also conduct regular maintenance as pre-emptive measures to lower wildlife strikes. The frequency of the regular dispersal of wildlife was increased from twice daily to three times daily. In addition, dispersal measures were carried out whenever required by Air Traffic Control (ATC) authorities due to requests by ATC staff or pilots or upon sighting of bird activity in the vicinity of the airport.

New equipment for wildlife dispersal

Operations vehicles have also been equipped with amplifier hailers and propane cannons to disperse wildlife more effectively. The Group has also improved its processes on the dispersal of bees.

Stakeholder collaboration

At KUL, the issue of wildlife strikes is discussed regularly at the Airport Wildlife Hazard Management Plan twice yearly and The Runway Safety Team Meeting was carried out on quarterly basis. This includes maintaining the necessary grass level required at the airport, cutting bushes and trees that offer attractive nesting sites, removing food sources such as seed-bearing plants, pest control measures to reduce the insects that birds eat and the placement of spikes and repellents to deter the birds. A special aerodrome inspection is also conducted periodically to evaluate the effectiveness of these measures and to consider further measures. We also work closely with the local wildlife department in mitigating wildlife hazard management.

At SAW, HEAS manages the issue of wildlife strikes.

Bird Profiling

through hazards and species identification

Conduct **regular maintenance** as pre-emptive measures to lower wildlife strikes

Operations vehicles equipped with **amplifier hailers** and **propane cannons**

Issue of wildlife strikes discussed regularly at the **Airport Wildlife Hazard Management Plan** meetings

SUSTAINABILITY REVIEW



LAND AND WATER CONTAMINATION

Sustainability Matters	Indicators	Measurement Unit	2021	2022	2023
Oil spillage	(a) Number of oil spillage cases	Numbers	KUL : 45 *MASB : 26	KUL : 97 MASB : 13	KUL : 45 MASB : 22

* MASB refers to Malaysia Airports Sdn Bhd, which manages the international and domestic airports of the Group in Malaysia, other than KUL.

Oil spillage at the airside is the main cause of land contamination at the airports. In 2023, there were 67 cases of oil spillage, compared to 110 incidents, this represents a reduction of 39% in terms of incidents. This also meets the CAAM's Safety Performance Target for oil spillage.

Malaysia Airport continued to implement measures to reduce oil spillage as below.

Collaboration with stakeholders

Airside Safety Committee meetings for 2023 were conducted quarterly. In each meeting, the Aviation Security Department presents the oil spillage data specifying the type of spillage (eg hydraulic, diesel, petrol), type of equipment and owner of the relevant equipment.

Identification of issues

The main issue highlighted was the repeated oil spillage by the same equipment and aging equipment used by stakeholders.

Reinspection and reissuance of permits

KUL has introduced a reinspection process by the Motor Transport Workshop Engineering department for the equipment/vehicle involved in the oil spillage. Stakeholders must rectify the defects before an Airside Vehicle Permit is issued for the resumption of operations.

Penalties

KUL has introduced the Airside Monetary Penalty System which penalises stakeholders for each oil spillage caused by their equipment in line with the Airside Demerit System.

At SAW, the issue of land and water effluents is managed by HEAS, which manages airside operations at the airport.

Standards and Certifications

Malaysia Airports has sought to certify its key businesses in accordance with applicable standards to enable leading industry best practices to be incorporated in its operations while advancing environmental considerations in business decision-making. The ISO 14001:2015 Environmental Management Systems covers Malaysia Airports' entire network of airports in Malaysia together with its facilities management business.

Standards	Certified Businesses
ICAO Annex 14 Standards, ICAO Annex 16 Standards and CAAM Aerodrome Certification	Malaysia Airports (Sepang) Sdn Bhd Malaysia Airports Sdn Bhd
ISO 14001: 2015 Environmental Management Systems	Malaysia Airports (Sepang) Sdn Bhd Malaysia Airports Sdn Bhd Urusan Teknologi Wawasan Sdn Bhd
ISO 50001: 2018 Energy Management Systems	Malaysia Airports Sdn Bhd (Site: BKI only)
MS 2530:2013 Malaysian Sustainable Palm Oil (MSPO)	MAB Agriculture-Horticulture Sdn Bhd (Site: Plantations at KUL and Sarawak regions only)
ACI Airport Carbon Accreditation	KUL - Level 3 'Optimisation'

SUSTAINABILITY REVIEW



SOCIAL

The Group's social agenda takes into consideration the human impact of our operations. As an employer of choice, we constantly examine how our business can positively impact our employees' development, wellbeing and safety, promote diversity, champion human rights and enrich the communities in which we operate.

As our employees are the heart of the company, we have made a strong commitment to nurture their professional growth and development, and to ensure that we provide them with a workplace that is healthy, safe and secure. We also promote diversity at all levels of the Group, and champion the protection of human rights, ensuring that our people are treated with dignity, respect and fairness.

Malaysia Airports also engages with the communities that we serve. We develop and execute community-centric programmes that promote the well-being of these communities, focusing on those who are underserved and those in need. In times of humanitarian crises, Malaysia Airports steps forward to alleviate the hardship of those in need of a helping hand.



SUSTAINABILITY REVIEW

OUR APPROACH AND PROGRESS IN 2023

Community Engagement #MYAirportCares

In 2023, Malaysia Airports invested RM429,927.56 in its community enrichment programmes under the umbrella #MYAirportCARES reaching out to 3,343 beneficiaries throughout Malaysia. There were numerous heartwarming programmes which saw our employees together with other members of the airport community coming together to benefit the communities we serve.

MYAirportCARES School Airport Tour

This programme aims to inspire young aviation enthusiasts through engaging airport tours. In 2023, the programme enabled 1,848 students from 40 primary and secondary schools to visit our airports and learn first-hand about airport operations. A total of 21 airports around Malaysia opened their doors to these budding aviation enthusiasts, with members of the airport community conducting behind-the-scene tours at various airside and landside locations.

1,848

students from 40 schools visited our airports to learn about

airport operations

High Fliers

The High Fliers programme nurtures cohorts of our employees' children who are secondary school students and aims to enhance their leadership potential communication skills, teamwork as well as critical and creative thinking. In 2023, we introduced a Mandarin language module to the current cohort of 29 students to expand their communication skills. The students also attended a smart learning workshop to hone their leadership capabilities and nurture academic excellence. In addition, Malaysia Airports provides the students with a 'back-to-school' allowance for them to prepare for the new school year.

Education aid

Identifying B40 students in the vicinity of KUL and KCH, we contributed school uniforms and back-to-school supplies to enable 300 students to start the new school year in good spirits. We also collaborated with MyKasih Foundation to providing funding for a further 300 needy students through the use of MyKasih student smartcards which can be used to purchase food and drinks at school canteens, as well as books and stationery at the school bookstores. In addition, in conjunction with the CAPA Asia Aviation Summit & Sustainability Awards 2023 hosted by Malaysia Airports, a donation of smart TVs and sports equipment was made to the SK (Asli) Bukit Bangkong, a primary school in the vicinity of KUL.

Festive cheer

At the MYAirportCARES Ceria Aidilfitri dan Majlis Berbuka, Malaysia Airports celebrated with an estimate 700 invited guests among whom were mosque congregations. Donations to the needy were also made to bring festive cheer to their families.

Humanitarian Relief

To alleviate the suffering of communities devastated by humanitarian crises, Malaysia Airports stepped up to contribute towards the humanitarian relief efforts.

Earthquake in southeast Türkiye

Following the devastating earthquake in southeast Türkiye in February 2023, SAW was used as a rescue and logistics hub for rescue personnel and relief efforts, as well as a crisis management centre. Our colleagues at the airport provided all necessary support and assistance including providing food and drink for those involved in the relief efforts. In addition, Malaysia Airports together with SAW and our employees made a donation for humanitarian relief of over EUR5.0 million to the Government of Türkiye, the Disaster and Emergency Management Authority of Türkiye (AFAD) and Turk Kızılay (Turkish Red Crescent).

Donated

EUR5.0 million

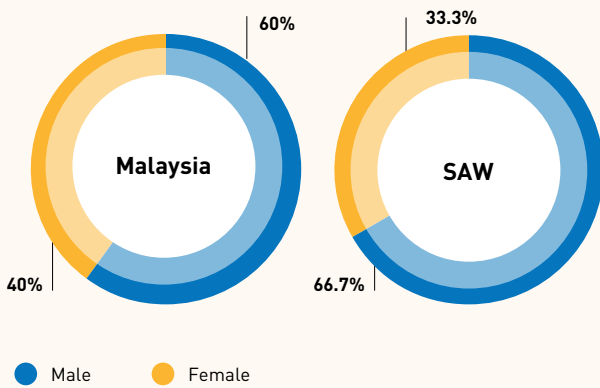
for humanitarian relief

SUSTAINABILITY REVIEW

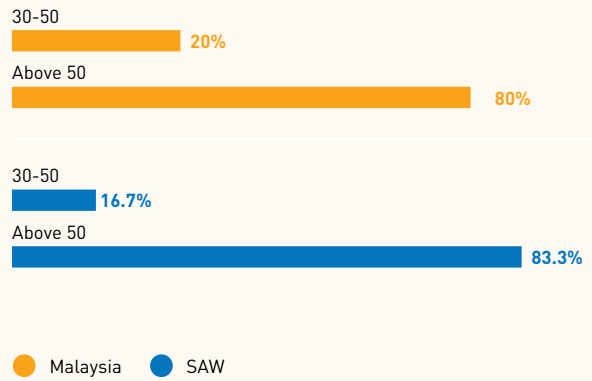
Diversity

Our reporting on diversity throughout Malaysia Airports at Board, Management and employee levels is characterised primarily by gender and age. We serve a diverse group of stakeholders, as such, it is important that we have a diverse workforce that can engage effectively with our stakeholders on a range of issues. As an equal opportunity employer, we are committed to ensuring that there is no discrimination against gender, age, religion and physical disabilities.

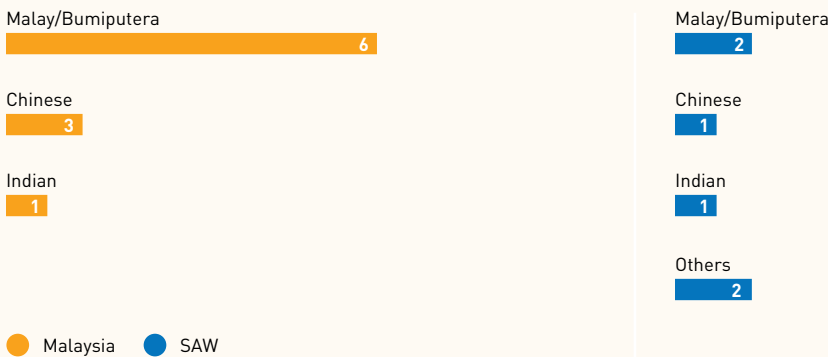
Board Members by Gender



Board Members by Age



Board Members by Ethnicity



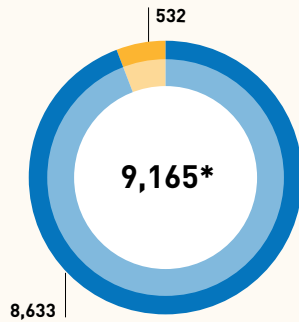
Note: The data of Board Member is as of April 2024.



SUSTAINABILITY REVIEW

Employee Diversity

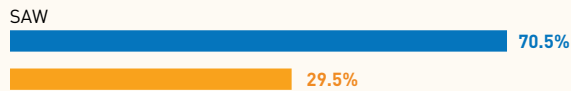
Employees by Region



● Malaysia ● SAW

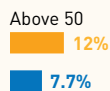
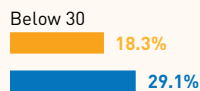
* Does not include KLAH only

Employees by Region and Gender



● Male ● Female

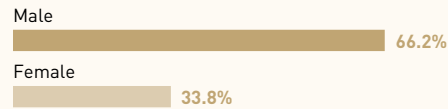
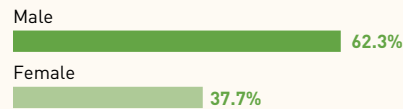
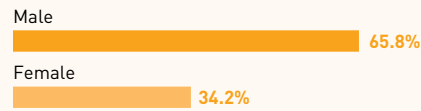
Employees by Age Group



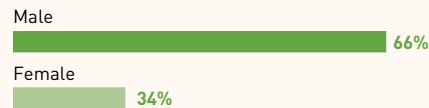
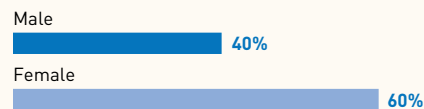
● Malaysia ● SAW

Percentage of Employees per Employee Category by Gender

Malaysia



SAW



● Senior Management ● Management
 ● Executive ● Non- Executive

SUSTAINABILITY REVIEW

Health and Safety

As the safety of our staff is a key consideration for Malaysia Airports, we make it compulsory for all employees to complete occupational safety and health training modules which cover key topics such as understanding OSH policies, Noise Awareness, Chemical Management Awareness and Indoor Air Quality.

The Group's Occupational Health and Safety (OSH) Department also organises activities to get our employees involved and interested in health and safety. We also conduct safety briefings for all employees located at its headquarters to remind business units of the importance of full compliance with applicable international and national statutory and regulatory requirements. This is crucial to keep the workplace free from hazards to prevent injury, ill health and ensure safety to all customers, vendors and public. The following action was taken in 2023 to reinforce the importance of health and safety and prevent workplace accidents.

Training

In addition to mandatory online training, the OSH department conducts safety briefings, safety, health and environmental induction sessions and OSH knowledge sharing sessions. These sessions include specific areas such as OSH Technical training for all airports and subsidiaries, HIRADC (Identify Hazard, Risk Assessment and Determining of Control), chemical management, safety working at height, fire prevention and control, First Aid, CPR and AED training, and Airside Safety Briefings.

Communication

We regularly broadcast OSH alerts across the Group to increase awareness among staff. Focus areas include information on communicable diseases such as Influenza, COVID-19, Ergonomics, incident statistics and lessons learned, as well as safety and health tips and guidelines.

OSH audits

We conducted OSH compliance audits, workplace inspections and enforcement action to identify and address safety issues. OSH Committee meetings and workplace inspections are conducted on a quarterly basis with representatives from various divisions to update on OSH performance, gather feedback on OSH-related issues and discuss applicable solutions and best practices. We also conducted OHSMS refresher training for internal auditors and trainee auditors.

Getting our employees involved

We conducted Toolbox Talks for employees, organised Health Carnivals to encourage our employees to lead healthy lifestyles and organised a Safety and Health Day 2023 to raise awareness about the importance of occupational safety and health through various programmes and seminars.

Safety, Health and Environment (SHE) committee engagement

The OSH department worked closely with the SHE Committees to promote safety and health at workplace, incident prevention and OSH compliance. Four Safety, Health, and Environment (SHE) regional meetings were held in the year with all airport managers and the SHE Secretary of all airports to update on OSH performance and discuss issues relating to OSH compliance.

Engagement with authorities

We also engage regularly the relevant authorities to prevent workplace accidents and curb COVID-19 infections such as the Ministry of Health, Department of Occupational Safety, and continuously monitor legal and other requirements to ensure the Group's compliance.

Regular **safety briefings, safety, health and environmental induction sessions**

OSH alerts are broadcasted regularly across the Group

SUSTAINABILITY REVIEW

In terms of occupational accident indicators, for operations in Malaysia, there were no fatalities in 2023. The incident rate however rose to 1.01 in 2023 from 0.45 in 2022. The frequency rate also showed an increase from 0.18 in 2022 to 0.40 in 2023. The severity rate also rose from 5.1 in 2022 to 7.31 in 2023. In order to prevent workplace accidents, following action have been taken:

- Ongoing OSH compliance audits and enforcement.
- Publication of OSH alerts to increase awareness among staff. Focus areas are:
 - Information on communicable disease i.e Influenza, COVID-19 etc.
 - Incident statistics and lessons learned.
 - Safety and health tips and guidelines.
- Mandatory online training, safety briefing and specific OSH knowledge sharing sessions.
- Conducted knowledge sharing sessions regarding HIRADC (Identify Hazard, Risk Assessment and Determining of control), Chemical Management, First Aid management, incident investigation and prevention etc.
- Conducted 4 sessions Safety, Health, and Environment (SHE) regional meeting on 23 & 24 Feb 2023 with all Airports managers and Airports SHE Secretary to update OSH performance and gather any issue related to OSH compliance.
- Conducted OSH Committee meetings and workplace inspection on Quarterly basis with representatives from various divisions. To update OSH performance, gather any issues related to OSH and find the best solution.
- Worked closely with all the airports SHE Committees in promoting safety and health at workplace, incident preventions and OSH compliances.
- Engagement with respective authorities in preventing workplace accidents and COVID-19 infection i.e KKM, DOSH, MKN, JTK etc.
- Conducted OHSMS refresher training for internal auditors and trainee auditors.
- Conducted various safety and health awareness training i.e : safety working at height, fire prevention and control, safety, health and environmental induction, Basic Occupational First Aid, CPR, & AED training, Use 3 point contact for step ladder training, Airside Safety Briefing.
- Conducted Toolbox Talk for employees.
- Organised Health Carnival to emphasised healthy lifestyle.
- Conducting physical OSH Technical training for all airports and subsidiaries.
- Organised Safety and Health Day to raise awareness about the importance of occupational safety and health. Various programmes and seminars during OSH Day 2023.
- Continuously monitor Legal and other requirements compliance.



SUSTAINABILITY REVIEW

For operations in Türkiye, there were also no fatalities at SAW in 2023. The incident rate rose from 7.0 in 2022 to 11.0 in 2023. The frequency rate also increased from 0.054 in 2022 to 0.075 in 2023 while the severity rate rose from 2.72 in 2022 to 3.43 in 2023. In view of this, the following actions have been taken to reduce the incident rate:

Workplace training programmes

One of the key programmes was the ‘Working at Heights’ training for employees which increases their awareness of the dangers and risks of working at heights. The programme also trains them on safe work procedures and equipment use as well as the use and maintenance of personal protective equipment.

Vocational training and certification

We enrol our employees in structured training programmes which offer vocational qualification and certification. Requiring employees to obtain vocational qualification certificates ensures that they have the necessary knowledge and skills for their work, and this is a significant step in reducing the incident rate, creating a safe working environment and reducing the risk of accidents in workplace.

Strict follow-up actions

We have also conducted site observations to identify hazardous and risky situations. Reports on the identified actions together with solutions are discussed with the relevant units. Strict follow-up reviews are conducted to eliminate non-conformity and ensure compliance.

We will continue to emphasise health and safety in the workplace in our commitment to ensure the safety of our employees.

‘Working at Heights’ training for employees

Employees obtain vocational qualification certificates

Strict follow-up reviews are conducted to ensure compliance

Learning and Development

Employee learning and development is an important aspect of our social goals in line with the Group’s policy to create an inspiring workplace for employees and nurture their professional and personal growth. It is also a critical aspect of our Group’s strategic focus. In 2023, for operations in Malaysia, learning and development was a central focus, with the average training hours rising by 45.7% YoY to 51 hours per employee, compared to 35 hours per employee in 2022. The Group’s investment for training for employees in Malaysia rose 69% YoY to RM3.9 million in 2023, compared to RM2.3 million in 2022.

At SAW, the average training hours per employee was 3.8 hours.

Learning and development programmes in 2023 focused on two key areas, namely developing leaders and improving competencies.

Developing leaders

Two programmes, MARVEL (Malaysia Airports Visionary and Effective Leadership) for executives and BEST (Building Empowered Supervisory Teams) for non-executive employees were the Group’s signature leadership programmes. The programmes aim to enhance their leadership skills and competencies.

The MARVEL programme for executives is a eight months modular programme consisting of four modules with coaching sessions. On the other hand, BEST for non-executive employees is a two-day comprehensive module aimed at equipping supervisors with the necessary skills to effectively manage their teams. Since 2022, we have successfully completed five cohorts of MARVEL and three cohorts of BEST. This programme is conducted annually to continue developing and nurturing leaders within the Malaysia Airports.

Employee are given the opportunity to explore external training opportunities of their interest, such as seminars or conferences, to enhance their leadership skills and stay updated on the latest global business trends. This allows senior leaders to continue their professional development and stay at the forefront of industry best practices.

SUSTAINABILITY REVIEW

Improving competencies

Among the notable programmes which cover a wide range of competencies throughout the Group are:

Collaboration with Universiti Teknologi Mara

This programme enables employees to pursue a part time degree in Accounting. The five-year course began in 2021 and the cohort will graduate in 2025. The course fees are sponsored by Malaysia Airports and participants are required to fulfil a five-year bond. This unique initiative, endorsed and approved by management, is designed to equip non-executive staff in the Finance Division with the necessary skills and knowledge to qualify for higher positions within the division in the future.

ISG-MAHB Cross Fertilisation Programme

This short-term and long-term talent exchange programme for our employees in Malaysia and Türkiye enables them to gain new cross-cultural reference points, enhance leadership skills and improve functional skills while living and working abroad.

Malaysia Airports also provides assistance to employees who are nearing retirement age to facilitate continued employability following retirement. The Group's pre-retirement programme assists employees in preparing for their retirement by providing them with the necessary support and resources to plan for a smooth transition into retirement. It also empowers employees to make informed decisions regarding their financial security, health and overall wellbeing during their retirement years.

Human Rights

The protection of human rights is fundamental to Malaysia Airports' operations. In the area of employment, the Group ensures compliance with relevant legislation and the relevant International Labour Organization (ILO) conventions as applicable to corporations. The table below maps out Malaysia Airports' compliance with relevant legislation in Malaysia and international best practice.

No.	ILO Conventions	Malaysian Employment Law	Malaysia Airports' Compliance
1	C029 - Forced Labour Convention, 1930 (No. 29)	Employment Act 1955 Sabah Labour Ordinance Sarawak Labour Ordinance	The Group complies with all provisions of the relevant employment legislation and subsidiary legislation made thereunder.
2	C098 - Right to Organise and Collective Bargaining Convention, 1949 W(No. 98)	Industrial Relations Act 1967	The Group recognises the right of employees to collective bargaining. Collective Agreements in place with three unions – KESMA, KEPEMAB and KEPMAS.
3	C100 - Equal Remuneration Convention, 1951 (No. 100)	Employment Act 1955 Sabah Labour Ordinance Sarawak Labour Ordinance Minimum Wages Order 2022	The Group complies with all provisions of the relevant employment legislation and subsidiary legislation made thereunder.
4	C138 - Minimum Age Convention, 1973 (No. 138)	Children and Young Persons (Employment) Act 1966	The Group stands guided by the provisions of the Act. Under the Group's recruitment guidelines and practices, we do not hire young persons as stated by the Act.

SUSTAINABILITY REVIEW

No.	ILO Conventions	Malaysian Employment Law	Malaysia Airports' Compliance
5	C182 - Worst Forms of Child Labour Convention, 1999 (No. 182)	Children and Young Persons (Employment) Act 1966	As above for no. 4.
6	C187 - Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187)	Occupational Safety and Health Act 1994	In addition to complying with the legislation, the Group's Safety and Health Policy reflects the provisions of the convention.
7	C095 - Protection of Wages Convention, 1949 (No. 95)	Employment Act 1955 Minimum Wages Order 2022	The Group stands guided by the Minimum Wages Order 2022, and under the Group's compensation and benefits policies, the minimum wage is RM1,500 as prescribed by the Order.
8	C119 - Guarding of Machinery Convention, 1963 (No. 119)	Factories and Machinery Act 1967	In addition to complying with the legislation, the Group's Safety and Health Policy reflects the provisions of the convention.
9	C123 - Minimum Age (Underground Work) Convention, 1965 (No. 123)	Children and Young Persons (Employment) Act 1966	The Group stands guided by the provisions of the Act. Under the Group's recruitment guidelines and practices, we do not hire young persons as stated in the Act.
10	C131 - Minimum Wage Fixing Convention, 1970 (No. 131)	Employment Act 1955 Minimum Wages Order 2022	The Group stands guided by the Minimum Wages Order 2022, and under the Group's compensation and benefits policies, the minimum wage is RM1,500 as prescribed by the Order.
11	C081 - Labour Inspection Convention, 1947 (No. 81)	Not applicable (obligations of governments)	Not applicable
12	C088 - Employment Service Convention, 1948 (No. 88)		
13	C144 - Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144)		
14	MLC, 2006 - Maritime Labour Convention, 2006 (MLC, 2006)	Not applicable to Malaysia Airports' business	Not applicable

In 2023, the Group received two complaints pertaining to human rights violations namely complaints of sexual harassment. Out of the two cases, one has been withdrawn and is considered closed. The other case was investigated in accordance with the Group's internal procedures which is confirmed valid and has been effectively closed.



SUSTAINABILITY REVIEW

Collective Bargaining

Malaysia Airports recognises the right of employees to collective bargaining. Approximately 83% of the employees in Malaysia are covered by collective bargaining agreements with three unions – KESMA, KEPEMAB and KEPMAS. In 2023, the Group entered into fresh collective agreements with the three unions for the period from 2024 to 2026.

Standards and Certification

Malaysia Airports aims to certify its key businesses in accordance with applicable standards to incorporate leading industry best practices in its operations. This promotes delivery of services of a consistent high quality while embedding occupational health and safety considerations in business decision-making.

The ISO 9001: 2015 Quality Management Systems covers the Group headquarters, the entire airport network in Malaysia, the retail sale of duty free and non-dutiable goods, the facilities management business and its agriculture arm. The ISO 45001:2018 Occupational Health & Safety Management Systems covers Malaysia Airports' headquarters, the entire network of airports in Malaysia together with its facilities management business.

Standards	Certified Businesses
ISO 9001: 2015 Quality Management Systems	Malaysia Airports Holdings Berhad Malaysia Airports (Sepang) Sdn Bhd Malaysia Airports Sdn Bhd, Malaysia Airports (Niaga) Sdn Bhd Urusan Teknologi Wawasan Sdn Bhd MAB Agriculture-Horticulture Sdn Bhd
ISO 45001:2018 Occupational Health & Safety Management Systems	Malaysia Airports Holdings Berhad, Malaysia Airports (Sepang) Sdn Bhd Malaysia Airports Sdn Bhd Urusan Teknologi Wawasan Sdn Bhd

SUSTAINABILITY REVIEW



GOVERNANCE

Malaysia Airports is committed to promoting sound corporate governance practices and a culture of integrity and transparency throughout the Group. Good corporate governance is the bedrock that guides our strategic direction, decision-making process and accountability to enable the Group to deliver sustainable long-term value to stakeholders.

This Annual Report includes a Corporate Governance Overview Statement pages 208 to 250 and a Statement on Risk Management and Internal Control pages 255 to 261. In addition, highlights on the Group's progress with regards to 'Integrity and Anti-Corruption' and 'Regulatory Compliance' are contained in the Material Matters section of this report pages 73 and 71.

Therefore, this section of the Sustainability Review focuses on the progress made in maintaining data privacy, cybersecurity and ensuring supply chain integrity.



SUSTAINABILITY REVIEW

Data Protection and Cybersecurity

Malaysia Airports continuously strengthens its cybersecurity capabilities to protect the security and privacy of stakeholders' business information and systems as airport operations are a national security matter. As operations and data is increasingly digitalised and data is shared among airport stakeholders for efficiency and effectiveness of our airports, there are increased risks relating to cyber-related security threats and exposure of data to third parties. As such, cybersecurity is crucial to ensure the data of stakeholders and the Group's own data and digitalised processes are always protected.

Malaysia Airports has in place a Cybersecurity Acceleration Programme to safeguard the Group from threats. Following a comprehensive review of the programme, the Group launched Cybersecurity Acceleration Programme 2.0 to strengthen the organisation against ever-evolving cyber threats and attacks. For our operations in Türkiye, in 2023, we made technology investments were made to improve and enhance our cybersecurity capabilities.

Enterprise risk assessments

Risk assessments are regularly conducted by all divisions and subsidiaries. The cybersecurity-related risk has been assessed at the corporate level for all systems managed by the Group's IT Division and identified risks will be rectified in ongoing mitigation projects.

Training for employees

As our employees can be a strong line of defence against cybersecurity threats, an online learning programme is conducted quarterly, and employees must pass the exam quiz to gauge their understanding of all topics they have learned. Cybersecurity posters are also produced quarterly to enhance employees' knowledge on protecting data confidentiality, preserving data integrity and promoting data availability for authorised users.

Updating operating procedures

Malaysia Airports regularly updates applicable Standard Operating Procedures and General Procedures to include cybersecurity elements for the development and testing team and other related parties. There are also knowledge sharing sessions with all relevant stakeholders on cybersecurity and IT governance.

SAW investments in cybersecurity

Investments in upgrading the airport's cybersecurity capabilities has resulted in better visibility and awareness of cyber threats. In addition, data relating to the attacks is gathered and analysed to enhance protection and to assess and detect future threats. Training for employees is also conducted to increase their awareness on cyber threats. The airport also conducts internal audits, and ensures that corrective and preventive actions are taken to minimise the risk of cybersecurity breaches.

- **Risk assessments**
conducted regularly
- **Online learning programme**
conducted quarterly
- **Standard Operating Procedures and General Procedures**
are regularly updated

SUSTAINABILITY REVIEW

Supply Chain Management and Procurement

Malaysia Airports' policy is to support local vendors in its procurement of goods and services. In 2023, for operations in Malaysia, a total of RM990.0 million was spent on procurement from 1,274 vendors. Out of those, 1,229 or 96% are local entities, covering a total spend of RM949.9 million. The Group's procurement policies also express a preference for local vendors for Sabah and Sarawak to encourage local vendor participation and to boost the local economy.

96%
of procurement
from local vendors

Sustainability questionnaires are included in tender documents to enable the Group to evaluate and gauge a vendor's level of sustainability awareness. A sustainability conscious/friendly database of vendors is also being created as reference for future vendor selection.

To enhance transparency and efficiency, procurement processes at our airports leverage on technology for e-procurement for better transparency and accuracy, faster decision-making and turnaround, and cost savings.

Integrity in procurement is a cornerstone of our corporate procurement procedures. In 2023, there were no breaches of the Group's Procurement Code of Ethics. We strictly enforce the rules and best practices contained in our policies and procedures to uphold supply chain integrity. These matters include:

Procurement Manual

The procedures contained in the documents ensure that Malaysia Airports' procurement is always obtained at best value and awarded only to the vendors, contractors, suppliers or service providers who offer the best contract package in terms of cost, service level and quality.

Vendor Code of Ethics

This Code of Ethics outlines Malaysia Airports' expectations for vendors to respect and adhere to ethical conduct when doing business with or on behalf of Malaysia Airports. Vendors must comply with all applicable laws and regulations, the requirements set out in the Code of Ethics and their contractual obligations to Malaysia Airports.

Anti-Bribery Management System

The Group has established the ISO 37001: 2016 Anti-Bribery Management System to strengthen the integrity of our businesses at airports.

Anti-Bribery and Corruption Policy Statement

The policy outlines the Group's zero-tolerance towards all forms of corruption.

Fraud Policy

Malaysia Airports maintains a zero-tolerance attitude towards fraud. In particular, the Fraud Policy prohibits dishonest and fraudulent activity, and establishes procedures for reporting fraudulent activities to the Management. The policy applies to any fraud, or suspected fraud, involving employees as well as consultants, vendors, contractors, external agencies doing business with the Group's employees and other parties with business relationships with the Group.

SUSTAINABILITY REVIEW

Prohibition on gifts

In line with the Group's Gift Policy and the Code of Ethics and Conduct, our employees must not solicit or receive any gifts from current or potential vendors, agents and business partners, either directly or indirectly which may influence the employee's judgement in a decision-making process or put the employee in a position of conflict.

Whistleblowing Policy

To amplify the Group's zero-tolerance towards fraud, the whistleblowing policy provides a structured reporting channel and guidance for employees and external parties to raise their concerns about any possible improprieties within the Group.

Provides **structured reporting channel** for employees and external parties

Standards and Certification

Malaysia Airports has also sought to certify its key businesses in accordance with applicable standards to enable leading industry best practices to be incorporated in its operations for Anti-Bribery and IT security.

The ISO 37001: 2016 Anti-Bribery Management Systems covers the Group headquarters, operations at KUL, and in 2023, covers also the retail sale of duty free and non-dutiable goods and the facilities management business in line with the roll out of the standards across the Group. The ISO/IEC 27001: 2013 Information Security Management Systems covers selected businesses and sites as shown in the table below.

Standards	Certified Businesses
ISO 37001: 2016 Anti-Bribery Management Systems	Malaysia Airports Holdings Berhad, Malaysia Airports (Sepang) Sdn Bhd Malaysia Airports (Niaga) Sdn Bhd Urusan Teknologi Wawasan Sdn Bhd
ISO/IEC 27001: 2013 Information Security Management Systems & Safety Management Systems	Malaysia Airports Holdings Berhad (Sites: Human Capital Division Procurement & Contract Division and IT Division only) Malaysia Airports Sdn Bhd (Sites: LGK and PEN only) Malaysia Airports (Sepang) Sdn Bhd

SUSTAINABILITY PERFORMANCE DATA

AIRPORT CAPACITY

GRI Standard	Indicators	Unit of Measurement	2021			2022			2023		
			Design Capacity	Current Capacity	%	Design Capacity	Current Capacity	%	Design Capacity	Current Capacity	%
GRI 3: Material Topics 2021	KUL Terminal 1	mppa	30,000,000	2,153,345	7.2%	30,000,000	9,083,746	30.3%	30,000,000	23,675,528	78.9%
	KUL Terminal 2	mppa	45,000,000	1,858,491	4.1%	45,000,000	5,190,579	11.5%	45,000,000	23,559,683	52.4%
	PEN	mppa	6,500,000	543,519	8.4%	6,500,000	4,281,215	65.9%	6,500,000	6,789,712	104.5%
	BKI	mppa	9,000,000	1,123,673	12.5%	9,000,000	5,023,113	55.8%	9,000,000	7,044,237	78.3%
	KCH	mppa	5,000,000	840,425	16.8%	5,000,000	4,340,393	86.8%	5,000,000	5,331,777	106.6%
	LGK	mppa	4,000,000	762,142	19.1%	4,000,000	2,242,006	56.1%	4,000,000	2,503,778	62.6%
	SZB	mppa	1,500,000	577,984	38.5%	1,500,000	1,548,148	103.2%	1,500,000	1,379,176	91.9%
	KBR	mppa	1,500,000	501,930	33.5%	1,500,000	1,384,903	92.3%	1,500,000	1,583,288	105.6%
	MYY	mppa	2,000,000	509,367	25.5%	2,000,000	1,776,182	88.8%	2,000,000	2,201,131	110.1%
	SBW	mppa	1,800,000	243,350	13.5%	1,800,000	1,234,911	68.6%	1,800,000	1,548,612	86.0%
	AOR	mppa	1,500,000	165,678	11.0%	1,500,000	526,802	35.1%	1,500,000	588,771	39.3%
	KUA	mppa	500,000	21,251	4.3%	500,000	103,961	20.8%	500,000	176,110	35.2%
	TGG	mppa	1,500,000	165,649	11.0%	1,500,000	611,724	40.8%	1,500,000	595,096	39.7%
	LBU	mppa	2,200,000	150,178	6.8%	2,200,000	455,253	20.7%	2,200,000	469,115	21.3%
	SDK	mppa	1,400,000	245,244	17.5%	1,400,000	793,581	56.7%	1,400,000	898,014	64.1%
	TWU	mppa	1,500,000	415,977	27.7%	1,500,000	1,377,797	91.9%	1,500,000	1,711,088	114.1%
	BTU	mppa	1,000,000	166,236	16.6%	1,000,000	726,408	72.6%	1,000,000	872,520	87.3%
	IPH	mppa	500,000	35,145	7.0%	500,000	334,165	66.8%	500,000	517,129	103.4%
	LMN	mppa	75,000	85,562	114.1%	75,000	149,960	199.9%	75,000	83,695	111.6%
	MKZ	mppa	500,000	0	0.0%	500,000	18,821	3.8%	500,000	23,489	4.7%
LDU	mppa	100,000	49,422	49.4%	100,000	121,237	121.2%	100,000	142,602	142.6%	
MZV	mppa	50,000	11,600	23.2%	50,000	62,505	125.0%	50,000	72,150	144.3%	

SUSTAINABILITY PERFORMANCE DATA

MALAYSIA AIRPORTS HOLDINGS BERHAD

GRI Standard	GRI Disclosure	Indicators	Unit of Measurement	2021	2022	2023
ENVIRONMENTAL						
ENERGY EFFICIENCY						
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Fuel Consumption and Intensity				
		Fuel	litres	261,267	201,560.32	357,749
		Fuel Intensity	litre/passenger	0.024	0.004	0.004
		Electricity Consumption				
		Total Electricity Consumption	kWh	350,463,164	423,131,586	517,296,408
		Electricity Intensity	electricity/passenger	32.6	8.0	6.3
		Solar Power Generated				
		Solar Energy Production - KUL Terminal 1	kWh	3,867,545	4,010,539	15,629,955
	Solar Energy Production - KUL Terminal 2	kWh	12,129,041	10,161,623	N/A	
	Solar Energy Production - MASB Airport	kWh	689,971.02	4,950,174.16	12,095,433	
	302-3 Energy intensity	Energy Intensity				
		Energy Consumption	million kWh	350.40	423.13	517.30
		Energy Intensity	kWh/passenger	32.6	8.0	6.3
		YoY change	%	105.03%	-75.38%	-21.36
Breakdown in Energy Consumption						
KUL		million kWh	267	323	409	
	Other airports	million kWh	83.4	99.8	108.4	
WATER MANAGEMENT						
GRI 303: Water and Effluents 2018	303-5 Water consumption	Water Consumption				
		Total Water Consumption	million cubic metres	7.7	9.3	10.4
		Water Consumption Intensity	litre/passenger	718	177	127
		YoY change	%	96.0%	-75.3	-28.2%
		Rainwater Harvesting in KUL Terminal 2				
		Total rainwater harvested	m ³	41,993	39,594	38,568
		Total savings in value	RM	95,744.04	99,842.87	110,304.48
Total savings in consumption	megalitres	42	39.6	38.6		

SUSTAINABILITY PERFORMANCE DATA

MALAYSIA AIRPORTS HOLDINGS BERHAD						
GRI Standard	GRI Disclosure	Indicators	Unit of Measurement	2019	2021	2022
ENVIRONMENTAL						
EMISSIONS						
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Scope 1				
		Diesel for vehicles (transport)	tCO ₂ e	607	336	119
		ULP vehicles (transport)	tCO ₂ e	501	198	294
		Diesel for generators (stationary)	tCO ₂ e	19	36	8
		Refrigerants leakage for air conditioning systems (R407-c)	tCO ₂ e	90	98	98
		Refrigerants leakage for air conditioning systems (R410-a)	tCO ₂ e	43	45	45
		Refrigerants leakage for air conditioning systems (R-22)	tCO ₂ e	149	144	144
		Refrigerant leakage for Pre-Conditioned Air (PCA) units at the aerobridges (R-22)	tCO ₂ e	444	444	444
		Sulphur hexafluoride leakage for GIS and circuit breakers	tCO ₂ e	332	374	374
		Fire extinguishers, CO2-filled	tCO ₂ e	1	1	1
	Fire Suppressant HFC-227ea	tCO ₂ e	182	182	292	
	305-2 Energy indirect (Scope 2) GHG emissions	Scope 2				
		KUL's purchased electricity for own use, i.e. Total purchased electricity less then tenants consumption (Location based)	tCO ₂ e	116,250	64,622	103,045
305-3 Other indirect (Scope 3) GHG emissions	Scope 3					
	Staff Commuting	tCO ₂ e	19,319	0	11,943	
	Fuel - Airside Vehicle (Ground Support Equipment) - Petrol	tCO ₂ e	134	28	74	
	Fuel - Airside Vehicle (Ground Support Equipment) - Diesel	tCO ₂ e	1,430	3,240	5,700	
	Aircraft LTO (Landing & Take Off)	tCO ₂ e	566,659	147,250	257,025	
	Aircraft APU (Auxiliary Power Unit)	tCO ₂ e	157,798	49,743	75,647	
	Employee Flight Travelling	tCO ₂ e	626	0	1,951	
	Tenant Electricity Consumption	tCO ₂ e	152,482	82,254	149,145	
	Passenger Surface Access - Car	tCO ₂ e	94,959	6,325	93,402	
	Passenger Surface Access - Grab	tCO ₂ e	53,727	3,579	34,695	
	Passenger Surface Access - Taxi	tCO ₂ e	40,122	2,673	4,314	
	Passenger Surface Access - Bus	tCO ₂ e	28,328	1,791	16,265	
	Passenger Surface Access - ERL	tCO ₂ e	43,458	2,936	14,324	
Passenger Surface Access - Motorbike	tCO ₂ e	1,786	116	0		
Waste to Landfill	tCO ₂ e	38,124	10,206	9,563		

SUSTAINABILITY PERFORMANCE DATA

MALAYSIA AIRPORTS HOLDINGS BERHAD					
Indicators	Unit of Measurement	Compliance Limit	2021	2022	2023
NOISE MONITORING					
N8 - Bandar Sri Ehsan	dBA	Daytime = 65	54	53	48
		Night-time = 60	49	51	42
N9 - *Q1 Masjid Ar Rahimah, Q2 - Q4 Saujana KLIA	dBA	Daytime = *60/65	53	57	50
		Night-time = *55/60	54	57	49
N10 - KLIA Sewage Treatment Plant	dBA	Daytime = 75	64	64	61
		Night-time = 75	64	67	63
N11 - AFRS Station	dBA	Daytime = 75	55	63	80
		Night-time = 75	52	61	79
N12 - Taman Bunga Raya	dBA	Daytime = 65	63	62	55
		Night-time = 60	53	59	54
N13 - Masjid Quarters KLIA	dBA	Daytime = 60	55	56	63
		Night-time = 55	51	55	61
N14 - Taman Langat Murni	dBA	Daytime = 65	55	53	59
		Night-time = 60	50	50	63
N15 - Kampung Chinchang	dBA	Daytime = 60	57	56	52
		Night-time = 55	49	53	47
N16 - Sek Keb Kota Warisan	dBA	Daytime = 60	56	57	58
		Night-time = 55	53	54	56
N17 - Homestay Banghuris	dBA	Daytime = 65	51	57	49
		Night-time = 60	49	55	45
N18- Masjid Sepang	dBA	Daytime = 60	59	42	55
		Night-time = 55	55	58	52
N19 - Tanjung Mas Batu	dBA	Daytime = 65	57	62	69
		Night-time = 60	54	56	70
N20 - Runway 3	dBA	Daytime = 75	61	64	67
		Night-time = 75	52	62	63
Indicators	Unit of Measurement		2021	2022	2023
ENVIRONMENTAL					
LAND AND WATER CONTAMINATION					
Oil Spillage Cases at KUL	Number of Cases		51	93	65
Oil Spillage Cases at MASB	Number of Cases		26	13	22
WILDLIFE STRIKES					
Wildlife Strikes under 300 feet within inner boundary at KUL	Number of Birdstrike		36	64	83
Wildlife Strikes under 300 feet within inner boundary at MASB	Number of Birdstrike		61	109	79

SUSTAINABILITY PERFORMANCE DATA

MALAYSIA AIRPORTS HOLDINGS BERHAD

GRI Standard	GRI Disclosure	Indicators	Unit of Measurement	2021	2022	2023
SOCIAL						
BOARD DIVERSITY						
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Gender				
		Male	Number (Percentage)	54.5%	5 (45.5)	6 (60.0)
		Female	Number (Percentage)	45.5%	6 (54.5)	4 (40.0)
		Age				
		Below 30	Number (Percentage)	0%	0.0	0
		31-50	Number (Percentage)	9.1%	3 (27.3)	2 (20.0)
		Above 50	Number (Percentage)	90.9%	8 (72.7)	8 (80.0)
		Disabilities				
		Male	Percentage	0	0	0
		Female	Percentage	0	0	0
		Ethnicity				
		Malay/Bumiputera	Number (Percentage)	8 (72.7)	8 (72.7)	6 (60.00)
Chinese	Number (Percentage)	2 (18.2)	2 (18.2)	3 (30.0)		
Indian	Number (Percentage)	1 (9.1)	1 (9.1)	1 (10.0)		
Others	Number (Percentage)	N/A	N/A	N/A		

Note: The data of Board Member is as of April 2024.

EMPLOYEE DIVERSITY						
GRI 2: General Disclosures 2021	2-7 Employees	Employee Counts				
		Total Employees	Number	8,764	8,541	8,633
		Employee by Gender				
		Male	Number (Percentage)	5,706 (65.1)	5,619 (65.8)	5,673 (65.7)
		Female	Number (Percentage)	3,058 (34.9)	2,922 (34.2)	2,960 (34.3)
		Employee by Gender and Age Group				
		Below 30 - Male	Number (Percentage)	1,120 (58.9)	975 (62.0)	1,007 (63.9)
		Below 30 - Female	Number (Percentage)	783 (41.1)	597 (38.0)	569 (36.1)
		30-50 - Male	Number (Percentage)	3,638 (64.7)	3,789 (64.8)	3,892 (64.7)
		30-50 - Female	Number (Percentage)	1,988 (35.3)	2,062 (35.2)	2,126 (35.3)
		Above 50 - Male	Number (Percentage)	948 (76.8)	855 (76.5)	774 (74.5)
		Above 50 - Female	Number (Percentage)	287 (23.2)	263 (23.5)	265 (25.5)
		Employee by Gender and Management Category				
		Senior Management - Male	Number (Percentage)	7 (77.8)	31 (77.5)	28 (71.8)
		Senior Management - Female	Number (Percentage)	2 (22.2)	9 (22.5)	11 (28.2)
		Management - Male	Number (Percentage)	238 (65.2)	247 (65.7)	260 (65.8)
		Management - Female	Number (Percentage)	127 (34.8)	129 (34.3)	135 (34.2)
		Executive - Male	Number (Percentage)	639 (62.0)	618 (62.3)	656 (62.3)
Executive - Female	Number (Percentage)	391 (38.0)	374 (37.7)	397 (37.7)		
Non- Executive - Male	Number (Percentage)	4,822 (65.5)	4,723 (66.2)	4,729 (66.2)		
Non- Executive - Female	Number (Percentage)	2,538 (34.5)	2,410 (33.8)	2,417 (33.8)		

SUSTAINABILITY PERFORMANCE DATA

MALAYSIA AIRPORTS HOLDINGS BERHAD						
GRI Standard	GRI Disclosure	Indicators	Unit of Measurement	2021	2022	2023
SOCIAL						
EMPLOYEE DIVERSITY						
GRI 2: General Disclosures 2021	2-7 Employees	Employee by Employment Type				
		Permanent - Male	Number	5,582 (64.8)	5,326 (65.2)	5,326 (65.1)
		Permanent - Female	Number	3,037 (35.2)	2,843 (34.8)	2,851 (34.9)
		Contract - Male	Number	124 (85.5)	293 (79.2)	347 (76.1)
		Contract - Female	Number	21 (14.5)	77 (20.8)	109 (23.9)
		Part Time - Male	Number	0	0	0
		Part Time - Female	Number	0	2 (100)	0
		Disabilities				
		Male	Percentage	7 (77.8)	8 (80.0)	10 (83.3)
		Female	Percentage	2 (22.2)	2 (20.0)	2 (16.7)
		Ethnicity				
		Malay/Bumiputera	Percentage	8,430 (96.2)	8,223 (96.3)	8,321 (96.4)
		Chinese	Percentage	85 (1.0)	76 (0.9)	71 (0.8)
		Indian	Percentage	108 (1.2)	104 (1.2)	105 (1.2)
Others	Percentage	141 (1.6)	138 (1.6)	136 (1.6)		
GRI 401: Employment 2016	401-3 Parental leave	Employee on Parental Leave				
		Male	Number	417	417	351
		Female	Number	237	258	208
		Employee Returned to Work after Parental Leave				
		Male	Number	417	406	336
		Female	Number	235	245	203
		Employee Remained Employed 12 Months Later				
		Male	Number	397	398	396
		Female	Number	186	220	233
		401-1 New employee hires and employee turnover	Number of New Hires by Age Group			
	Below 30		Number	64	277	491
	30-50		Number	44	114	181
	Above 50		Number	7	10	15
	Number of New Hires by Gender					
	Male		Number	94	321	468
	Female		Number	21	80	219
	Employee Turnover by Age Group					
	Below 30		Number	149	210	167
30-50	Number		155	252	221	
Above 50	Number	272	233	216		
Employee Turnover by Gender						
Male	Number	426	463	406		
Female	Number	150	232	198		
Employee Attrition Rate						
	Rate	6.6	8.1	7.0		

SUSTAINABILITY PERFORMANCE DATA

MALAYSIA AIRPORTS HOLDINGS BERHAD

GRI Standard	GRI Disclosure	Indicators	Unit of Measurement	2021	2022	2023
SOCIAL						
EMPLOYEE DIVERSITY						
GRI 405: Diversity and Equal Opportunity 2016	405-2 Ratio of basic salary and remuneration of women to men	Women's to Men's Basic Salary Ratio				
		Senior Management	Ratio	1:1	1:1	0.88:1
		Management	Ratio	1:1	1:1	0.98:1
		Executive	Ratio	1:1	1:1	0.95 :1
		Non-Executive	Ratio	1:1	1:1	0.93: 1
LEARNING AND DEVELOPMENT						
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Learning Hours				
		Total Training Hours	Hours	358,390	297,545	442,027
		Learning Hours by Gender				
		Male	Hours	242,195	204,368	295,167
		Female	Hours	116,195	93,177	146,860
		Average Training Hours Per Employee	Hours	39	35	51
		Average Training Hours by Employee Category				
		Management	Hours	38.0	43.1	44.0
		Executive	Hours	44.0	41.2	46.0
		Non-Executive	Hours	38.0	33.9	52.0
	Total Amount Invested in Employee Learning and Development	RM' million	0.5	2.3	3.9	
	404-2 Programs for upgrading employee skills and transition assistance programs	Total leadership training hours	Hours	590	3,288	4,352
		Average leadership training hours	(man-days per employee)	1.6	56.7	41.0
404-3 Percentage of employees receiving regular performance and career development reviews	Regular performance review (employees)	Percentage	9700%	99.97	99.64	
OCCUPATIONAL HEALTH AND SAFETY						
GRI 403: Occupational Health and Safety 2018	403-5 Worker training on occupational health and safety	Total Worker training on occupational health and safety	Number	8,302	6,693	8,143
	403-9 Work-related injuries	Employee				
		Hours worked	Hours	23,247,744	22,434,048	22,299,264
		Fatalities	Cases	0	0	0
		High-consequence work-related injuries	Cases	5	4	9
		Lost-time injuries	Cases	5	4	9
Recordable work-related injuries	Cases	12	21	25		

SUSTAINABILITY PERFORMANCE DATA

MALAYSIA AIRPORTS HOLDINGS BERHAD							
GRI Standard	GRI Disclosure	Indicators	Unit of Measurement	2021	2022	2023	
SOCIAL							
OCCUPATIONAL HEALTH AND SAFETY							
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	Non-Employees					
		Hours worked	Hours	N/A	N/A	N/A	
		Fatalities	Cases	0	0	0	
		High-consequence work-related injuries	Cases	2	3	1	
		Lost-time injuries	Cases	2	3	1	
	403-10 Work-related ill health	Recordable work-related injuries	Cases	4	17	8	
		Employee					
		Number of fatalities	Cases	0	0	0	
		Recordable work-related ill health	Cases	0	0	0	
		Non-Employees					
		Number of fatalities	Cases	0	0	0	
		Recordable work-related ill health	Cases	0	0	0	
		List the main type of work-related ill health	Cases	0	0	0	
		Occupational Accident Rate					
		Incident	Rate	0.54	0.45	1.01	
		Frequency	Rate	0.22	0.18	0.40	
		Severity	Rate	1.55	5.13	7.31	
		Occupational Disease Rate					
		Incident	Rate	0	0	0	
Frequency	Rate	0	0	0			
Severity	Rate	0	0	0			
COLLECTIVE BARGAINING AGREEMENT							
GRI 2: General Disclosures 2021	2-30 Collective bargaining agreements	Employees in collective bargaining agreements	Percentage	84	84	83	
COMMUNITY INVESTMENT							
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Total community investment	RM	1,279,816	1,120,479	429,927	



SUSTAINABILITY PERFORMANCE DATA

MALAYSIA AIRPORTS HOLDINGS BERHAD						
GRI Standard	GRI Disclosure	Indicators	Unit of Measurement	2021	2022	2023
GOVERNANCE						
PROCUREMENT PRACTICES						
GRI 204: Procurement Practices 2016	204 -1 Proportion of spending on local suppliers	Number of suppliers and total spent				
		Total number of suppliers	Number	896	1,069	1,274
		Total spent on procurement	RM million	626.7	649.10	990
		Proportion of spending on local suppliers				
		Total number of local suppliers engaged	Number	879	1,035	1,229
		Percentage of local suppliers	%	98	97	96
		Total spent on local suppliers engaged (Turkish Lira)	RM million	606.3	616.8	949.9
INTEGRITY AND ANTI-CORRUPTION*						
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Communication and training about anti-corruption policies and procedures				
		Board Members	Hours	0	0	3
		Senior Management	Hours	33	33	31
		Management	Hours	348	366	410
		Executive	Hours	1,041	995	973
		Non-Executive	Hours	7,521	7,058	6,933
	Vendors and others	Hours	248	0	0	
	205-3 Confirmed incidents of corruption and actions taken	Total number of confirmed incidents of corruption	Number	0	0	0
		Total number of confirmed incidents in which employees were dismissed or disciplined for corruption	Number	14	2	0
Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption		Number	0	0	0	
DATA PRIVACY						
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Number of reportable data security breaches	Number	Nil	Nil	Nil
		Number of breaches involving confidential information	Number	Nil	Nil	Nil
		Number of customers affected	Number	Nil	Nil	Nil

* Excluding Sama-sama Hotel, ISG and MACS ME

SUSTAINABILITY PERFORMANCE DATA

ISTANBUL SABIHA GÖKÇEN INTERNATIONAL AIRPORT

GRI Standard	GRI Disclosure	Indicators	Unit of Measurement	2021	2022	2023
ENVIRONMENTAL						
ENERGY EFFICIENCY						
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Fuel Consumption and Intensity				
		Diesel	litres	25,720	7,943	1,600
		Natural gas	GJ	7.1	3.8	4.98
		Total Fuel Consumption	million litres	7.1	38	49.8
		Fuel Intensity	litre/passenger	435.9	280.0	132.6
		Electricity Consumption				
		Total Electricity Consumption	kWh	48,463,751	50,202,140	53,789,047
		Electricity Intensity	electricity/passenger	1.9	1.6	1.4
	302-3 Energy intensity	Energy Intensity				
		Energy Consumption	million kWh	76.0	50.2	53.8
		Energy Intensity	kWh/passenger	3.0	1.6	1.4
		YoY change	%	-0.21	-0.47	
		Breakdown in Energy Consumption				
		Electricity	million kWh	48.5	50,202	53.789
Heating		million kWh	23.7	19,9	17.47	
Cooling	million kWh	3.8	N/A	6.857		
WATER MANAGEMENT						
GRI 303: Water and Effluents 2018	303-5 Water consumption	Water Consumption	million cubic metres	0.25	0.33	0.41
		Water Consumption Intensity	litre/passenger	9.8	10.8	10.77
		YoY change	%	[23.4]	9.8	0.9
WASTE MANAGEMENT						
GRI 306: Effluents and Waste 2016	306-3 Significant spills	Total Waste Sent to Landfill	million kg	5.9	5.5	6.8
		Recycled Waste	million kg	2.9	3.7	4.4
		Total Scheduled Waste Collected	tonnes	54.7	68.8	56.6
		Recycling Rate	%	49.5	5.4	7.74
		Waste Intensity	kg/pax	0.24	0.22	0.15
		Recycled Waste Intensity	kg/pax	0.12	0.13	0.11



SUSTAINABILITY PERFORMANCE DATA

ISTANBUL SABIHA GÖKÇEN INTERNATIONAL AIRPORT

GRI Standard	GRI Disclosure	Indicators	Unit of Measurement	2021	2022	2023	
SOCIAL							
BOARD DIVERSITY							
GRI 405: Diversity and Equal Opportunity 2016	Diversity of governance bodies and employees	Gender					
		Male	Number (Percentage)	100	6 (85.7)	4 (66.7)	
		Female	Number (Percentage)	N/A	1 (14.3)	2 (33.3)	
		Age					
		Below 30	Number (Percentage)	N/A	N/A	N/A	
		31-50	Number (Percentage)	14	1 (14.3)	1 (16.7)	
		Above 50	Number (Percentage)	86	6 (85.7)	5 (83.3)	
		Disabilities					
		Male	Number (Percentage)	N/A	N/A	N/A	
		Female	Number (Percentage)	N/A	N/A	N/A	
		Ethnicity					
		Malay/Bumiputera (%)	Number (Percentage)	N/A	3 (42.9)	2 (33.3)	
		Chinese (%)	Number (Percentage)	N/A	1 (14.3)	1 (16.7)	
Indian (%)	Number (Percentage)	N/A	1 (14.3)	1 (16.7)			
Others (%)	Number (Percentage)	N/A	2 (28.6)	2 (33.3)			
EMPLOYEE DIVERSITY							
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Employee Counts					
		Total Employees	Number	517	512	532	
		Employee by Gender					
		Male	Number	363	362	375	
		Female	Number	154	150	157	
		Employee by Age Group					
		Below 30	Percentage	28.6	25.8	29.1	
		31-50	Percentage	68.1	69.7	63.2	
		Above 50	Percentage	3.3	4.5	7.7	
		Employee by Gender and Management Category					
		Senior Management - Male	Percentage	75	37	40	
		Senior Management - Female	Percentage	25	63	60	
		Management - Male	Percentage	83	73	83	
Management - Female	Percentage	17	27	17			
Executive - Male	Percentage	56	69	66			
Executive - Female	Percentage	44	31	34			
Non- Executive - Male	Percentage	74	71	72			
Non- Executive - Female	Percentage	26	29	28			

SUSTAINABILITY PERFORMANCE DATA

ISTANBUL SABIHA GÖKÇEN INTERNATIONAL AIRPORT

GRI Standard	GRI Disclosure	Indicators	Unit of Measurement	2021	2022	2023
SOCIAL						
EMPLOYEE DIVERSITY						
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Employee by Employment Type				
		Permanent - Male	Percentage	70.2	70.1	70
		Permanent - Female	Percentage	29.8	29.9	30
		Contract - Male	Percentage	0	0	9
GRI 401: Employment 2016	401-3 Parental leave	Employee on Parental Leave				
		Male	Number	11	26	10
		Female	Number	18	9	2
		Employee Returned to Work after Parental Leave				
		Male	Number	4	26	10
		Female	Number	18	6	2
		Employee Remained Employed 12 Months Later				
		Male	Number	4	26	10
	Female	Number	18	6	2	
	GRI 401-1 New employee hires and employee turnover	Number of New Hires by Age Group				
		Below 30	Number	23	36	85
		30-50	Number	7	23	55
		Above 50	Number	0	0	3
		Number of New Hires by Gender				
Male		Number	12	34	104	
Female		Number	18	25	39	
Employee Turnover by Age Group						
Below 30		Number	25	26	9	
30-50		Number	30	35	14	
Above 50	Number	4	2	3		
Employee Turnover by Gender						
Male	39	37	18	37		
Female	20	26	7	26		
GRI 405: Diversity and Equal Opportunity 2016	405-2 Ratio of basic salary and remuneration of women to men	Employee Attrition Rate				
		Senior Management - Male	Percentage	11.4	12.2	
		Senior Management - Female	Percentage			
		Management - Male	Percentage			
		Management - Female	Percentage			
		Executive - Male	Percentage			
		Executive - Female	Percentage			
		Non- Executive - Male	Percentage			
Non- Executive - Female	Percentage					



SUSTAINABILITY PERFORMANCE DATA

ISTANBUL SABIHA GÖKÇEN INTERNATIONAL AIRPORT

GRI Standard	GRI Disclosure	Indicators	Unit of Measurement	2021	2022	2023	
SOCIAL							
LEARNING AND DEVELOPMENT							
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Learning Hours					
		Total Training Hours	Hours	N/A	6,260	2,025	
		Learning Hours by Gender					
		Male	Hours	N/A	4,642	1,410	
		Female	Hours	N/A	1,618	615	
		Average Training Hours Per Employee	Hours	N/A	12.32	3.8	
		Average Training Hours by Employee Category					
		Management	Hours	N/A	6.11	0.2	
		Executive	Hours	N/A	11.06	0.7	
	Non-Executive	Hours	N/A	11.95	2.9		
	Total Amount Invested in Employee Learning and Development	RM					
	404-2 Programs for upgrading employee skills and transition assistance programs	Total leadership training hours	Hours	N/A	N/A	N/A	
		Average leadership training hours	(man-days per employee)	N/A	N/A	N/A	
404-3 Percentage of employees receiving regular performance and career development reviews	Regular performance review (employees)	Number	N/A	N/A	N/A		
OCCUPATIONAL HEALTH AND SAFETY							
GRI 403: Occupational Health and Safety 2018	403-5 Worker training on occupational health and safety	Total Worker training on occupational health and safety	Number	N/A	432		
		Employee					
	403-9 Work-related injuries	Hours worked	Hours	N/A	1,282,500	1,454,690	
		Fatalities	Cases	N/A	7	0	
		High-consequence work-related injuries	Cases	N/A	0		
		Lost-time injuries	Cases	N/A	3	5	
		Recordable work-related injuries	Cases	N/A	7	11	
		Non-Employees					
		Hours worked	Hours	N/A	N/A	N/A	
		Fatalities	Cases	N/A	N/A	N/A	
		High-consequence work-related injuries	Cases	N/A	N/A	N/A	
		Lost-time injuries	Cases	N/A	N/A	N/A	
	Recordable work-related injuries	Cases	N/A	N/A	N/A		

SUSTAINABILITY PERFORMANCE DATA

ISTANBUL SABIHA GÖKÇEN INTERNATIONAL AIRPORT

GRI Standard	GRI Disclosure	Indicators	Unit of Measurement	2021	2022	2023
SOCIAL						
OCCUPATIONAL HEALTH AND SAFETY						
GRI 403: Occupational Health and Safety 2018	403-10 Work-related ill health	Employee				
		Number of fatalities	Cases	N/A	0	0
		Recordable work-related ill health	Cases	N/A	0	0
		Occupational Accident Rate				
		Incident	Rate	7	7	11
		Frequency	Rate	0.024	0.054	0.075
		Severity	Rate	2.41	2.72	3.43
		Occupational Disease Rate				
		Incident	Rate	N/A	0	0
		Frequency	Rate	N/A	0	0
Severity	Rate	N/A	0	0		
COLLECTIVE BARGAINING AGREEMENT						
GRI 2: General Disclosures 2021	2-30 Collective bargaining agreements	Employees in collective bargaining agreements	Percentage	0	0	0
COMMUNITY INVESTMENT*						
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Total community investment	Turkish Lira	0	0	0

* During these years, no social responsibility projects were carried out. Planning is underway for 2023.



SUSTAINABILITY PERFORMANCE DATA

ISTANBUL SABIHA GÖKÇEN INTERNATIONAL AIRPORT						
GRI Standard	GRI Disclosure	Indicators	Unit of Measurement	2021	2022	2023
GOVERNANCE						
PROCUREMENT PRACTICES						
GRI 204: Procurement Practices 2016	204 -1 Proportion of spending on local suppliers	Number of suppliers and total spent				
		Total number of suppliers	Number	555	445	559
		Total spent on procurement (Turkish Lira)	RM million	152,574,609	342,778,619	922,950,419
		Proportion of spending on local suppliers				
		Total number of local suppliers engaged	Number	455	434	548
		Percentage of local suppliers	%	81.98	97.53	98.03
		Total spent on local suppliers engaged (Turkish Lira)	RM million	151,164,491	333,088,187	900,147,412
INTEGRITY AND ANTI-CORRUPTION						
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Communication and training about anti-corruption policies and procedures				
		Board Members	Hours	N/A	N/A	N/A
		Senior Management	Hours	N/A	N/A	N/A
		Management	Hours	N/A	N/A	N/A
		Executive	Hours	N/A	N/A	N/A
		Non-Executive	Hours	N/A	N/A	N/A
		Vendors and others	Hours	N/A	N/A	N/A
	205-3 Confirmed incidents of corruption and actions taken	Total number of confirmed incidents of corruption	Number	N/A	1	N/A
DATA PRIVACY						
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Number of reportable data security breaches	Number	0	0	0
		Number of breaches involving confidential information	Number	0	0	0
		Number of customers affected	Number	0	0	0

BURSA MALAYSIA INDICATORS

Indicator	Measurement Unit	2023
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Senior Management	Percentage	0.37
Management	Percentage	4.91
Executive	Percentage	11.66
Non Executive	Percentage	83.06
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	429,927.56
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	3,343
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Senior Management Under 30	Percentage	0.00
Senior Management Between 30-50	Percentage	41.03
Senior Management Above 50	Percentage	58.97
Management Under 30	Percentage	0.51
Management Between 30-50	Percentage	68.86
Management Above 50	Percentage	30.63
Executive Under 30	Percentage	11.49
Executive Between 30-50	Percentage	75.69
Executive Above 50	Percentage	12.82
Non Executive Under 30	Percentage	20.33
Non Executive Between 30-50	Percentage	69.03
Non Executive Above 50	Percentage	10.64
Gender Group by Employee Category		
Senior Management Male	Percentage	71.80
Senior Management Female	Percentage	28.20
Management Male	Percentage	65.80
Management Female	Percentage	34.20
Executive Male	Percentage	62.30
Executive Female	Percentage	37.70
Non Executive Male	Percentage	66.20
Non Executive Female	Percentage	33.80
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	60.00
Female	Percentage	40.00
Under 30	Percentage	0.00
Between 30-50	Percentage	20.00
Above 50	Percentage	80.00

BURSA MALAYSIA INDICATORS

Indicator	Measurement Unit	2023
Bursa (Diversity)		
Bursa C6(a) Total hours of training by employee category		
Senior Management	Hours	1,539
Management	Hours	17,483
Executive	Hours	48,553
Non Executive	Hours	374,453
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	5.28
Bursa C6(c) Total number of employee turnover by employee category		
Senior Management	Number	6
Management	Number	30
Executive	Number	90
Non Executive	Number	478
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	517.30
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	1.01
Bursa C5(c) Number of employees trained on health and safety standards	Number	8,143
Number of work-related employee fatalities, over last 3 years	Number	0
Number of work-related contractor fatalities, over last 3 years	Number	0
Bursa (Labour practices and standards)		
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	96.00
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	10,454.890000
Bursa (Waste management)		
Bursa C10(a) Total waste generated	Metric tonnes	10.77
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	370.00
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	10,400.00
Disclosure of three years of hazardous waste generation (tonnes)	Metric tonnes	10.40
Disclosure of three years of waste recycled (tonnes)	Metric tonnes	370.00

Internal assurance

External assurance

No assurance

(*)Restated

GRI CONTENT INDEX

GRI Standard	Malaysia Airports Holdings Berhad has reported the information cited in this GRI content index for the period from 1 January 2023 to 31 December 2023 with reference to the GRI Standards and the Airport Operators Sector Disclosures.
GRI 1 used	GRI 1: Foundation 2021

References to page numbers are to pages in this Annual Report unless preceded by 'FS' which denotes pages in the Financial Statements. The Annual Report and Financial Statements are part of Malaysia Airports' reports provided to shareholders for the year ended 31 December 2023.

GRI Standard	Disclosure	Page number
GRI 2: General Disclosures 2021	2-1 Organisational details	8 - 10
	2-2 Entities included in the organisation's sustainability reporting	11
	2-3 Reporting period, frequency and contact point	2, 178, 249
	2-4 Restatements of information	N/A
	2-5 External assurance	179 - 181
	2-6 Activities, value chain and other business relationships	40 - 43
	2-7 Employees	146 - 147
	2-9 Governance structure and composition	208 - 243
	2-10 Nomination and selection of the highest governance body	226 - 230
	2-11 Chair of the highest governance body	182, 210
	2-12 Role of the highest governance body in overseeing the management of impacts	126
	2-13 Delegation of responsibility for managing impacts	126
	2-15 Conflicts of interest	186 - 207, FS162 - FS164
	2-16 Communication of critical concerns	215
	2-17 Collective knowledge of the highest governance body	219, 223 - 224
	2-19 Remuneration policies	231 - 234
	2-20 Process to determine remuneration	231 - 234
	2-22 Statement on sustainable development strategy	126 - 128, 242
	2-23 Policy commitments	128
	2-26 Mechanisms for seeking advice and raising concerns	243
2-27 Compliance with laws and regulations	71	
2-28 Membership associations	7	
2-29 Approach to stakeholder engagement	78 - 86	
2-30 Collective bargaining agreements	151, 153	
GRI 3: Material Topics 2021	3-1 Process to determine material topics	58
	3-2 List of material topics	59
	3-3 Management of material topics	60 - 75
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	69

GRI CONTENT INDEX

GRI Standard	Disclosure	Page number
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	194 - 195
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	156
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	125
	205-2 Communication and training about anti-corruption policies and procedures	73, 167
	205-3 Confirmed incidents of corruption and actions taken	73
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	71
GRI 207: Tax 2019	207-1 Approach to tax	FS56 - FS57, FS70, FS80 - FS83
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	56, 137
	302-3 Energy intensity	137
	302-4 Reduction of energy consumption	56, 137
GRI 303: Water and Effluents 2018	303-5 Water consumption	138
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	56, 132 - 134
	305-2 Energy indirect (Scope 2) GHG emissions	132 - 134
	305-3 Other indirect (Scope 3) GHG emissions	132 - 134
	305-7 Nitrogen oxides (NOx), Sulphur oxides (SOx), and other significant air emissions	161
GRI 306: Waste 2020	306-3 Waste generated	56, 139
	306-4 Waste diverted from disposal	56, 139
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	164
	401-3 Parental leave	164, 170
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	153
	403-3 Occupational health services	148 - 150
	403-5 Worker training on occupational health and safety	165
	403-6 Promotion of worker health	148 - 150
	403-9 Work-related injuries	165 - 166
	403-10 Work-related ill health	166
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	165, 171
	404-2 Programs for upgrading employee skills and transition assistance programs	165
	404-3 Percentage of employees receiving regular performance and career development reviews	165

GRI CONTENT INDEX

GRI Standard	Disclosure	Page number
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	163, 169
	405-2 Ratio of basic salary and remuneration of women to men	165, 170
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	166, 170
Airport Operators Sector Disclosures (A0)	Sector-Specific Disclosures: Airport Operator	
	A01 Total number of passengers annually	265
	A02 Total annual number of aircraft movements	265
	A03 Total amount of cargo tonnage	265
	A09 Total number of wildlife strikes per 10,000 aircraft movements	142

Feedback

Malaysia Airports is committed to continuously improve our reporting and we value input from our stakeholders in making these enhancements. Should you have any queries or feedback on this report, please contact us through the following channels:

Email : CARE@malaysiaairports.com.my

Address : Malaysia Airports Holdings Berhad

Malaysia Airports Corporate Office

Persiaran Korporat KLIA, 64000 KLIA Sepang, Selangor Darul Ehsan, Malaysia

INDEPENDENT ASSURANCE STATEMENT



SIRIM QAS INTERNATIONAL SDN BHD INDEPENDENT ASSURANCE STATEMENT

To Board of Directors, Stakeholders, and Interested Parties,

SIRIM QAS International Sdn. Bhd. was engaged by Malaysia Airports Holdings Berhad (hereafter referred to as MAHB) to perform an independent verification and provide assurance of MAHB Sustainability Review 2023. The main objective of the verification process is to provide assurance to MAHB and its stakeholders on the accuracy and reliability of the information as presented in this statement. The verification by SIRIM QAS International applied to sustainable performance information (subject matter) within the assurance scope which is included in MAHB Sustainability Review 2023.

The management of MAHB was responsible for the preparation of the Sustainability Review. The objective and impartiality of this statement is assured as no member of the verification team and no other employee of SIRIM QAS International was involved in the preparation of any part of the MAHB's Sustainability Review, and the Integrated Annual Report 2023.

The assurance engagement was designed to provide limited assurance in accordance with the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information, and BURSA Sustainability Reporting Guide, irrespective of the organization's ability to achieve its objectives, targets or expectations on their subject matter and sustainability-related issues. The assurance activity evaluates the adequacy of MAHB Sustainability Review and its overall presentation against respective frameworks such as UN-SDGs, GRI Standards requirement, and other relevant frameworks. The assurance process involves verification of specific subject matters presented through the Environment, Social and Governance Section, respectively. Details are provided in Appendix 1.

The verification was carried out by SIRIM QAS International in March 2024 to April 2024, with the following methodologies:

- Reviewing and verifying the traceability, consistency and accuracy of information collected from various sources; internal and external documentation which are made available during the conduct of assessment.
- Verification of data presented in the Sustainability Review includes a detailed check of the sampled data.
- Interviewing key personnel responsible for collating information and writing various parts of the report to substantiate the veracity of the claims.

The verification process was subjected to the following limitations:

- The scope of work did not involve verification of other information reported in MAHB Integrated Annual Report 2023.
- The MAHB corporate office in Sepang, Selangor, was visited as part of this assurance engagement. The verification process did not include physical inspections of any of MAHB's buildings, offices and airports. And,
- The verification team did not verify any contractor or third-party data.

INDEPENDENT ASSURANCE STATEMENT

Conclusion

SIRIM QAS International, a Conformity Assessment Body in Malaysia, is accredited to both ISO/IEC 17021-1:2015 and ISO/IEC 17065:2012 covering all our operational activities. The appointed assessors performing the assurance engagement were selected appropriately based on our internal qualifications, training and experience. The verification process is reviewed by management to ensure that the approach and assurance are strictly followed and operated transparently. During the verification process, issues were raised, and clarifications were sought from the management of MAHB relating to the accuracy of some of the information contained in the report. In response to the raised findings, the Sustainability Review was subsequently reviewed and revised by MAHB. It is confirmed that changes that have been incorporated into the final version of the report have satisfactorily addressed all issues. Based on the scope of the assessment process and evidence obtained, nothing has come to our attention that causes us to believe that MAHB has not complied, in all material respects, with the referred assurance standard and guide. The following represents SIRIM QAS International's opinion:

- The level of data accuracy included in MAHB Sustainability Review 2023 is fairly stated;
- The level of disclosure of the specific sustainability performance information presented in the report was found to be properly prepared;
- The personnel responsible were able to demonstrate the origin(s) and interpretation of data contained in the report;
- The Sustainability Review offers a reasonable and balanced presentation of MAHB's sustainability performance.

List of Assessors.

1)	Ms. Aernida Abdul Kadir	:	Team Leader
2)	Ms. Kamini Sooriamoorthy	:	Team Member
3)	Ms. Farhanah Ahmad Shah	:	Team Member
4)	Ms. Suzalina Kamaralarifin	:	Team Member

Statement Prepared by:



AERNIDA BINTI ABDUL KADIR

Team Leader
Management System Certification Department
SIRIM QAS International Sdn. Bhd.

Date: 12 April 2024

Statement Approved by:



Ts. MD ADHA BIN RAHMAT

Senior General Manager
Management System Certification Department
SIRIM QAS International Sdn. Bhd.

Date: 17 April 2024

Note 1: This Independent Assurance Statement has been issued based on the content verified prior to the approval date. SIRIM QAS International Sdn Bhd does not express an opinion on, nor guarantees the integrity and/or accuracy of the information provided with the view that the conclusion was conducted post verification assessment, hence not verified. SIRIM QAS International shall not be responsible for any changes or additions made after the referred date (15 April 2024).



INDEPENDENT ASSURANCE STATEMENT

Appendix 1 The topics and subject matters covered in this assessment is tabulated below:		CLASSIFICATION OF DATA			
		HIGH	MEDIUM	LOW	UN SUBSTANTIATED
Environment	Energy – Electricity Consumption				
	Water				
	Water – Rainwater Harvesting				
	Waste				
	Air quality				
	Noise				
	Wildlife				
	Land and Water Contamination				
Social	Standards and Certification				
	Community Engagement				
	Humanitarian Relief				
	Diversity				
	Health and Safety				
	Learning and Development				
	Human Rights				
	Collective Bargaining				
Governance	Standards and Certification				
	Data Protection and Cybersecurity				
	Supply Chain Management and Procurement				
Sustainability Performance Data	Standards and Certification				
	Malaysia – Overall				
	Malaysia – Fuel Consumption and Rainwater Harvesting				
	Turkey – Overall				

Note 1:

This Independent Assurance Statement has been issued based on the content verified prior to the approval date. SIRIM QAS International Sdn Bhd shall not be responsible for any changes or additions made after the referred date (15 April 2024).

Note 2:

The assurance involves activity aims to obtain sufficient appropriate evidence to express a conclusion designed to enhance the degree of confidence of the intended users other than the responsible party, about the subject matter information. It comprises of activities carried out to assess the quality and credibility of the qualitative and quantitative information reported by the organization. This assurance is different from activities used to assess or validate the organization's performance, such as compliance assessments or the issuing of certifications against specific standards.

Note 3:

Definition of HIGH, MEDIUM, LOW and UNSUBSTANTIATED Classification of Data in this Appendix 1.

HIGH: The data and information reviewed has been confirmed with the direct owners. The source of the data origin was provided during the conduct of the assessment.

MEDIUM: Data and information have been confirmed with the direct owners. However, the source of the data has been based on secondary data, where the data origin is not accessible by the verifiers during the conduct of the assessment.

LOW: Data and information reviewed has been based on information endorsed by the data owners. Verifiers did not have access to the source of the data origin. It has been identified as one of the limitations during the conduct of the assessment.

UNSUBSTANTIATED: The sources of data and information disclosed were not made available during the assessment review period due to reasons like confidentiality, unattainable data source and unavailable data owner. It has been identified as one of the limitations during the conduct of the assessment.

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BOARD OF DIRECTORS



1 **Tan Sri Datuk Zainun Ali**
Non-Independent Non-Executive
Chairman

2 **Dato' Zamzuri Abdul Aziz**
Non-Independent Non-Executive
Director

3 **Dato' Normah Osman**
Non-Independent Non-Executive
Director

4 **Datuk Amran Hafiz Affifudin**
Non-Independent Non-Executive
Director

5 **Rohaya Mohammad Yusof**
Non-Independent Non-Executive
Director

6 **Dato' Ir. Mohamad Husin**
Senior Independent
Non-Executive Director



BOARD OF DIRECTORS



7 Ramanathan Sathiamutty
Independent Non-Executive Director

8 Cheryl Khor Hui Peng
Independent Non-Executive Director

9 Dato' Seri Ir. Koe Peng Kang
Independent Non-Executive Director

10 Chris Chia Woon Liat
Independent Non-Executive Director

11 Mohd Nizam Mohd Khir
*Alternate Director to
Dato' Zamzuri Abdul Aziz*

12 Zawardi Salleh
Group Company Secretary

BOARD OF DIRECTORS' PROFILE

TAN SRI DATUK ZAINUN ALI

Non-Independent Non-Executive Chairman

Age: 72 | Gender: Female | Nationality: Malaysian

Date of Present Appointment: 17 February 2023

Academic/Professional Qualification(s)

- Bachelor of Laws (LL.B) (Hons), University of Malaya
- Master of Law (LL.M), University of Cambridge, UK

Present Directorship(s)

Listed Issuer:

- Malaysia Airports Holdings Berhad
- Allianz Malaysia Berhad

Other Public Company:

- Permodalan Nasional Berhad

Membership of Board Committee(s)

- None

Present Appointment(s)

- Chairman of Istanbul Sabiha Gökçen Uluslararası Havalimanı Yatırım Yapım ve İşletme A.Ş.
- Chairman of SGC Havalimanı İşletmeleri Ticaret ve Turizm A.Ş.
- Deputy Chairman of Enforcement Agency Integrity Commission (EAIC)
- Pro-Chancellor of University of Malaya
- Member of the Advisory Tribunal, Islamic Development Bank of Jeddah
- Consultant at Zain & Co.

Experience

- Served in various positions in Legal and Judicial Service of Malaysia throughout her career since 1976
- Appointed as the Chief Registrar of the Federal Court of Malaysia in November 1994 and Judicial Commissioner of the High Court of Malaya, Kuala Lumpur in August 1996
- Served as High Court Judge in Shah Alam, Johor and Kuala Lumpur from 1998 to 2001
- Elevated to the Court of Appeal in 2006 and served until 2012
- Appointed as Federal Court Judge on 4 April 2012 and subsequently retired from the Malaysian Judiciary in October 2018
- Appointed as one of ten members of the United Nations Office on Drug and Crime Advisory Board of the Global Justice Integrity Network in April 2018 which is established to promote judicial integrity amongst Judges and stakeholders

Declaration

- No family relationship with any Director and/or major shareholder of Malaysia Airports
- Save for a potential conflict of interest relating to an Industrial Court case between a former employee who is now her son-in-law as declared prior to her appointment as Chairman, there is no other conflict of interest or potential conflict of interest, including any interest in any competing business between Tan Sri Datuk Zainun Ali and Malaysia Airports or its subsidiaries
- No conviction for offences other than traffic offences within the past 5 years
- No public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 31 December 2023
- Does not hold more than 5 directorships in listed issuers



Number of Board Meetings Attended during the Year Under Review

100%

DATO' ZAMZURI ABDUL AZIZ

Non-Independent Non-Executive Director

Age: 54 | Gender: Male | Nationality: Malaysian

Date of Present Appointment: 5 June 2023

Academic/Professional Qualification(s)

- Bachelor of Economics (Business Administration) (Hons.), University of Malaya
- Master in Economics (Islamic Finance), National University of Malaysia
- Postgraduate Diploma in Public Management, National Institute of Public Administration (INTAN)
- Advanced Management Programme, Harvard Business School, Boston, USA
- Advanced Leadership & Management Programme, INTAN
- Leadership Development for Corporate Excellence, UUM-Kellogg School of Management, Northwestern University, USA

Present Directorship(s)

Listed Issuer:

- Malaysia Airports Holdings Berhad
- Bintulu Port Holdings Berhad

Other Public Company:

- None

Membership of Board Committee(s)

- Member of Board Procurement Committee
- Member of Board Development Committee

Present Appointment(s)

- Deputy Secretary General of Treasury (Policy), Ministry of Finance
- Co-Chairman of Lembaga Pembangunan Langkawi
- Board Member of Employees Provident Fund
- Board Member of Lembaga Tabung Haji
- Board Member of Pembinaan PFI Sdn Bhd
- Board Member of University of Malaya
- Board Member of Yayasan Keluarga Malaysia
- Board Member of Samalaju Industrial Port Sdn Bhd
- Alternate Trustee of National B40 Protection Fund (mySalam)

Experience

- Started career as an Assistant Director at the Malaysian Investment Development Authority (MIDA) in 1995
- Joined the Administrative & Diplomatic Service and later in 1995 appointed as Assistant Secretary at the Ministry of Domestic Trade & Consumer Affairs
- Joined the Ministry of Finance (MOF) in 1998 as Assistant Secretary in the Administration Division and thereafter promoted to Principal Assistant Director in the Budget Management Division in 2003
- Promoted to several positions throughout his service in the Budget Management Division under MOF
- Served the MOF as Deputy Director, General Service Unit, National Budget Office from August 2010 until November 2018
- Served as Under Secretary, Government Procurement Division, MOF from November 2018 until February 2022
- Served as Deputy Secretary General (Finance), Ministry of Health from March 2022 to March 2023

Declaration

- No family relationship with any Director and/or major shareholder of Malaysia Airports
- No conflict of interest or potential conflict of interest, including any interest in any competing business with Malaysia Airports or its subsidiaries
- No conviction for offences other than traffic offences within the past 5 years
- No public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 31 December 2023
- Does not hold more than 5 directorships in listed issuers



Number of Board Meetings Attended during the Year Under Review

100%

BOARD OF DIRECTORS' PROFILE

DATO' NORMAH OSMAN

Non-Independent Non-Executive Director

Age: 56 | Gender: Female | Nationality: Malaysian

Date of Present Appointment: 20 October 2023

Academic/Professional Qualification(s)

- Bachelor of Business Administration (Hons.), National University of Malaysia
- Diploma in Public Administration, National Institute of Public Administration (INTAN)
- Master of Arts (Management), Claremont Graduate University, California, USA

Present Directorship(s)**Listed Issuer:**

- Malaysia Airports Holdings Berhad

Other Public Company:

- None

Membership of Board Committee(s)

- Member of Board Procurement Committee
- Member of Board Development Committee

Present Appointment(s)

- Deputy Secretary General (Policy), Ministry of Transport
- Board Member of Bintulu Port Authority
- Board Member of Maritime Institute of Malaysia
- Member of Competition & Economics Committee of Malaysian Aviation Commission (MAVCOM)
- Authority Member of Civil Aviation Authority of Malaysia (CAAM)

Experience

- Joined the Ministry of International Trade and Industry (MITI) as Assistant Director from 1995 to 2003 and as Principal Assistant Director from 2003 to 2006
- Served as Minister Counsellor for Economic Affairs, MITI Singapore in 2007
- Served as Director (Stock & Company Organisation Division), MITI in 2008
- Served as Minister Counsellor for Economic Affairs, MITI's Office in Brussels (European Union) in 2009
- Served as Director ASEAN Economic Cooperation Division, MITI in 2013
- Served as Senior Director of Bilateral Economic & Trade Relations Division, MITI from 2015 to 2017
- Served as Senior Director of Multilateral Policy and Negotiation Division, MITI from August 2017 until July 2018
- Appointed as Deputy Secretary General (Policy & Entrepreneurial Strategy), Ministry of Entrepreneur Development and Cooperatives from July 2018 to January 2019
- Appointed as Division Secretary of Policy Planning and Coordination Division, Ministry of Education from January 2019 to February 2020

Declaration

- No family relationship with any Director and/or major shareholder of Malaysia Airports
- No conflict of interest or potential conflict of interest, including any interest in any competing business with Malaysia Airports or its subsidiaries
- No conviction for offences other than traffic offences within the past 5 years
- No public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 31 December 2023
- Does not hold more than 5 directorships in listed issuers

*Dato' Normah Osman resigned on 25 April 2023 and was re-appointed on 20 October 2023.



Number of Board Meetings Attended during the Year Under Review

100%

DATUK AMRAN HAFIZ AFFIFUDIN

Non-Independent Non-Executive Director

Age: 50 | Gender: Male | Nationality: Malaysian

Date of Present Appointment: 1 September 2023

Academic/Professional Qualification(s)

- Bachelor of Science in Commerce (Majoring in Accounting and Finance), McIntire School of Commerce, University of Virginia, USA
- Executive/Professional Course, Harvard Business School, USA
- Executive/Professional Course, London Business School, UK

Present Directorship(s)**Listed Issuer:**

- Malaysia Airports Holdings Berhad

Other Public Company:

- Iskandar Investment Berhad
- UEM Group Berhad
- Malaysia Programme Office for Power Electricity Reform Corporation (MyPOWER Corporation)
- Yayasan Hijau Malaysia

Membership of Board Committee(s)

- Member of Board Audit Committee
- Member of Board Nomination & Remuneration Committee

Present Appointment(s)

- Executive Director/Head, Malaysian Investments, Khazanah Nasional Berhad

Experience

- Started career with Petroliaam Nasional Berhad (PETRONAS) in corporate finance and treasury functions in 1997
- Had various experience in the private equity industry, where he served in various roles and responsibilities with several firms prior to joining Khazanah Nasional Berhad in 2011
- Served as the Board member of Tenaga Nasional Berhad from June 2017 to August 2023

Declaration

- No family relationship with any Director and/or major shareholder of Malaysia Airports
- No conflict of interest or potential conflict of interest, including any interest in any competing business with Malaysia Airports or its subsidiaries
- No conviction for offences other than traffic offences within the past 5 years
- No public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 31 December 2023
- Does not hold more than 5 directorships in listed issuers



Number of Board Meetings Attended during the Year Under Review

88%

BOARD OF DIRECTORS' PROFILE

ROHAYA MOHAMMAD YUSOF

Non-Independent Non-Executive Director

Age: 59 | Gender: Female | Nationality: Malaysian

Date of Present Appointment: 1 October 2021

Academic/Professional Qualification(s)

- Bachelor's Degree in Commerce (Accountancy), Australian National University, Canberra, Australia
- Associate Member of CPA, Australia

Present Directorship(s)

Listed Issuer:

- Malaysia Airports Holdings Berhad
- Tenaga Nasional Berhad

Other Public Company:

- None

Membership of Board Committee(s)

- Chairman of Board Sustainability Committee
- Member of Board Risk Management Committee

Present Appointment(s)

- Chief Investment Officer of Employees Provident Fund (EPF)
- Board Member of Institutional Investors Council Malaysia (IIC)
- Board Member of Yarra Park City Pty Ltd

Experience

- Started career as a Financial Consultant in the Audit Division at Arthur Andersen & Co in 1988 covering various sectors, among others manufacturing, banking, oil & gas and trading industries
- Joined Maybank Investment Bank (previously known as Aseambankers) in 1990 and was promoted to the position of Executive Vice President, Corporate Investment Banking in 2005
- Joined EPF's Investment Division as Head of Corporate Finance in 2008 and was appointed as Head of Capital Market Department in 2011, overseeing global and domestic fixed income. Appointed as Head of Private Markets in 2017, managing global investments in private equity, infrastructure and real estates
- Appointed as Chief Investment Officer of EPF on 1 January 2020

Declaration

- No family relationship with any Director and/or major shareholder of Malaysia Airports
- No conflict of interest or potential conflict of interest, including any interest in any competing business with Malaysia Airports or its subsidiaries
- No conviction for offences other than traffic offences within the past 5 years
- No public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 31 December 2023
- Does not hold more than 5 directorships in listed issuers



Number of Board Meetings Attended during the Year Under Review

100%

DATO' IR. MOHAMAD HUSIN

Senior Independent Non-Executive Director

Age: 70 | Gender: Male | Nationality: Malaysian

Date of Present Appointment: 15 August 2016

Academic/Professional Qualification(s)

- Bachelor of Science (Hons.) in Civil Engineering, University of Southampton, UK
- Master of Science in Civil Engineering, University of Pittsburgh, USA
- Professional Engineer, Board of Engineers Malaysia

Present Directorship(s)

Listed Issuer:

- Malaysia Airports Holdings Berhad

Other Public Company:

- None

Membership of Board Committee(s)

- Chairman of Board Nomination & Remuneration Committee
- Chairman of Board Procurement Committee
- Member of Board Audit Committee
- Member of Board Risk Management Committee
- Member of Board Development Committee

Present Appointment(s)

- Chairman of Malaysia Airports Sdn Bhd
- Board Member of Johawaki Holdings Sdn Bhd
- Board Member of Bridgex Sdn Bhd

Experience

- Started career as Water Engineer in Public Works Department (PWD), Ministry of Works and served PWD for 35 years in various capacities including as District Engineer, Assistant Director, State and Branch Director
- Held position as Director of Roads before being promoted to the post of Deputy Director General in 2007 until his retirement in 2013
- Whilst in the Government service, involved in the construction of development projects and maintenance of government facilities, mainly relating to roads, buildings, ports and airports

Declaration

- No family relationship with any Director and/or major shareholder of Malaysia Airports
- No conflict of interest or potential conflict of interest, including any interest in any competing business with Malaysia Airports or its subsidiaries
- No conviction for offences other than traffic offences within the past 5 years
- No public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 31 December 2023
- Does not hold more than 5 directorships in listed issuers



Number of Board Meetings Attended during the Year Under Review

90%

BOARD OF DIRECTORS' PROFILE

RAMANATHAN SATHIAMUTTY

Independent Non-Executive Director

Age: 60 | Gender: Male | Nationality: Malaysian

Date of Present Appointment: 1 January 2019

Academic/Professional Qualification(s)

- Bachelor of Engineering (Electrical & Electronic) (Hons.), National University of Malaysia
- Master of Business Administration, University of Putra Malaysia
- Executive Management Programme, Harvard Business School and INSEAD

Present Directorship(s)**Listed Issuer:**

- Malaysia Airports Holdings Berhad
- AwanBiru Technology Berhad

Other Public Company:

- None

Membership of Board Committee(s)

- Chairman of Board Risk Management Committee
- Member of Board Nomination & Remuneration Committee
- Member of Board Procurement Committee

Present Appointment(s)

- Chairman of Malaysia Airports (Sepang) Sdn Bhd
- Vice Chairman of İstanbul Sabiha Gökçen Uluslararası Havalimanı Yatırım Yapım ve İşletme A.Ş.
- Vice Chairman of SGC Havalimanı İşletmeleri Ticaret ve Turizm A.Ş.

Experience

- Started career as a system engineer at IBM Corporation. Served IBM Group for 24 years in various roles specialising in digitalization, digital transformation and M&A across various industries. Appointed as Managing Director of IBM Malaysia in January 2010
- During his tenure in IBM Group, he took on several international assignments spanning across 10 years in Japan, Korea, USA, India and Singapore
- He then served as the Chief Operating Officer/Chief Transformation Officer at Celcom Axiata Berhad from 2015 and a former Advisor to the Chief Executive Officer of Celcom Axiata Berhad

Declaration

- No family relationship with any Director and/or major shareholder of Malaysia Airports
- No conflict of interest or potential conflict of interest, including any interest in any competing business with Malaysia Airports or its subsidiaries
- No conviction for offences other than traffic offences within the past 5 years
- No public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 31 December 2023
- Does not hold more than 5 directorships in listed issuers



Number of Board Meetings Attended during the Year Under Review

100%

CHERYL KHOR HUI PENG

Independent Non-Executive Director

Age: 50 | Gender: Female | Nationality: Malaysian

Date of Present Appointment: 25 July 2022

Academic/Professional Qualification(s)

- Bachelor of Mathematics, University of Putra Malaysia
- Chartered Accountant, Malaysian Institute of Accountants (MIA)
- Member, Malaysian Institute of Certified Public Accountants (MICPA)
- Fellow and Faculty Member, Institute of Corporate Directors Malaysia

Present Directorship(s)**Listed Issuer:**

- Malaysia Airports Holdings Berhad
- Alliance Bank Malaysia Berhad
- Hong Leong Industries Berhad
- Kuala Lumpur Kepong Berhad

Other Public Company:

- Chubb Insurance Malaysia Berhad
- Leader Energy Holding Berhad
- RAM Holdings Berhad

Membership of Board Committee(s)

- Chairman of Board Audit Committee
- Member of Board Nomination & Remuneration Committee
- Member of Board Risk Management Committee
- Member of Board Sustainability Committee

Present Appointment(s)

- Board Member of Malaysia Airports (Sepang) Sdn Bhd
- Board Member of İstanbul Sabiha Gökçen Uluslararası Havalimanı Yatırım Yapım ve İşletme A.Ş.
- Board Member of SGC Havalimanı İşletmeleri Ticaret ve Turizm A.Ş.
- Chairman of Whistleblowing Independent Committee of Malaysia Airports

Experience

- Started career as a financial auditor and chartered accountant at Ernst & Young in 1998
- Joined Deloitte in 2013 and led the Risk Advisory practice, complementing her chartered accountant experience with sustainability, governance and risk expertise. Appointed as its Managing Director from 2014 until 2021
- Whilst in Deloitte, she held numerous leadership positions culminating her career as the Asia Pacific Accounting and Internal Control Leader and was also elected onto the Deloitte Southeast Asia Board of Directors

Declaration

- No family relationship with any Director and/or major shareholder of Malaysia Airports
- No conflict of interest or potential conflict of interest, including any interest in any competing business with Malaysia Airports or its subsidiaries
- No conviction for offences other than traffic offences within the past 5 years
- No public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 31 December 2023
- Does not hold more than 5 directorships in listed issuers



Number of Board Meetings Attended during the Year Under Review

100%

BOARD OF DIRECTORS' PROFILE

DATO' SERI IR. KOE PENG KANG

Independent Non-Executive Director

Age: 63 | Gender: Male | Nationality: Malaysian

Date of Present Appointment: 12 December 2023

Academic/Professional Qualification(s)

- Bachelor of Science (Honours) in Civil Engineering, University of Leeds, UK
- Master of Science in Construction Management, University of Birmingham, UK
- Professional Engineer, Board of Engineers Malaysia
- Member, Institution of Engineers Malaysia

Present Directorship(s)

Listed Issuer:

- Malaysia Airports Holdings Berhad

Other Public Company:

- None

Membership of Board Committee(s)

- Chairman of Board Development Committee
- Member of Board Audit Committee
- Member of Board Sustainability Committee

Present Appointment(s)

- President of World Council of Developers & Investors, FIABCI International
- Committee Member, Investor Relations and Strategic Partnership Subcommittee of Malaysia-China Business Council
- Honorary Adviser, Cambodia-China Friendship Development and Investment Association (CCFD-IA)
- Board Member of Global Project Management and Consultancy Sdn Bhd
- Member of International Advisory Council, World Digital Chamber

Experience

- Involved in various national projects including Malaysian Rural Water Supply Scheme with the Biwater Group of United Kingdom, Sungai Selangor Water Supply Scheme Phase 1 with the Hazama Gumi Ltd of Japan, and Samsung C&T Corporate-led South Korean Consortium for the implementation work for Petronas Twin Towers
- Attached to IOI Berhad as project manager overseeing the development of 700 acres of Bandar Puchong Jaya township
- Joined S P Setia Berhad in 1997 as Senior Project Manager after which he rose through various business and operational roles until his appointment as Senior Executive Vice President of the S P Setia Group in July 2019
- Assumed the role of Deputy President and Group Chief Operating Officer on 1 October 2021 until his retirement on 30 September 2022
- Throughout his tenure in the S P Setia Group, he was directly involved in the development of Eco Series pioneer townships as well as in several projects in Japan and China. He was then rotated around various leadership roles covering the scope of infrastructure, convention centres, hospitality, premium high rise and residential township projects
- He also served as the Chairman of Battersea Power Station's Tender and Procurement Committee

Declaration

- No family relationship with any Director and/or major shareholder of Malaysia Airports
- No conflict of interest or potential conflict of interest, including any interest in any competing business with Malaysia Airports or its subsidiaries
- No conviction for offences other than traffic offences within the past 5 years
- No public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 31 December 2023
- Does not hold more than 5 directorships in listed issuers

1/1

Number of Board Meetings Attended during the Year Under Review

100%

CHRIS CHIA WOON LIAT

Independent Non-Executive Director

Age: 52 | Gender: Male | Nationality: Malaysian

Date of Present Appointment: 11 March 2024

Academic/Professional Qualification(s)

- Master of Liberal Arts, Harvard University, USA
- Master of Business Administration, MIT Sloan School of Management, USA
- Master of Accounting, University of Western Australia, Australia
- Bachelor of Commerce (Honours), University of Western Australia, Australia
- Bachelor of Commerce, University of Western Australia, Australia

Present Directorship(s)

Listed Issuer:

- Malaysia Airports Holdings Berhad

Other Public Company:

- Bangkok Bank Berhad

Membership of Board Committee(s)

- Member of Board Development Committee

Present Appointment(s)

- Founder and Managing Partner, Kendall Court Capital Partners Ltd (Kendall Court)
- Board Member of Low Keng Huat (Singapore) Limited
- Board Member of MIT Sloan Asian Executive Board
- Board Member of Penjana Kapital Sdn Bhd
- Advisor (Investments), Druk Holdings & Investments
- Member of the Investment Panel (SEEDS Capital), Enterprise Singapore

Experience

- Started career as a business consultant at Arthur Andersen in 1995
- Joined Goldman Sachs (Singapore) as investment banker in 1998 where he was involved in all phases of origination, management and execution of M&A transactions
- Joined Citigroup Global Markets (Singapore) in 2000 as Vice President and responsible for all aspects of deal origination and management as well as execution of general corporate finance transactions
- Established an investment partnership Kendall Court in 2004 focused on private equity and alternative investments

Declaration

- No family relationship with any Director and/or major shareholder of Malaysia Airports
- No conflict of interest or potential conflict of interest, including any interest in any competing business with Malaysia Airports or its subsidiaries
- No conviction for offences other than traffic offences within the past 5 years
- No public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 31 December 2023
- Does not hold more than 5 directorships in listed issuers

N/A

Number of Board Meetings Attended during the Year Under Review

BOARD OF DIRECTORS' PROFILE

MOHD NIZAM MOHD KHIR*(Alternate Director to Dato' Zamzuri Abdul Aziz)*

Non-Independent Non-Executive Director

Age: 46 | Gender: Male | Nationality: Malaysian

Date of Present Appointment: 5 June 2023

Academic/Professional Qualification(s)

- Bachelor of Human Sciences in Political Science, International Islamic University Malaysia
- Master of Intellectual Property, National University of Malaysia
- Postgraduate Diploma in Public Management, National Institute of Public Administration (INTAN)

Present Directorship(s)**Listed Issuer:**

- Malaysia Airports Holdings Berhad

Other Public Company:

- SIRIM Berhad
- Ocean Sunshine Berhad

Membership of Board Committee(s)

- None

Present Appointment(s)

- Head Transport and Logistics Section, Government Investment Companies Division, Ministry of Finance
- Board Member of Inno Bio Ventures Sdn Bhd
- Board Member of Transit Acquirer Sdn Bhd

Experience

- Started career in Ministry of Agriculture and Agro-Based Industry (MOA) as Assistant Secretary, Human Resource Division in 2003, assumed the role as Assistant Secretary, Promotion Investment, Business Development and Privatization Division in 2006 and promoted as Principal Assistant Secretary, Corporate Communications Division in 2008
- Promoted as Special Officer to Minister of International Trade and Industry (MITI) from 2009 to 2012
- Joined the Ministry of Finance (MOF) as Principal Assistant Secretary, Corporate Strategy and Communications Division in 2012
- Served as Principal Assistant Secretary, Development Fund Incentive Unit, Strategic Investment Division, MOF in 2014
- Served as Deputy Director, National Strategy Unit, MOF in 2018

Declaration

- No family relationship with any Director and/or major shareholder of Malaysia Airports
- No conflict of interest or potential conflict of interest, including any interest in any competing business with Malaysia Airports or its subsidiaries
- No conviction for offences other than traffic offences within the past 5 years
- No public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 31 December 2023
- Does not hold more than 5 directorships in listed issuers

ZAWARDI SALLEH

Group Company Secretary

Age: 53 | Gender: Male | Nationality: Malaysian

Date of Present Appointment: 1 January 2021

Academic/Professional Qualification(s)

- Executive Master of Business Administration, Universiti Teknologi MARA
- Diploma in Public Administration, Universiti Teknologi MARA
- Holder of Practising Certificate from Companies Commission of Malaysia
- Chartered Secretary with The Malaysian Institute of Chartered Secretaries and Administrators

Experience

Zawardi joined Malaysia Airports as Senior Manager, Company Secretarial in October 2018. He was then appointed as Covering General Manager/ Company Secretary in June 2019.

On 1 January 2021, he was appointed as General Manager/Company Secretary of Malaysia Airports and redesignated as Group Company Secretary effective 1 January 2024. He is also the Company Secretary to all local subsidiaries of Malaysia Airports, as well as the Joint Company Secretary of Istanbul Sabiha Gökçen Uluslararası Havalimanı Yatırım Yapım ve İşletme A.Ş. and SGC Havalimanı İşletmeleri Ticaret ve Turizm A.Ş., the wholly-owned subsidiaries of Malaysia Airports in Türkiye.

Zawardi has over 27 years of experience in company secretarial, corporate governance, compliance, and public practice secretarial service, including more than 20 years as Company Secretary of public listed companies.

His career journey has brought him to serve companies in various industries such as oil and gas, shipping, land transportation, automotive, heavy equipment and engineering, construction and property, telecommunication, utilities, and airport operation.

Declaration

- No directorship in public companies and listed issuers
- No family relationship with any Director and/or major shareholder of Malaysia Airports
- No conflict of interest or potential conflict of interest, including any interest in any competing business with Malaysia Airports or its subsidiaries
- No conviction for offences other than traffic offences within the past 5 years
- No public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 31 December 2023



Number of Board Meetings Attended during the Year Under Review

Serai



*Savour a world
of flavours at our
airports' diverse
dining options,
ensuring a delicious
dining experience
for every travellers*



GROUP SENIOR MANAGEMENT



1 Mohamed Rastam Shahrom
Acting Group Chief Executive Officer
& Group Chief Financial Officer

2 Gordon Andrew Stewart
Chief Operating Officer,
Airport Operations Malaysia

3 Nadiah Tan Abdullah
Chief Human Capital Officer

4 Vijaykumar Dayinde
Chief Information Officer

5 Ibrahim Chang Boon Teck
Chief Procurement Officer

6 Dr Nor Azlina Mohd Isa
Head of Technical Services

7 Hani Ezra Hussin
Senior General Manager,
Commercial Services

8 Megat Ardian Wira Mohd Aminuddin
Senior General Manager,
Strategy

9 Rosman Nordin
Head of Internal Audit

10 Datuk Abdullah Kadir Bacha
General Manager, Stakeholder
Relations and Regulatory Affairs

11 Shukreen Ma Pin
General Manager,
Corporate Communications

GROUP SENIOR MANAGEMENT



12 Nor Aida Othman
General Manager, Legal &
General Manager, Chairman's Office

13 Zamri Muslimin
Head of Integrity

14 Mohd Arif Jaafar
Senior General Manager,
MA (Sepang)

15 Kamaruzzaman Razali
Senior General Manager,
MASB

16 Serhat Soğukpınar
Chief Executive Officer,
ISG & SGC

17 Randhill Singh
Head of KLIA Aeropolis

18 Ahmad Tarmizi Mohd Hashim
Executive Director, MACS ME

19 TS. Nurshuhaila Mohd Amin
General Manager, UTW

20 Sundralingam Kulendra
General Manager,
Sama-Sama Hotels KLIA

21 Azhar Arshad
General Manager, MAAH

22 MD Fadzwin Abdul Rahim
General Manager, MA (Niaga)

GROUP SENIOR MANAGEMENT'S PROFILE

MOHAMED RASTAM SHAHROM

Acting Group Chief Executive Officer
& Group Chief Financial Officer

Age: 53 | Gender: Male | Nationality: Malaysian

Date of Present Appointment: 25 October 2023

Academic/Professional Qualification(s)

- Bachelor of Economic and Social Studies (Honours) in Accounting and Finance, University College of Wales, Aberystwyth, United Kingdom (UK)
- Chartered Accountant Malaysia, Malaysian Institute of Accountants (MIA)
- Fellow of the Association of Chartered Certified Accountants (ACCA), UK

Experience

Mohamed assumed the position of Acting Group Chief Executive Officer on 25 October 2023. In addition, he also currently holds the post of Group Chief Financial Officer.

Prior to joining Malaysia Airports, Mohamed was the Chief Financial Officer of UEM Sunrise Berhad. He has over 20 years of experience in the fields of finance, investment appraisal, fundraising, financial analysis and planning, finance operations, international joint ventures and statutory reporting. He was also the Senior Vice President, Enterprise Solutions and Vice President, Finance at Celcom Axiata. He also served as Vice President, Corporate Finance and Advisory at Affin Investment Bank, and before that as Assistant Vice President at Hwang-DBS Investment Bank, and in both capacities worked on multiple initial public offerings as well as mergers and acquisitions.

He had also served as Vice President of Finance, at an oil and gas company, overseeing the Engineering & Construction Division and Drilling Services. During his tenure there, he was instrumental in driving several initiatives, including automating and streamlining the finance operations, cost reduction programmes, business and asset acquisitions, and international project financing.

GORDON ANDREW STEWART

Chief Operating Officer, Airport Operations Malaysia

Age: 57 | Gender: Male | Nationality: Scottish

Date of Present Appointment: 1 October 2023

Academic/Professional Qualification(s)

- Master of Business Administration with Distinction, Strathclyde Business School, Scotland, UK
- Bachelor of Engineering (Honours) Industrial Engineering, Paisley Campus, University of the West of Scotland, UK

Experience

Gordon joined Malaysia Airports as its Chief Operating Officer for Airport Operations Malaysia on 1 October 2023.

He embarked on his career journey in 1990 with IBM United Kingdom, and since then, he has held various leadership positions in several established multinational organisations, including Compaq, Bombardier Transportation, and First ScotRail.

Gordon brings a wealth of experience from his extensive involvement in the aviation industry, gained through his prior roles at Edinburgh Airport, Bahrain Airport Company, Maldives Airport Company Limited, and most recently with daa International.

GROUP SENIOR MANAGEMENT'S PROFILE

NADIAH TAN ABDULLAH

Chief Human Capital Officer

Age: 56 | Gender: Female | Nationality: Malaysian

Date of Present Appointment: 1 April 2024

Academic/Professional Qualification(s)

- BA in International Relations, Staffordshire University, UK
- Chartered Fellow of Chartered Institute of Personnel and Development (CIPD)

Experience

Nadiah assumed the position of Chief Human Capital Officer on 1 April 2024.

Prior to joining Malaysia Airports, Nadiah was the Chief Human Resources Officer at S P Setia Berhad. She has over 20 years of experience in the field of human resources, focusing on Organisational Development and Change Management.

Her career has traversed various sectors that include aligning business objectives with dynamic people strategies, driving impactful change initiatives, optimising organisational frameworks, and attracting top-tier talents. She has also led many transformation plans from mergers and acquisitions to change management initiatives involving ground level up to the core of the business, in notable companies such as Nestle, Microsoft, British American Tobacco, Experian, Danone and most recently in Setia. The initiatives she has spearheaded have also earned her regional and international recognition for her innovative HR strategies.

Among the highlights of her career journey includes being the People Director for AirAsia X from 2010 - 2014, during which she was leading the expansion plan for the People Agenda growing the business with hiring of talent across the globe including the introduction of signature Leadership Programmes across all levels.

Nadiah is also an active Human Capital Leader who participates in Talent related initiatives at the national level, being a Council member of the Malaysian Employers Federation (MEF), Adjunct Professor for UNITAR, Regional Chairperson for ASEAN Human Development Organization (AHDO) and a member of the Advisory Committee for Chartered Institute of Personnel & Development (CIPD).

VIJAYKUMAR DAYINDE

Chief Information Officer

Age: 45 | Gender: Male | Nationality: Indian

Date of Present Appointment: 1 November 2022

Academic/Professional Qualification(s)

- Oxford Leading Sustainable Corporations Programme by University of Oxford, UK
- Master of Science – Mathematics, Osmania University, India
- Master of Computer Applications, Manipal University, India
- Master of Business Administration, Sikkim Manipal University, India
- Bachelor of Science – Computer, Nagarjuna University, India

Experience

Vijaykumar Dayinde assumed the position of Chief Information Officer of Malaysia Airports on 1 November 2022. Prior to this, he served as the General Manager of IT Delivery of Malaysia Airports since November 2019. During his tenure, he successfully led the delivery of key Airports 4.0 projects, including the delivery of network refresh for KUL in record-breaking time, the implementation of digital transformation initiatives such as the Self-Service Check-In facial biometric recognition, Self-Service Bag Drop as well as other digital initiatives in providing a contactless and seamless guest experience at Malaysia Airports.

With more than 23 years of IT experience, Vijaykumar has assumed various management roles globally across a variety of industries including telecommunication and IT services. He has also built specialisation in the areas of IT strategic planning, transformation, delivery, and cybersecurity.

As a seasoned IT leader with specialisation in the area of IT strategic planning, transformation, delivery and cybersecurity, who has been at the epicentre of every technological shake-up experienced by the communication services industry over the last two decades globally, he is recognised for his contributions which have made a significant impact in the technology industry.

GROUP SENIOR MANAGEMENT’S PROFILE

IBRAHIM CHANG BOON TECK

Chief Procurement Officer

Age: 58 | Gender: Male | Nationality: Malaysian

Date of Present Appointment: 1 January 2021

Academic/Professional Qualification(s)

- Degree in Econometrics (Honours), Universiti Kebangsaan Malaysia
- Member of Chartered Institute of Procurement & Supply

Experience

Ibrahim first joined Malaysia Airports as General Manager, Procurement and Contracts in 2016. He was elevated to Chief Procurement Officer in January 2021. Prior to this, he had held numerous supply chain leadership positions in well-established companies such as Shell, F&N Coca-Cola, Warner-Lambert, SapuraCrest Petroleum and Perisai Petroleum.

Through his varied exposure in multiple industries over three decades, he garnered a vast body of knowledge, and experience in strategic procurement, contract management, cost optimisation, value engineering, project procurement and logistics.

Since joining Malaysia Airports, Ibrahim oversaw numerous improvements that emphasises effectiveness and value creation while upholding good governance principles. He led the inaugural effort to Malaysia Airports’ Procurement obtaining the Anti-Bribery Management System ISO 37001 certification. He is now advising the adoption of the same certification for the other subsidiaries within the group. In addition, he is championing the transformation of the division towards adopting sustainable practices and a technology-centric approach.

DR NOR AZLINA MOHD ISA

Head of Technical Services

Age: 49 | Gender: Female | Nationality: Malaysian

Date of Present Appointment: 1 February 2021

Academic/Professional Qualification(s)

- Doctor of Business Administration, Arshad Ayub Graduate Business School, Universiti Teknologi MARA, Malaysia
- Master of Business Administration, Universiti Utara Malaysia
- Post Graduate Diploma in Airport Engineering Management, National University of Singapore
- Bachelor of Engineering (Honours) in Civil Engineering, University of Malaya

Experience

Dr. Nor Azlina joined Malaysia Airports in 2002 as a civil engineer. She rose to be the General Manager of Planning and Development in 2011, and Head of Engineering of MA (Sepang) in 2016.

She left Malaysia Airports in 2018 to broaden her aviation experience and rejoined on 1 February 2021 as Head of Technical Services. She was accredited as an International Airport Professional since 2011 and is currently representing Malaysia Airports in the ACI Asia Pacific & Middle East Regional Environment Committee. Dr. Nor Azlina is also a certified Project Management Professional.

GROUP SENIOR MANAGEMENT'S PROFILE

HANI EZRA HUSSIN

Senior General Manager, Commercial Services

Age: 49 | Gender: Female | Nationality: Malaysian

Date of Present Appointment: 1 March 2021

Academic/Professional Qualification(s)

- Masters in Business Administration, University of Dubuque, USA
- Chartered Institute of Marketing, UK

Experience

Hani Ezra joined Malaysia Airports in 2016 and was appointed as Senior General Manager, Commercial Services on 1 March 2021. Prior to this, she was General Manager of Commercial Business.

She was instrumental in leading the Non-Aeronautical business of Malaysia Airports, in particular the Commercial Reset, to raise the retail profile and reposition the airports beyond transportation hubs.

She has more than 21 years of experience in marketing, branding and retail. She began her marketing career in fast-moving consumer goods with F&N Dairies in 1997 before moving to Danone, where she was responsible for all aspects of marketing for Danone's most trusted UK brand.

In the retail business, Hani Ezra led the Marketing Division, Customer Service and Retail Relations for Suria KLCC, Kuala Lumpur's leading shopping mall. She managed over 300 stores, refreshed marketing approaches and delivered an unparalleled shopping experience which contributed to the growth of retail sales and the evolution of the retail industry in Malaysia.

MEGAT ARDIAN WIRA MOHD AMINUDDIN

Senior General Manager, Strategy

Age: 52 | Gender: Male | Nationality: Malaysian

Date of Present Appointment: 1 March 2021

Academic/Professional Qualification(s)

- Master's Degree in Aviation, Embry-Riddle Aeronautical University, USA
- Bachelor of Business Administration in Marketing, Western Michigan University, USA

Experience

Megat joined Malaysia Airports in 2018, and prior to his present appointment, he was the General Manager of Corporate Planning, and Transformation, focusing on the Group's strategic planning, growth, transformation as well as sustainability initiatives.

His career in the aviation industry started with AirAsia in 2004 where he managed the Government Relations and Special Projects portfolio. Megat then joined Malaysia Airlines Berhad (MAS) as part of the Transformation Management Team to facilitate MAS' turnaround campaign. He then joined Flynas, a low-cost carrier based in Riyadh, Saudi Arabia as Chief Commercial Officer.

GROUP SENIOR MANAGEMENT’S PROFILE

ROSMAN NORDIN

Head of Internal Audit

Age: 50 | Gender: Male | Nationality: Malaysian

Date of Present Appointment: 21 March 2022

Academic/Professional Qualification(s)

- Master of Business Administration, Open University Malaysia
- Bachelor of Accountancy, Universiti Utara Malaysia
- Chartered Accountant Malaysia, Malaysian Institute of Accountants
- Member of the Institute of Internal Auditors, United Arab Emirates and Malaysia

Experience

Rosman Nordin joined Malaysia Airports in 2022 as the Head of Internal Audit.

Rosman has over 26 years of experience in internal audit, risk management, compliance, finance, and joint venture accounting.

Prior to joining Malaysia Airports, Rosman was exposed to multiple industries including oil and gas, maritime, transportation & logistic, subsea pipeline constructions and offshore construction projects where he has served major companies including PETRONAS Group of companies, Abu Dhabi National Oil Company (ADNOC), Puncak Niaga Group of companies and lastly Alam Maritim Resources Berhad as General Manager, Internal Audit & Risk Management.

While in PETRONAS, Rosman was the Head of Joint Venture audit of PETRONAS Carigali, auditing upstream operations of the oil majors based in Malaysia and overseas, namely Shell, Exxon, TOTAL, Chevron and others. He was later seconded to Ashgabat, Turkmenistan as the Finance Head of PETRONAS Carigali Turkmenistan from 2003 to 2006. In addition, he was also experienced as the Senior Audit Specialist with ADNOC, based in Abu Dhabi, United Arab Emirates.

Rosman also serves as a speaker with the Institut Tadbiran Awam Negara (INTAN), providing training on the Corporate Directors Leadership and Integrity module to the Malaysia government officials and state-owned companies.

DATUK ABDULLAH KADIR BACHA

General Manager, Stakeholder Relations and Regulatory Affairs

Age: 71 | Gender: Male | Nationality: Malaysian

Date of Present Appointment: 15 January 2016

Academic/Professional Qualification(s)

- Master’s Degree (MSc) in Information Science, Loughborough University, UK

Experience

Datuk Abdullah joined Malaysia Airports in 2014 as a Consultant for Government Affairs, and assumed the position of General Manager, Stakeholder Relations & Regulatory Affairs. Datuk Abdullah brings a wealth of experience to his role with his diverse background encompassing government, academia, and the private sector.

During his 33-year tenure with the Government of Malaysia, he held various key positions within the Federal Government and its agencies. Notably, he served as an aide in the private office of the Prime Minister for five years.

In addition to his government service, Datuk Abdullah has also worked in the private sector and academia. He held positions at Universiti Utara Malaysia and later at the International Islamic University Malaysia.

In 1999, he assumed the role of Chief Knowledge Officer and later became Vice President for Multilateral Government Engagement at Multimedia Development Corporation (MDEC). During his time at MDEC, he successfully promoted Malaysian IT companies and products to Middle Eastern governments, particularly in Saudi Arabia, Iran, UAE, Syria, and Lebanon, facilitating market penetration through various initiatives.

In 2008, he was appointed as an IT advisor at AlBukhary Group of Companies. Additionally, he founded Altel, a 4G broadband company, and played a pivotal role in establishing MyTV Broadcasting Company, which ventured into digital TV broadcasting for RTM.

Datuk Abdullah also served as the Executive Director of Puncak Semangat Sdn Bhd, a leading IT company.

GROUP SENIOR MANAGEMENT'S PROFILE

SHUKREEN MA PIN

General Manager, Corporate Communications

Age: 42 | Gender: Female | Nationality: Malaysian

Date of Present Appointment: 1 May 2023

Academic/Professional Qualification(s)

- Bachelor of Science in Psychology and Communications, HELP Institute, Malaysia

Experience

Shukreen Ma was appointed as General Manager, Corporate Communications on 1 May 2023.

She is experienced in the fields of Broadcasting, Public Relations, Corporate Affairs, Strategic Communications and Culture Transformation across various industries over a span of 21 years.

She started her career with Media Prima, before joining public relations consultancy, Perception Management Sdn Bhd. She then spent 12 years at PETRONAS, which included stints with the Group Corporate Affairs Department as well as a series of secondments to the Group's Shipping, Fuel Retail and Marketing subsidiaries. She then returned to PETRONAS' corporate office in a communications and culture transformation role in the office of the Group President and CEO in 2015.

In 2018, she joined Bursa Malaysia to lead the Strategic Communications team, then Tenaga Nasional Berhad (TNB) to drive the company's culture transformation, and progressed to lead TNB's Group Corporate Communications department in 2021.

NOR AIDA OTHMANGeneral Manager, Legal &
General Manager, Chairman's Office

Age: 55 | Gender: Female | Nationality: Malaysian

Date of Present Appointment: 1 April 2020

Academic/Professional Qualification(s)

- Bachelor of Laws (LL.B Honours), International Islamic University Malaysia
- Advocate & Solicitor of the High Court of Malaya

Experience

Nor Aida joined Malaysia Airports as Senior Manager, Legal in 2012. She was previously seconded to Malaysia Airports from Malaysia Airlines from 2010 to 2011 under the Khazanah Cross Assignment Programme.

In March 2018, she was seconded to Malaysia Airports Consultancy Services (MACS) Middle East, Doha, Qatar as the Senior Manager, Legal to support its business operations.

Effective 23 February 2023 until todate, Nor Aida has taken on an additional role as the General Manager, Chairman's Office.

Nor Aida brings with her a wealth of experience, particularly in the aviation industry. Before joining Malaysia Airports, she had served over 10 years with Malaysia Airlines in various capacities.

Nor Aida has over 30 years of experience as an in-house legal counsel in Government-Owned and Government-Linked Companies, as well as public listed companies.

GROUP SENIOR MANAGEMENT’S PROFILE

ZAMRI MUSLIMIN

Head of Integrity

Age: 53 | Gender: Male | Nationality: Malaysian

Date of Present Appointment: 6 December 2023

Academic/Professional Qualification(s)

- Bachelor of Science (Biology) from California State University, USA
- Certified IATA Safety Audit for Ground Operations (ISAGO) Auditor
- Certified Integrity Officer (CeIO) by the Malaysian Anti-Corruption Commission (MACC).

Experience

Zamri Muslimin was appointed by Malaysia Airports as the Head of Integrity on 6 December 2023. Prior to this, he was the Senior Manager of Corporate Integrity at the Group.

Zamri brings with him over 30 years of experience in the aviation industry. He started his career with Malaysia Airlines, serving 11 years at Los Angeles International Airport (LAX) and Newark Liberty International Airport (EWR) in the United States of America, in which he was involved in managing the operational disruption at EWR during the 9/11 crisis in 2001. He was also involved as a caregiver manager during the incidents involving MH370 and MH017 in 2014.

Throughout his previous tenure, he was entrusted with various leadership roles in Airport Operations, Customer Experience, Internal Audit, Group Property, as well as in the Group CEO’s Office. During his tenure as the General Manager of the Transformation Office with Malaysia Airlines, he successfully led the cost-saving initiatives and business transformation lab for customer experience.

Additional information on Group Senior Management

Unless stated in their profiles, none of them has:

- Any directorship in public companies and listed issuers;
- Any family relationship with any Director and/or major shareholder of Malaysia Airports;
- Any conflict of interest or potential conflict of interest, including any interest in any competing business with Malaysia Airports or its subsidiaries;
- Any conviction for offences other than traffic offences within the past 5 years; and
- Any public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 31 December 2023.

SUBSIDIARIES SENIOR MANAGEMENT'S PROFILE

MOHD ARIF JAAFAR

Senior General Manager, MA (Sepang)

Age: 59 | Gender: Male | Nationality: Malaysian

Date of Present Appointment: 1 January 2021

Academic/Professional Qualification(s)

- Bachelor of Science in Human Resource Development, Universiti Putra Malaysia
- Graduate Diploma in Aviation and Airport Management, National University of Singapore (Airport Management Professional Accreditation Program)
- Accredited International Airport Professional, ACI-ICAO

Experience

Mohd Arif joined Malaysia Airports in 1994 and was appointed to his current role on 1 January 2021. He has over 30 years of experience with Malaysia Airports and has held senior roles within the Group. These include the Senior Manager of PEN as well as Terminal Manager and Landside Manager of KUL. He has also served as Airport Manager for KBR and IPH and was Head of Security at PEN and AOR.

Mohd Arif has also undergone the anti-terrorism assistance training programme conducted by the Federal Aviation Administration of the United States of America in Oklahoma.

KAMARUZZAMAN RAZALI

Senior General Manager, MASB

Age: 60 | Gender: Male | Nationality: Malaysian

Date of Present Appointment: 1 April 2023

Academic/Professional Qualification(s)

- Bachelor of Business Administration, Universiti Teknologi MARA, Malaysia
- Diploma in Business Studies, Universiti Teknologi MARA
- Diploma in Airport Management, National University of Singapore
- Accredited International Airport Professional, International Civil Aviation Organisation

Experience

Kamaruzzaman joined Malaysia Airports in 2000 as Operations Executive at KUL. He was appointed to his current position in 2022.

Prior to this, he held the position of General Manager of Malaysia Airports Sdn Bhd, overseeing the operations of all airports in Malaysia except for KUL.

He was previously the Senior Airport Manager for BKL and also Airport Manager for MYY, KBR and TGG. Kamaruzzaman started his career with the Department of Civil Aviation (now known as CAAM) in 1984, working with the Engineering Division at the then Sultan Ismail Airport, Johor Bahru.

SUBSIDIARIES SENIOR MANAGEMENT’S PROFILE

SERHAT SOĞUKPINAR

Chief Executive Officer, ISG & SGC

Age: 54 | Gender: Male | Nationality: Turkish

Date of Present Appointment: 26 December 2023

Academic/Professional Qualification(s)

- B.SC of Sport Science & Technology, Hacettepe Üniversitesi, Ankara, Türkiye

Experience

Soğukpınar joined Malaysia Airports’ wholly owned subsidiary, Istanbul Sabiha Gökçen International Airport on 26 December 2023. Prior to his appointment, he was the Head of Group Transportation & Infrastructure for IC Holding, a Turkish infrastructure and airport operator company.

Soğukpınar brings with him a wealth of experience in the aviation industry, having served 10 years at Ankara Esenboğa Airport, and 14 years at Antalya International Airport, including as its CEO from 2015 to 2018.

During his tenure at IC Holding, Soğukpınar was involved in numerous airport projects in Türkiye, contributing to the construction of the international terminal at Izmir Adnan Menderes Airport, the second runway and international terminal at Antalya Airport, and Ordu-Giresun Airport in Türkiye. He also played an active role in international projects involving airports in Bulgaria, Russia, Saudi Arabia and Vietnam.

Soğukpınar serves on several boards of critical infrastructure companies, including as Chairman of ICA IC Ictas Altyapı O&M JSC, Karasu Sea Port Operation Company, and IKA Kalyon - IC Nord Aegean Motorway Management JSC.

RANDHILL SINGH

Head of KLIA Aeropolis

Age: 47 | Gender: Male | Nationality: Malaysian

Date of Present Appointment: 1 January 2021

Academic/Professional Qualification(s)

- Master of Business Administration, University of Malaya
- Bachelor of Engineering in Civil Engineering, University of Malaya
- Certified International Airport Professional

Experience

Randhill joined Malaysia Airports in January 2008 and was appointed as the Head of KLIA Aeropolis on 1 January 2021, overseeing KLIA Aeropolis’ development and real estate development across airports in Malaysia including the Subang Airport Regeneration initiative.

He is responsible for the execution of Malaysia Airports’ cross-border joint ventures relating to real estate and non-airport development within Malaysia which includes joint ventures with Mitsui Fudosan and Cainiao-Alibaba. Most recently, Randhill was instrumental in securing the land lease extension for 99 years from the Government of Malaysia for the KLIA Aeropolis development.

Prior to that, he had also undertaken various roles in Malaysia Airports including Transformation Management, Malaysia International Aerospace Centre and Group Corporate Planning.

SUBSIDIARIES SENIOR MANAGEMENT'S PROFILE

AHMAD TARMIZI MOHD HASHIM

Executive Director, MACS ME

Age: 64 | Gender: Male | Nationality: Malaysian

Date of Present Appointment: 1 February 2016

Academic/Professional Qualification(s)

- Master of Business Administration, Keele University, UK
- Postgraduate Diploma in Airport Management, International Aviation Management Training Institute, Canada
- Rated Air Traffic Controller

Experience

Ahmad Tarmizi was appointed to his current position as Executive Director of Malaysia Airports Consultancy Services, Middle East LLC (MACS ME) in 2016. He started his career as an Air Traffic Controller with the Department of Civil Aviation (now known as CAAM). He then joined Malaysia Airports in 1992 and was assigned as a Project Manager for the KLIA project in 1993.

Following the smooth operation of the project, he pursued other international consulting opportunities across the globe in his area of expertise - Operations, Readiness and Airport Transfer (ORAT). Some of the organisations he was attached to were XYBASE Inc., Omega Alpha Aviation, TAV Airports Holding and the International Air Transport Association (IATA). With over 31 years of experience in the international aviation industry, Ahmad Tarmizi has been involved in more than 40 airport projects worldwide.

Ahmad Tarmizi re-joined Malaysia Airports in 2010 and served in several senior positions including Technical Director, Senior Airport Consultant and the General Manager of Malaysia Airports Consultancy Services.

His current role allows him to leverage on his wide experience to manage the provision of airport IT systems and Facility Management Services at the Hamad International Airport in the State of Qatar.

NURSHUHAILA MOHD AMIN

General Manager, UTW

Age: 50 | Gender: Female | Nationality: Malaysian

Date of Present Appointment: 1 November 2018

Academic/Professional Qualification(s)

- Masters in Business Administration from Open University Malaysia
- Degree in Computer Studies, University of Glamorgan, Wales, UK
- Diploma in Computer Science, Universiti Teknologi MARA
- Registered Professional Technologist with the Malaysia Board of Technologists

Experience

Nurshuhaila was appointed to her current role in 2018. She has over 25 years of experience in the Facility Management industry.

Nurshuhaila serves as a committee member appointed by the Malaysia Association of Facility Management. Additionally, she actively participates in various Facility Management working committees, representing the industry.

Her extensive experience in Facility Management was recognised in the Facility Management industry, educational institutions and government agencies for her contribution as the working committee, providing valuable ideas in Facility Management, Technologies Innovation, and Performance Based Contracts.

SUBSIDIARIES SENIOR MANAGEMENT’S PROFILE

SUNDRALINGAM KULENDRA

General Manager, Sama-Sama Hotels KLIA

Age: 60 | Gender: Male | Nationality: Malaysian

Date of Present Appointment: 16 April 2019

Academic/Professional Qualification(s)

- Master’s Degree in Hotel Management, Université de Toulouse-Le Mirail, France
- Diploma in Hotel Management, Ecole Hôtelière Les Roches, Switzerland

Experience

Sundra was appointed to his current role in 2019. He had previously joined the Pan Pacific Hotel in 2011 as Executive Assistant Manager and was involved in the hotel’s rebranding to Sama-Sama Hotel KL International Airport. In 2018, he was appointed to lead the hotel as Acting General Manager.

Sundra studied and worked professionally in Switzerland for 12 years in various hotels and resorts. He returned to Malaysia in 1996 and served in a few local hotels before joining the Pan Pacific Hotel.

His experience spans a wide range of the hospitality industry including business operations, development of new products and services, and process improvement.

AZHAR ARSHAD

General Manager, MAAH

Age: 57 | Gender: Male | Nationality: Malaysian

Date of Present Appointment: 1 June 2018

Academic/Professional Qualification(s)

- Masters of Business Administration, University of Victoria, Australia
- Post Graduate Diploma in Business Administration, UNITAR
- Advance Diploma in Business and Management, UNITAR
- Diploma in Agriculture, Universiti Putra Malaysia

Experience

Azhar joined Malaysia Airports as Manager, MAB Agriculture Horticulture (MAAH) in 1998 and was appointed to his current position in 2018.

Prior to joining Malaysia Airports, he had started his career at Sime Darby Plantations in 1988 where he held several positions in Sime Darby Plantations.

He also gained hands-on experience when he was posted to estates in Peninsular Malaysia focusing on oil palm, rubber and coconut plantations, as well as landscaping services.

Azhar was also involved in the development of plantation around Sibul, Miri, and Bintulu. He also played a pivotal role in diversifying MAB Agriculture and Horticulture offerings by venturing into the planting of the MD2 variant of Pineapples and Pisang Tanduk.

SUBSIDIARIES SENIOR MANAGEMENT'S PROFILE

MD FADZWIN ABDUL RAHIM

General Manager, MA (Niaga)

Age: 53 | Gender: Male | Nationality: Malaysian

Date of Present Appointment: 1 July 2022

Academic/Professional Qualification(s)

- Bachelor of Business Administration (Retailing), Open University Malaysia
- Diploma in Agricultural Engineering, Universiti Putra Malaysia

Experience

Md Fadzwin Abdul Rahim was appointed to his current role on 1 July 2022. Prior to that, he was the Covering General Manager of MA (Niaga).

Before joining the company, Fadzwin was attached to Aeon (formerly known as Jusco). He then joined Malaysia Airports in 1994 as Assistant Duty Manager of MA (Niaga), and subsequently held various positions managing a range of portfolios within MA (Niaga). In 2007, he was appointed as Senior Manager of Information Management.

Fadzwin led the MA (Niaga) relocation exercise and new business opening from Subang Airport to KL International Airport Terminal 1 in 1998 and subsequently from the Low Cost Carrier Terminal to KL International Airport Terminal 2 in 2014.

During his tenure with MA (Niaga), he also participated in the tendering exercise for New Delhi, Cebu, Surabaya and Jeddah airports. Internally, he was also involved in several cross-functional initiatives under the Blue Ocean Strategy and INSEAD programmes.

Additional information on Subsidiaries Senior Management

Unless stated in their profiles, none of them has:

- Any directorship in public companies and listed issuers;
- Any family relationship with any Director and/or major shareholder of Malaysia Airports;
- Any conflict of interest or potential conflict of interest, including any interest in any competing business with Malaysia Airports or its subsidiaries;
- Any conviction for offences other than traffic offences within the past 5 years; and
- Any public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 31 December 2023.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (the Board) is pleased to present Malaysia Airports' Corporate Governance Overview Statement (CG Overview Statement) for 2023 to provide the shareholders and investors with insights into the corporate governance (CG) practices of the Company during the financial year 2023. The Board is dedicated to upholding a high level of commitment in executing its responsibilities of overseeing the Company's business affairs. We are steadfast in promoting robust corporate governance standards and fostering a culture defined by integrity and transparency across the Group. The Board firmly believes that good corporate governance is essential for shaping the strategic trajectory of the Malaysia Airports Group (the Group) and guiding the decision-making processes, thereby ensuring sustainable long-term value for the stakeholders.

During the year under review, Malaysia Airports remained firm in upholding compliance with the following statutory and regulatory requirements, guidelines, and governance best practices:



- Companies Act 2016
- Main Market Listing Requirements (Listing Requirements) of Bursa Malaysia Securities Berhad (Bursa Malaysia)
- Malaysian Code on Corporate Governance 2021 (MCCG 2021) issued by Securities Commission Malaysia
- Corporate Governance Guide 4th Edition 2021 (CG Guide) by Bursa Malaysia
- Corporate Disclosure Guide by Bursa Malaysia
- Guidelines on Conduct of Directors of Listed Corporations and their Subsidiaries published by Securities Commission Malaysia
- Development in market practice and regulations

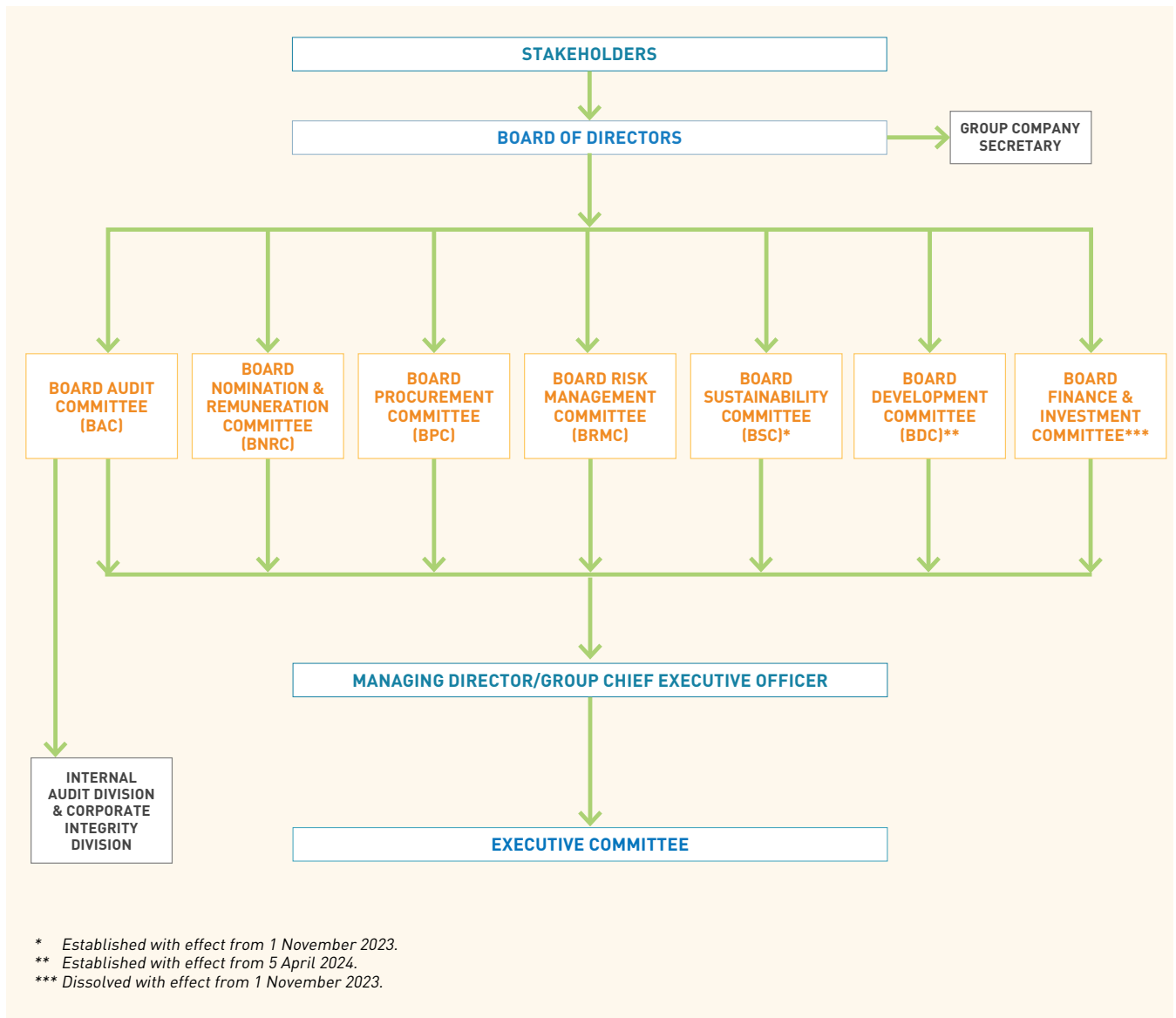




CORPORATE GOVERNANCE OVERVIEW STATEMENT

CORPORATE GOVERNANCE FRAMEWORK

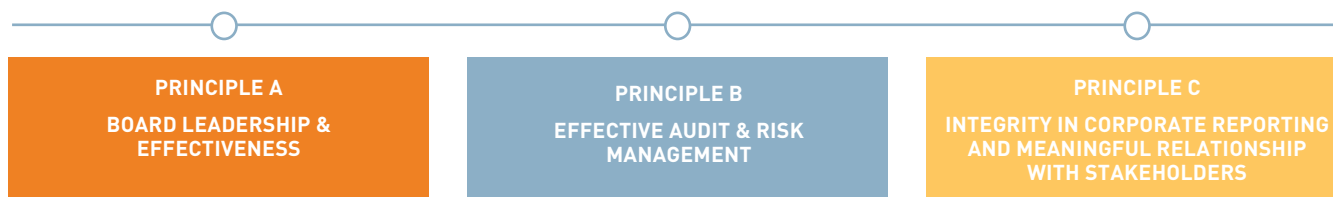
Malaysia Airports operates with a clear and effective governance structure. With continuous guidance from the Board, the corporate governance structure remains robust and effective across the Group. Responsibility for good governance lies with the Board, and to ensure the effective discharge of its functions and responsibilities, the Board delegates its powers to the Board Committees and Managing Director/Group Chief Executive Officer as well as to the Executive Committee (EXCO) which comprises Senior Management personnel. The Board, in implementing corporate governance best practices, ensures accountability to the Company’s shareholders and other stakeholders. Malaysia Airports’ Corporate Governance Framework can be illustrated as follows:



CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board regularly reviews and enhances the Corporate Governance Framework, practices, and principles to keep abreast of developments in the regulatory environment, international best practices, as well as the Company’s business needs. During the financial year, the Board revisited the need for BOFIC and established the BSC to support the Board’s role in the Group’s objective, policies, and practices on sustainability. In 2024, the Board established the Board Development Committee (BDC) to provide oversight on the implementation of the airport expansion projects, development of KLIA Aeropolis lands and other development projects undertaken by the Company. The dissolution of BOFIC and establishment of BSC and BDC were intended to streamline the board committees to achieve better efficiency and effectiveness in the Board’s administration and oversight of the Company’s affairs.

This CG Overview Statement provides an overview of Malaysia Airports’ application of the following key principles of corporate governance as set out in the Malaysian Code on Corporate Governance 2021 (MCCG 2021):



We hereby present our application and adoption of the recommendations and practices of MCCG 2021 throughout this CG Overview Statement. This statement prepared in compliance with the Listing Requirements of Bursa Malaysia and should be read in conjunction with the Corporate Governance Report (CG Report) 2023.

As of 31 December 2023, Malaysia Airports adopted and applied 41 out of 43 recommended practices by MCCG 2021 together with 3 out of 5 optional step-up practices. The CG Report provides a detailed explanation on the manner in which the Company applies the MCCG 2021 principles and complies with its practices, as well as explanations for the departures. Respective measures and timeframes to make good the departures are also elaborated in the CG Report. The CG Report is available on the Company’s website at www.malaysiaairports.com.my.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A

BOARD LEADERSHIP & EFFECTIVENESS

Roles and Responsibilities of the Board

The Board is entrusted with the responsibility of promoting the success of the Company by directing and supervising its affairs in a responsible and effective manner. Each Director has a duty to act in good faith and in the best interest of the Company. The Directors are aware of their collective and individual responsibilities to all shareholders for the manner the affairs of the Company are managed, controlled, and operated. The Board is satisfied that it has fulfilled these duties and obligations during the year under review.

In discharging its fiduciary and leadership functions, the main roles and responsibilities of the Board are as follows: -

- Review and approve the Group's overall strategy, vision, mission, objective, core values, brand promise and governance framework.
- Review and approve corporate key performance indicators (KPIs) and targets.
- Provide guidance on strategic direction, challenge assumptions, priorities and options, and review business plans and budgets put forward by Senior Management.
- Set the Company's enterprise risk management framework, review major risk exposure and ensure that appropriate risk mitigation plan is in place and consider risk factors for major projects.
- Together with Senior Management, promote good governance culture that upholds ethical and professional behaviour in keeping with the Company's brand promise.
- Review the performance of Managing Director (MD)/Group Chief Executive Officer (GCEO) and Senior Management against the corporate KPIs.
- Plan and determine the succession plan of Senior Management including appointment, compensation, renewal of employment contracts and replacement.
- Oversee the implementation of investor relation programmes and appropriate shareholders' communication policy.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A

BOARD LEADERSHIP & EFFECTIVENESS

BOARD OF DIRECTORS



Chairman

TAN SRI DATUK ZAINUN ALI

Non-Independent
Non-Executive Chairman

(Appointed on 17 February 2023)

Meeting Attendance:

19/19

Members		
		Meeting Attendance
Dato' Zamzuri Abdul Aziz (or his alternate, Mohd Nizam Mohd Khir) (Appointed with effect from 5 June 2023)	Non-Independent Non-Executive Director	13/13
Dato' Normah Osman (Resigned with effect from 25 April 2023 and re-appointed with effect from 20 October 2023)	Non-Independent Non-Executive Director	10/10
Datuk Amran Hafiz Affudin (Appointed with effect from 1 September 2023)	Non-Independent Non-Executive Director	7/8
Rohaya Mohammad Yusof	Non-Independent Non-Executive Director	20/20
Dato' Ir. Mohamad Husin (Appointed as Senior Independent Non-Executive Director with effect from 30 May 2023)	Senior Independent Non-Executive Director	18/20
Ramanathan Sathiamutty	Independent Non-Executive Director	20/20
Cheryl Khor Hui Peng	Independent Non-Executive Director	20/20
Dato' Seri Ir. Koe Peng Kang (Appointed with effect from 12 December 2023)	Independent Non-Executive Director	1/1
Chris Chia Woon Liat (Appointed with effect from 11 March 2024)	Independent Non-Executive Director	N/A
Former Members who served during the year under review:		
Datuk Johan Mahmood Merican (Resigned with effect from 22 May 2023)	Non-Independent Non-Executive Director	2/6
Wong Shu Hsien (Resigned with effect from 1 September 2023)	Non-Independent Non-Executive Director	12/12
Datuk Azailiza Mohd Ahad (Resigned with effect from 19 May 2023)	Senior Independent Non-Executive Director	6/6
Tan Sri Mohamad Salim Fateh Din (Resigned with effect from 22 May 2023)	Independent Non-Executive Director	6/6
Dato' Sri Iskandar Mizal Mahmood (Expiration of tenure with effect from 25 October 2023)	Managing Director	15/15

CORPORATE GOVERNANCE OVERVIEW STATEMENT

MAIN AREAS OF OVERSIGHT

- Overall strategy, vision, values, and governance framework of the Group.
- The Company's Annual Audited Financial Statements and Quarterly Financial Statements.
- Payment of dividends and the Company's dividend policy.
- The Group's annual budget and any amendment to allocation, borrowing and security, acquisitions and disposals of tangible/non-tangible assets and capital expenditure over a specified amount.
- Company's long-term financial plan and annual capital expenditure programme.
- Approval of any significant change in accounting policies and practices.
- Approval of all circulars, resolutions and corresponding documentation sent to stakeholders.
- Approval of changes in the capital structure of the Company with regards to issuance or allotment of shares or other securities, or its status as a public listed company.
- Appointment or removal of MD/GCEO and Company Secretary.
- Recommendation to shareholders for the appointment, re-appointment, or removal of the external auditors.
- Appointment, re-appointment or removal of Directors and recommendation for their election or re-election for consideration of shareholders, pursuant to the Company's Constitution.
- Approval for the establishment of Board Committees, their terms of reference, review of their activities and where appropriate, ratification of their decisions.

MAIN ACTIVITIES IN 2023

- Midfield Terminal Project for İstanbul Sabiha Gökçen Uluslararası Havalimanı Yatırım Yapım ve İşletme A.Ş.
- Disposal of 11% Stake in GMR Hyderabad International Airport Limited to GMR Airport Limited.
- Operating Agreements between the Company and the Government of Malaysia.
- Expansion of Penang International Airport.
- Joint Venture and Land Development at Lapangan Terbang Sultan Abdul Aziz Shah.
- Long-Standing Non-Issuance of Airport Development Request and the Treatment of User Fees Adjustments and its Related Compensation arising from the Sibü Airport, Sultan Ismail Petra Airport and Sultan Azlan Shah Airport Development.
- Material litigations and issues with material financial impact.
- Full year result for financial year ended 31 December 2022 and approval of Audited Financial Statements for financial year ended 31 December 2022.
- Quarterly Result Announcements.
- Final Dividend and Dividend Reinvestment Plan for Financial Year 2022.
- 2022 Corporate Scorecard and Key Performance Indicator Results for Bumiputera Empowerment Agenda.
- Maintenance, Repair & Overhaul Facility for Collins Aerospace at Subang Aerotech Park.
- Appointment of Concessionaire to Redevelop Satellite Building Centre Court and Operation of New Retail Outlets
- Design, Construction, Installation, Completion, Testing & Commissioning of Proposed Baggage Handling System Asset Replacement Programme.
- Matters Related to Pestech Technology Sdn. Bhd. on Delivery of Asset Replacement Project for Automated People Mover.
- Design, Supply, Installation, Testing, and Commissioning for Automated People Mover and Associated Works at KLIA Terminal 1 Track Transit System.
- Revision of Internal Policies.
- Change of Composition of Board Committees.
- Proposed Dissolution of Board Finance & Investment Committee and Proposed Establishment of Board Sustainability Committee.
- Revision of Terms of Reference of Board Committees.
- Board Effectiveness Evaluation for FYE2022 by KMPG Management & Risk Consulting Sdn. Bhd.
- Appointment and Renewal of Senior Management.
- Mandate for the 10th Collective Agreement.
- Selection of Developer-Partner for Potential Build-To-Suit & Lease Facility for a Global Multinational Corporation at Aeropolis Industrial Park.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A

BOARD LEADERSHIP & EFFECTIVENESS

Delegation to Management

The responsibility of managing the Company is delegated to Senior Management through the MD/GCEO. In this regard, the Board sets the Company's policies and strategic directions, and ensures its decisions are executed accordingly by Senior Management. The implementation of policies and strategic directions, and execution of Board decisions are controlled via written procedures [i.e., Limits of Authority (LOA) and Procurement Policies & Procedures (Procurement Manual)] which outline the appropriate approving authority and types of decisions required.

Roles of Chairman, Managing Director/Group Chief Executive Officer and Senior Independent Director

The Board ensures that the Chairman is a non-executive member of the Board and has no other positions on any of the Committees of the Board. This is to safeguard the objectivity of the Chairman and ensure there is a strong check and balance at the Board when deliberating on observations and recommendations put forward by the Committees of the Board. Additionally, the Board practices a clear demarcation of duties and responsibilities between the Chairman and MD/GCEO to ensure there is a balance of power and authority in the Board. Consistent with Practice 1.3 of MCCG 2021, the positions are also held by two different individuals. The Non-Executive Directors are wholly independent of Management and do not participate in day-to-day management of the Company. They are relied upon to provide oversight of Management. The Board also appoints a Senior Independent Director who acts as a trusted intermediary between the Non-Executive Directors and the Chairman, as well as the designated contact to whom shareholders' concerns may be raised.

The respective roles of the Chairman, Senior Independent Director, MD/GCEO, and their division of responsibilities as tabulated:

CHAIRMAN



TAN SRI DATUK ZAINUN ALI

Non-Independent
Non-Executive Chairman

- Lead the Board in setting values and governance standards of the Company.
- Maintain a relationship of trust with and between Board members.
- Ensure the provision of accurate, timely and clear information to the Board.
- Ensure effective communication with shareholders and other stakeholders.
- Arrange annual evaluation of the performance of the Board and Board Committees.
- Facilitate effective contribution from Board members and ensure constructive relations are maintained between Board members.
- Create the conditions required for the effectiveness of the Board and individual Directors, both inside and outside the boardroom including the appropriate balance of power, level of accountability and independent decision making.
- Lead discussions among Board members.
- Build a cohesive leadership team consisting of the Board and Senior Management.
- Delegate responsibilities to other Directors, Board Committees and Management
- Act as facilitator for meetings to ensure: -
 - adequate notice of meetings.
 - adequacy of information for Board meetings.
 - no member dominates the discussion.
 - full discussion takes place.
 - variety of opinion among Board members is drawn out.
 - outcome of discussions results in logical and coherent policy to guide the MD/GCEO and against which the performance of the Company can be monitored; and
 - consensus is obtained in Board meetings and when necessary, to call for vote.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

MANAGING DIRECTOR/GROUP CHIEF EXECUTIVE OFFICER

**Mohamed Rastam Shahrom**

Currently assumes the position of Acting Group Chief Executive Officer and Group Chief Financial Officer

- Lead the day-to-day management of the Group and chairs the EXCO.
- Responsible for implementation of policies, strategies and decisions adopted and agreed by the Board.
- Provide a structure that facilitates clear reporting to the Board with high quality information and recommendations to enable informed decisions in all aspects of the Company's business and strategy.
- Answerable to the Board for the achievement of the agreed goals within the limitations of authority granted by the Board.
- Regularly review the succession plan for Senior Management with the Chairman and other Board members.
- Represent the Company to major customers, employees, suppliers, and professional associations.
- Report to and advise the Board on: -
 - all matters that materially affect the Company and its performance including any potential strategic or significant development prospects.
 - any underperforming business/activities and outline proposals to rectify the situation; and
 - all material matters that affect or could affect the shareholders and the markets in which the shareholders' interests are located.

SENIOR INDEPENDENT DIRECTOR

**Dato' Ir. Mohamad Husin**

Senior Independent Director

- Serve as a point of contact for shareholders and other stakeholders to voice their concerns relating to the affairs of the Group.
- Chair Board meetings when the Chairman is absent or fails to arrive within 15 minutes or if the Chairman is required to be excused from the meeting.
- Review the notification by the Chairman on acceptance of new directorships in other companies.
- Lead board evaluation on the Chairman.
- Advise the Board if there is any potential conflict of interest by the Chairman.
- Perform such duties as the Board may establish.
- Encourage dialogue between Independent Directors and Management.

All queries relating to the Malaysia Airports Group can be channeled to the Senior Independent Director's email at sid@malaysiaairports.com.my or directed to the following address:

Dato' Ir. Mohamad Husin
Senior Independent Director

Malaysia Airports Corporate Office
Persiaran Korporat KLIA
64000 KLIA, Sepang
Selangor Darul Ehsan

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A BOARD LEADERSHIP & EFFECTIVENESS

Board Composition

The Board currently comprises an equal number of Non-Independent Non-Executive Directors (NINEDs) and Independent Non-Executive Directors (INEDs). The current Board composition complies with the provision of the Company's Constitution and exceeds the minimum requirement of one-third for INEDs as set out in the Listing Requirements. The Board took cognisance of the best practice recommendation of Practice 5.2 of MCCG 2021 with regards to composition of boards of Large Companies to comprise majority INEDs. However, the composition of the Board is subject to the provision of the Constitution of the Company. Rule 113 of the Constitution states that the Minister of Finance Incorporated (MOF Inc), the Special Shareholder, shall have the right from time to time: -

- (a) To appoint any person; or
- (b) To nominate any acting director (with the consent of the Director concerned) to be a Government Appointed Director so that there shall not be more than six (6) Government Appointed Directors at any time comprising:
 - (i) The Chairman of the Board.
 - (ii) The Managing Director.
 - (iii) One representative each from the Ministry of Finance and the Ministry of Transport; and
 - (iv) Two other representatives as may be determined.

The composition of the Board reflects the interest of MOF Inc, which is adequately represented by the appointment of their nominees without compromising the interest of other shareholders.

At present, one (1) of the NINEDs is a nominee director from Khazanah Nasional Berhad (KNB), the largest shareholder of the Company. Another NINED is a nominee director from Employees Provident Fund (EPF), another substantial shareholder. The INEDs represent the minority shareholders' interest and their independent voice carries a significant weight in the Board's decision-making process.

In the beginning of 2023, the Board comprised eleven (11) Directors. However, Dato' Normah Osman, representative of MOF Inc from the Ministry of Transport (MOT) resigned on 25 April 2023, followed by Datuk Azailiza Mohd Ahad on 19 May 2023, and Datuk Johan Mahmood Merican, the representative of MOF Inc from the Ministry of Finance (MOF) and Tan Sri Mohamad Salim Fateh Din on 22 May 2023. The Board then welcomed Dato' Zamzuri Abdul Aziz, the representative of MOF Inc from the MOF, together with his Alternate Director, Mohd Nizam Mohd Khir, on 5 June 2023. On 1 September 2023, Malaysia Airports bade farewell to Wong Shu Hsien, the nominee director from KNB, and welcomed Datuk Amran Hafiz Affifudin, who was nominated by KNB as its representative on the Board in place of Wong Shu Hsien.

Thereafter, Malaysia Airports welcomed back Dato' Normah Osman following her re-appointment as the representative of MOF Inc from MOT on the Board on 20 October 2023 and the Company bade farewell to YBhg. Dato' Sri Iskandar Mizal Mahmood following the expiration of his tenure as Managing Director on 25 October 2023. On 12 December 2023, Malaysia Airports welcomed Dato' Seri Ir. Koe Peng Kang as an INED. The Company also welcomed Chris Chia Woon Liat as an INED on 11 March 2024.

The Directors' profiles are available on pages 186 to 191 of this Annual Report.

The Board regularly reviews its composition and the composition of the Board Committees to ensure appropriate balance, and the presence of the required skills and experience.

In conclusion, the Board and Board Committees are content with their compositions and are of the view that, with the current mix of skills, knowledge, experience, and strength of existing Directors, the Board and respective Board Committees are in the position to discharge their duties effectively.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Board Diversity

The Board believes that a balance of experience, skills, competency, expertise, diversity, and knowledge are key elements to bringing different perspectives into its deliberations and ensure better analysis of risks and opportunities. With such balance, the Board ensures the continuity of effective oversight and informed decision making on issues affecting the Company.

The Board considers diversity in gender, age, and ethnicity of the existing Board members in seeking potential candidate(s) for any new appointment on the Board. This helps ensure an appropriate balance between the experienced perspectives of long-serving Directors and new perspectives that bring fresh insights to the Board.

Malaysia Airports has always been supportive of the recommendation of MCG 2021 that Large Companies have at least 30% Women Directors. At present, the Board is represented by four (4) Women Directors out of the total ten (10) Directors, making up 40% of the Board composition.

A Board Diversity Policy has been established since 2018. It provides that the Board will always maintain minimum 30% Women Directors as its members.

The gender diversity philosophy is cascaded to the Senior Management. The Company will continue to take steps to promote diversity, including gender diversity, at operational as well as management level and strive to inculcate a working environment which is free from discrimination. The policy on diversity is also implemented in recruitment and promotion processes.

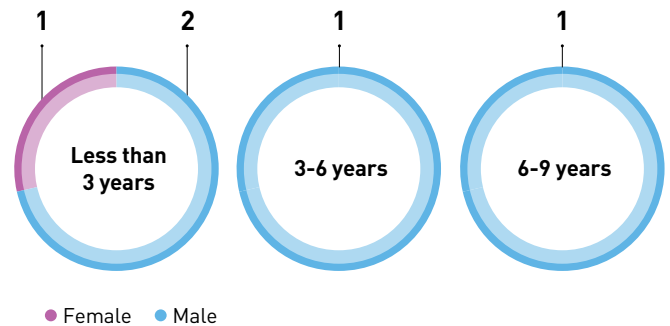
Whilst having regard to gender diversity, the Board also recognises that diversity should also be considered from other aspects such as cultural background, expertise, international and regional exposures, and industry expertise.

Tenure

During the year under review, no Independent Director had served on the Board for more than nine (9) years from the date of his/her first appointment. This is in line with Malaysia Airports' Board Charter that limits the tenure of service of an Independent Director to a maximum of nine (9) years or 75 years of age, whichever is earlier.

As at the date of issuance of this statement, 60% of the INEDs members served less than 3 years, 20% served between 3 and 6 years and 20% is long serving INED having served 6 years or more.

TENURE OF INED



Board Members' Industry and Background Experience

The Board Skills Matrix has been developed based on the Directors' self-assessment and used as reference for the Board Succession Plan as well as determining the relevant training required by the Directors. The Board ensures that it has appropriate mix of diversity, skills, experience and expertise to effectively discharge its collective responsibility.

BNRC will assist the Board in reviewing and ensuring the Directors possess the right mix of skills, competencies, experience and other requirements in managing a highly regulated aviation industry.

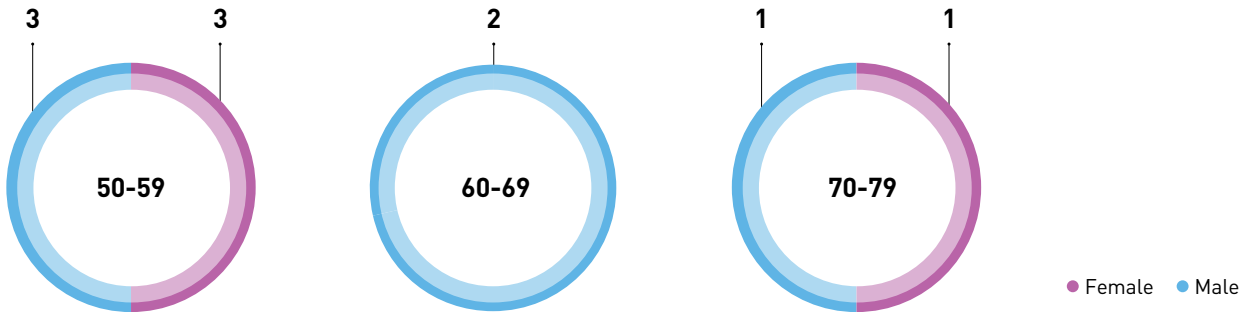
CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A BOARD LEADERSHIP & EFFECTIVENESS

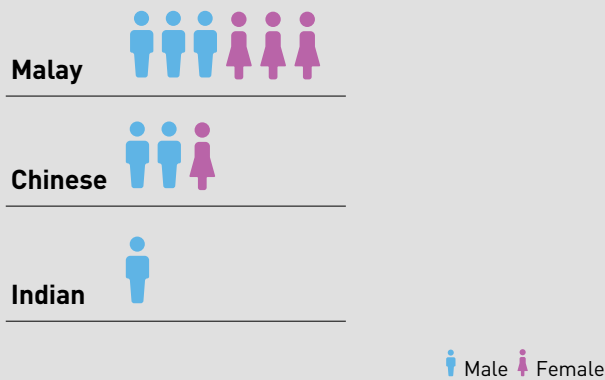
BOARD COMPOSITION



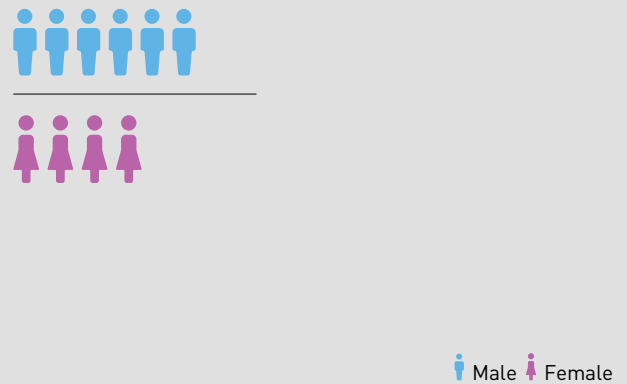
DIRECTORS' AGE RANGE



BOARD MEMBERS' ETHNICITY



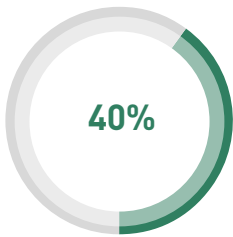
GENDER DIVERSITY



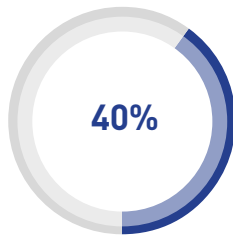


CORPORATE GOVERNANCE OVERVIEW STATEMENT

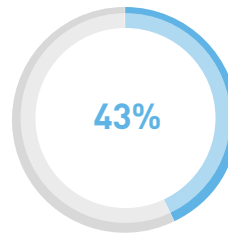
BOARD MEMBERS' INDUSTRY AND BACKGROUND EXPERIENCE



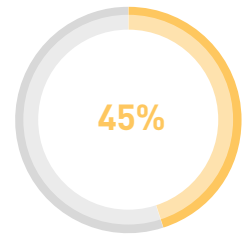
**Information
Technology/Digital
Strategy**



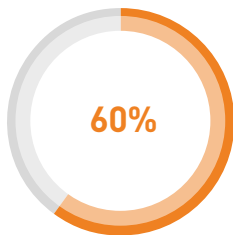
**Property
Development and
Management**



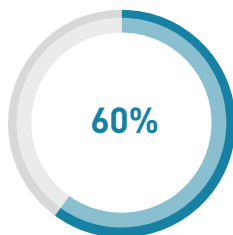
**Industry
Experience**



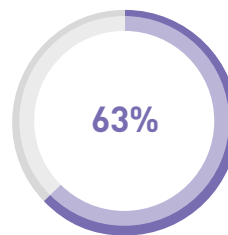
Legal & Regulatory



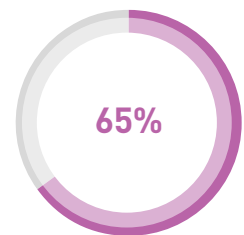
Macroeconomy



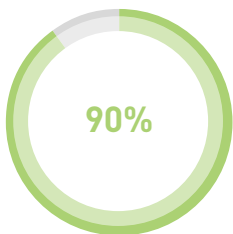
**Accounting &
Auditing**



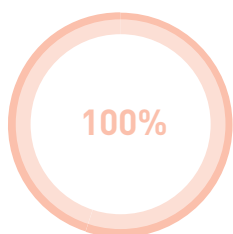
**Business Knowledge
and Administration**



**Corporate Governance,
Risk Management &
Internal Controls**



Sustainability



**Human Capital/
Talent
Management**

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A BOARD LEADERSHIP & EFFECTIVENESS

Board's Attendance

In 2023, the Board met 20 times. Seven (7) of the meetings were scheduled meetings and thirteen (13) were special (unscheduled) meetings. All Directors attended more than 50% of Board meetings held during the year and they complied with Paragraph 15.05 (3)(c) of the Listing Requirements and the Constitution of the Company except for Datuk Johan Mahmood Merican who had resigned on 22 May 2023. The calculation of percentage of attendance is based on their date of appointment. This reflects Board members' commitment and dedication in fulfilling their duties and responsibilities.

Details of meetings of the Board, Board Committees and general meeting held during the year under review are set out below:

Meeting	Quarter 1 2023	Quarter 2 2023	Quarter 3 2023	Quarter 4 2023	Total meetings in 2023
General Meeting	-	1 June 2023	-	-	1
Board	3 February 2023 28 February 2023 6 March 2023 30 March 2023	10 April 2023 3 May 2023 30 May 2023 14 June 2023	20 July 2023 27 July 2023 11 August 2023 24 August 2023 8 September 2023 27 September 2023	5 October 2023 31 October 2023 24 November 2023 29 November 2023 8 December 2023 20 December 2023	20*
Board Nomination & Remuneration Committee	16 January 2023 2 February 2023 16 February 2023 24 March 2023	-	4 July 2023 20 July 2023 29 August 2023	12 October 2023 27 October 2023 14 December 2023	10
Board Audit Committee	23 February 2023 22 March 2023	8 May 2023 22 May 2023	23 August 2023 25 August 2023	24 November 2023 14 December 2023	8
Board Procurement Committee	13 January 2023 20 February 2023 28 March 2023	-	10 July 2023 15 August 2023	31 October 2023 16 November 2023 30 November 2023 8 December 2023	9
Board Risk Management Committee	3 February 2023	-	18 July 2023	29 November 2023	3
Board Finance & Investment Committee (Dissolved w.e.f 1 November 2023)	17 February 2023 27 March 2023	-	-	-	2

* Out of 20 Board meetings, there were 13 special (unscheduled) Board meetings held in 2023.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Access to Information

The quality of information supplied to the Board is critical as it enables sound decision-making. The Chairman has the responsibility of ensuring the Directors receive accurate, timely and clear information with regards to the Group's financial and operational performance, as well as information contained in proposal papers submitted to the Board and Board Committees.

To ensure sufficient time is given to read and comprehend the contents of any of the papers, all meeting papers are issued and submitted electronically to the Board and Board Committees in advance prior to the scheduled meetings. In addition to easing the circulation of papers and minimising the potential leakage of sensitive information, this method enables the Directors to access and review the papers, anytime and anywhere. The Company Secretary has a duty to assist the Chairman to ensure the process of disseminating the information is effective and reliable.

Under the current practice, notices of Board and Board Committee meetings are issued to the Directors or members of Board Committee as well as individuals invited to the meetings at least 14 days from the date of meetings.

The Company endeavours to ensure the board papers are circulated to the Directors and Board Committees at least five (5) business days in advance to ensure they are given sufficient time to prepare for the meetings and facilitate robust discussions.

Declaration of Interest

As a permanent agenda of any meetings, the Directors have a duty to make a declaration in the event they have any interest, whether direct or indirect, in any agenda item or transaction proposed to be entered into by the Company. Any interested Director shall abstain from deliberations and making any decision on the said agenda item. In the event a corporate proposal requires approval from the shareholders, any interested Directors shall abstain from voting on the

resolution relating to the proposal and shall also undertake to ensure that persons connected to them similarly abstain from voting on the resolutions.

Access to Management and Independent Advice

The following are made available to the Directors in the course of discharging their duties:

- Full and unrestricted access to any information relating to the Group.
- Unrestricted access to the advice and service of the Company Secretary and Senior Management personnel. Directors are regularly updated on new statutory requirements relating to their duties and responsibilities.
- Unrestricted access to advice and service of independent professionals whether to individual Director, or as the Board or Board Committee.

Directors' Commitment

The Board recognises that it is important for all Directors to be able to dedicate sufficient time to the Company in discharging their duties and responsibilities. The NINEDs or INEDs are expected to commit sufficient time to the Company. Each Director confirms his or her understanding on time commitment upon accepting their appointment.

With regards to external appointments, the Board Charter provides that all Board members shall notify the Chairman of the Board before accepting any new directorships. This shall include an indication of time that will be spent on any new appointment.

At present, in compliance with the provision of Paragraph 15.06 (1) of the Listing Requirements, no individual Board member has more than five (5) directorships in listed issuers.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A BOARD LEADERSHIP & EFFECTIVENESS

Succession Planning

The BNRC has the responsibility to ensure adequate succession planning is implemented to ensure the orderly identification and selection of new INEDs in the event of an opening on the Board, whether such opening exists by reason of an anticipated retirement, expansion of the size of the Board, etc.

The Board selects and plans the MD/GCEO's succession and evaluates the MD/GCEO, endorses the development plan of those in pivotal positions, understands the pool of future leaders as well as reviewing the philosophy of the Company.

The Board via BNRC also plans for Senior Management succession, including appointing, determining their compensation and where appropriate, replacing them.

Directors' Training and Continuous Professional Development

In line with Paragraph 15.08 of the Listing Requirements, the Directors recognise the importance and value of keeping themselves abreast with the latest development in the industries Malaysia Airports operates especially in terms of sustainability and technological advancements as well as the changes in statutory and regulatory requirements.

Other than attending the Mandatory Accreditation Programme (MAP) as required by Bursa Malaysia, newly appointed Directors will receive a comprehensive induction briefing designed to familiarise themselves with the Group's businesses and operations, including the major risks faced within the environment of the Company's business. The Directors are encouraged to attend continuous professional development programme to ensure they keep abreast with the latest development and legislations in the areas related to their duties and responsibilities. A dedicated budget for Directors' training is provided each year by the Company.

During the year under review, the Directors attended continuous professional development programmes covering various topics ranging from governance, statutory and regulatory requirements, and industry trends. To equip them with specific knowledge relating to the operations of the Group, the Directors also attended familiarisation programmes on airport operations and aviation that were intended to enhance their deliberations on matters brought to Board and Board Committee meetings.

Collectively, the Board members spent 89 days attending and participating in trainings during the year under review.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

The following is a summary of trainings or courses attended by the Directors:

List of trainings attended	Mode of Training	Duration in day(s)
Accounting and Audit		
• Pillar Two of Base Erosion and Profit Shifting (BEPS) 2.0 – Global Minimum Tax	Seminar	1
• Unlocking Waqf Potential for Hajj Cost Management	Seminar	1
• BOD Tax Webinar on Budget 2023	Seminar	1
• Transfer Pricing and E-Invoicing	Seminar	1
Airport and Aviation		
• 16th Langkawi International Maritime and Aerospace Exhibition 2023 (LIMA '23)	Conference	2
• International Airport Summit 2023 – Airports Reimagined	Conference	2
• CAPA Asia Aviation Summit 2023	Conference	1
Banking and Finance		
• Amundi BNP Paribas Asset Management Roland Seminar	Seminar	6
• Private Markets Summit 2023	Conference	2
Business and Management		
• EPF Strategy Workshop	Seminar	4
• Malaysia Airports Board Induction Programme	Seminar	1
• Khazanah Megatrends Forum 2023	Conference	2
Digitalisation and New Technologies		
• Invest Malaysia: Reshaping Malaysia's Narrative Series 2: Digital Malaysia – Tomorrow's Infrastructure, Today	Forum	1
• Digital Navigator Pathway	Seminar	1
Economics and Investment		
• Investment Management Workshop	Workshop	4
• Sustainable Investment Workshop	Workshop	1
Governance and Integrity		
• Directors' Training Program on Anti-Money Laundering (AML) & Combating the Financing of Terrorism (CFT)	Seminar	1
• The Board's Functions and Governance	Seminar	1
• Board Audit Committee Dialogue and Networking: A serious allegation is reported – What should Boards do?	Seminar	1
• Advocacy Sessions for Directors and CEOs of Main Market Listed Issuers	Forum	1
• Spotlight on a Corporate Governance Scandal Bespoke for Sime Darby Properties Berhad Masterclass	Seminar	1
• Governance, Risk, Integrity & Control (GRIC) Conference – Leading Governance with Integrity	Conference	1
Infrastructure Management		
• Infrastructure Investor Global Summit Berlin 2023	Conference	5
• Malaysia Energy Supply Industry (MESI) - Future Proofing: A Roadmap Going Forward	Workshop	1

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A BOARD LEADERSHIP & EFFECTIVENESS

List of trainings attended	Mode of Training	Duration in day(s)
Leadership		
• Program Pengukuhan Kapasiti Ahli Lembaga Pengarah mewakili Kementerian Kewangan	Seminar	2
• Understanding Diversity, Equity and Inclusion (DEI) Workshop	Workshop	1
• The Role of the Director and the Board	Seminar	1
• Beyond Box-Ticking: Essentials for Effective Remuneration Committees	Seminar	1
• Board of Director Leadership – Effective Climate Governance	Seminar	1
• Driving Sustainability from the Chair Masterclass	Seminar	1
• Capacity Building Workshop	Workshop	1
Legal		
• Constitution and Rule of Law Series – Safeguarding Constitutional Supremacy	Seminar	1
• “The First Thing We Do Let’s Kill All Lawyers” Shakespeare & The Law Seminar	Seminar	1
Regulatory		
• Mandatory Accreditation Programme (MAP)	Seminar	2
• Mandatory Accreditation Program II – Leading for Impact (LIP)	Seminar	2
Risk Management		
• Risk Management Committee – Banking Sector	Seminar	1
• Directors’ Training Programme on Climate Risk Management & Scenario Analysis	Seminar	1
• Market Risk Management (Banking Sector)	Seminar	1
• Cloud and Cybersecurity Awareness	Seminar	1
• Cyber Crime for 2023	Forum	1
Sustainability Skills – Social & Environment		
• Synergy 2023: Inclusive Transition Conference	Conference	1
• International Social Wellbeing Conference: Changing The Game. Building the World We Want	Conference	2
• ESG Oversight for Board	Seminar	1
• Energy Transition Conference 2023	Conference	2
• ESG, Climate and Trust	Seminar	1
• Mobilising Clean Energy Investment in Malaysia	Forum	1
• Sustainability Strategy & Culture	Seminar	1
• PNB Knowledge Forum II: Education Reimagined	Forum	1
• ESG - Global Trends	Seminar	1

Time spend on training in 2023

Directors	Time Spent (day)	Directors	Time Spent (day)
Tan Sri Datuk Zainun Ali	13	Dato’ Ir. Mohamad Husin	1
Dato’ Zamzuri Abdul Aziz	6	Ramanathan Sathiamutty	4
Dato’ Normah Osman	1	Cheryl Khor Hui Peng	22
Datuk Amran Hafiz Affifudin	12	Dato’ Seri Ir. Koe Peng Kang	1
Rohaya Mohammad Yusof	23	Mohd Nizam Mohd Khir	6

CORPORATE GOVERNANCE OVERVIEW STATEMENT

GROUP COMPANY SECRETARY



ZAWARDI SALLEH

The Company Secretary of Malaysia Airports is qualified to act as a secretary under Section 235 of the Companies Act 2016. He is a member of The Malaysian Institute of Chartered Secretaries & Administrators (MAICSA) and he holds a Practising Certificate from the Companies Commission of Malaysia.

He is accountable for all matters with regard to the proper functioning of the Board as well as to facilitate effective information flows within the Board and Board Committees and between Senior Management and NEDs. The Company Secretary is also tasked to facilitate the ongoing professional development of all Directors. He has been with the Company since 2018.

The Company Secretary constantly keep himself abreast and educated on the changes and developments in statutory and regulatory requirements, corporate governance and sustainability through continuous education and training. The training programme attended by the Company Secretary in the financial year 2023 up to the issuance of Annual Report 2023 are as follows:

No.	Training	Mode of Training	Duration in day(s)
1.	MAICSA Annual Conference 2023 – Revitalising Governance Towards Sustainability	Conference	2
2.	Governance, Risk, Integrity, and Control Conference: MAHB	Conference	1
3.	IIC Corporate Governance Conference 2024 Countdown to 2030: Investing Towards Sustainable Development in Malaysia	Conference	1
4.	Khazanah Nasional Berhad - Company Secretary Circle	Seminar	1
5.	Directors' Duties and Update: De Facto/Nominee/Shadow Directors with discussion of Liabilities in Group Enterprise	Seminar	1
6.	What you need to know about the Bursa's Amended Listing Requirements on Conflict of Interest	Seminar	1

The Board is satisfied with the performance and support rendered by the Company Secretary to the Board in discharging their functions for the year under review.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A

BOARD LEADERSHIP & EFFECTIVENESS

BOARD NOMINATION & REMUNERATION COMMITTEE (BNRC) REPORT



CHAIRMAN

Dato' Ir. Mohamad Husin
Senior Independent Non-Executive Director
[Appointed on 30 May 2023]

MEETING
ATTENDANCE:
6/6

Members

Ramanathan Sathiamutty
Independent Non-Executive Director
Meeting Attendance: 10/10

Datuk Amran Hafiz Affifudin
Non-Independent Non-Executive Director
Meeting Attendance: 3/3
[Appointed on 1 September 2023]

Cheryl Khor Hui Peng
Independent Non-Executive Director
Meeting Attendance: 5/5
[Appointed on 12 July 2023]

Former Members who served during the year under review:

Datuk Azailiza Mohd Ahad
Meeting Attendance: 4/4
[Resigned on 19 May 2023]

Wong Shu Hsien
Meeting Attendance: 7/7
[Resigned on 1 September 2023]

KEY FUNCTIONS

Determines criteria for Board or Board Committees' membership, structure, responsibilities, and effectiveness; reviews the term of office and performance of the Board, other Board Committees, and individual Director; formulates and reviews the policies and procedures on human resource with regards to recruitment, appointment, promotion, and transfer of Senior Management.

Reviews, assesses, and recommends to the Board, remuneration packages of MD/GCEO, Company Secretary and Senior Management as well as matters relating to employees of the Group, limited to Collective Agreement for Non-Executives, Terms and Conditions of Executives, quantum of bonus and annual increment for employees.

COMPOSITION

BNRC shall have at least three (3) members all of whom shall be NEDs with the majority being INEDs. The majority of BNRC members currently consist of INEDs.

ACTIVITIES IN 2023

- Review of composition of Board, Board Committees, and boards of subsidiaries.
- Board Performance Evaluation and Board Improvement Plan.
- Directors' Trainings.
- Remuneration of Board, Acting GCEO, and Senior Management.
- Establishment of Senior Management positions.
- Corporate Scorecard and Senior Management KPI setting.
- Board and Board Committee Succession Plan and Pool of Potential Independent Directors.
- Nomination, Appointment, Renewal and Succession Plan of Senior Management.
- Talent Development.
- Board and Management Policies.
- Strategic Assignment of Key Management Personnel.
- Performance of Senior Management Personnel for FY2022.
- Review of the Existing Pool of Executive Search Companies for Recruitment of Senior Management.
- Appointment of Consultants for Organisational Review, Leadership Assessment and Succession Plan.
- Sourcing and succession plan of Key Positions by Human Capital Division.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

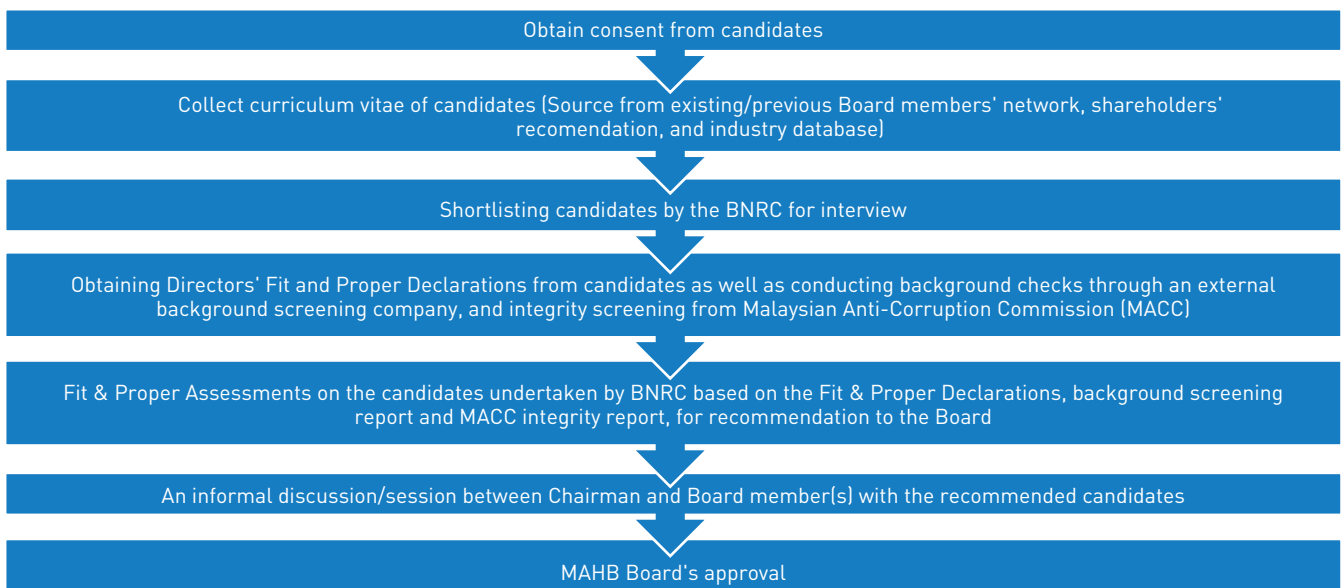
Nomination and Appointments of Directors

BNRC is entrusted to review candidates and determine the criteria for selection of new Directors for appointment on the Board. The nomination and appointment of Directors is subject to a rigorous, and transparent process as it determines the Board composition, and quality and competency of Board members.

The Board leverages on its members' network, shareholders' recommendation, and industry database to look for potential candidates for appointment to the Board. In its selection of high-quality candidates who will be well-suited for the Board, BNRC develops and deliberates selection criteria based on competencies and attributes required for the position. BNRC in making its recommendation will consider the following criteria in the selection of candidates:

- Skills, knowledge, competencies, expertise, and experience.
- Professionalism.
- Integrity.
- Diversity.
- Commitment, contribution, and performance; and
- In the case of candidates for INEDs, BNRC will also evaluate the candidate's ability to discharge such responsibilities or functions as expected of INEDs.

The process of appointment of INEDs is governed by the Company's Framework for Appointment of Independent Non-Executive Directors which provides step by step procedures from the point of nomination up to the appointment:



CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A

BOARD LEADERSHIP & EFFECTIVENESS

Directors' Retirement and Re-Election

In assessing the proposal for re-election of Directors, the BNRC considers the Directors' performance and ability to continue contributing in terms of the knowledge, skills, and experience they could bring to the Board via the Board Performance Evaluation. The list of Directors who are retiring is presented to BNRC for endorsement. They are eligible to offer themselves for re-election and the relevant proposal will be deliberated by BNRC and the Board. The Board submits its recommendation on the retirement and re-election to the shareholders at the Annual General Meeting (AGM) for approval.

In accordance with Rule 132 of the Company's Constitution, a director who is newly appointed shall retire at the next AGM following his or her appointment and be eligible for re-election. Whilst Rule 134 of the Company's Constitution and the Companies Act 2016 provides that one-third of the Directors, or a number nearest to one-third, who have been the longest in office since their last election shall retire by rotation at each AGM.

The following Directors who were appointed since the last AGM are retiring at the forthcoming AGM, and being eligible, have offered themselves for re-election, and the Board has made following observations on them:

Rule 132

Dato' Zamzuri Abdul Aziz

Dato' Zamzuri Abdul Aziz possesses vast experience in the public sector as he has served in various senior leadership roles in the Government service. He was appointed as Non-Independent Non-Executive Director of the Company on 5 June 2023, having previously served in the same role from 10 February 2020 to 8 March 2022. His appointment strengthens the Board, and this is attributed to his experience working with the statutory bodies.

Datuk Amran Hafiz Affifudin

Datuk Amran Hafiz Affifudin possesses vast experience in investment and finance, having served as a representative of Khazanah Nasional Berhad in various public sector companies. He has been proactive in expressing his views and proven to be a team player when it comes to collective decision making. He is objective and inquisitive in his assessment of any subject matter and provides valuable input to Board deliberations.

Dato' Normah Osman

Dato' Normah Osman has continuously demonstrated strong commitment and professionalism as a Board member. She was appointed as Non-Independent Non-Executive Director of the Company on 20 October 2023, having previously served in the same role from 26 April 2021 to 25 April 2023. She actively participates in Board deliberations and is firm in raising any issue of concern before arriving at a decision.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

Dato' Seri Ir. Koe Peng Kang

Dato' Seri Ir. Koe Peng Kang possesses more than three decades of experience with international exposure in engineering, construction, infrastructure works, property development, and a strong background in management. He collaborates constructively with his peers and Management, and always provides meaningful insights and variety of perspectives to the Board especially on technical matters.

Chris Chia Woon Liat

Chris Chia Woon Liat possesses extensive experience in corporate investment, finance, economics, and strategic management. His exposure in multinational companies has endowed him with cognitive abilities that would benefit the Company in the long run.

The following Directors have been identified as one-third of the Directors, or a number nearest to one-third, who have been the longest in office since their last election. The Board has made following observations on them:

Rule 134

Rohaya Mohammad Yusof

Rohaya Mohammad Yusof possesses deep knowledge in corporate finance, investment, and capital market, having served in various senior leadership roles in the Employees Provident Fund. Her presence on the Board enhances the relationship between the Company and its stakeholders, thus fostering a better understanding of the interests of all parties. She has demonstrated diligence and commitment and contributed effectively to Board deliberations.

Cheryl Khor Hui Peng

Cheryl Khor Hui Peng possesses extensive exposure and knowledge in finance, audits, governance, internal controls, sustainability, and risk management across a broad range of industries, all of which are complementary to the diversity of the Board's skillsets. She has demonstrated independence of judgement and provided valuable input to Board discussions.

All the above Directors have opted to offer themselves for re-election at the forthcoming 25th AGM and they have made the Fit and Proper Declarations in accordance with the Directors' Fit and Proper Policy.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A

BOARD LEADERSHIP & EFFECTIVENESS

Independence of Directors

The Board recognises the important contribution of INEDs to high standard of corporate governance. All Directors, regardless of their directorate shall act in the best interests of the Company and exercise unfettered and independent judgement.

In 2023 and during the appointment of an INED in March 2024, the BNRC carried out review of Directors' independence. It concluded that all five (5) INEDs were independent and had carried out their duties in an objective and professional manner. The Board was satisfied that the INEDs had represented the interest of minority shareholders as required of them by virtue of their roles and responsibilities. The Board will continue to monitor and review whether there are relationships or circumstances that could potentially impair their independence.

The Board undertakes that the rights of minority shareholders shall not be impaired in any manner and that the number and strength of INEDs are adequate to promote the independence of the Board and safeguard the rights of the minority shareholders. The independence of the Directors is determined according to the independence criteria as set out in Paragraph 1.01 of the Listing Requirements. All five (5) INEDs satisfied the independence criteria.

Fit and Proper Assessment

The BNRC is responsible to conduct fit and proper assessment on candidates identified to be appointed as Director or existing Directors prior to initial appointment or proposed re-election/re-appointment as Director. The fit and proper assessment may also be conducted whenever the Company becomes aware of any information that could materially compromise a Director's fitness and propriety. The fit and proper assessment is guided by the Directors' Fit and Proper Policy.

The newly appointed Directors and the existing Directors who are seeking re-election at AGMs are required to complete a Fit and Proper Declaration, and such declarations are verified against independent sources. The Board was satisfied that each of the newly appointed Directors after the last AGM and the existing Directors who are seeking re-election at the forthcoming AGM had met the required standard of fitness and propriety.

Board Performance Evaluation

The Board Performance Evaluation (BPE) is intended to evaluate the performance of the Board, Board Committees and individual members of the Board as well as to identify any gaps or areas of improvement. The BPE framework is reviewed periodically to ensure that the analysis is able to contribute to the Board's overall performance. It is part of ongoing efforts to drive continuous performance of the Board and Board Committees.

The BPE for 2023 was conducted internally using a questionnaire as a tool to gather feedback from the Directors. The questionnaire was issued to nine (9) Directors who had served on the Board during the year under review. Responses were received from all the Directors and the feedback and findings had been analysed accordingly.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The area of focus of the BPE are outlined as follows:

- Board of Directors Evaluation
- Directors' Self and Peer Evaluation
- Independent Directors' Self-Assessment Checklist
- Performance Evaluation on Chairman
- Board Audit Committee Performance Evaluation
- Board Nomination & Remuneration Committee Performance Evaluation
- Board Risk Management Committee Performance Evaluation
- Board Procurement Committee Performance Evaluation

The outcomes of the BPE have identified the areas in need of improvement and reviewed by the BNRC and presented to the Board.

The Board were briefed on the findings, overview of the results of the BPE and views of each Board member, of which the findings would be used as a yardstick to measure the Board's Performance. This will form the basis to formulate a Board Performance Improvement Plan (BPI) for the following year.

Board Remuneration

The Board Remuneration structure is designed by benchmarking the Directors' remuneration against peer companies to ensure competitiveness in attracting and retaining high calibre and qualified NEDs on the Board, as well as to ensure that the remuneration commensurate with their responsibilities and duties. The calibre of the NEDs serving the Company is essential in upholding the high standards of corporate governance adopted by the Group.

The Chairman and other Board Members received the following fees for the financial year ended 31 December 2023:-

		MAHB	
No.	Fee	Chairman	Non-Executive Director
1.	Directors' Fee	Monthly: RM18,000 Annually: RM216,000	Monthly: RM12,000 Annually: RM144,000
2.	Meeting Allowance		
	2.1 Board Meeting	RM5,000/meeting	RM3,000/meeting
	2.2 Board Committee Meeting	RM4,000/meeting	RM2,000/meeting
3.	Senior Independent Director Allowance	-	Monthly: RM1,000 Annually: RM12,000

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A

BOARD LEADERSHIP & EFFECTIVENESS

Subsidiaries of Malaysia Airports			
No.	Fee	Chairman	Non-Executive Director
Directors' Fee			
1.	KLIA Aeropolis Sdn Bhd	Monthly: RM4,000 Annually: RM48,000	Monthly: RM3,000 Annually: RM36,000
2.	K.L. Airport Hotel Sdn Bhd		
3.	MAB Agriculture-Horticulture Sdn Bhd		
4.	Malaysia Airports Consultancy Services Sdn Bhd		
5.	Malaysia Airports Sdn Bhd		
6.	Malaysia Airports (Niaga) Sdn Bhd		
7.	Malaysia Airports (Sepang) Sdn Bhd		
8.	Urusan Teknologi Wawasan Sdn Bhd		
9.	Istanbul Sabiha Gökçen International Airport (ISG) and SGC Airport Operations Trade and Tourism Inc. (SGC)*		
Meeting Allowance			
1.	KLIA Aeropolis Sdn Bhd	RM1,500 per meeting	RM1,200 per meeting
2.	K.L. Airport Hotel Sdn Bhd		
3.	MAB Agriculture-Horticulture Sdn Bhd		
4.	Malaysia Airports Consultancy Services Sdn Bhd		
5.	Malaysia Airports Sdn Bhd		
6.	Malaysia Airports (Niaga) Sdn Bhd		
7.	Malaysia Airports (Sepang) Sdn Bhd		
8.	Urusan Teknologi Wawasan Sdn Bhd		
9.	Istanbul Sabiha Gökçen International Airport (ISG) and SGC Airport Operations Trade and Tourism Inc. (SGC)*		

Committee of Malaysia Airports' Subsidiaries			
No.	Fee	Chairman	Non-Executive Director
Meeting Allowance			
1.	ISG and SGC*	RM2,500 per meeting	RM2,000 per meeting

* To be paid to one subsidiary only (i.e., ISG).

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Management Committee of Malaysia Airports			
No.	Fee	Chairman	Non-Executive Director
Meeting Allowance			
1.	Whistleblowing Independent Committee	RM1,500 per meeting	RM1,000 per meeting

Details of remuneration received by the Chairman and other members of the Board for the financial year ended 31 December 2023 are summarised as follows:

Category	Salary, Bonus and Other Emoluments (RM)	Directors' Fees		Directors' Other Emoluments [^]		Benefits-in-Kind ^{^^}		Total (RM)
		MAHB (a) (RM)	Subsi (b) (RM)	MAHB (c) (RM)	Subsi (d) (RM)	MAHB (e) (RM)	Subsi (f) (RM)	
Non-Executive Directors								
Tan Sri Datuk Zainun Ali (Appointed with effect from 17 February 2023)	0.00	187,714.29	31,483.87	270,232.68	4,500.00	15,893.30	0.00	509,824.14
Dato' Seri Diraja Dr. Zambrly Abd Kadir (Resigned with effect from 3 December 2022)	0.00	0.00	0.00	30,000.00	0.00	10,000.00	0.00	40,000.00
Dato' Zamzuri Abdul Aziz (Appointed with effect from 5 June 2023)	0.00	82,400.00	0.00	35,350.00	0.00	10,000.00	0.00	127,750.00
Mohd Nizam Mohd Khir (Alternate Director to Dato' Zamzuri Abdul Aziz) (Appointed as alternate with effect from 5 June 2023)	0.00	0.00	0.00	17,050.00	0.00	4,386.00	0.00	21,436.00
Datuk Johan Mahmood Merican (Resigned with effect from 22 May 2023)	0.00	60,000.00	0.00	8,000.00	0.00	0.00	0.00	68,000.00
Dato' Normah Osman (Resigned with effect from 25 April 2023 and re-appointed with effect from 20 October 2023)	0.00	74,645.16	11,500.00	46,000.00	1,200.00	15,000.00	0.00	148,345.16
Datuk Amran Hafiz Affifudin* (Appointed with effect from 1 September 2023)	0.00	0.00	0.00	0.00	0.00	12,000.00	0.00	12,000.00
Wong Shu Hsien* (Resigned with effect from 1 September 2023)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Rohaya Mohammad Yusof	0.00	144,000.00 [†]	0.00	73,000.00	0.00	10,000.00	0.00	227,000.00

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A BOARD LEADERSHIP & EFFECTIVENESS

Category	Salary, Bonus and Other Emoluments (RM)	Directors' Fees		Directors' Other Emoluments [^]		Benefits-in-Kind ^{^^}		Total (RM)
		MAHB (a) (RM)	Subsi (b) (RM)	MAHB (c) (RM)	Subsi (d) (RM)	MAHB (e) (RM)	Subsi (f) (RM)	
Non-Executive Directors								
Dato' Ir. Mohamad Husin	0.00	144,000.00	80,000.00	154,864.52	4,500.00	10,000.00	0.00	393,364.52
Ramanathan Sathiamutty	0.00	144,000.00	84,000.00	152,272.80	37,500.00	11,300.00	0.00	429,072.80
Cheryl Khor Hui Peng	0.00	144,000.00	70,838.71	120,511.20	35,200.00	15,760.00	0.00	386,309.91
Dato' Seri Ir. Koe Peng Kang (Appointed with effect from 12 December 2023)	0.00	7,741.94	0.00	3,000.00	0.00	0.00	0.00	10,741.94
Datuk Azailiza Mohd Ahad (Resigned with effect from 19 May 2023)	0.00	55,000.00	15,000.00	50,500.00	0.00	10,000.00	0.00	130,500.00
Tan Sri Mohamad Salim Fateh Din (Resigned with effect from 22 May 2023)	0.00	57,000.00	35,000.00	32,000.00	0.00	10,000.00	0.00	134,000.00
Datuk Seri (Dr.) Yam Kong Choy (Retired with effect from 2 June 2022)	0.00	0.00	0.00	0.00	0.00	10,000.00	0.00	10,000.00
Datuk Zalekha Hassan (Retired with effect from 2 June 2022)	0.00	0.00	0.00	0.00	0.00	10,000.00	0.00	10,000.00
Rosli Abdullah (Resigned with effect from 1 July 2022)	0.00	0.00	0.00	0.00	0.00	10,000.00	0.00	10,000.00
Executive Director**								
Dato' Sri Iskandar Mizal Mahmood (Expiration of Tenure with effect from 25 October 2023)	1,682,532.29	0.00	0.00	0.00	0.00	33,985.55	0.00	1,716,517.84
Grand Total	1,682,532.29	1,100,501.39	327,822.58	992,781.20	82,900.00	198,324.85	0.00	4,384,862.31

This disclosure is for the payment made to the respective Directors in the financial year 2023.

* The directors' fees and meeting allowances in respect of services rendered to the Company by Datuk Amran Hafiz Affifudin and Ms. Wong Shu Hsien is waived by Khazanah Nasional Berhad, the major shareholder of the Company.

50% of director fees paid to Employee Provident Fund ("EPF") in respect of services rendered to the Company by Puan Rohaya Mohammad Yusof as Nominee Director of EPF.

** Being the Managing Director.

[^] Directors' Other Emoluments comprises Senior Independent Director allowance, meeting allowance, car allowance^o, entertainment allowance^o and out-of-pocket expenses.

^{^^} Benefits-in-kind comprises car^{oo}, petrol^{oo}, driver^{oo}, IT & telecommunication devices, club^o and professional membership and Directors' appreciation gift.

^o For Chairman only.

^{oo} For Managing Director only.

In line with the Board Charter, a review of Directors' remuneration is conducted once every three (3) years, or as and when necessary, to ensure that remuneration level is aligned with market and industry practices, business strategy and long-term objective of the Company. The Board believes that the alignment of remuneration offered to the Directors will enable the Company to continue to attract and retain individuals of the required caliber on the Board.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

Senior Management Remuneration

The Company places great importance on the retention of talented employees as its success is dependent on the ability to attract, motivate, and retain the right employees. Among the strategies to support this ambition is a competitive remuneration policy which mainly consist of the following principles:

- Competitive within the relevant industry.
- Pay for job and performance.
- Internal equity.
- Conformance to statutory requirements.
- Affordability of the Company.

The Senior Management's performance is evaluated on a yearly basis where the corporate level Key Performance Indicators (KPIs) are set by the Board and cascaded to the Senior Management. The Senior Management's performance is then reviewed in the middle of the year and at the beginning of the ensuing year.

The Board acknowledges the recommendation of Practice 8.2 of MCCG 2021 regarding the disclosure of top five (5) senior management remuneration on named basis in bands of RM50,000. However, the Board opts not to disclose the remuneration of Senior Management given the sensitivity of such information, invasion of privacy and high competition for talents in the aviation industry. This approach strikes a balance between respecting personal privacy, while providing sufficiently precise datapoints that facilitate stakeholder scrutiny.

At present, the top five (5) Senior Management's remuneration packages are within the range of RM57,000.00 per month to RM169,000.00 per month.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A

BOARD LEADERSHIP & EFFECTIVENESS

BOARD COMMITTEES

To provide effective oversight and leadership, the Board is assisted by six (6) Board Committees. Similar to the Board, each Board Committee is supported by the Company Secretary, and they have unrestricted access to advice and counsel from the Company Secretary and Management in the performance of their duties.

BOARD AUDIT COMMITTEE



CHAIRMAN

Cheryl Khor Hui Peng
Independent Non-Executive Director

MEETING ATTENDANCE:
8/8

Members

Dato' Ir. Mohamad Husin
Senior Independent Non-Executive Director
Meeting Attendance: 8/8

Dato' Seri Ir. Koe Peng Kang
Independent Non-Executive Director
Meeting Attendance: N/A
(Appointed on 20 December 2023)

Datuk Amran Hafiz Affifudin
Non-Independent Non-Executive Director
Meeting Attendance: 2/2
(Appointed on 1 September 2023)

Former Members who served during the year under review:

Wong Shu Hsien
Meeting Attendance: 6/6
(Resigned on 1 September 2023)

Datuk Azailiza Mohd Ahad
Meeting Attendance: 3/3
(Resigned on 19 May 2023)

KEY FUNCTIONS

Reviews and evaluates performance of external auditors and Internal Audit Division in ensuring efficiency and effectiveness of the Company's operations, adequacy of internal control system, compliance with established policies and procedures, transparency in decision-making process and accountability of financial and management information. Reviews related party transactions.

COMPOSITION

BAC shall comprise no fewer than three (3) members, all of whom are NEDs, with the majority being INEDs. At least one (1) member must be a member of the Malaysian Institute of Accountants or having the working experience and qualification as prescribed under Paragraph 15.09(1)(c)(ii) of the Listing Requirements.

BAC currently comprises majority INEDs, and the Chairman is a member of the Malaysian Institute of Accountants.

ACTIVITIES IN 2023

- Review of Board Audit Committee Report for Annual Report 2022.
- Review of Statement on Risk Management and Internal Control (SORMIC) for Annual Report 2022.
- Reappointment of Ernst & Young PLT as Auditors.
- Quarterly results and year-end financial statements of the Group.
- Performance Review of Subsidiary Companies.
- Related Party Transactions.
- 2023 Statutory Audit Plan.
- Progress of Internal Audit Activities for 2023.
- Internal Audit Reports.
- Follow Up Audit Activities.
- Revision of Terms of Reference of the Board Audit Committee.
- Quality Assessment Review for 2023.
- Revenue Assurance Programs and Way Forward.
- Corporate Integrity Division Plan for 2023.
- Integrity and Anti-Bribery Management System Quarterly Report.
- Internal Audit Plan 2024.
- Corporate Integrity Division Plan for 2024.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

BOARD PROCUREMENT COMMITTEE



CHAIRMAN

Dato' Ir. Mohamad Husin
Senior Independent Non-Executive Director

MEETING
ATTENDANCE:
9/9

Members

Dato' Zamzuri Abdul Aziz
Non-Independent Non-Executive Director
(or his alternate, Mohd Nizam Mohd Khir)
Meeting Attendance: 6/6
(Appointed on 5 June 2023)

Dato' Normah Osman
Non-Independent Non-Executive Director
Meeting Attendance: 7/7
(Resigned on 25 April 2023
and re-appointed on 20 October 2023)

Ramanathan Sathiamutty
Independent Non-Executive Director
Meeting Attendance: 9/9

Former Members who served during the year under review:

Datuk Johan Mahmood Merican
Meeting Attendance: 1/3
(Resigned on 22 May 2023)

Tan Sri Mohamad Salim Fateh Din
Meeting Attendance: 3/3
(Resigned on 22 May 2023)

KEY FUNCTIONS

Reviews and approves procurements of RM10 million up to RM200 million, tender evaluation criteria and selection tendering methods and list of selected tenderers. Reviews and approves procurement policies and procedures, including the anti-corruption policy and codes of conduct, as well as oversees and monitors the efficiency and effectiveness of procurement processes and support of national development objectives.

COMPOSITION

BPC shall comprise at least three (3) members made up of both INEDs and NINEDs. The Chairman of BPC must be an INED. BPC currently comprise both INEDs and NINEDs and the Chairman is an INED.

ACTIVITIES IN 2023

- Consultancy Services for Asset Replacement Programme at KLIA Terminal 1.
- Leasing of Vehicles.
- Provision of Shuttle Services at KLIA Terminal 1.
- Maintenance of Airport Pavement at KLIA Terminal 2.
- Lease Line for Commercial Outlets at KLIA Terminal 1.
- Cyber Security Acceleration Program 2.0.
- Operation and Maintenance of Mechanical and Electrical System at KLIA Terminal 1 and 2.
- Operational Support Services for BHS at KLIA Terminal 1.
- Overlay Works at KLIA Terminal 2.
- Management and Operation of Cellular Access Network at KLIA Terminal 1.
- Procurement Plan and Spend Analysis.
- Lead Consultant for the Development of Infrastructure Works of Lapangan Terbang Sultan Abdul Aziz Shah.
- Independent Checking Consultant for APM and BHS at KLIA Terminal 1.
- Implementation of Self Service Bag Drop at KLIA Terminal 1 and 2.
- SAP Rise S/4HANA License Subscription.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A

BOARD LEADERSHIP & EFFECTIVENESS

BOARD RISK MANAGEMENT COMMITTEE



CHAIRMAN

Ramanathan Sathiamutty
Independent Non-Executive Director

MEETING ATTENDANCE:
3/3

Members

Rohaya Mohammad Yusof
Non-Independent Non-Executive Director
Meeting Attendance: 3/3

Cheryl Khor Hui Peng
Independent Non-Executive Director
Meeting Attendance: 3/3

Dato' Ir. Mohamad Husin
Senior Independent Non-Executive Director
Meeting Attendance: 3/3

Former Members who served during the year under review:

Dato' Normah Osman
Meeting Attendance: 1/1
(Resigned on 25 April 2023)

KEY FUNCTIONS

Formulates overall risk management framework, occupational safety and health, ICAO safety management system and information security strategy of the Group and recommends for approval and/or approves (whenever applicable) any major risk decisions by the Group. Oversees Senior Management's responsibilities in managing risks including information security risks and safety to ensure that the risk management process is in place and functioning.

COMPOSITION

BRMC shall comprise at least four (4) members all of whom shall be NEDs. Majority of BRMC members shall be INEDs including the Chairman. BRMC currently comprises a majority of INEDs.

ACTIVITIES IN 2023

- KL Terminal Operational Readiness and Safety Measures.
- Malaysia Airports Sdn. Bhd. Operational Readiness 2023.
- Baggage Handling System (BHS) Operational Sustainability and Asset Replacement Programme (ARP) Risk Profiling.
- Track Transit System (TTS) Operational Sustainability and Asset Replacement Programme (ARP) Risk Profiling.
- Realignment of Client Office Structure.
- Statement on Risk Management and Internal Control (SORMIC) for Inclusion in Annual Report 2022.
- Corporate Risk Profile (CRP) for 2023.
- Proposed Malaysia Airports Holding Berhad (MAHB) taking up the Aerial and Aviation Liability Insurances Coverage for the Natural Gas System at KLIA during the Regulatory Period 2 of Gas Incentive Based Regulation (IBR) Framework.
- Risk Management frameworks for Enterprise Risk Management, Business Continuity Management and Compliance.
- Aviation Security.
- Occupational Safety & Health.
- Airport Standards and Safety.
- 2024 Insurance Program for MAHB Group.
- Roadmap and Execution Plan of Compliance Program.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

ESTABLISHMENT AND DISSOLUTION OF BOARD COMMITTEES

The Board approved the dissolution of Board Finance & Investment Committee (BOFIC) as well as the establishment of Board Sustainability Committee (BSC) and Board Development Committee (BDC) on 1 November 2023 and 5 April 2024, respectively. The establishment of BSC and BDC are aimed at enhancing the efficiency and effectiveness of the Board's governance and oversight of the Company's operations as well as translating the Board's commitment to advancing the Group's sustainability objectives, policies and practices.

BOARD SUSTAINABILITY COMMITTEE
 (Established on 1 November 2023)


CHAIRMAN

Rohaya Mohammad Yusof
 Non-Independent Non-Executive Director
 (Appointed on 1 November 2023)

MEETING
 ATTENDANCE:
 N/A

Members

Cheryl Khor Hui Peng
 Independent Non-Executive Director
 (Appointed on 1 November 2023)
 Meeting Attendance: N/A

Dato' Seri Ir. Koe Peng Kang
 Independent Non-Executive Director
 (Appointed on 12 December 2023)
 Meeting Attendance: N/A

KEY FUNCTIONS

Reviews and monitors the effectiveness of sustainability strategies, policies, and practices, emphasising the achievement of net-zero carbon goals while oversees the annual sustainability report to ensure compliance with regulation and global reporting standards. Provides guidance on sustainability matters from audits and approvals for external proposals related to environmental, social, and governance concerns.

COMPOSITION

BSC shall comprise at least three (3) members and at least one (1) member shall be an INED. BSC currently comprises a majority of INEDs.

ACTIVITIES IN 2023

There were no activities held by BSC in 2023.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A

BOARD LEADERSHIP & EFFECTIVENESS

BOARD DEVELOPMENT COMMITTEE

(Established on 5 April 2024)



CHAIRMAN

Dato' Seri Ir. Koe Peng Kang
Independent Non-Executive Director
(Appointed on 5 April 2024)

MEETING ATTENDANCE:
N/A

Members

Dato' Zamzuri Abdul Aziz
Non-Independent Non-Executive Director
(or his alternate, Mohd Nizam Mohd Khir)
Meeting Attendance: N/A
(Appointed on 5 April 2024)

Dato' Normah Osman
Non-Independent Non-Executive Director
Meeting Attendance: N/A
(Appointed on 5 April 2024)

Dato' Ir. Mohamad Husin
Senior Independent Non-Executive Director
Meeting Attendance: N/A
(Appointed on 5 April 2024)

Chris Chia Woon Liat
Independent Non-Executive Director
Meeting Attendance: N/A
(Appointed on 5 April 2024)

KEY FUNCTIONS

Provides strategic direction and guidance concerning development, construction and real property matters such as commercial and strategic justification, development concept and rationale, overall market positioning, estimated capital expenditure, expected returns/feasibility and overall development timeline. Provides oversight and guidance on new development proposals including overall development structures, conceptual masterplans, and layout plans.

COMPOSITION

BDC shall comprise at least three (3) members. Majority of BDC members shall be INEDs including the Chairman. BDC currently comprises a majority of INEDs and the Chairman is an INED.

ACTIVITIES IN 2023

There were no activities held by BDC in 2023 in view of its recent establishment on 5 April 2024.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

BOARD FINANCE & INVESTMENT COMMITTEE
 (Dissolved on 1 November 2023)

Rohaya Mohammad Yusof
 Non-Independent Non-Executive Director

**MEETING
 ATTENDANCE:**
 2/2

Former Members who served during the year under review:

Tan Sri Mohamad Salim Fateh Din
 Meeting Attendance: 2/2
 (Resigned on 22 May 2023)

Wong Shu Hsien
 Meeting Attendance: 2/2
 (Resigned on 1 September 2023)

Datuk Azailiza Mohd Ahad
 Meeting Attendance: 2/2
 (Resigned on 19 May 2023)

KEY FUNCTIONS

Reviews and monitors financial investment policy and financial investment portfolio of the Group; reviews, evaluates, and assesses prospective investments/divestments, new businesses, projects, and overseas ventures, taking into consideration factors such as strategic rationale, return on investment and resource requirements of those prospects, and make appropriate recommendations to the Board. Reviews and monitors the performance of local investments, overseas ventures, and other strategic/major investments, as well as oversees current and future capital and financial resource requirement.

COMPOSITION

BOFIC shall comprise no fewer than four (4) members and at least one (1) member must be an INED.

ACTIVITIES IN 2023

- Land Development at KLIA Aeropolis.
- Development of Subang Aerotech Park.
- Updates and Performance Review of Overseas Venture.
- Installation of Solar Photovoltaic.
- Lapangan Terbang Sultan Abdul Aziz Shah Regeneration Project.
- Redevelopment of Satellite Building Centre Court, KLIA Terminal 1.
- Amendment to KLIA Master Layout Plan.

The Terms of Reference (TORs) of the Board Committees are available on Malaysia Airports' website at www.malaysiaairports.com.my. The summary of TOR and activities carried out by BAC are set out in BAC Report from pages 251 to 254 of this Annual Report.

Except for BAC which reviews its TOR on an annual basis, other Board Committees review their TOR every two (2) years.

The Chairmen and members of each Board Committee are appointed by the Board. As a matter of good practice, during each Board meeting, the Chairmen of Board Committees will report and brief the outcome of deliberations from their respective meetings held prior to the Board meeting, and relevant minutes of Board Committee meetings would be tabled to the Board for information, as the case may be. This would enable the Board to raise its comments or views on all deliberations and decisions of the Board Committees.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A BOARD LEADERSHIP & EFFECTIVENESS

CORPORATE GOVERNANCE AS OUR CORE

Code of Ethics

The Code of Ethics is intended to provide clear guidelines on permissible or non-permissible conducts in the business practices of Malaysia Airports. The code is implemented to ensure all employees and their representatives comply with the same standards. It also serves as guidelines when making judgment calls on work ethics, including in bridging and fostering close relations between the Company and its customers.

The code of conduct for the Board is subject to their statutory duties as stipulated under the Companies Act 2016, Listing Requirements, and other relevant rules and regulations. It summarises their fiduciary duties, provides guidance in dealing with ethical issues and helps to foster the spirit of social responsibility and accountability in line with the legislation, rules and regulations governing the Malaysia Airports Group of the following areas:

Corporate Governance	Insider Trading
Conflict of Interest	Use of Company's Assets
Relationship with Shareholders, Employees, Creditors and Customers	Anti-Corruption/Bribery
Corporate Responsibilities and Sustainability	Anti-Money Laundering
Confidentiality	Fair Dealing

Sustainability

As a public listed company, the Board acknowledges that the Company's utmost priority is to create stakeholders' value for stakeholders by taking a long-term view on growth. Environmental, Social and Governance (ESG) elements are critical in measuring the sustainability and ethical impact of business decisions. These criteria help the Board and Management to better determine the future financial performance of the Company by considering risks and returns in a holistic manner.

The Board also supports the implementation of International Integrated Reporting Council (IIRC) Integrated Reporting framework to assess the Company's performance with regards to ESG indicators. This Integrated Annual Report also includes a Sustainability Statement which is prepared with reference to the Global Reporting Initiative (GRI) standards. This enables stakeholders to track and measure the Company's progress towards achieving key sustainability goals, targets, and initiatives in a transparent and timely manner.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

Anti-Bribery and Corruption Policy Statement

The Company is committed to ensure zero tolerance against all forms of corruption, among others, by undertaking the following:

- Working together with employees, stakeholders and interested parties to create a corrupt-free business environment and achieving its anti-corruption objectives.
- Upholding anti-corruption principles for Malaysian companies in business dealings and interactions with business partners and government agencies.
- Complying with laws and regulations relating to the fight against bribery and corruption.
- Establishing anti-corruption control framework and implement continuous improvement.
- Encouraging concerns regarding corruption to be reported to the Company through its Whistleblowing Programme.
- Promoting the value of integrity, transparency, and good corporate governance.
- Setting up independent, empowered, and relevant functions to ensure anti-corruption compliance in the organisation.
- Reporting corrupt act to Malaysian Anti-Corruption Commission if there is a reasonable belief that such act has been committed.

Whistleblowing Policy

Malaysia Airports adopts a Whistleblowing Policy with the objective of providing a mechanism for all levels of employees and external parties who have business relationship with the Group to report concerns on any suspected wrongdoing, inappropriate behaviour, or misconduct on a timely basis for action by Whistleblowing Independent Committee.

The Board has the overall responsibility and oversees the implementation of this policy.

Complaints can be channeled online on the Company's website at www.malaysiaairports.com.my via the Whistleblowing Programme Reporting of Concern Form, or emailed to wic_secretariat@malaysiaairports.com.my, or by calling the hotline at 03-8777 7314 or 019-659 2263.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B

EFFECTIVE AUDIT & RISK MANAGEMENT

BOARD AUDIT COMMITTEE

Board Audit Committee (BAC) plays a critical role in the governance structure of the Company. BAC is positioned to rigorously challenge and ask probing questions on the Company's financial reporting process, related party transactions and conflict of interest, internal control, internal and external audit processes.

Cheryl Khor Hui Peng chairs the BAC, where she is supported by three (3) other members who are suitably qualified, in line with the requirements of Paragraphs 15.09 of the Listing Requirements. In line with the recommendation of MCGG 2021, the Chairman of BAC is not the Chairman of the Board and the BAC comprised of majority INEDs.

During the year under review, BAC members attended professional development courses on accounting and auditing standards to keep abreast with the changes in the regulatory environment.

The Board agreed that BAC had continued to give its support in reviewing the financial and audit matters and contributed to the overall effectiveness of the Board's decision-making process during the financial year ended 31 December 2023.

The Board is satisfied that BAC has discharged its functions, duties, and responsibilities in accordance with its Terms of Reference.

Further details on the structure and activities of BAC are disclosed in the BAC report on pages 251 to 254 of this Report.

BOARD RISK MANAGEMENT COMMITTEE

Board Risk Management Committee (BRMC) was established to oversee the implementation of the Company's Risk Management Framework and policies. BRMC is responsible for determining the Company's risk tolerance, and identify, assess, and monitor key business risks to safeguard the shareholders' investments and the Company's assets.

The Group's Corporate Risk Profile and mitigation plans are monitored by BRMC on a quarterly basis. The risks are categorised into several areas namely strategic, regulatory, operational, human capital, information technology, reputational and financial.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Company has a well-resourced internal audit function which critically reviews all aspects of the Company's activities and internal controls. Comprehensive audits on practices, procedures, compliance, expenditures, and internal controls for all business and support units and subsidiaries are undertaken on a regular basis. The Head of Internal Audit has a direct access to the Board through the Chairman of the BAC.

The effectiveness of internal control systems is reviewed from time to time. The Board Committees are entrusted with their respective functions which are aimed at supporting the Board's oversight roles of proper implementation of corporate governance practices, audit, risk management and internal control systems.

The Board is guided by the Risk Management Framework to ensure effective oversight of risks and controls in the Group. The effectiveness of risk management and internal control is regularly reviewed to ensure they are working as intended.

Details of Risk Management Framework and internal control system of Malaysia Airports Group are set out in the Statement on Risk Management and Internal Control on pages 255 to 261 of this Report.

FINANCIAL REPORTING

In presenting the annual audited financial statements and quarterly financial results to the shareholders, the Directors ensure the information presented contains a balanced and comprehensive assessment of the Group's financial position and prospects. BAC assists the Board in reviewing the information disclosed in the financial statements and ensuring its completeness, accuracy, and adequacy.

The financial statements of Malaysia Airports Group for the financial year ended 31 December 2023 are prepared in accordance with Malaysian Financial Reporting Standards (MFRSs) as issued by the Malaysian Accounting Standards Board, International Financial Reporting Standards, and the requirements of the Companies Act 2016.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE C

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

COMMUNICATION AND RELATIONSHIP WITH STAKEHOLDERS

The Board acknowledges the need for shareholders to be informed of all material business matters affecting the Company, and as such adopts an open and transparent policy in respect of its relationship with shareholders and investors. The Board always ensures the timely release of financial results on a quarterly basis to provide shareholders with an overview of the Company's performance and operations in addition to the various announcements released during the year.

The Company is fully committed to conducting dialogues with the investment community from time to time as a mean of effective communication that enables the Board and Management to convey timely information relating to the Company's performance, corporate strategy and other matters affecting the shareholders' interests.

INVESTOR RELATIONS

At Malaysia Airports, we dedicate our efforts in continuously creating and maximising value for our shareholders. We understand the importance of regular engagement with our shareholders and prospective investors to keep them up to date with insights on the Group's strategies, business performance and latest developments.

The Group has a dedicated Investor Relations Department which facilitates effective communication with shareholders, analysts, and fund managers. A comprehensive Investor Relations Programme has continuously been in place and implemented to consistently deliver effective, timely and transparent communication with the investment community.

To keep the Senior Management and the Board abreast of market perceptions and concerns, the Investor Relations Department provides them with regular updates on shareholding details, investor relations activities, recommendations by analysts and feedback from the investment community, as well as commentary on share price performance. The Investor Relations Department also facilitates shareholder communication and engagement with the Senior Management's full support.

QUARTERLY FINANCIAL RESULTS AND BRIEFING

Malaysia Airports organises presentations via video conferencing facilities during quarterly financial result briefings to equity and fixed income analysts as well as fund managers. Site visits and meetings at our facilities are also held regularly with members of the investment community. Our proactive Investor Relations programmes ensure timely dissemination of information to the public and investment community for better understanding of the Group's financial and operational performance as well as key strategic matters.

Malaysia Airports further emphasises on timely disclosure through the circulation of investor presentations. Presentations of financial results and performance are prepared in a concise and transparent manner and are made available on our website upon release of financial results announcement to Bursa Malaysia.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE C

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

INVESTOR ENGAGEMENT

ONE-ON-ONE MEETINGS, CONFERENCE CALLS AND INVESTOR CONFERENCES

The Senior Management and Investor Relations Department actively participate in virtual and physical meetings and conferences with institutional investors, fund managers, analysts and rating agencies held in Malaysia as well as abroad. In 2023, we participated in over 580 engagements, as part of our effort to continuously reach out to a wider investor base.

The Group's efforts in fostering stakeholder engagement have not gone unnoticed, as Malaysia Airports earned recognition from the investment community at The Edge Billion Ringgit Club Awards, achieving the Highest Return to Shareholders Over Three Years award in the Transportation & Logistics category.

INVESTOR RELATIONS PORTAL

To enhance access by various stakeholders, the Investor Relations Department maintains an Investor Relations portal on the Company's website. The portal offers an effective communication platform with a wide range of information for shareholders, prospective investors and the public including key financial highlights, annual reports, financial results, investor presentations, press releases, and disclosures to Bursa Malaysia.

INVESTOR FEEDBACK

To further strengthen the Group's relationship with the investing community, the Investor Relations Department values their feedback or enquiries which can be communicated directly to the Investor Relations Department.

The Investor Relations Department endeavours to provide timely responses to feedback or queries through ongoing engagement and direct communication with stakeholders.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Conferences, Roadshows and Events in 2023

6 January	CGS - CIMB Annual Malaysia Corporate Day
12 January	Macquarie Malaysia Insight
7 March	Nomura ASEAN Conference, Kuala Lumpur
10 March	Affin Hwang Conference, Kuala Lumpur
15 March	Hong Leong Investors Site Visit to KLIA Terminal 1
16 March	KAF Conference, Kuala Lumpur
22 March	Credit Suisse Asian Investment Conference, Hong Kong
4 April	Maybank China Reopening Corporate Day
11 April	UBS Non-Deal Roadshow, Singapore
6 July	CLSA Conference, Kuala Lumpur
26 July	Nomura Conference, Kuala Lumpur
15 August	Hong Leong Conference, Kuala Lumpur
24 August	Macquarie ASEAN Conference, Singapore
4 September	CGS-CIMB Conference, Kuala Lumpur
12-13 September	CITIC CLSA Investors Forum, Hong Kong
10 October	UOB Kay Hian Asian Gems Conference
25 October	Ambank Virtual Conference
2 November	AGCO Emerging & Frontier Markets Investor Conference
15 November	CGS-CIMB Virtual Conference
1 December	JP Morgan Non-Deal Roadshow, Kuala Lumpur
6 December	BURSA HLIB Stratum Focus XVI Event, Kuala Lumpur

Equity Research Coverage

Affin Hwang Investment Bank Berhad	Kenanga Investment Bank Berhad
AmInvestment Bank Berhad	Macquarie Capital Securities (Malaysia) Sdn Bhd
CGS International Securities Malaysia Sdn Bhd	Maybank Investment Bank Berhad
Citigroup Global Markets Inc	MIDF Amanah Investment Bank Berhad
CLSA Securities Malaysia Sdn Bhd	Nomura Securities Malaysia Sdn Bhd
Hongkong and Shanghai Banking Corporation Ltd	RHB Investment Bank Berhad
Hong Leong Investment Bank Berhad	TA Securities Holdings Berhad
JP Morgan Securities (Asia Pacific) Ltd	UBS Securities Malaysia Sdn Bhd
KAF Equities Sdn Bhd	UOB Kay Hian Pte Ltd

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE C

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

MALAYSIA AIRPORTS CREDIT RATING

Malaysia Airports remains steadfast in its commitment towards maintaining a sound financial position and a robust balance sheet. In 2023, Malaysia Airports continued to exhibit solid financial and operating fundamentals, as evident by its strong investment grade credit ratings:

Rating Agency	Credit Rating
RAM	AAA
Moody's	A3

RAM and Moody's reaffirmed their 'Stable' outlook on Malaysia Airports in November 2023 and August 2023, respectively.

Malaysia Airports is committed to maintain the above ratings, achieved through the Group's prudent and pragmatic capital management approach in the course of doing its business.

FINANCIAL CALENDAR

General Meeting

29 April 2024

Notice of 25th Annual General Meeting

6 June 2024

25th Annual General Meeting

Financial Year 2023 - Quarterly Results Announcements

30 May 2023

Unaudited consolidated results for the 1st quarter ended 31 March 2023

24 August 2023

Unaudited consolidated results for the 2nd quarter ended 30 June 2023

29 November 2023

Unaudited consolidated results for the 3rd quarter ended 30 September 2023

29 February 2024

Unaudited consolidated results for the 4th quarter ended 31 December 2023

DIVIDEND

On 29 February 2024, the Board declared a single-tier final dividend of up to 10.80 sen per ordinary share in respect of the financial year ended 31 December 2023 (Final Dividend) amounting to a dividend payout of RM180.2 million.

10.80 sen

per ordinary share
single-tier final dividend FY2023

Notice of Book Closure Date

7 March 2024

Entitlement Date

20 March 2024

Payment Date

8 April 2024



CORPORATE GOVERNANCE OVERVIEW STATEMENT

Communication to Investment Community

- Annual Report, Financial Statements, Sustainability Report, Airport Statistics, Corporate Governance Overview Statement and Notice of AGM
- Corporate website including investor relations portal and media centre
- Announcements to Bursa Malaysia
- Group and one-on-one meetings
- Conference calls on financial results and business developments
- Investor relations and media centre
- Wide coverage via 18 equity research analysts and 2 credit rating agencies

Engagement via mainstream, social and airport media channels

- Quarterly financial results press release
- Media updates on business developments
- Extensive social media engagement
- Public outreach via virtual and physical engagements

Shareholders may raise questions by contacting the Investor Relations department. The Company's Investor Relations Policy promotes effective communication with the shareholders, investment community, other stakeholders, and the public in general. It is intended to give a clear picture of the Group's performance and operations.

Stakeholders can direct queries and feedback to the Company's dedicated IR e-mail at ir@malaysiaairports.com.my, ensuring transparency and effective management of matters and concerns raised by any parties.

Investor Relations Contact:

Aizzura Ab Rahim

Tel : +603 8777 7407

E-Mail : ir@malaysiaairports.com.my

CONDUCT OF GENERAL MEETING

The Board regards the Annual General Meeting (AGM) as an opportunity to communicate directly with the shareholders, hence encourages their attendance and active participation. On 1 June 2023, Malaysia Airports had successfully convened and conducted its Twenty-Fourth Annual General Meeting (24th AGM) on a hybrid mode. The main venue of the 24th AGM was the Gateway Ballroom, Level 1, Sama-Sama Hotel, KL International Airport, Jalan CTA 4B, 64000 KLIA, Sepang, Selangor Darul Ehsan, meanwhile the virtual platform was hosted on Securities Services e-Portal at <https://sshbs.net.my/> (MYNIC Domain Registration No.: D4A004360) as provided by SS E Solutions Sdn Bhd (SSES) in Malaysia.

The Notice of 24th AGM was circulated to the shareholders on 28 April 2023, being 28 days before the date of meeting to enable shareholders to go through the Annual Report, adopting the Practice of MCCG 2021 under Principle C: Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders and meeting the minimum 21-day notice requirement under the Companies Act 2016 and the Listing Requirements. The additional time given to the shareholders enables them to make the necessary arrangements to attend and participate either in person, by corporate representative, by proxy or to appoint an attorney to attend on their behalf.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE C

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

In line with the Group’s commitment in promoting ESG as well as to achieve greater cost efficiency, Malaysia Airports encouraged its shareholders to go paperless and access the digital copy of the Annual Report 2022 by downloading it from the Company’s website. In addition, Malaysia Airports had issued postcards with QR code to the shareholders, consisting of the Notice of 24th AGM, Administrative Details of the 24th AGM, Annual Report 2022, and Proxy Form, which were also made available on the Company’s website.

All stakeholders were afforded the opportunity to submit their questions in advance of the AGM via several channels, including email, telephone, or the virtual meeting system. Early submissions included four (4) questions from the Minority Shareholders Watch Group (MSWG). Additional questions were also accepted during the AGM and via the virtual meeting system with a panel of moderators working to direct the questions to the appropriate respondent, gather similar questions together for ease of response, and provide additional context where necessary.

The Company’s 24th AGM was attended by all Directors, Senior Management, external auditors as well as 148 shareholders, proxies and corporate representatives who registered and participated physically, and 655 shareholders, proxies and corporate representatives who registered and given access to participate virtually via the e-Portal. Shareholders were given equal opportunities whether they attended the AGM physically or online. They were able to view the presentation on the Company’s financial and operational highlights by the former MD, as well as vote and ask questions during the meeting. The Chairman encouraged the shareholders to pose questions to the Board and Management on the proposed resolutions tabled at the AGM. All questions submitted during the meeting were answered by the former MD, Group Chief Financial Officer, and the Company Secretary accordingly. The former MD had also shared with the shareholders the Company’s responses to the questions submitted in advance by the MSWG. Management had also answered several late questions received from the shareholders via emails after the 24th AGM.

All resolutions of 24th AGM were tabled and approved by the shareholders. The resolutions were voted by poll administrated by SSES who had been appointed as the Poll Administrators for the Meeting, and Commercial Quest Sdn Bhd was appointed as the Scrutineers to verify the results of the poll voting and validate the votes cast at the Meeting. The outcomes of poll voting were announced to Bursa Malaysia on the same day of the Meeting. The minutes of the 24th AGM were published on 13 July 2023, which was within 30 business days after the AGM and are accessible to the public on the Company’s website.

COMPLIANCE STATEMENT

The Board considers the Company has applied the best practice recommendations of MCCG 2021 to a large extent. The Board is committed to fully comply with the recommendations of MCCG 2021 and will continue to pursue efforts to address the departures.

This Corporate Governance Overview Statement is made in accordance with a resolution of the Board passed at the Board of Directors’ meeting held on 18 March 2024.

BOARD AUDIT COMMITTEE REPORT

In compliance with Paragraph 15.15 of the *Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad* (“Bursa Securities”), the Board Audit Committee (“BAC”) of Malaysia Airports Holdings Berhad (“MAHB” or “the Company”) is pleased to present the BAC Report for the financial year ended 31 December 2023.

The function of BAC is to assist the Board in fulfilling its statutory and fiduciary responsibility of monitoring the Group’s financial risk process, to review the Group’s business processes relating to internal control, risk management and corporate governance and to enhance the independence of both the external and internal audit function by providing direction and oversight on behalf of the Board. The Terms of Reference of BAC sets out its composition, authority, duties, and responsibilities in compliance with the requirements of the MMLR and Malaysian Code of Corporate Governance 2021 (“MCCG 2021”). The detailed Terms of Reference of the BAC is available on the Company’s official website at www.malaysiaairports.com.my.

The BAC comprises four (4) Non-Executive Directors of whom three (3) members are Independent Directors. The membership and record of meeting attendance of BAC members during the year under review are as follows:

Name of Director	Attendance
Cheryl Khor Hui Peng (Chairman) Independent Non-Executive Director	8/8
Dato’ Ir Mohamad bin Husin Senior Independent Non-Executive Director	8/8
Datuk Amran Hafiz bin Affifudin Non-Independent Non-Executive Director (Appointed as BAC member w.e.f 1 September 2023)	2/2
Dato’ Seri Ir Koe Peng Kang Independent Non-Executive Director (Appointed as BAC member w.e.f 20 December 2023)	0/0
Datuk Azailiza binti Mohd Ahad Senior Independent Non-Executive Director (Resigned as a BAC member w.e.f 19 May 2023)	3/3
Wong Shu Hsien Non-Independent Non-Executive Director (Resigned as a BAC member w.e.f 1 September 2023)	6/6

None of the members of BAC is an alternate director and the above composition complies with Paragraph 15.09(1)(b) of the MMLR and MCCG 2021.

The Terms of Reference of BAC requires it to meet at least six (6) times a year. During FY2023, there were eight (8) BAC meetings, attended by the Company Secretary, who also serves as the Secretary to the BAC, along with the BAC members. Representatives of the Senior Management and Internal Audit senior management were also invited to provide feedback on matters related to their purview. Representatives of the Company’s external auditors, Messrs Ernst & Young, were invited to attend the meetings as and when required. Minutes of BAC meetings were circulated to all members of the Board, whilst material issues relating to functions of BAC were discussed at Board meetings.

The Chairman of BAC is a member of the Malaysian Institute of Accountants and also the Chairman of Audit & Risk Committee (ARC) of the Company’s subsidiaries in Turkiye, i.e., Istanbul Sabiha Gökçen Uluslararası Havalimanı Yatırım Yapım Ve İşletme A.Ş. (“ISG”) and SGC Havalimanı İşletmeleri Ticaret ve Turizm A.Ş. (“SGC”).

Majority of the BAC members are financially literate and have sufficient level of understanding of the Company’s business. They have also attended relevant training and continuous professional development during the year under review.

During the financial year under review, the performance and effectiveness of BAC were evaluated by the Board, as part of the Board Performance Evaluation. Having reviewed the BAC’s performance, the Board is satisfied that BAC members have discharged their functions, duties, and responsibilities in accordance with its Terms of Reference.

SUMMARY OF ACTIVITIES DURING FINANCIAL YEAR 2023

Main activities undertaken by BAC in discharging its functions and duties during the year under review were as follows:

Financial Reporting

- Reviewed and monitored the financial position and performance of MAHB Group (“the Group”) on a quarterly basis.

BOARD AUDIT COMMITTEE REPORT

- Reviewed the quarterly financial results and year-end financial statements of the Group before recommending the same to the Board for approval.
- Reviewed the dividends proposed by the management for the financial year before recommending the same to the Board for approval.
- Ensured compliance with the MMLR, applicable accounting standards in Malaysia, provisions of Companies Act 2016 and other legal and regulatory requirements.

Internal Control

- Reviewed the effectiveness of the system of internal control.
- Reviewed Related Party Transactions and Recurrent Related Party Transactions on a quarterly basis.
- Reviewed the Statement on Risk Management and Internal Controls which was supported by an independent review by the external auditors, prior to submission to the Board.

Internal Audit

- Reviewed and approved the Internal Audit Department (IAD)'s Risk-based Internal Audit Plan, budget, and manpower requirements to ensure the adequacy of resources, competencies, and coverage on key risk areas.
- Reviewed audit reports issued by IAD on the effectiveness and adequacy of governance, risk management, operational and compliance processes. BAC then considered those recommendations including Management's responses, before proposing that the control weaknesses are rectified and recommendations for improvements be implemented.
- Reviewed follow-up reports by the IAD on the status of actions taken by the Management on recommendations suggested in the audit reports.
- Reviewed follow-up reports by the IAD on external auditors' significant audit observations as set out in the Management Letter and status of actions taken by the Management on issues raised by the external auditors.
- Reviewed the progress of Internal Audit activities.
- Evaluated the performance of the IAD and recommended for improvements.

External Audit

- Evaluated the performance, suitability, objectivity, and independence of external auditors and recommended to the Board on the appointment and audit fees.

- Reviewed the external auditors' scope of work and audit plan for the financial year.
- Held private discussions with external auditors without the presence of management.
- Reviewed with the external auditors, their management letter together with the Management responses.

Whistleblowing and Corporate Integrity

- Deliberated on all matters pertaining to Whistleblowing Programme, ethics, integrity, corruption, conflict of interest, abuse of power and other scope covered under the Malaysian Anti-Corruption Commission Act 2009.
- Reviewed status updates on the anti bribery and corruption risks and its mitigations by the Management on quarterly basis and assessed the effectiveness of the Integrity and Anti Bribery Management System (ABMS) and Adequate Procedures.
- Reviewed and approved Corporate Integrity Division (CID)'s, Annual Plan, and Budget and status updates on CID activities during the year.
- Evaluated the performance of the CID and recommended for improvements.

Annual Reporting

- Reviewed the BAC Report and Statement of Risk Management and Internal Control for onward approval by the Board for publication in the 2023 Annual Report.

Other Activities

- Approved relevant mandatory announcements to Bursa Malaysia in compliance with MMLR.
- Reviewed the revised Terms of Reference of BAC for approval by the Board. The Terms of Reference were revised to ensure alignment with MCGG and MMLR requirements, and the current operational practices.

Minutes of the BAC meetings shall be shared for the information to the Board of Directors. Matters that require the Board's approval are presented at the Board meetings. The Company Secretary issues action items outlining the decisions made and necessary actions, which are then distributed to management and other relevant parties for their follow-up.

BOARD AUDIT COMMITTEE REPORT

INTERNAL AUDIT FUNCTION

BAC is supported by IAD in discharging its duties and responsibilities. The internal audit authority, responsibilities and scope of work are defined in the Internal Audit Charter as approved by BAC. The Internal Audit Charter is reviewed regularly to ensure alignment with the standards outlined in the International Professional Practices Framework (IPPF) issued by The Institute of Internal Auditors (The IIA).

IAD helps the company to accomplish its goals by bringing an objective and disciplined approach to evaluate and improve the effectiveness of risk management, internal control, anti-corruption, whistle-blowing and governance processes. IAD serves as an important source of advice for the BAC and the board regarding weaknesses in internal processes to facilitate appropriate remedial measures within the MAHB Group.

Reporting directly to the BAC, the internal audit is carried out objectively and is independent from the management and the functions being audited. Internal auditors continuously keep abreast with developments in the profession, relevant industry and regulations to effectively perform their role, including undertaking root-cause analysis to provide strategic advice and suggest meaningful business improvements.

In determining the priorities for internal audit activities, IAD applies a risk-based approach, and the annual audit plan is reviewed periodically, taking into consideration changes in risk exposure and operating environment.

An Audit Management System is used to enhance the effectiveness and efficiency of the audit process. Execution of audit engagements are guided by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and Control Objectives for Information and Related Technologies (COBIT) framework in ensuring that IAD conforms to the Standards and deliver value-added services.

The IAD audit universe includes functions on governance, risk management and review of controls in the areas of, but not limited to corporate, governance and compliance, projects, information systems, airports (operations, engineering, revenue management, safety and security) and other subsidiaries' business in aviation services, airport commercial and retail, facilities & infrastructure management, hospitality management, airport consultancy, agriculture, and aeropolis.

Periodically, IAD presented to the BAC the updates on its activities comprising key highlights of areas reviewed, follow-up of outstanding issues and progress of the 2023 Annual Audit Plan.

The Internal Audit function at ISG and SGC reports to the Head of Internal Audit of MAHB, and relevant updates on the activities undertaken were presented to the Audit & Risk Committee ("ARC") of ISG and SGC.

During the financial year under review, Group IAD issued and executed a total of twenty-one (21) Internal Audit reports, including eight (8) for ISG/ SGC which include among others the following key areas in accordance with the Audit Plan 2023:

Corporate and Governance

Corporate Strategy and Business Plan, HR Matters (focusing on Manpower Planning, Industrial Relations and Travel Management), Corporate Communications and Business Continuity Management

Information Technology

Revenue system and IT Asset

Operation

Facilities management, Operational Efficiency and Cleaning Services

Financial

Asset Management and Aeronautical Revenue

Project

Project Management, Airport Integrated Security & Safety System ("AIS3"), Airport Collaborative Decision Making ("A-CDM"), Automated People Mover ("APM") and Baggage Handling Systems ("BHS")

Others*

Special Review

* Request from the Board, Board Committees, Management or arising from whistleblowing programmes.

BOARD AUDIT COMMITTEE REPORT

The above reports were issued to the Management for their responses and remedial actions. Management is responsible to ensure that corrective actions are taken on the reported improvement areas within the stipulated time frame. Subsequent deliberations on matters of concern were held with Management prior to tabling to the BAC.

The Internal Audit is led by Rosman bin Nordin, who has over 26 years of experience in internal audit, risk management, compliance, finance and joint venture accounting in Government Linked Companies ("GLCs") and International Oil Companies ("IOCs") in Malaysia and overseas, including his international exposure in PETRONAS and ADNOC oil and gas upstream and subsea projects, as well as beyond oil and gas which covers logistics, maritime, construction and transportation services. He holds a Master of Business Administration and Bachelor of Accountancy. He is a member of the Chartered Accountants, Malaysian Institute of Accountants and the Institute of Internal Auditors.

In demonstrating the knowledge and skills necessary for fulfilling the current obligations of the internal audit, certifications earned by the auditors are CIA, CISA, ACCA, ISMS and PMP. As of 31 December 2023, IAD had a total of 22 auditors from the following backgrounds:

Discipline	No. of Internal Auditors	Percentage (%)
Accounting, Actuarial, Finance & Business	12	55
Information Technology & Business	5	23
Engineering	4	18
Operations	1	4
Total	22	100

All IAD staff are required to pledge adherence to the Code of Ethics and to disclose any relationship or conflict of interest situation on an annual basis to safeguard the audits against any potential impairment of objectivity and independence. In 2023, the requirement was fully adhered.

Since 2008, the Company has appointed a qualified independent reviewer once every five (5) years to conduct an external quality assessment to ensure that audit works performed by the internal auditors are in line with The IIA standards. Based on the external quality assessment conducted by The IIA Malaysia in 2018, IAD has fulfilled the key objectives and requirements in accordance with the IIA's International Standards for Professional Practice of Internal Auditing with a rating of "Generally Conform".

For financial year ended 31 December 2023, the total internal audit expenditure incurred by the Company was RM3.10 million (FY 2022: RM2.80 million), whilst for ISG and SGC, the total internal audit expenditure was 128,246 EURO (FY 2022: 63,491 EURO) [equivalent to RM650,011 (FY 2022: RM 298,592)].

For the financial year under review, the BAC is of the view that the Company is in compliance with the MMLR.

Cheryl Khor Hui Peng
Chairman
Board Audit Committee



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors (the Board) of Malaysia Airports is pleased to present the Statement on Risk Management and Internal Controls (SORMIC) for the Financial Year ended 31 December 2023. This is in accordance with paragraph 15.26(b) of the Bursa Malaysia Securities Berhad Main Market Listing Requirements and guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (the Guidelines) and Practice 10.1 for Principle B of the Malaysian Code on Corporate Governance (MCCG).

The Board affirms its overall responsibility and commitment to establishing and maintaining sound risk management and internal control systems; designed to manage rather than eliminate risks.

GOVERNANCE AND RESPONSIBILITY

The Board

The Board Committees that have primary risk management and internal control oversight responsibilities are the Board Risk Management Committee (BRMC) and the Board Audit Committee (BAC).

Board Risk Management Committee (BRMC)

Key functions include formulating overall risk management framework, occupational safety and health, ICAO safety management system and information security strategy of the Group and recommends for approval and/or approves (whenever applicable) any major risk decisions by the Group. Oversees Senior Management's responsibilities in managing risks including information security risks and safety to ensure that the risk management process is in place and functioning.

Board Audit Committee (BAC)

The Audit Committee plays a pivotal role in corporate governance by providing vigilant oversight to ensure the integrity of financial reporting, internal controls, risk management, and corporate governance processes within the organisation. Its primary responsibilities encompass the supervision of Financial Statements & Performance, External Auditors, Internal Auditors, Related Party Transactions & Conflict of Interests, as well as the management of Corporate Integrity and Whistleblowing matters.

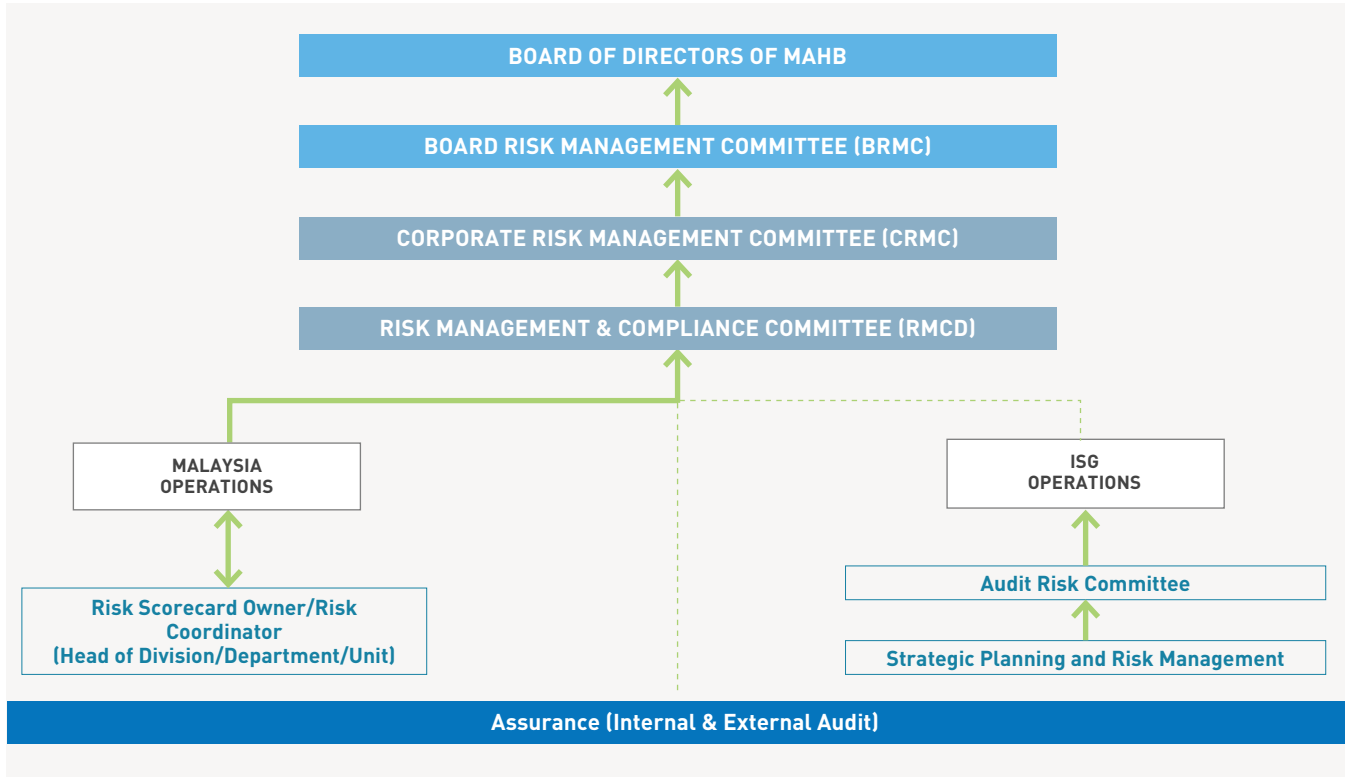
The Terms of Reference (ToR) and primary duties of the BRMC and BAC are accessible on the company's official website at www.malaysiaairports.com.my. In addition, the Board established a new Board Sustainability Committee effective 1 November 2023 focusing on Environmental, Social, and Governance (ESG) agendas.

Management

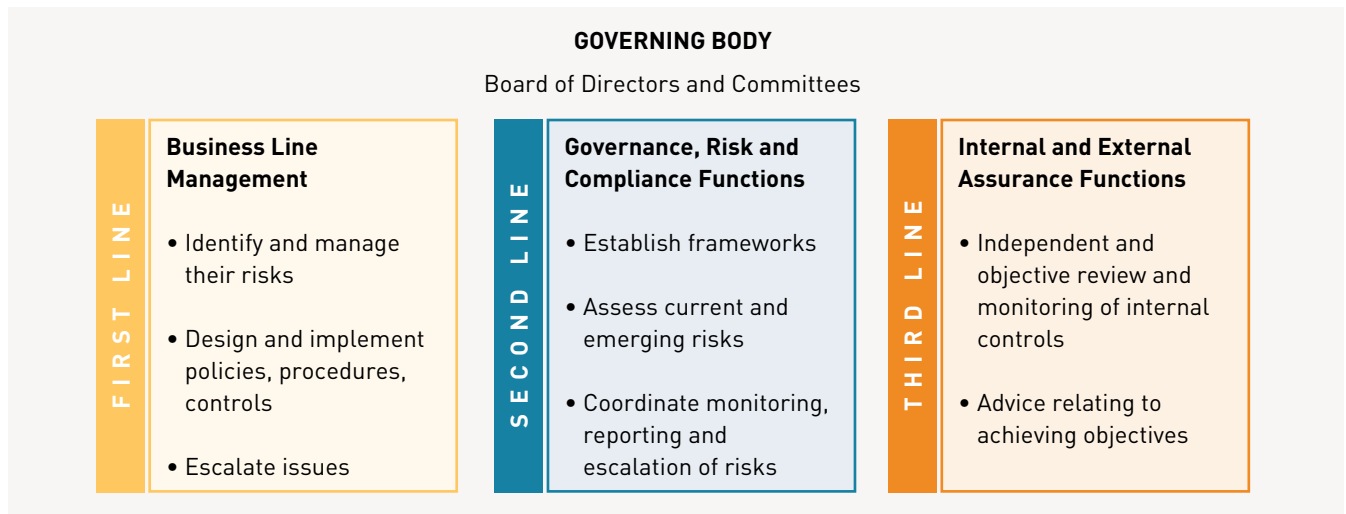
Management is accountable to the Board and responsible for implementing policies, procedures and control; identifying and managing risks; and escalating issues to the Board when required.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Malaysia Airports' risk management structure is as follows:



Malaysia Airports practices the three lines of defence model, ensuring accountability towards risk is spread throughout:



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

THE FRAMEWORK

Risk Management in Malaysia Airports is guided by the *ISO 31000: Risk Management - Principles and Guidelines* and the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework.



KEY RISK AREAS

The risks outlined are current as at 31 December 2023. As the environment is constantly evolving, these risks are continuously being reviewed. Elements such as the COVID-19 pandemic, natural catastrophes and geopolitical conditions remain at the forefront when considering risks.

The Board, through the BRMC and other relevant Board Committees, monitors and reviews the controls and action plans taken by Management to address the key risks.

A summary of the key risk areas and the mitigations and controls are as follows:

Key Risk	Description	Mitigation and Controls
Strategic R1	Enhancing shareholders' value	<ul style="list-style-type: none"> All capital expenditure/projects especially development expenditure is approved by the Board via a suitable investment recovery mechanism with a fair and reasonable return Ensuring other non-aero revenue such as retail, commercial, landside etc. provides a more robust revenue in line with the strategic intent Execution of the key pillars under strategy model: <ul style="list-style-type: none"> Reimagining Passenger Experience - T1 TIME26++ Enhancing Airline & Hub Connectivity Rejuvenating Commercial & Retail Accelerating Off-Terminal Opportunities PEN Terminal Expansion Project Strengthening International Business Focusing on Execution Commitment to ESG Ensuring the MAHB's International and Domestic ratings for Moody's and RAM are kept at AAA/AA

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Key Risk	Description	Mitigation and Controls
Customer Experience R2	Ensuring airport operations are running smoothly	<ul style="list-style-type: none"> • Perform ongoing scheduled maintenance at airports • Asset Replacement Programme (ARP) e.g. Baggage Handling System, Automated People Mover • Airport Facilitation Committee Meetings • Service Quality Council Meetings i.e. QoS, ASQ • Certified in Airport Customer Experience Accreditation (ACEA) programme by ACI World • Implementation of MYairports application • Ensure adequate manpower with the right skill sets • Continuous Human Capital interventions and programmes to ensure the right organisation, talents and skill sets are always in place
Safety And Security R3	Ensuring public and staff safety and security, preventing criminal activities and providing a safe environment at airports	<ul style="list-style-type: none"> • Maintain collaboration with key stakeholders: <ul style="list-style-type: none"> - National Security Council (NSC) - National Disaster Management Agency (NADMA) - Polis DiRaja Malaysia (PDRM) - Chief Government Security Officer (CGSO) - Eastern Sabah Security Command (ESSCOM) • Conduct Crisis Simulation Exercises • Policies, frameworks, manuals and procedures are in place and regularly reviewed • Collaboration with Department of Occupational Safety and Health (DOSH) and Ministry of Health (MOH)
Cyber Security R4	Ensuring readiness to safeguard against the sophistication of cybercriminals	<ul style="list-style-type: none"> • Implementation of Cyber Security Acceleration Programme (CSAP) 2.0 • A dedicated team of in-house cybersecurity experts complemented by a managed security services provider • Malaysia Airports Information Security Policy (MAISP) • Group IT Council and BRMC monitor the implementation plan
Digitalisation R5	Ensuring our airports are ready with resilient and secure digital platforms and technologies, in line with our digital transformation objectives	<ul style="list-style-type: none"> • Embarkation of Airport Collaborative Decision Making (A-CDM) • Group IT Council to monitor the implementation and oversee the overall digitalisation strategy • Introduction of the Self-Service Check-In & Self-Service Bag Drop to improve process efficiency • Enhancement of MYairports mobile application with additional features and capabilities • WiFi Technology Refresh from WiFi 4 to WiFi 6
Key Projects R6	Ensuring projects are delivered on specification, on time, and within budget	<ul style="list-style-type: none"> • Project management workshops • Board of Asset Replacement Committee (BARC) • Weekly Management Committee Meetings • Project management dashboards
Financial R7	Ensuring Malaysia Airports' ability to execute strategic objectives and obligations impacting the sustainability of operations	<ul style="list-style-type: none"> • Conservative approach to financial planning • Active and strong engagement with stakeholders • Conduct regular scenario planning

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Key Risk	Description	Mitigation and Controls
Regulatory & Compliance R8	Ensuring compliance with regulations and laws; failure of which could lead to suspension of license and impact to reputation	<ul style="list-style-type: none"> • Ongoing training and awareness sessions • Constant monitoring of compliance and new regulations and laws by relevant units • Annual regulatory audits and regular engagements with stakeholders to ensure gaps are closed
People R9	Ensuring the right talents with the right skill sets are retained to achieve optimal service	<ul style="list-style-type: none"> • Continuous identification, assessment and mitigation of talent risks • Recruit Right - Attract, assess and hire the right talents into the organisation • Capability Building - Structured employee training and development using multiple learning channels • Career Progression - Groom employees into well rounded leaders by offering clearly defined career paths • Effective Reward Systems - Employees are rewarded effectively based on risk-specific and diverse performance measurements and incentive systems • Continuous Engagements - Multiple employee engagement programmes and continuous partnerships with employee representative groups including Unions to promote industrial harmony and employee satisfaction • Adoption of Operational Excellence Culture (E.g. OE League Competitions) • Work-Life Flexibility and Health & Safety programmes to promote positive mental and physical wellness among employees
Sustainability R10	Ensuring Malaysia Airports keep pace with Environmental, Social, and Governance (ESG) developments.	<ul style="list-style-type: none"> • Dedicated Occupational Safety and Health Department to drive OSH initiatives and twenty-six (26) Safety, Health and Environment Committees across the organisation • Formal reporting platform through the whistleblowing programme as well as the Whistleblowing Independent Committee • <u>Social</u> <ul style="list-style-type: none"> • High Fliers programme for employees' children • Education aid for B40 students in the local community • Developing leaders: Two programmes, MARVEL (Malaysia Airports Visionary and Effective Leadership) for executives and BEST (Building Empowered Supervisory Teams) for non-executive employees were the Group's signature leadership programmes. • Competencies Training for Employees • <u>Governance</u> <ul style="list-style-type: none"> • Anti-Bribery Management System practice and certification • ISO/IEC 27001: 2013 Information Security Management Systems: Malaysia Airports Holdings Berhad (Sites: Human Capital Division, Procurement & Contract Division and IT Division only), Malaysia Airports Sdn Bhd (Sites: LGK and PEN only), Malaysia Airports (Sepang) Sdn Bhd. • Implementation of Cybersecurity Acceleration Programme 2.0 : The project will enable the Group to obtain consultancy, tools, platforms, resources and value-added services to enhance its cybersecurity and strengthen its cybersecurity capabilities.

More details on the ESG initiatives can be found in the Sustainability Report, the Statement on Corporate Governance and Management Discussion and Analysis and the Sustainability Overview sections of this report.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

KEY ELEMENTS OF THE RISK MANAGEMENT AND INTERNAL CONTROL

The Group's internal control system is embedded within the operating activities and the Board's review of internal control effectiveness is centered on the COSO framework.

Details of the internal control components pertaining to Malaysia Airports are as follows:

COSO INTERNAL CONTROL - INTEGRATED FRAMEWORK

Control Environment

- The Group's Limit of Authority (LOA) states the overall levels of approvals and authority limits adopted by Malaysia Airports.
- Committees are governed by clearly defined Terms of References (TORs).
- Malaysia Airports' Code of Ethics and Conduct is the standard policy for all employees.
- Established Personal Data Protection Act (PDPA) Compliance Manual.
- The Environment Management System (EMS) is in place.
- The Anti-Bribery Management System (ABMS) is in place.
- The Whistleblowing Programme is in place.

Risk Assessment

- Risk assessments are conducted prior to engaging in initiatives and are included in the Main Board/Board Procurement Committee papers.
- Project risk assessments are conducted throughout projects and kept and updated by project executors and contractors.
- Risk assessments are conducted as part of Value Management sessions prior to project commitment.
- Subsidiaries, divisions and units conduct risk assessments for their units on a quarterly basis. This is signed-off digitally using the Malaysia Airports risk scorecard (MARs) system.

Control Activities

- Policies and procedures are approved by the Board and are applicable across the Group.
- The Group's Limit of Authority (LOA) is reviewed and updated periodically to ensure that financial limits and guidelines are current to facilitate effective and efficient decision-making.
- The Malaysia Airports Competency Assessment (MACA) programme is implemented to assess the technical knowledge and skills of airport operational personnel in yearly basis.
- The Malaysia Airports Information Security Policy (MAISP) provides Malaysia Airports' employees and related third parties with a consistent set of information security rules required to protect the company's information, information assets, and intellectual property.
- Malaysia Airports is pursuing net zero carbon targets through Environmental Master Plan 2.0, including initiatives like upgrading assets for energy efficiency and enhancing employee communication for energy reduction awareness.
- OSH preventive measures includes ongoing compliance audits, Safety, Health, and Environment (SHE) regional meetings, and engagement with authorities to prevent workplace accidents and COVID-19 infections.

Information & Communication

- Corporate Communications Operational Guidelines provide guidance and ensure that communication across the Group and beyond is well coordinated, effectively and strategically managed, and meets the diverse needs of the organisation.

Monitoring

- Periodic assessments are integrated as part of Management's continuous monitoring of internal controls.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

AFFIRMATION BY THE ACTING GROUP CHIEF EXECUTIVE OFFICER AND GROUP CHIEF FINANCIAL OFFICER

In relation to the risk management process, the Acting Group Chief Executive Officer and Group Chief Financial Officer to the best of his ability and knowledge confirms that the Group's risk management and internal control system is operating adequately and effectively as at 31 December 2023.

REVIEW BY EXTERNAL AUDITORS

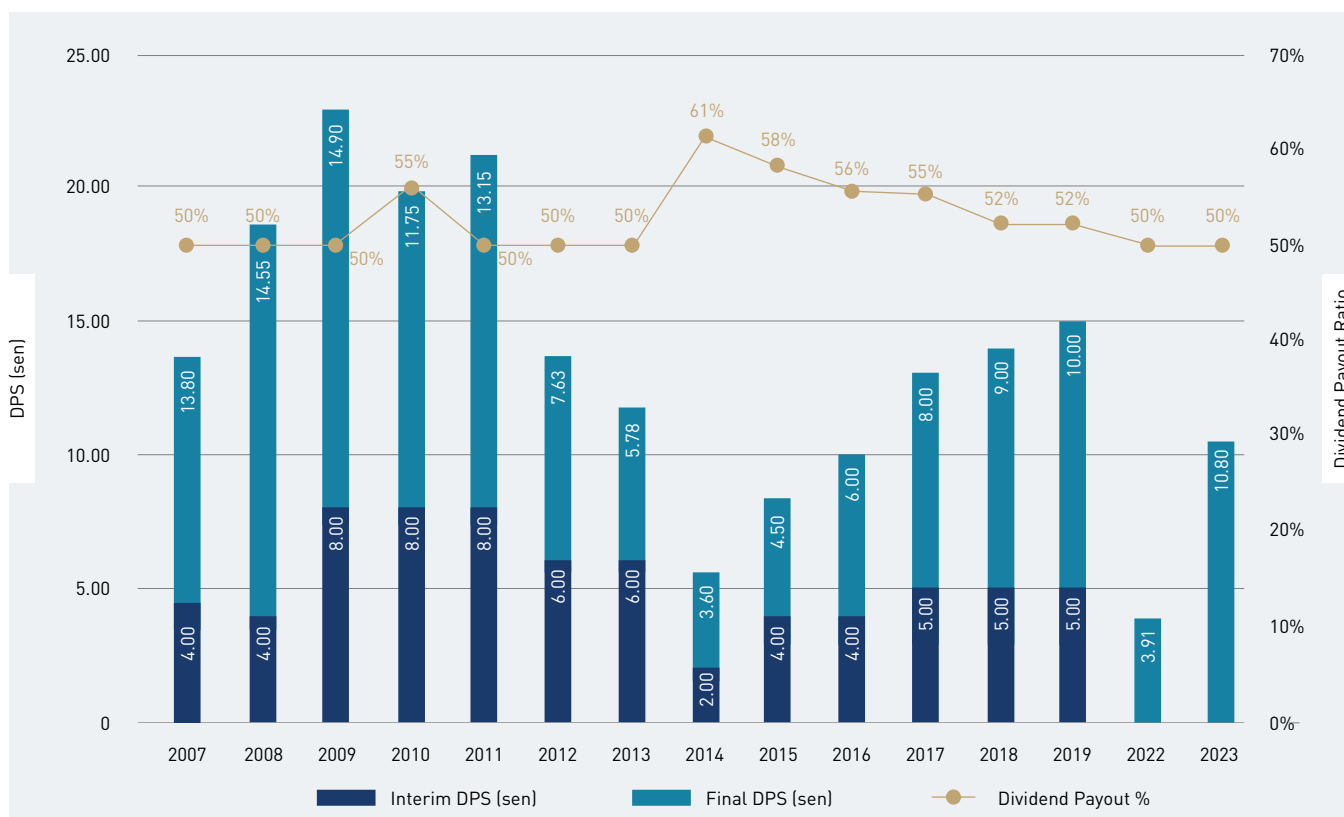
Pursuant to paragraph 15.23 of the Bursa Malaysia Listing Requirements, the External Auditors have reviewed this Statement for inclusion in the 2023 Annual Report of Malaysia Airports' Group, and have reported to the Board that nothing has come to their attention that causes them to believe that the Statement is not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control Guidelines for Directors of Listed Issuers, nor is the Statement factually inaccurate.

DIVIDEND POLICY

The Company's dividend policy entails the payment of dividend at a payout ratio of at least 50% of the consolidated annual net profit after taxation and minority interest. Nevertheless, the actual amount and timing of the dividend payments will depend on the Company's cash flow position, results of operations, business prospects, current and expected obligations, and such other matters as the Board may deem relevant.

Financial Year	Interim Dividend (sen)		Final Dividend (sen)		Payout Ratio (%)
	Franked	Single Tier	Franked	Single Tier	
2007	4.00		13.80		50
2008	4.00		14.55		50
2009	8.00		14.90		50
2010	8.00		11.75		55
2011	8.00		12.85	0.30	50
2012		6.00		7.63	50
2013		6.00		5.78	50
2014		2.00		3.60	61
2015		4.00		4.50	58
2016		4.00		6.00	56
2017		5.00		8.00	55
2018		5.00		9.00	52
2019		5.00		10.00	52
2022		-		3.91	50
2023		-		10.80	50

DIVIDEND PER SHARE (DPS)





ADDITIONAL COMPLIANCE INFORMATION

The following information is provided in compliance with Paragraph 9.25 of the Listing Requirements of Bursa Malaysia.

1. Status of Utilisation of Proceeds raised from Corporate Proposal

There were no proceeds raised by the Company from any corporate proposal during the financial year ended 31 December 2023.

2. Audit and Non-Audit Fees

The amount of audit and non-audit fees paid to the External Auditors, Messrs Ernst & Young PLT, during the financial year ended 31 December 2023, are as follows:-

	Company (RM)	%	Group (RM)	%
Audit Fee	490,000	92.6	1,368,000	87.7
Non-audit Fee	39,000	7.4	192,000	12.3
Total	529,000	100.0	1,560,000	100.0

The nature of the services rendered for the non-audit fees incurred are corporate advisory services, review of the Statement on Risk Management and Internal Control, review of the statement of User Fee and other agreed-upon procedures for compliance purposes.

3. Material Contracts

There were no material contracts nor any contracts entered into by the Company and/or its subsidiaries involving interests of directors and/or major shareholders either subsisting as at 31 December 2023 or entered into since the end of the previous financial year ended 31 December 2022.

4. Recurrent Related Party Transactions of Revenue Nature

There were no recurrent related party transactions of a revenue nature entered into by the Company during the financial year ended 31 December 2023.

5. Employees Share Option Scheme

There were no Employees Share Option Scheme granted by the Company during the financial year ended 31 December 2023.

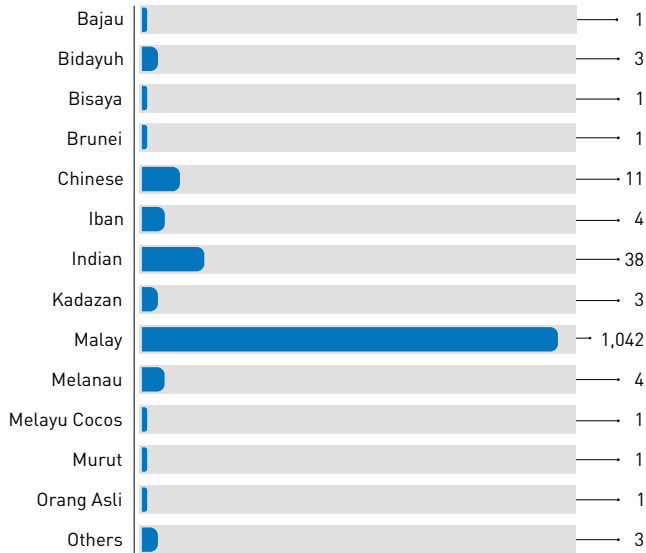
6. Corporate Social Responsibility

Please refer to our Sustainability Section.

STATEMENT OF WORKFORCE

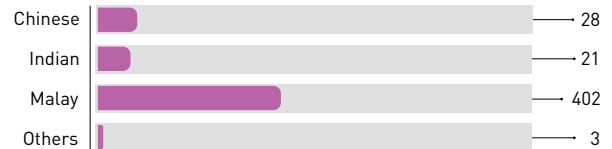
EXECUTIVE

TOTAL: 1,114



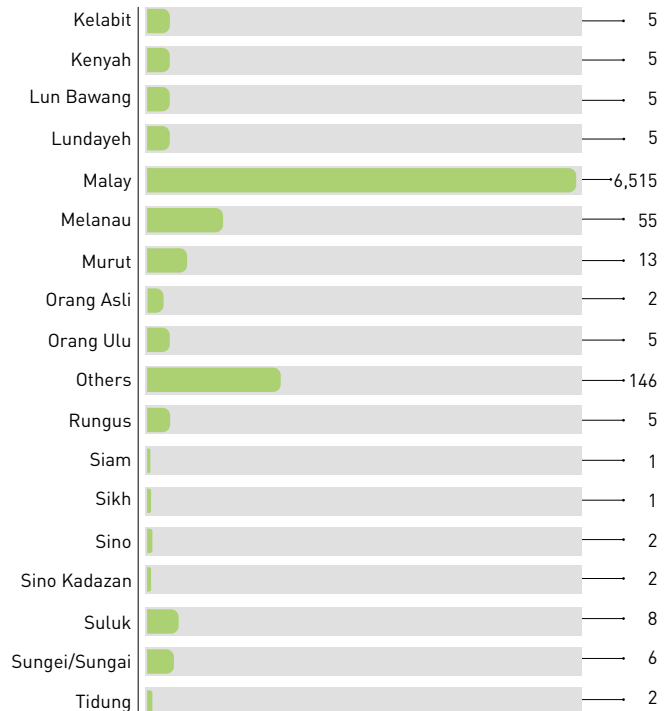
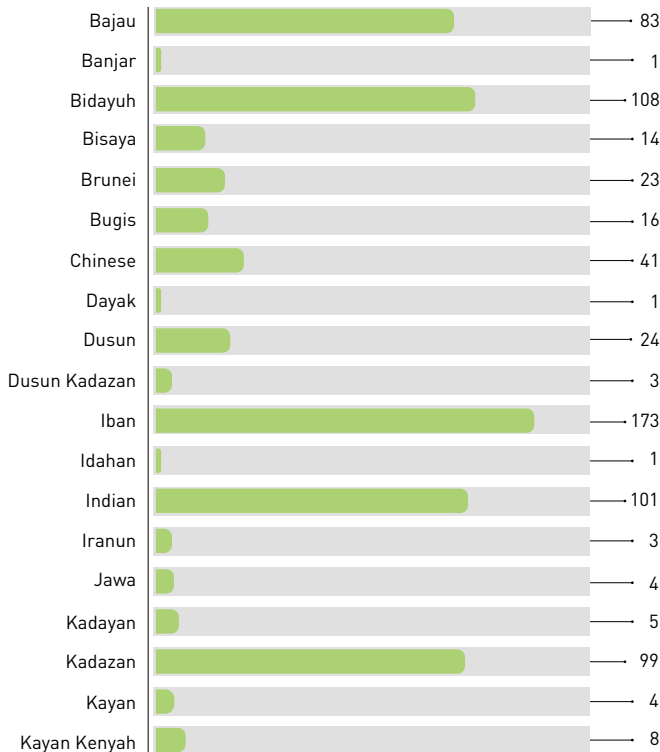
MANAGEMENT

TOTAL: 454



NON EXECUTIVE

TOTAL: 7,495



AIRPORT STATISTICS

TOTAL MAHB GROUP TRAFFIC 2023

PASSENGER MOVEMENTS		2023	2022	+/-
MY passengers	[international]	38,633,162	16,530,172	133.7%
	[domestic]	43,322,286	36,179,640	19.7%
	[Total]	81,955,448	52,709,812	55.5%
ISG passengers	[international]	19,577,361	15,711,244	24.6%
	[domestic]	17,982,847	15,468,294	16.3%
	[Total]	37,560,208	31,179,538	20.5%
Total MAHB Group		119,515,656	83,889,350	42.5%

AIRCRAFT MOVEMENTS		2023	2022	+/-
MY commercial aircraft	[international]	272,533	143,086	90.5%
	[domestic]	413,515	406,387	1.8%
	[Total]	686,048	549,473	24.9%
ISG commercial aircraft	[international]	118,011	100,639	17.3%
	[domestic]	104,239	94,749	10.0%
	[Total]	222,250	195,388	13.7%
Total commercial aircraft		908,298	744,861	21.9%
MY All other aircraft		133,847	134,166	-0.2%
ISG All other aircraft		5,628	4,648	21.1%
Total MAHB Group		1,047,773	883,675	18.6%

CARGO MOVEMENTS [tonnes]		2023	2022	+/-
MY cargo movements	[international]	667,989	779,211	-14.3%
	[domestic]	272,408	303,872	-10.4%
	[Total]	940,397	1,083,083	-13.2%
ISG cargo movements	[international]	44,694	39,781	12.3%
	[domestic]	10,239	10,088	1.5%
	[Total]	54,932	49,869	10.2%
Total MAHB Group		995,329	1,132,952	-12.1%

Note: MY - MAHB Airport in Malaysia
ISG - Istanbul Sabiha Gökçen International Airport, Türkiye

AIRPORT STATISTICS

TRAFFIC 2023 MALAYSIA OPERATIONS

PASSENGER MOVEMENTS		2023	2022	+/-
Terminal passengers	[international]	38,574,272	16,359,941	135.8%
Terminal passengers	[domestic]	43,298,536	36,159,238	19.7%
Transit passengers		82,640	190,633	-56.6%
Total passenger movements		81,955,448	52,709,812	55.5%

AIRCRAFT MOVEMENTS		2023	2022	+/-
Commercial aircraft	[international]	272,533	143,086	90.5%
Commercial aircraft	[domestic]	413,515	406,387	1.8%
Total commercial aircraft		686,048	549,473	24.9%
All other aircraft		133,847	134,166	-0.2%
Total aircraft movements		819,895	683,639	19.9%

CARGO MOVEMENTS [tonnes]		2023	2022	+/-
Cargo movements	[international]	655,311	751,706	-12.8%
Cargo movements	[domestic]	267,855	300,788	-10.9%
Transit cargo		17,231	30,589	-43.7%
Total cargo movements		940,397	1,083,083	-13.2%

MAIL MOVEMENTS [tonnes]		2023	2022	+/-
Mail movements	[international]	10,683	15,771	-32.3%
Mail movements	[domestic]	123	94	31.6%
Transit mail		6	157	-96.0%
Total mail movements		10,813	16,022	-32.5%



Scan here for
Airport Statistics 2023



ANALYSIS OF SHAREHOLDINGS

AS AT 29 MARCH 2024

SHARE CAPITAL

Issued and Fully Paid-Up Capital : RM1,668,554,433/-

Class of Equity Securities : 1,668,554,432 Ordinary Shares and One Special Rights Redeemable Preference Share

Voting Rights : One vote per ordinary share

The Special Rights Redeemable Preference Share has no voting right other than that referred to in Note 26 of the Audited Financial Statements.

A. DISTRIBUTION OF SHAREHOLDINGS (MALAYSIAN & FOREIGN)

Size of Shareholdings	No. of Shareholders		No. of Shares Held		Percentage	
	Malaysian	Foreign	Malaysian	Foreign	Malaysian	Foreign
Less than 100	943	18	11,408	209	0.00	0.00
100 – 1,000	4,632	75	3,374,536	35,984	0.20	0.00
1,001 – 10,000	4,996	135	14,450,797	605,165	0.87	0.04
10,001 – 100,000	561	307	15,037,365	13,576,068	0.90	0.81
100,001 – less than 5% of issued shares	253	388	649,169,481	435,561,785	38.91	26.10
5% and above of issued shares	1	0	536,731,634	0	32.17	0.00
Total	11,386	923	1,218,775,221	449,779,211	73.04	26.96
Grand Total	12,309		1,668,554,432		100.00	

ANALYSIS OF SHAREHOLDINGS

AS AT 29 MARCH 2024

B. LIST OF TOP 30 SECURITIES ACCOUNT HOLDERS

(without aggregating securities from different securities accounts belonging to the same person)

	Name of Shareholders	No. of Shares Held	Percentage
1.	KHAZANAH NASIONAL BERHAD	536,731,634	32.17
2.	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	80,701,300	4.84
3.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>EMPLOYEES PROVIDENT FUND BOARD</i>	60,121,460	3.60
4.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>EXEMPT AN FOR AIA BHD.</i>	43,645,097	2.62
5.	AMANAHRAYA TRUSTEES BERHAD <i>AMANAH SAHAM BUMIPUTERA</i>	35,681,500	2.14
6.	CITIGROUP NOMINEES (ASING) SDN BHD <i>CB SPORE GW FOR GOVERNMENT OF SINGAPORE (GIC C)</i>	27,958,364	1.68
7.	PERMODALAN NASIONAL BERHAD	25,758,100	1.54
8.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (PAR 1)</i>	22,849,684	1.37
9.	CARTABAN NOMINEES (ASING) SDN BHD <i>EXEMPT AN FOR STATE STREET BANK & TRUST COMPANY (WEST CLT OD67)</i>	20,966,763	1.26
10.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>EMPLOYEES PROVIDENT FUND BOARD (ABERDEEN)</i>	20,768,078	1.24
11.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>EMPLOYEES PROVIDENT FUND BOARD (AHAM AM)</i>	18,599,100	1.11
12.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>KUMPULAN WANG PERSARAAN (DIPERBADANKAN) (ABERDEEN)</i>	17,161,553	1.03
13.	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD <i>DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR HONG LEONG VALUE FUND</i>	16,500,000	0.99
14.	HSBC NOMINEES (ASING) SDN BHD <i>HSBC BK PLC FOR KUWAIT INVESTMENT OFFICE (KIO)</i>	14,871,968	0.89
15.	HSBC NOMINEES (ASING) SDN BHD <i>JPMCB NA FOR VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND</i>	14,859,935	0.89
16.	HSBC NOMINEES (ASING) SDN BHD <i>JPMCB NA FOR VANGUARD EMERGING MARKETS STOCK INDEX FUND</i>	13,989,834	0.84
17.	CITIGROUP NOMINEES (ASING) SDN BHD <i>EXEMPT AN FOR CITIBANK NEW YORK (NORGES BANK 19)</i>	12,784,469	0.77
18.	CITIGROUP NOMINEES (ASING) SDN BHD <i>CBHK FOR HOSTPLUS POOLED SUPERANNUATION TRUST (NORTHCAPE CAP)</i>	11,669,588	0.70
19.	AMANAHRAYA TRUSTEES BERHAD <i>AMANAH SAHAM MALAYSIA 2 - WAWASAN PERMODALAN NASIONAL BERHAD</i>	11,145,400	0.67
20.	CITIGROUP NOMINEES (ASING) SDN BHD <i>EXEMPT AN FOR CITIBANK NEW YORK (NORGES BANK 22)</i>	9,941,680	0.60

ANALYSIS OF SHAREHOLDINGS

AS AT 29 MARCH 2024

	Name of Shareholders	No. of Shares Held	Percentage
21.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>EMPLOYEES PROVIDENT FUND BOARD (CIMB PRIN)</i>	9,590,524	0.57
22.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>KHAZANAH NASIONAL BERHAD</i>	8,928,570	0.54
23.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD <i>EXEMPT AN FOR CGS INTERNATIONAL SECURITIES MALAYSIA SDN. BHD. (SBL-KNB)</i>	8,893,570	0.53
24.	AMANAHRAYA TRUSTEES BERHAD <i>AMANAH SAHAM MALAYSIA</i>	8,418,600	0.50
25.	HSBC NOMINEES (ASING) SDN BHD <i>EXEMPT AN FOR CREDIT SUISSE (SG BR-TST-ASING)</i>	7,694,700	0.46
26.	CARTABAN NOMINEES (TEMPATAN) SDN BHD <i>PAMB FOR PRULINK EQUITY FUND</i>	7,622,971	0.46
27.	CARTABAN NOMINEES (ASING) SDN BHD <i>BNYM SA/NV FOR PEOPLE'S BANK OF CHINA (SICL ASIA EM)</i>	7,384,706	0.44
28.	CARTABAN NOMINEES (TEMPATAN) SDN BHD <i>PRUDENTIAL ASSURANCE MALAYSIA BERHAD FOR PRULINK STRATEGIC FUND</i>	7,246,147	0.43
29.	HSBC NOMINEES (ASING) SDN BHD <i>JPMCB NA FOR VANGUARD FIDUCIARY TRUST COMPANY INSTITUTIONAL</i>	7,221,400	0.43
30.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (PAR 3)</i>	6,590,953	0.40

C. HOLDER OF SPECIAL RIGHTS REDEEMABLE PREFERENCE SHARE

1. The Minister of Finance (Incorporated)

D. SUBSTANTIAL SHAREHOLDERS

(as shown in the register of substantial shareholders)

	Name	No. of Shares Held		Percentage
		Direct	Indirect	
1.	Khazanah Nasional Berhad	554,553,774	-	33.24
2.	Kumpulan Wang Persaraan (Diperbadankan)	114,633,352	-	6.87
3.	Employees Provident Fund Board	114,000,412	-	6.83

ANALYSIS OF SHAREHOLDINGS

AS AT 29 MARCH 2024

E. DIRECTORS' SHAREHOLDINGS

(as shown in the register of directors' shareholdings)

Name	No. of Shares Held		Percentage
	Direct	Indirect	
1. Tan Sri Datuk Zainun Ali	-	-	-
2. Dato' Zamzuri Abdul Aziz	-	-	-
3. Dato' Normah Osman	-	-	-
4. Datuk Amran Hafiz Affifudin	-	-	-
5. Rohaya Mohammad Yusof	-	-	-
6. Dato' Ir. Mohamad Husin	-	-	-
7. Ramanathan Sathiamutty	-	-	-
8. Cheryl Khor Hui Peng	-	-	-
9. Dato' Seri Ir. Koe Peng Kang	-	-	-
10. Chris Chia Woon Liat	-	-	-
11. Mohd Nizam Mohd Khir	-	-	-

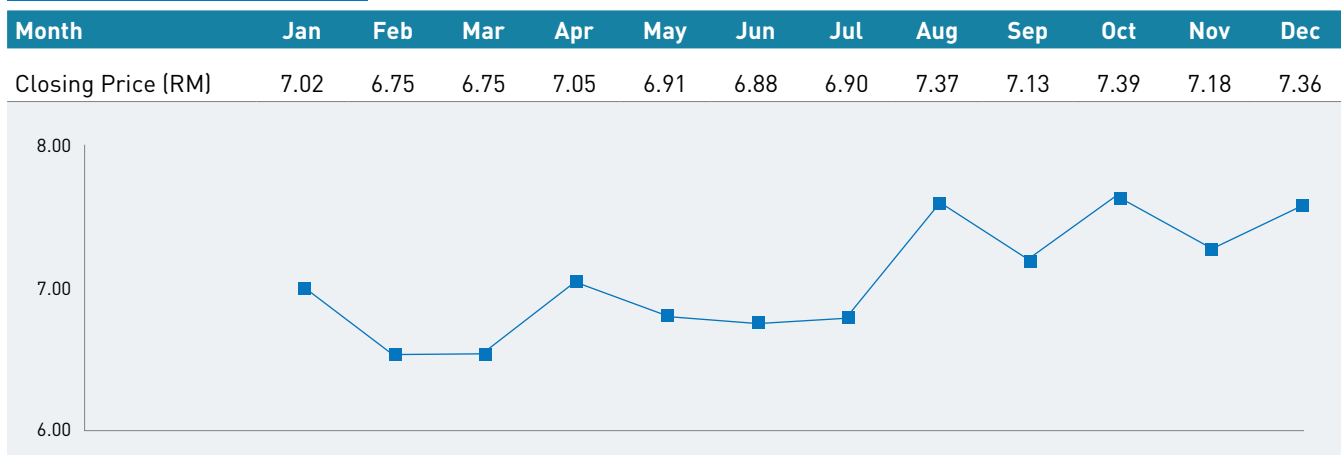
F. ACTING GROUP CHIEF EXECUTIVE OFFICER'S SHAREHOLDING

(as shown in the register of shareholders)

Name	No. of Shares Held		Percentage
	Direct	Indirect	
1. Mohamed Rastam Shahrom	-	-	-

SHARE PRICE, VOLUME TRADED AND MARKET CAPITALISATION

2023 SHARE PRICE MOVEMENT



2023 MONTHLY TRADING VOLUME AND SHARE PRICE

Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Volume (Million)	56.1	34.6	57.6	32.7	123.0	50.2	55.3	66.2	63.9	58.2	48.4	85.9
High (RM)	7.29	7.19	7.05	7.25	7.54	7.03	7.00	7.53	7.80	7.44	7.67	7.56
Low (RM)	6.53	6.79	6.64	6.69	6.59	6.76	6.80	6.75	7.08	7.12	7.15	7.06
Closing Price (RM)	7.02	6.75	6.75	7.05	6.91	6.88	6.90	7.37	7.13	7.39	7.18	7.36

HISTORICAL PRICE AND MARKET CAPITALISATION

Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Last Closing Price for the year (RM)	2.21	3.97	6.28	5.80	5.21	9.00	6.80	5.61	6.06	8.79	8.38	7.60	5.92	5.98	6.56	7.36
Market Capitalisation (RM Million)	2,431	4,367	6,908	6,380	6,304	11,092	9,344	9,308	10,055	14,584	13,904	12,610	9,822	9,922	10,884	12,281



LIST OF PROPERTIES

LEASED PROPERTIES	DESCRIPTION AND EXISTING USE	TENURE	LAND AREA	BUILT-UP AREA (SQM)	NET BOOK VALUE AS AT 31 DEC 2023 (RM'000)
MALAYSIA AIRPORTS (SEPANG) SDN BHD FEDERAL LAND COMMISSIONER Location: District Of Sepang, Selangor Malaysia	KLIA	25 years (Expiry date - 11 February 2034)	22,165 acres	-	-
MALAYSIA AIRPORTS HOLDINGS BHD FEDERAL LAND COMMISSIONER** Location: District of Petaling, Selangor Malaysia	Sultan Abdul Aziz Shah Airport	60 years (Expiry date - 31 December 2066)	1,122 acres		
MALAYSIA AIRPORTS SDN BHD FEDERAL LAND COMMISSIONER Location: District of Barat Daya, Penang Malaysia	Penang International Airport	25 years (Expiry date - 11 February 2034)	826.99 acres		
MALAYSIA AIRPORTS SDN BHD FEDERAL LAND COMMISSIONER Location: District of Langkawi, Kedah	Langkawi International Airport	25 years (Expiry date - 11 February 2034)	409.15 acres		
MALAYSIA AIRPORTS SDN BHD FEDERAL LAND COMMISSIONER Location: District of Kuching, Sarawak	Kuching International Airport	25 years (Expiry date - 11 February 2034)	322.43 acres		
MALAYSIA AIRPORTS SDN BHD FEDERAL LAND COMMISSIONER Location: District of Alor Setar, Kedah	Sultan Abdul Halim Shah Airport	25 years (Expiry date - 11 February 2034)	294.42 acres		
MALAYSIA AIRPORTS SDN BHD FEDERAL LAND COMMISSIONER Location: District of Ipoh, Perak	Sultan Azlan Shah Airport	25 years (Expiry date - 11 February 2034)	352.03 acres		

LIST OF PROPERTIES

LEASED PROPERTIES	DESCRIPTION AND EXISTING USE	TENURE	LAND AREA	BUILT-UP AREA (SQM)	NET BOOK VALUE AS AT 31 DEC 2023 (RM'000)
MALAYSIA AIRPORTS SDN BHD FEDERAL LAND COMMISSIONER Location: District of Batu Berendam, Melaka	Batu Berendam Airport, Melaka	25 years (Expiry date - 11 February 2034)	239.70 acres	-	-
MALAYSIA AIRPORTS SDN BHD FEDERAL LAND COMMISSIONER Location: District of Kuantan, Pahang	Sultan Ahmad Shah Airport	25 years (Expiry date - 11 February 2034)	86.27 acres		
MALAYSIA AIRPORTS SDN BHD FEDERAL LAND COMMISSIONER Location: District of Kuala Terengganu, Terengganu	Sultan Mahmud Airport	25 years (Expiry date - 11 February 2034)	365.54 acres		
MALAYSIA AIRPORTS SDN BHD FEDERAL LAND COMMISSIONER Location: District of Kota Bharu, Kelantan	Sultan Ismail Petra Airport	25 years (Expiry date - 11 February 2034)	895.28 acres		
MALAYSIA AIRPORTS SDN BHD FEDERAL LAND COMMISSIONER Location: District of Miri, Sarawak	Miri Airport	25 years (Expiry date - 11 February 2034)	1,722.31 acres		
MALAYSIA AIRPORTS SDN BHD FEDERAL LAND COMMISSIONER Location: District of Sibul, Sarawak	Sibu Airport	25 years (Expiry date - 11 February 2034)	1,138.87 acres		
MALAYSIA AIRPORTS SDN BHD FEDERAL LAND COMMISSIONER Location: District of Bintulu, Sarawak	Bintulu Airport	25 years (Expiry date - 11 February 2034)	1,512.28 acres		

LIST OF PROPERTIES

LEASED PROPERTIES	DESCRIPTION AND EXISTING USE	TENURE	LAND AREA	BUILT-UP AREA (SQM)	NET BOOK VALUE AS AT 31 DEC 2023 (RM'000)
MALAYSIA AIRPORTS SDN BHD FEDERAL LAND COMMISSIONER Location: District of Limbang, Sarawak	Limbang Airport	25 years (Expiry date - 11 February 2034)	651.45 acres	-	-
MALAYSIA AIRPORTS SDN BHD FEDERAL LAND COMMISSIONER Location: District of Miri, Sarawak	Mulu Airport	25 years (Expiry date - 11 February 2034)	576.31 acres		
MALAYSIA AIRPORTS SDN BHD FEDERAL LAND COMMISSIONER Location: District of Miri, Sarawak	Bario STOLport	25 years (Expiry date - 11 February 2034)	74.52 acres		
MALAYSIA AIRPORTS SDN BHD FEDERAL LAND COMMISSIONER Location: District of Limbang, Sarawak	Ba'kelalan STOLport	25 years (Expiry date - 11 February 2034)	14.81 acres		
MALAYSIA AIRPORTS SDN BHD FEDERAL LAND COMMISSIONER Location: District of Miri, Sarawak	Long Lellang STOLport	25 years (Expiry date - 11 February 2034)	28.14 acres		
MALAYSIA AIRPORTS SDN BHD FEDERAL LAND COMMISSIONER Location: District of Miri, Sarawak	Long Banga STOLport	25 years (Expiry date - 11 February 2034)	36.45 acres		
MALAYSIA AIRPORTS SDN BHD FEDERAL LAND COMMISSIONER Location: District of Kapit, Sarawak	Kapit STOLport	25 years (Expiry date - 11 February 2034)	26.46 acres		



LIST OF PROPERTIES

LEASED PROPERTIES	DESCRIPTION AND EXISTING USE	TENURE	LAND AREA	BUILT-UP AREA (SQM)	NET BOOK VALUE AS AT 31 DEC 2023 (RM'000)
MALAYSIA AIRPORTS SDN BHD FEDERAL LAND COMMISSIONER Location: District of Mukah, Sarawak Malaysia	Mukah Airport	25 years (Expiry date - 11 February 2034)	6.63 acres	-	-
MALAYSIA AIRPORTS SDN BHD FEDERAL LAND COMMISSIONER Location: District of Kuala Terengganu, Terengganu Malaysia	Redang STOLport	25 years (Expiry date - 11 February 2034)	33.51 acres	-	-
MALAYSIA AIRPORTS (NIAGA) SDN BHD Location: Desa Cempaka, Bandar Baru Nilai Mukim Nilai, District of Seremban Negeri Sembilan, Malaysia	48 units of apartments	Freehold	-	3,791	1,606
MALAYSIA AIRPORTS (PROPERTIES) SDN BHD Location: Genting Permai Park & Resort District of Bentong, Pahang Malaysia	4 units of apartments	Freehold	-	342	524
MALAYSIA AIRPORTS (PROPERTIES) SDN BHD Location: Teluk Dalam, Pulau Pangkor District of Manjung, Perak Malaysia	14 units of apartments	Freehold	-	774	617

LIST OF PROPERTIES

LEASED PROPERTIES	DESCRIPTION AND EXISTING USE	TENURE	LAND AREA	BUILT-UP AREA (SQM)	NET BOOK VALUE AS AT 31 DEC 2023 (RM'000)
MALAYSIA AIRPORTS SDN BHD Location: CL 205357688 Sierra Estates Condominium Jalan Ranca-Ranca Federal Territory of Labuan Malaysia	32 units of apartments	Leasehold of 99 years (Expiry date - 31 December 2089)	-	3,175	-
MALAYSIA AIRPORTS SDN BHD 70021493 Location: CL 205359593 Kg. Nagalang Federal Territory of Labuan Malaysia	Land (Residential)	Leasehold of 99 years (Expiry date - 31 December 2090)	0.9 acres	-	188
MALAYSIA AIRPORTS SDN BHD 70046297 Location: CL 205317951 Kg. Nagalang Federal Territory of Labuan Malaysia	Land (Agricultural)	Leasehold of 99 years (Expiry date - 31 December 2077)	1.04 acres	-	160
MALAYSIA AIRPORTS SDN BHD 70023359 Location: District of Subang, Selangor Malaysia	APAC building (Ex-Cargo Complex)	A total right of occupation of 60 years (Expiry date - 31 December 2066)	6.5 acres	35,072	1
MALAYSIA AIRPORTS SDN BHD 70041246 Location: District of Subang, Selangor Malaysia	6 units of single storey houses (Masjid Quarters)	A total right of occupation of 60 years (Expiry date - 31 December 2066)	3.58 acres	1,376	435

LIST OF PROPERTIES

LEASED PROPERTIES	DESCRIPTION AND EXISTING USE	TENURE	LAND AREA	BUILT-UP AREA (SQM)	NET BOOK VALUE AS AT 31 DEC 2023 (RM'000)
MALAYSIA AIRPORTS SDN BHD 70041247 Location: District of Subang, Selangor Malaysia	Helicopter Centre (Airbus (M) Facility)	A total right of occupation of 60 years (Expiry date - 31 December 2066)	21 acres	10,000	22,304
MALAYSIA AIRPORTS HOLDINGS BHD 70001251 Location: District of Sepang, Selangor Malaysia	Malaysia Airports Corporate office KLIA	A total right of occupation of 25 years (Expiry date - 11 February 2034)	3 acres	9,997	11,384
MALAYSIA AIRPORTS (SEPANG) SDN BHD 70117119-70117126 Location: District of Sepang, Selangor Malaysia	Malaysia Airports Child Care Centre	A total right of occupation of 25 years (Expiry date - 11 February 2034)	1.94 acres	1,963	1,384

Note:

- * Pursuant to the KLIA Land Lease Agreement dated 18 October 1999 entered into between Malaysia Airports (Sepang) Sdn Bhd (MA (Sepang)) and the Federal Land Commissioner (FLC). MA (Sepang) has been granted the right of use of the KLIA land for a period of 50 years.

However, following a restructuring exercise for Malaysia Airports, the Land Lease Agreement was replaced by a new Land Lease Agreement dated 12 February 2009. MA (Sepang) has been granted the right of use of the KLIA land for a period of 25 years.

- ** Pursuant to the Land Lease Agreement dated 26 October 2007 entered into between Malaysia Airports Holdings Bhd and the FLC, MAHB has been granted a lease of land of Sultan Abdul Aziz Shah (SAAS) Airport for a period of 60 years.

GROUP CORPORATE DIRECTORY

MALAYSIA AIRPORTS HOLDINGS BERHAD AND GROUP

Registered Address:
 Malaysia Airports Corporate Office
 Persiaran Korporat KLIA
 64000 KLIA, Sepang
 Selangor Darul Ehsan
 Tel : +603-8777 7000
 Fax : +603-8777 7778/+603-8777 7512

MALAYSIA AIRPORTS HOLDINGS BERHAD

Registration No. 199901012192 [487092-W]

MALAYSIA AIRPORTS SDN BHD

Registration No. 199101020335 [230646-U]

MALAYSIA AIRPORTS CONSULTANCY SERVICES SDN BHD

Registration No. 199601002899 [375245-X]

KLIA AEROPOLIS SDN BHD

Registration No. 201601041450 [1212392-H]

Business Address:
 Malaysia Airports Corporate Office
 Persiaran Korporat KLIA
 64000 KLIA, Sepang
 Selangor Darul Ehsan
 Tel : +603-8777 7000
 Fax : +603-8777 7778/+603-8777 7512

MALAYSIA AIRPORTS (SEPANG) SDN BHD

Registration No. 199401034797 [320480-D]

Business Address:
 4th Floor, Airport Management Centre
 Kuala Lumpur International Airport
 64000 KLIA, Sepang
 Selangor Darul Ehsan
 Tel : +603-8776 9755
 Fax : +603-8776 8111

MALAYSIA AIRPORTS (NIAGA) SDN BHD

Registration No. 199301026572 [281310-V]

Business Address:
 3rd Floor, Airport Management Centre
 Kuala Lumpur International Airport
 64000 KLIA, Sepang
 Selangor Darul Ehsan
 Tel : +603-8776 8600
 Fax : +603-8787 3747

K.L. AIRPORT HOTEL SDN BHD

Registration No. 199501001669 [330863-D]

Business Address:
 Sama-Sama Hotel
 Kuala Lumpur International Airport
 Jalan CTA 4B
 64000 KLIA, Sepang
 Selangor Darul Ehsan
 Tel : +603-8787 3333
 Fax : +603-8787 5555

MAB AGRICULTURE-HORTICULTURE SDN BHD

Registration No. 199801011774 [467902-D]

Business Address:
 4th Floor, Airport Management Centre
 Kuala Lumpur International Airport
 64000 KLIA, Sepang
 Selangor Darul Ehsan
 Tel : +6019 2824 362
 Fax : +6019 2163 025

URUSAN TEKNOLOGI WAWASAN SDN BHD

Registration No. 199801003752 [459878-D]

Business Address:
 1st Floor, Civil Engineering Building
 Engineering Complex
 Kuala Lumpur International Airport
 64000 Sepang
 Selangor Darul Ehsan
 Tel : +603-8776 7002
 Fax : +603-8787 2455

İSTANBUL SABIHA GÖKÇEN ULUSLARARASI HAVALİMANI YATIRIM YAPIM VE İŞLETME A.Ş.

[656447]

Business Address:
 Sanayi Mahallesi
 Havaalanı iç yolu Caddesi Kapı No:1
 İstanbul Sabiha Gökçen Uluslararası Havalimanı
 Terminal Binası Yönetim Katı
 Pendik 34906 İstanbul - Türkiye
 Tel : +90 216 588 80 00
 Fax : +90 216 588 80 10

SGC HAVALİMANI İŞLETMELERİ TİCARET VE TURİZM A.Ş.

[660779]

Business Address:
 Sanayi Mahallesi
 Havaalanı iç yolu Caddesi Kapı No:1
 İstanbul Sabiha Gökçen Uluslararası Havalimanı
 Terminal Binası Yönetim Katı
 Pendik 34906 İstanbul - Türkiye
 Tel : +90 216 588 50 00
 Fax : +90 216 588 50 05

AIRPORT DIRECTORY

INTERNATIONAL AIRPORT

KL INTERNATIONAL AIRPORT

64000 KLIA Sepang
Selangor Darul Ehsan, Malaysia
Tel : +603-8777 8888
Fax : +603-8926 5510

KOTA KINABALU INTERNATIONAL AIRPORT

Beg Berkunci No. 134
Aras 5, Bangunan Terminal 1
88740 Kota Kinabalu Sabah, Malaysia
Tel : +6088-325 555
Fax : +6088-325 511
(STOLports under the supervision of Kota Kinabalu International Airport: Kudat & Long Pasia)

KUCHING INTERNATIONAL AIRPORT

Peti Surat 1070
93722 Kuching, Sarawak, Malaysia
Tel : +6082-617 005

LANGKAWI INTERNATIONAL AIRPORT

07100 Padang Mat Sirat, Pulau
Langkawi, Kedah Darul Aman, Malaysia
Tel : +604-955 1311
Fax : +604-955 1314

PENANG INTERNATIONAL AIRPORT

11900 Bayan Lepas Pulau Pinang,
Malaysia
Tel : +604-252 0252
Fax : +604-643 5339

DOMESTIC AIRPORT

MELAKA AIRPORT

75350 Melaka, Malaysia
Tel : +606-317 5860
Fax : +606-317 5214

SULTAN ABDUL AZIZ SHAH AIRPORT

47200 Subang, Selangor Darul Ehsan,
Malaysia
Tel : +603-7845 3245
Fax : +603-7846 3679

SULTAN ABDUL HALIM AIRPORT

06550 Alor Setar
Kedah Darul Aman, Malaysia
Tel : +604-714 4126
Fax : +604-714 5345

SULTAN AHMAD SHAH AIRPORT

25150 Kuantan
Pahang Darul Makmur, Malaysia
Tel : +609-531 2123
Fax : +609-538 4017
(STOLport under the supervision of Sultan Ahmad Shah Airport: Tioman)

SULTAN AZLAN SHAH AIRPORT

31350 Ipoh
Perak Darul Ridzuan, Malaysia
Tel : +605-318 8202
Fax : +605-312 2295
(STOLport under the supervision of Sultan Azlan Shah Airport: Pangkor)

SULTAN ISMAIL PETRA AIRPORT

Pengkalan Chepa
16100 Kota Bharu, Kelantan Darul Naim
Malaysia
Tel : +609-773 7400
Fax : +609-773 2852

SULTAN MAHMUD AIRPORT

21300 Kuala Terengganu
Terengganu Darul Iman, Malaysia
Tel : +609-667 3666
Fax : +609-662 6670

BINTULU AIRPORT

97000 Bintulu, Sarawak, Malaysia
Tel : +6086-339 163
Fax : +6086-337 011
(STOLport under the supervision of Bintulu Airport: Belaga)

LIMBANG AIRPORT

98700 Limbang, Sarawak, Malaysia
Tel : +6085-212 090
Fax : +6085-214 979

MIRI AIRPORT

P.O. Box 851
98008 Miri, Sarawak, Malaysia
Tel : +6085-615 204/205
Fax : +6085-614 357

(STOLports under the supervision of Miri Airport: Long Seridan, Long Banga, Long Lellang, Long Akah, Marudi, Bakelalan, Long Semado, Lawas and Bario)

MUKAH AIRPORT

Jalan Oya, Mukah,
96400, Mukah, Sarawak
Tel : +608-4871 212

MULU AIRPORT

98008 Miri, Sarawak, Malaysia
Tel : +6085-792 102
Fax : +6085-792 102

SIBU AIRPORT

P.O. Box 645
96000 Sibu, Sarawak, Malaysia
Tel : +6084-307 770
Fax : +6084-307 709
(STOLports under the supervision of Sibu Airport: Kapit)

LABUAN AIRPORT

Jalan Tun Mustafa P.O. Box 80569,
87015 W.P. Labuan Sabah, Malaysia
Tel : +6087-416 007/415 015

LAHAD DATU AIRPORT

P.O. Box 60928
91118 Lahad Datu, Sabah, Malaysia
Tel : +6089-881 033
Fax : +6089-881 618

SANDAKAN AIRPORT

P.O. Box 1719
90719 Sandakan, Sabah, Malaysia
Tel : +6089-667 784
Fax : +6089-667 778

TAWAU AIRPORT

P.O. Box 60132
91011 Tawau, Sabah, Malaysia
Tel : +6089-950 777
Fax : +6089-950 781
(STOLport under the supervision of Tawau Airport: Semporna)

NOTICE OF 25TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Fifth Annual General Meeting (“25th AGM” or “the Meeting”) of Malaysia Airports Holdings Berhad (“MAHB” or “the Company”) will be held physically at the Gateway Ballroom, Level 1, Sama-Sama Hotel, KL International Airport, Jalan CTA 4B, 64000 KLIA, Sepang, Selangor Darul Ehsan (“Main Venue”) and virtually through live streaming hosted on the Securities Services e-Portal (“e-Portal”) at <https://sshbsb.net.my/> (“Virtual Platform”) on Thursday, 6 June 2024 at 11:00 a.m. or any adjournment thereof to transact the following businesses, with or without modifications:

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements of the Company for the financial year ended 31 December 2023 together with the Reports of the Directors and Auditors thereon.
Refer to Explanatory Note 1
2. To approve the payment of Directors’ fees and benefits up to RM4,500,000.00 to the Non-Executive Directors (“NEDs”) of the Group with effect from 7 June 2024 until the next AGM in 2025.
Refer to Explanatory Note 2 **Ordinary Resolution 1**
3. To re-elect Dato’ Zamzuri Abdul Aziz who retires in accordance with Rule 132 of the Constitution of the Company, and being eligible, offers himself for re-election.
Refer to Explanatory Note 3 **Ordinary Resolution 2**
4. To re-elect Datuk Amran Hafiz Affifudin who retires in accordance with Rule 132 of the Constitution of the Company, and being eligible, offers himself for re-election.
Refer to Explanatory Note 3 **Ordinary Resolution 3**
5. To re-elect Dato’ Normah Osman who retires in accordance with Rule 132 of the Constitution of the Company, and being eligible, offers herself for re-election.
Refer to Explanatory Note 3 **Ordinary Resolution 4**
6. To re-elect Dato’ Seri Ir. Koe Peng Kang who retires in accordance with Rule 132 of the Constitution of the Company, and being eligible, offers himself for re-election.
Refer to Explanatory Note 3 **Ordinary Resolution 5**
7. To re-elect Chris Chia Woon Liat who retires in accordance with Rule 132 of the Constitution of the Company, and being eligible, offers himself for re-election.
Refer to Explanatory Note 3 **Ordinary Resolution 6**
8. To re-elect Rohaya Mohammad Yusof who retires in accordance with Rule 134 of the Constitution of the Company, and being eligible, offers herself for re-election.
Refer to Explanatory Note 4 **Ordinary Resolution 7**
9. To re-elect Cheryl Khor Hui Peng who retires in accordance with Rule 134 of the Constitution of the Company, and being eligible, offers herself for re-election.
Refer to Explanatory Note 4 **Ordinary Resolution 8**
10. To re-appoint Messrs Ernst & Young PLT (“EY”) as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.
Refer to Explanatory Note 5 **Ordinary Resolution 9**

NOTICE OF 25TH ANNUAL GENERAL MEETING**AS SPECIAL BUSINESS**

To consider and, if thought fit, to pass the following resolution with or without modifications:

11. **Proposed renewal of the authority to allot and issue new ordinary shares in MAHB (“MAHB Shares”) for the purpose of the Company’s Dividend Reinvestment Plan (“DRP”) that provides the Shareholders of MAHB (“Shareholders”) the option to elect to reinvest their cash dividend in MAHB Shares** **Ordinary Resolution 10**

“THAT pursuant to the DRP as approved by the Shareholders at the Extraordinary General Meeting (“EGM”) held on 30 November 2012 and subject to the approval of the relevant authority (if any), approval be and is hereby given to the Company to allot and issue such number of new MAHB Shares from time to time as may be required to be allotted and issued pursuant to the DRP until the conclusion of the next AGM in such number and to such person and upon such terms and conditions as the Directors may, in their sole and absolute discretion, deem fit and in the interest of the Company PROVIDED THAT the issue price of the said new MAHB Shares shall be fixed by the Directors at not more than ten percent (10%) discount to the adjusted five (5)-day volume weighted average market price (“VWAP”) of MAHB Shares immediately before the price-fixing date. The five (5)-day VWAP of MAHB Shares shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price of such new MAHB Shares;

AND THAT the Directors and the Secretary of the Company be and are hereby authorised to do all such acts and enter into all such transactions, arrangements and documents as may be necessary or expedient in order to give full effect to the DRP with full power to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed or agreed to by any relevant authorities or consequent upon the implementation of the said conditions, modifications, variations and/or amendments or at the discretion of the Directors in the best interest of the Company.”

Refer to Explanatory Note 6

12. To transact any other business of which due notice shall have been duly given in accordance with the Companies Act 2016 (“CA 2016”) and the Constitution of the Company.

By Order of the Board

ZAWARDI SALLEH

SSM PC No.: 202008003088

MAICSA 7026210

Group Company Secretary

Sepang, Selangor Darul Ehsan

29 April 2024

NOTICE OF 25TH ANNUAL GENERAL MEETING

NOTES TO THE NOTICE OF 25TH AGM

1. Mode and Venue of the Meeting

The 25th AGM of the Company will be held as a hybrid meeting, enabling members the opportunity to either attend the Meeting in person at the Main Venue or participate virtually on the Virtual Platform.

All members, proxies and corporate representatives who wish to participate in the 25th AGM virtually must register online at the e-Portal. Members, proxies and corporate representatives who wish to attend in person are only required to register their attendance at the registration counters at the front entrance of the Main Venue on the Meeting day – no pre-registration is required for physical attendance. Kindly refer to the AGM Administrative Details for a full guide to attending and participating at the 25th AGM.

Section 327(2) of CA 2016 requires the chairman of the meeting to be present at the main venue of the meeting. Therefore, the main venue of the 25th AGM is the Gateway Ballroom, Level 1, Sama-Sama Hotel, KL International Airport, Jalan CTA 4B, 64000 KLIA, Sepang, Selangor Darul Ehsan. The Virtual Platform will be hosted on the e-Portal at <https://sshbsb.net.my/> [MYNIC Domain Registration No.: D4A004360] provided by SS E Solutions Sdn Bhd in Malaysia.

The primary mode of communication by the participants during the conduct of the 25th AGM is via physical presence in person for those who are attending at the Main Venue and a real-time text messaging facility on the e-Portal for those who are participating virtually via the Virtual Platform. In the event of any technical issue with the Virtual Platform mode, participants may email their questions relevant to the business of the 25th AGM to eservices@sshbsb.com.my during the Meeting.

2. Members Entitled to Attend and Participate

Only a depositor whose name appears in the Record of Depositors as of 29 May 2024 shall be regarded as a member and entitled to attend, participate and vote at the Meeting or appoint proxy to attend, participate and vote on his behalf at the Meeting.

A member of the Company, who is an exempt authorised nominee which holds MAHB Shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account"), may appoint multiple proxies in respect of each Omnibus Account it holds.

3. Appointment of Proxy

A member shall be entitled to appoint one (1) or more persons as his proxy to exercise all or any of his rights to attend, participate, speak and vote at the Meeting. Such proxy need not be a member of the Company.

A member may appoint any person to be his proxy without limitation. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.

Any corporation which is a member may, by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at the Meeting.

NOTICE OF 25TH ANNUAL GENERAL MEETING

The instrument appointing a proxy shall be in print or writing under the hand of the appointer or his duly constituted attorney, or if such appointer is a corporation, under its common seal or the hand and seal of its attorney.

The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or notarially certified copy of that power or authority shall be deposited not less than forty-eight (48) hours before the time appointed for holding the Meeting or any adjournment thereof in the following manner:

a. In hardcopy

The original instrument must be deposited by hand at the registered office of the Company at Malaysia Airports Corporate Office, Persiaran Korporat KLIA, 64000 KLIA, Sepang, Selangor Darul Ehsan ("Registered Office").

The instrument may be submitted via email at agm@malaysiaairports.com.my or faxed to +603-8777 7512. However, the original instrument must be deposited at the Registered Office by hand or post.

b. By electronic means

The instrument may also be lodged electronically via the e-Portal. The procedure to submit the instrument electronically is set out in the AGM Administrative Details.

4. Voting

Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements"), all resolutions set out in the Notice of 25th AGM will be put to vote by way of poll.

At the 25th AGM, members will be able to vote either in person if they are attending the Meeting physically at the Main Venue or via the e-Portal if they are participating virtually via the Virtual Platform.

EXPLANATORY NOTES ON BUSINESSES OF 25TH AGM

1. Audited Financial Statements

The Audited Financial Statements are laid out pursuant to Section 340(1)(a) of CA 2016 and meant for discussion only, as they do not require members' approval pursuant to Section 251(1)(a) of CA 2016. As such, the matter will not be put forward for voting.

2. Payment of Directors' Fees and Benefits

Section 230(1) of CA 2016 provides, among others, that the fees and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting.

Clause 8.2 of the Board Charter of the Company stipulates that a review of the Directors' remuneration is to be carried out once every three (3) years, or as and when necessary, to ensure the level of remuneration is aligned to the market and industry practice, business strategy and the long-term objective of the Company. Board Nomination and Remuneration Committee ("BNRC") is responsible for conducting a review of the remuneration to be accorded to the Directors in accordance with the contribution and level of responsibilities undertaken by the Directors.

The review was last undertaken by the Company and approved at the 20th AGM in 2019. The review, which had been due in 2022, was deferred due to the outbreak of Covid-19 pandemic and the ensuing economic uncertainty.

NOTICE OF 25TH ANNUAL GENERAL MEETING

In January 2024, a review of the overall Directors' remuneration framework was conducted internally by benchmarking against comparable peer companies with a view to ensuring the remuneration package remains market-competitive, aligns with the responsibilities, expertise and complexity of the Company's current activities, as well as sufficient to attract and retain quality directors.

BNRC extensively deliberated the review of the Directors' remuneration and the Board subsequently approved the recommendation from BNRC. The Board is of the view that the Directors' Fees for the Board of the Company be revised to reflect the increasing demand, risk, regulatory requirements and time commitment expected of the NEDs' roles, as well as the complexities of the Company's current activities. The Board proposed that the monthly Directors' Fees for the Board of the Company be revised from RM18,000 to RM20,000 for the Chairman and from RM12,000 to RM14,000 for the NEDs.

In this respect, the members' approval is hereby sought for the payment of Directors' fees and benefits up to RM4,500,000.00 to the NEDs, with effect from 7 June 2024 until the next AGM in 2025 ("Relevant Period"), as follows:

- a. The payment of Directors' fees for NEDs for the Relevant Period is based on the following revised fee structures:

No.	Description	Chairman	NEDs
1.	Directors' Fees for the Company (per month)	RM20,000	RM14,000
2.	Directors' Fees for the Company's Subsidiaries (per month)	RM4,000	RM3,000

- b. The Directors' benefits payable for NEDs for the Relevant Period comprise the following components:

No.	Description	Chairman	NEDs
1.	Senior Independent Director Allowance of the Company (per month)	N/A	RM1,000
2.	Meeting Allowance (per meeting):		
	a. The Company		
	i. Board	RM5,000	RM3,000
	ii. Board Committees	RM4,000	RM2,000
	iii. Other Committees	RM1,500	RM1,000
	b. The Company's Subsidiaries		
	i. Board	RM1,500	RM1,200
	ii. Board Committees		
	• İstanbul Sabiha Gökçen Uluslararası Havalimanı Yatırım Yapım ve İşletme A.Ş.; and SGC Havalimanı İşletmeleri Ticaret ve Turizm A.Ş. [#]	RM2,500	RM2,000
3.	Other Benefits and Entitlements	Directors' appreciation gift, out of pocket expenses, car allowance*, entertainment allowance*, personal assistance allowance*, petrol, toll, IT and telecommunication devices, club membership*, professional membership, privilege cards and other benefits such as insurance and medical coverage.	

* For Chairman only.

Deemed as one (1) meeting since the contents of the meetings are similar in nature and meetings are held on the same day.

NOTICE OF 25TH ANNUAL GENERAL MEETING

In determining the estimated amount of Directors' fees and benefits payable to the NEDs during the Relevant Period, the Board has considered various factors, including the number of scheduled and estimated special meetings for the Board, Board Committees and Boards of the Company's Subsidiaries and the number of NEDs involved in these meetings based on the current number of NEDs in office. The amount also includes a provisional sum as a contingency for future appointments of NEDs to the Board, Board Committees and Boards of the Company's Subsidiaries and an increase in the number of meetings.

The Board is of the view that the payment of Directors' fees and benefits to the NEDs is just and equitable, particularly after the Directors have discharged their responsibilities and rendered their services to the Company and its Subsidiaries throughout the Relevant Period.

Payment of the Directors' fees and benefits to the NEDs will be made on a monthly basis and/or as and when they are incurred, subject to the passing of the proposed Ordinary Resolution 1 at the 25th AGM.

In the event where the payment of Directors' fees and benefits during the Relevant Period exceeds the estimated amount sought to be approved in the 25th AGM, a members' approval shall be sought at the next AGM in 2025 on the payment of the additional amount.

Ordinary Resolution 1 is proposed in accordance with Rule 114 of the Constitution of the Company, and if passed, shall take effect from 7 June 2024.

3. Re-election of Directors under Rule 132 of the Constitution of the Company

Rule 132 of the Constitution of the Company provides that any director appointed by the Board, either to fill a casual vacancy or as an additional to the existing directors, shall hold office until the next AGM at which the director shall retire and be eligible for re-election.

The Directors who joined the Board since the last AGM are as follows:

- a. Dato' Zamzuri Abdul Aziz and Dato' Normah Osman were appointed to the Board effective 5 June 2023 and 20 October 2023, respectively, as Non-Independent NEDs of the Company. They are nominees for the Minister of Finance (Incorporated), the Special Shareholder of the Company, to act as its representatives on the Board.
- b. Datuk Amran Hafiz Affifudin was appointed to the Board effective 1 September 2023 as Non-Independent NED of the Company. He is a nominee for Khazanah Nasional Berhad, the Substantial Shareholder of the Company, to act as its representative on the Board.
- c. Dato' Seri Ir. Koe Peng Kang and Chris Chia Woon Liat were appointed to the Board effective 12 December 2023 and 11 March 2024, respectively, as Independent NEDs of the Company.

Pursuant to Rule 132, Dato' Zamzuri Abdul Aziz, Dato' Normah Osman, Datuk Amran Hafiz Affifudin, Dato' Seri Ir. Koe Peng Kang and Chris Chia Woon Liat will retire from office, and being eligible, have offered themselves for re-election at the 25th AGM.

The Board, on 18 March 2024, approved the recommendation from BNRC to recommend a resolution to be put forward to the members for approval on re-election of the retiring Directors who are seeking re-election at the 25th AGM based on the satisfaction of the fit and proper criteria as stipulated by the Directors' Fit and Proper Policy.

NOTICE OF 25TH ANNUAL GENERAL MEETING

4. Re-election of Directors under Rule 134 of Constitution of the Company

Rule 134 of the Constitution of the Company states that at the AGM in every subsequent year, one-third of the directors for the time being or the number nearest to one-third, shall retire from office. The retiring directors are eligible for re-election and shall act as directors throughout the meeting at which they retire.

Pursuant to Rule 134, Rohaya Mohammad Yusof and Cheryl Khor Hui Peng will retire from office, and being eligible, have offered themselves for re-election at the 25th AGM.

The Board, on 18 March 2024, approved the recommendation from BNRC to recommend a resolution to be put forward to the members for approval on re-election of the retiring Directors who are seeking re-election at the 25th AGM based on the satisfaction of the fit and proper criteria as stipulated by the Directors' Fit and Proper Policy.

5. Re-appointment of Auditors of the Company

Board Audit Committee ("BAC") and the Board collectively agreed that EY have met the relevant criteria prescribed by Paragraph 15.21 of the Listing Requirements.

The Board approved the recommendation from BAC that members' approval be sought at the 25th AGM on the re-appointment of EY as Auditors of the Company, to hold office until the conclusion of the next AGM in 2025 in accordance with Section 271 of CA 2016 and their remuneration be determined by the Board.

6. Renewal of Authority to Allot and Issue New MAHB Shares for DRP

As of the date of the Notice of the 25th AGM, the Company has issued a total of 59,196,165 MAHB Shares pursuant to the implementation of the DRP as approved by the Shareholders at the EGM held on 30 November 2012. The authority to allot MAHB Shares pursuant to the DRP was first granted on 30 November 2012 and subsequently at the 14th, 15th, 16th, 22nd and 23rd AGM held on 28 March 2013, 20 March 2014, 5 May 2015, 13 September 2021 and 2 June 2022, respectively.

The above proposed Ordinary Resolution, if passed, would allow the Company to allot and issue new MAHB Shares pursuant to the DRP from the 25th AGM until the convening of the next AGM in 2025. It would also allow the Directors to fix the issue price of such new MAHB Shares at a discount of up to ten percent (10%) of the adjusted five (5)-day VWAP of MAHB Shares immediately before the price-fixing date. The five (5)-day VWAP of MAHB Shares shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price of such new MAHB Shares.

The above proposed Ordinary Resolution, if passed, would allow the Directors and the Company Secretary to act on behalf of the Company in executing and giving effect to all the relevant and necessary transactions, arrangements and documents pertaining to the implementation of the DRP in the interest of expedience and efficiency, subject always to the best interest of the Company.



STATEMENT ACCOMPANYING NOTICE OF 25TH ANNUAL GENERAL MEETING

(pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

Directors who are standing for re-election at the Twenty-Fifth Annual General Meeting ("25th AGM" or "the Meeting")

The profiles of Directors standing for re-election at the 25th AGM and details of their interest in the securities of the Company are set out in the sections titled "Board of Directors' Profile" and "Analysis of Shareholdings" of the Annual Report 2023.

AGM ADMINISTRATIVE DETAILS

TWENTY-FIFTH ANNUAL GENERAL MEETING (“25TH AGM” OR “THE MEETING”) OF MALAYSIA AIRPORTS HOLDINGS BERHAD (“MAHB” OR “THE COMPANY”)

Date	: Thursday, 6 June 2024	Time	: 11:00 a.m.
Meeting Venue			
Main Venue	: Gateway Ballroom, Level 1, Sama-Sama Hotel, KL International Airport, Jalan CTA 4B, 64000 KLIA, Sepang, Selangor Darul Ehsan		
Virtual Platform	: Live streaming using remote participation and electronic voting facilities hosted on the Securities Services e-Portal (“e-Portal”) at https://sshsb.net.my/		

The 25th AGM of the Company will be held as a hybrid meeting, enabling members the opportunity to either attend the Meeting in person at the Main Venue or participate virtually on the Virtual Platform.

Only depositors whose names appear in the Record of Depositors as of 29 May 2024 (“General Meeting Record of Depositors”) shall be entitled to attend, participate and vote at the Meeting or appoint proxy to attend, participate and vote on their behalf at the Meeting.

PROCEDURE FOR PHYSICAL ATTENDANCE AT THE MAIN VENUE

<p>A. Registration Requirement</p> <ul style="list-style-type: none"> Shareholders, proxies and corporate or authorised representatives who wish to attend the Meeting physically are <u>not</u> required to register for the Meeting in advance. Please proceed to any of the registration counters on the day of the Meeting. <p>B. Appointment of Proxy <i>Proxy Form Closing Date and Time: Tuesday, 4 June 2024 at 11:00 a.m.</i></p> <ul style="list-style-type: none"> The proxy form shall be either deposited at the registered office of the Company at Malaysia Airports Corporate Office, Persiaran Korporat KLIA, 64000 KLIA, Sepang, Selangor Darul Ehsan, submitted via email at agm@malaysiaairports.com.my or faxed to +603-8777 7512 by the above closing date and time. The lodging of the proxy form shall not preclude you from participating, speaking and voting in person at the Meeting should you subsequently wish to do so, provided a notice of termination of proxy authority in writing is given to the Company not less than forty-eight (48) hours before the commencement of the Meeting or adjournment thereof. <p>C. Counter Registration on the Meeting Day <i>Counter Registration Closing Date and Time: As directed by the Chairman of the Meeting</i></p> <ol style="list-style-type: none"> Proceed to any of the registration counters with your MyKad/Passport. You will be given a wristband with a QR code for entry to the Main Venue and voting access. <ul style="list-style-type: none"> No person shall be allowed to register on behalf of another individual, even with the original MyKad/Passport of that individual. 	<ul style="list-style-type: none"> If you had registered via the e-Portal earlier and were granted access, please proceed to the Help Desk for assistance. The registration counters are strictly to handle verification of identity and registration. If you have any enquiries, please proceed to the Help Desk. No person will be allowed to enter the Main Venue without wearing a wristband. <p>D. Vote Online Remotely During the Meeting (“eVoting”) <i>eVoting Access Date and Time: Thursday, 6 June 2024 at 11:00 a.m.</i></p> <ol style="list-style-type: none"> Scan the QR code using your own device or smartphone from the wristband given to you upon registration at the registration counter. Enter your MyKad last four (4) digits or full passport number with characters. Select “Log In” to proceed to the eVoting page. Cast your votes by selecting the radio buttons against each resolution. Review your cast votes, confirm and submit the votes OR proceed to the voting station/kiosk to cast and submit your votes. <ul style="list-style-type: none"> Should you encounter any issues, please proceed to the Help Desk for assistance. Please submit your votes for each of the CDS accounts you represent as an individual shareholders, proxies and corporate or authorised representatives. If the shareholder who appointed you as a proxy or corporate or authorised representative has indicated how the votes should be cast, we will take the votes indicated in the proxy form. The access to eVoting shall close as directed by the Chairman of the Meeting.
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AGM ADMINISTRATIVE DETAILS

PROCEDURE FOR REMOTE PARTICIPATION VIA E-PORTAL

E. Sign Up for a User Account at e-Portal

1. Visit <https://sshsb.net.my/>
2. Sign up for a user account.
3. You will receive a notification email within one (1) working day.
4. Verify your user account by logging into the e-Portal within seven (7) days upon receipt of the notification email.

- Your registered email address is your User ID.
- We require one (1) working day to process all user sign-ups. If you do not have a user account with the e-Portal, you will need to sign up for a user account by **Thursday, 30 May 2024**.
- To register for the Meeting under Section F or to submit e-Proxy Form under Section G below, please sign up for a user account by **Thursday, 30 May 2024**, failing which you may only be able to submit the hard copy proxy form.
- This is a ONE-TIME sign-up. If you already have a user account, please proceed to either Section F or G below.

F. Register for Remote Participation at the Meeting

Registration for Remote Participation Closing Date and Time: Tuesday, 4 June 2024 at 11:00 a.m.

1. Log in to <https://sshsb.net.my/> with your registered email and password.
2. Look for **"Malaysia Airports Holdings Berhad"** under Company Name and **"25th AGM on 6 June 2024 at 11:00 a.m. – Registration for Remote Participation"** under Event and select ">".
3. Select whether you are attending as:
 - a. Individual shareholder; or
 - b. Corporate or authorised representative of a body corporate.
For body corporate, the appointed corporate or authorised representative must upload evidence of authority (e.g. Certificate of Appointment of Corporate Representative, Power of Attorney, letter of authority or other documents proving authority). All documents that are not in English or Bahasa Malaysia must be accompanied by a certified translation in English in one (1) file. The original evidence of authority and translation thereof, if required, must be submitted to the Share Registrar, Securities Services (Holdings) Sdn Bhd at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur for verification before the registration closing date and time above.
4. Submit your registration.

- Shareholders who wish to participate virtually must register for remote participation at the Meeting and are highly encouraged to register as early as possible and before the closing date and time stated above in order to ensure timely access to the Meeting. Access shall be granted only to eligible shareholders in accordance with the General Meeting Record of Depositors.
- A copy of your e-Registration for remote participation can be accessed via **"My Records"** (refer to the left navigation panel).
- Your registration will apply to all the CDS accounts of each individual shareholder or body corporate shareholder that you represent. If you are both an individual shareholder and representative of body corporate(s), you need to register as an individual and also as a representative for each body corporate.

G. Submit e-Proxy Form for Appointment of Proxy

e-Proxy Form Submission Closing Date and Time: Tuesday, 4 June 2024 at 11:00 a.m.

1. Log in to <https://sshsb.net.my/> with your registered email and password.
2. Look for **"Malaysia Airports Holdings Berhad"** under Company Name and **"25th AGM on 6 June 2024 at 11:00 a.m. – Submission of Proxy Form"** under Event and select ">".
3. Select whether you are submitting the e-Proxy Form as:
 - a. Individual shareholder; or
 - b. Corporate or authorised representative of a body corporate.
For body corporate, the appointed corporate or authorised representative must upload evidence of authority (e.g. Certificate of Appointment of Corporate Representative, Power of Attorney, letter of authority or other documents proving authority). All documents that are not in English or Bahasa Malaysia must be accompanied by a certified translation in English in one (1) file. The original evidence of authority and translation thereof, if required, must be submitted to the Share Registrar, Securities Services (Holdings) Sdn Bhd at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur for verification before the e-Proxy Form submission closing date and time above.
4. Enter the CDS account number and the corresponding number of securities. Then, enter the information of your proxy and the securities to be represented by your proxy.

AGM ADMINISTRATIVE DETAILS

5. Proceed to indicate how your votes are to be cast against each resolution.
6. Review and confirm your e-Proxy Form details before submission.

- A copy of your submitted e-Proxy Form can be accessed via **"My Records"** (refer to the left navigation panel).
- You need to submit your e-Proxy Form for every CDS account you have or represent.
- Shareholders who wish to appoint a proxy who is not a registered user of the e-Portal must request his proxy to register himself as a user of the e-Portal by **Thursday, 30 May 2024**, failing which, the proxy will not be able to participate in the Meeting via the e-Portal.
- All appointed proxies are not required to register for remote participation under Section F above.
- Upon processing the e-Proxy Form, access to remote participation at the Meeting will be granted to the proxy instead of the shareholder.

H. Join the Live Stream Meeting ("eLive") on the Meeting Day

eLive Access Date and Time: Thursday, 6 June 2024 at 10:30 a.m.

1. Log in to <https://sshbs.net.my/> with your registered email and password.
2. Look for **"Malaysia Airports Holdings Berhad"** under Company Name and **"25th AGM on 6 June 2024 at 11:00 a.m. - Live Stream Meeting"** under Event and select ">".

- If you have any questions to raise, you may use the text box to transmit your questions.
- Do take note that the quality of the live streaming is dependent on the bandwidth and stability of the internet at the location of the user.
- Please note that the e-Portal is best viewed on the latest versions of Chrome, Firefox, Edge and Safari browsers.

I. Vote Online Remotely During the Meeting ("eVoting")

eVoting Access Date and Time: Thursday, 6 June 2024 at 11:00 a.m.

1. If you are already accessing the eLive, select **"Proceed to Vote"** under the live stream player OR if you are not accessing the eLive and have just logged in to the e-Portal, look for **"Malaysia Airports Holdings Berhad"** under Company Name and **"25th AGM on 6 June 2024 at 11:00 a.m. - Remote Voting"** under Event and click ">".
2. Cast your votes by selecting the radio buttons against each resolution.
3. Review your cast votes, confirm and submit the votes.

- Your cast votes will apply throughout all the CDS accounts you represent as an individual shareholders, proxies and corporate or authorised representatives.
- If the shareholder who appointed you as a proxy or corporate or authorised representative has indicated how the votes should be cast, we will take the votes indicated in the proxy form.
- The access to eVoting shall close as directed by the Chairman of the Meeting.
- A copy of your submitted e-Voting can be accessed via **"My Records"** (refer to the left navigation panel).

AGM ADMINISTRATIVE DETAILS

OTHER ADMINISTRATIVE NOTES

Getting to the Main Venue

- **Travel by Car**
Sama-Sama Hotel, KL International Airport is an 80 km drive from the Kuala Lumpur City Centre, a 40 km drive from Petaling Jaya and a 30 km drive from Putrajaya/Cyberjaya via the North-South Expressway Central Link (ELITE Highway).
- **Travel by KLIA Express and KLIA Transit**
The KLIA Express and KLIA Transit can be boarded at the KL Sentral Station and three (3) intermediate stations, namely Bandar Tasik Selatan, Putrajaya/Cyberjaya and Salak Tinggi, respectively.

Parking

- Ample parking spaces are available at the Sama-Sama Hotel and Short-Term Car Park of KLIA Terminal 1, which is connected by a covered sky bridge to the Sama-Sama Hotel.
- The Company will only bear parking charges incurred by shareholders, proxies and corporate or authorised representatives attending the 25th AGM who park their vehicles at the Sama-Sama Hotel and Short-Term Car Park of KLIA Terminal 1.
- The parking validation counter will be opened after the conclusion of the 25th AGM.
- Please be advised that the Company will not validate or reimburse any parking costs or payment using a Touch 'n Go card or parking at any locations other than the Sama-Sama Hotel and Short-Term Car Park of KLIA Terminal 1.

Refreshment

- Breakfast will be served before the commencement of the 25th AGM.
- Lunch will be available after the 25th AGM.
- No food or beverages are allowed in the Main Venue.

Door Gift Policy

- Door gifts will be given to shareholders or proxies upon successful registration.
- Each person, whether attending as a shareholder or proxy, shall be eligible for one (1) door gift only.
- A shareholder who is also attending as a proxy is eligible for a maximum of two (2) door gifts, irrespective of the number of shareholders he or she represents.
- Where a shareholder appoints two (2) proxies, only the proxy who registers first is eligible for one (1) door gift.
- Door gifts for online participants will be couriered within thirty (30) working days from the date of the Meeting.

Submission of Questions Prior to the Meeting

- Shareholders, proxies and corporate or authorised representatives may submit questions relating to the business of the 25th AGM in advance of the Meeting by sending an email to agm@malaysiaairports.com.my referencing their CDS accounts by no later than **Tuesday, 4 June 2024 at 11:00 a.m.** or via real-time submission of typed texts through a text box in the e-Portal when access to the eLive opens before the start of the Meeting.
- If appropriate and relating to the business of the 25th AGM, the Chairman/Board/Management/relevant adviser(s) will endeavour to respond to your questions during the Meeting.
- Questions on a similar topic may be grouped together to avoid repetition and address as many queries as possible.

Recording or Photography

- No part of the 25th AGM proceedings may be recorded, photographed, stored in any retrieval systems, reproduced, transmitted or uploaded in any form, platform or social media or by any means, whether mechanical, electronic, photocopying, recording or otherwise, without the prior written consent of the Company.

AGM ADMINISTRATIVE DETAILS

Voting

- The voting at the 25th AGM will be conducted by poll in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.
- The Company has appointed SS E Solutions Sdn Bhd as the Poll Administrator to conduct the poll voting and Commercial Quest Sdn Bhd as scrutineers to verify and validate the poll results.
- Shareholders are strongly encouraged to vote on the resolutions. If they are unable to do so, they may appoint the Chairman of the Meeting as a proxy or their own proxy to vote on their behalf.
- Results of the voting on the resolutions proposed at the 25th AGM will be announced at the Meeting and subsequently, via an announcement made by the Company through Bursa Malaysia Securities Berhad's website at <https://www.bursamalaysia.com/> under Company Announcements.

Privacy Notice

- The Company may process personal information of participants at the 25th AGM. Kindly refer to the Company's privacy notice, which can be found on the Company's website at <https://www.malaysiaairports.com.my/>, for details on how the Company will process personal information.

Annual Report 2023

- The Annual Report 2023 and other accompanying documents are available on the Company's website at <https://www.malaysiaairports.com.my/> and Bursa Malaysia Securities Berhad's website at <https://www.bursamalaysia.com/> under Company Announcements.
- Nevertheless, if you still require a hard copy, you may request a printed copy of the Annual Report 2023 through the Annual Report Requisition Form as provided or by email at agm@malaysiaairports.com.my.

Enquiry

- Should you require any assistance or clarification prior to the convening of the 25th AGM, please contact the following during office hours on Monday to Friday from 8:30 a.m. to 5:30 p.m. (except on public holidays):
 - a. SS E Solutions Sdn Bhd
General line : +603-2084 9000 (e-Services Team)
Fax number : +603-2094 9940 or +603-2095 0292
Email : eservices@sshsb.com.my
 - b. Malaysia Airports Holdings Berhad
General line : +603-8777 7000 (Company Secretarial Office)
Fax number : +603-8777 7512
Email : agm@malaysiaairports.com.my

FORM OF PROXY

Malaysia Airports Holdings Berhad
Registration No. 199901012192 (487092-W)
Incorporated in Malaysia



CDS Account No.	
No. of Shares Held	

I/We _____ MyKad/Passport/Registration No. _____
[FULL NAME IN CAPITAL LETTERS]

of _____
[FULL ADDRESS]

being a member(s) of MALAYSIA AIRPORTS HOLDINGS BERHAD ("MAHB" or "the Company"), hereby appoint(s):

Full name (in capital letters):	MyKad/Passport/Registration no.:	Proportion of shareholdings	
		No. of shares	%
Address:	Email:		
	Contact no.:		
Member to indicate with an 'X' in either one of below:			
<input type="checkbox"/> Proxy attends at the Main Venue		<input type="checkbox"/> Proxy participates via the e-Portal (Proxy needs to sign up for a user account at the e-Portal)	

and

Full name (in capital letters):	MyKad/Passport/Registration no.:	Proportion of shareholdings	
		No. of shares	%
Address:	Email:		
	Contact no.:		
Member to indicate with an 'X' in either one of below:			
<input type="checkbox"/> Proxy attends at the Main Venue		<input type="checkbox"/> Proxy participates via the e-Portal (Proxy needs to sign up for a user account at the e-Portal)	

or failing whom, *the CHAIRMAN OF THE MEETING as *my/our proxy in my/our absence to attend, participate and vote for *me/us and on *my/our behalf at the Twenty-Fifth Annual General Meeting ("25th AGM" or "the Meeting") of the Company to be held physically at the Gateway Ballroom, Level 1, Sama-Sama Hotel, KL International Airport, Jalan CTA 4B, 64000 KLIA, Sepang, Selangor Darul Ehsan ("Main Venue") and virtually through live streaming hosted on the Securities Services e-Portal ("e-Portal") at <https://sshsb.net.my/> ("Virtual Platform") on Thursday, 6 June 2024 at 11:00 a.m. or at any adjournment thereof on the resolutions as set out in the Notice of 25th AGM.

*Strike out whichever is not applicable.

My/our proxy is to vote as indicated in the relevant box below:

Please refer to the Notice of 25th AGM for the full wording of the below resolutions.

ORDINARY RESOLUTION NO.	RESOLUTIONS	FOR	AGAINST
1	To approve the payment of Directors' fees and benefits up to RM4,500,000.00		
2	To re-elect Dato' Zamzuri Abdul Aziz		
3	To re-elect Datuk Amran Hafiz Affifudin		
4	To re-elect Dato' Normah Osman		
5	To re-elect Dato' Seri Ir. Koe Peng Kang		
6	To re-elect Chris Chia Woon Liat		
7	To re-elect Rohaya Mohammad Yusof		
8	To re-elect Cheryl Khor Hui Peng		
9	To re-appoint Messrs Ernst & Young PLT as Auditors of the Company and authorise the Directors to fix their remuneration		
10	To approve the proposed renewal of authority to allot and issue new ordinary shares in MAHB for Dividend Reinvestment Plan		

Please indicate with an 'X' in the space provided for each resolution as how you wish your votes to be cast. If no specific direction as to voting is given, the proxy will vote or abstain from voting on the resolutions at his discretion.

Signed this _____ day of _____, 2024.

Signature/Common Seal of Member(s)

Notes:

1. A member shall be entitled to appoint one (1) or more persons as his proxy to exercise all or any of his rights to attend, participate, speak and vote at the Meeting. Such proxy need not be a member of the Company.
2. A member may appoint any person to be his proxy without limitation. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.
3. Any corporation that is a member may, by resolution of its directors or other governing body, authorises such person as it thinks fit to act as its representative at the Meeting.
4. The instrument appointing a proxy shall be in print or writing under the hand of the appointer or his duly constituted attorney, or if such appointer is a corporation, under its common seal or the hand and seal of its attorney.
5. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority shall be deposited not less than forty-eight (48) hours before the time appointed for holding the Meeting or any adjournment thereof in the following manner:
 - a. In hardcopy
The original instrument must be deposited by hand at the registered office of the Company at Malaysia Airports Corporate Office, Persiaran Korporat KLIA, 64000 KLIA, Sepang, Selangor Darul Ehsan ("Registered Office").
The instrument may be submitted via email at agm@malaysiaairports.com.my or faxed to +603-8777 7512. However, the original instrument must be deposited at the Registered Office by hand or post.
 - b. By electronic means
The instrument may also be lodged electronically via the e-Portal. The procedure to submit the instrument electronically is set out in the AGM Administrative Details.
6. Only a depositor whose name appears in the Record of Depositors as of 29 May 2024 shall be regarded as a member and entitled to attend, participate and vote at the Meeting or appoint proxy to attend, participate and vote on his behalf at the Meeting.
7. A member of the Company, who is an exempt authorised nominee which holds MAHB Shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account"), may appoint multiple proxies in respect of each Omnibus Account it holds.

STAMP

The Company Secretary
Malaysia Airports Holdings Berhad
Registration No. 199901012192 [487092-W]
Malaysia Airports Corporate Office
Persiaran Korporat KLIA
64000 KLIA, Sepang
Selangor Darul Ehsan

ANNUAL REPORT REQUISITION FORM

Malaysia Airports Holdings Berhad
Registration No. 199901012192 (487092-W)
Incorporated in Malaysia



Dear Shareholders,

Thank you for your continued support for Malaysia Airports Holdings Berhad (“MAHB” or “the Company”). We are pleased to inform you that the full version of the Annual Report 2023 of the Company is also available in printed copy. Should you require a printed copy of the Annual Report 2023, please complete this form and return it to the address below or fax to (+603) 8777 7512. A printed copy of the Annual Report 2023 will be couriered to you within four (4) market days from the date of receipt of your request.

To : THE GROUP COMPANY SECRETARY
Malaysia Airports Holdings Berhad
Malaysia Airports Corporate Office
Persiaran Korporat KLIA
64000 KLIA, Sepang
Selangor Darul Ehsan

I/We, the shareholder(s) of the Company, wish to request for a printed copy of the Annual Report 2023. Please send a printed copy of the Annual Report 2023 of the Company to the following address:

Name of Shareholder : _____

NRIC No./Passport No./Company No. : _____

CDS Account No. : _____

Address : _____

Tel. No. : _____

Signature of Shareholder

Date:

STAMP

The Company Secretary
Malaysia Airports Holdings Berhad
Registration No. 199901012192 [487092-W]
Malaysia Airports Corporate Office
Persiaran Korporat KLIA
64000 KLIA, Sepang
Selangor Darul Ehsan



Hosting Joyful Connections

MALAYSIA AIRPORTS HOLDINGS BERHAD


Registration No. 199901012192 (487092-W)


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