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RELATED PROCEDURE

(i) *Media Management and Editorial Procedure (MME Procedure)*

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1.0 INTRODUCTION

The purpose of stakeholder engagement procedure is to define how and why MTD Group, its associate and subsidiary companies to engage with internal and external stakeholders for all operations.

This procedure will outline the process required to engage with stakeholders of the Group, its associate and subsidiary companies on issues or matters affecting the Company's reputation.

The procedure shall be applicable to group wide, whenever the Company, its associate and subsidiary companies wish to conduct the engagement program.

2.0 RESPONSIBILITY


It is the responsibility of the Head of Group Corporate Communications Department, Head of Country/Head of Business Unit and Head of Department to comply with this procedure.

This procedure may change over time, and the Head of Group Corporate Communications Department is responsible in updating the changes and the circulation of the changes to all relevant parties.

3.0 TERMINOLOGY

- a. ED - Executive Director
- b. CEO - Chief Executive Officer
- c. COO - Chief Operating Officer
- d. HBU - Head of Business Unit
- e. HOD - Head of Department
- f. HGCCD - Head of Group Corporate Communications Department
- g. BU Rep - Business Unit Representative
- h. GCCD - Group Corporate Communications Department
- i. HUSEE - Head of Unit, Stakeholder Engagement & Events
- j. SEEU - Stakeholder Engagement & Events Unit
- k. HUMME - Head of Unit, Media Management & Editorial
- l. MMEU - Media Management & Editorial Unit

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m. Stakeholders

- Stakeholders are individuals and groups that are directly or indirectly affected by the activities carried out by MTD Group, its associate and subsidiary companies, in addition to those that may have interest in or influence over the Company. This interest or influence can affect projects, activities, products and performance, either positively or negatively of MTD Group, its associate and subsidiary companies. Stakeholders include local communities or individuals within the Company's operational areas, their representatives, international or local or government authorities, politicians, religious leaders, civil society organizations and groups with special interests.

n. Stakeholder engagement

- Stakeholder engagement is a term used to describe all activities and interactions between MTD Group, its associate and subsidiary companies and its stakeholders. Stakeholder engagement helps build trusting relationships and opens up lines of communication between the Company and its stakeholders. Communication reduces risks to the Company by identifying and dealing with issues as they arrive, thus improving the reputation of the Company in the eyes of all stakeholders. It also spans all phases of the project and operation's lifecycle, with different stakeholders ability to influence each activity.

o. Internal Stakeholders

- Internal stakeholders are people who are already committed to serve MTD Group, its associate and subsidiary companies as board members, staff and volunteers.


p. External Stakeholders

- External stakeholders includes communities, government organizations/institutions, NGOs, shareholders, contractors, suppliers and customers that are affected by or have an interest in the Company's activities, products and/or performance.

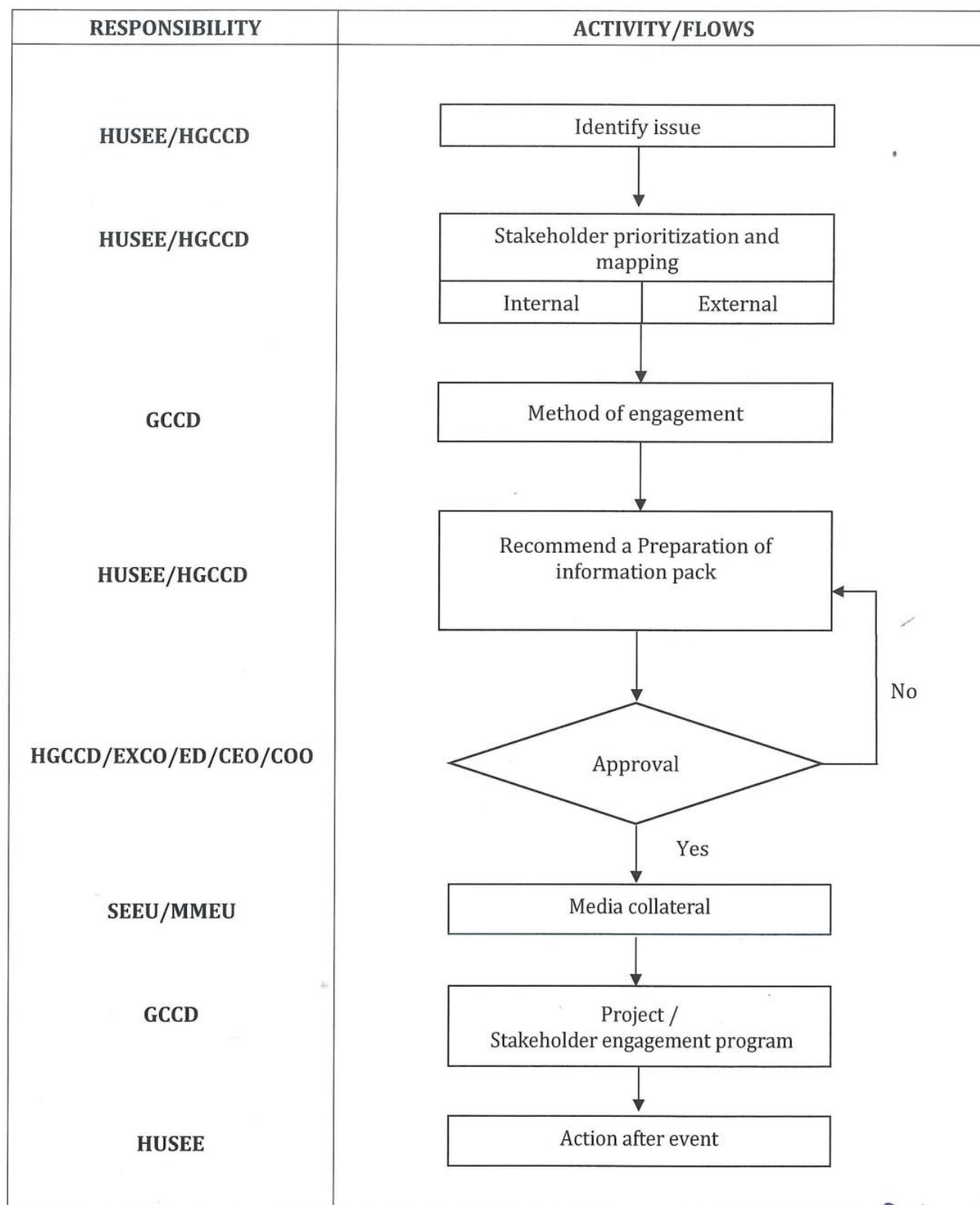
q. Engagement


- Engagement is an action taken by MTD Group, its associate and subsidiary companies to understand, communicate and get stakeholders to be involved in the decision-making processes when appropriate.

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4.0 PROCEDURE OUTLINE



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5.0 PROCEDURE DETAILS

5.1 IDENTIFY ISSUE

- (a) HUSEE is to initiate the groundwork by identifying key information/concern leading to an issue at hand and highlight to HGCCD for further evaluation. The process of identifying the key information/concern leading to an issues; namely the:-
1. Who
 2. What
 3. When
 4. Where
 5. Why
 6. How
- (b) HGCCD is to categorise these issues according to priority, amongst others:
1. An Emergency i.e. Issue is damaging and required immediate rectification
 2. A threat i.e Issue is deem potentially giving threat and becoming a damage
 3. Special project i.e Instruction by top management on a specified project

5.2 STAKEHOLDER PRIORITIZATION AND MAPPING


Not every stakeholder group will require the same level of engagement in terms of frequency or method of communication. Once a stakeholder identification exercise has been performed, it is therefore important to prioritize and map groups based on "who they are" and the level of risk they might expose the Company, its associate and subsidiary companies' operations.

HUSEE/HGCCD is to identify the stakeholders in order to ensure initiatives such as programs to be launched, reach out to the target audience.

A stakeholder can be defined as anyone with interest(s) in the Group and Company's affair. It may refer to groups or organizations that are affected by the activity of the business in which the company operate. The categorization of stakeholder is as follows:

5.2.1 Internal stakeholder

- a. Board of Directors
- b. Shareholders
- c. Employees

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5.2.2 External stakeholder

- a. Highway users
- b. Community (along highway/within operation area)
- c. Media (local/International)
- d. Government agencies (Malaysian Highway Authorities/ Ministry of Works/Authorities/International)
- e. Opinion Leaders
- f. General Public
- g. Non-Governmental Organization (local/international)

5.3 METHOD OF ENGAGEMENT

Once stakeholder groups have been prioritized in terms of their level of influence and/or operations, a method of engagement should be developed to suit each group. The reason for this is that individual stakeholders and groups have different requirements in terms of language, communication materials or methods necessary to share and receive information.


Engagement can include:

- (a) Information sharing, where MTD Group, its associate and subsidiary companies inform stakeholders about project status, performance or any changes;
- (b) Response (action), where MTD Group, its associate and subsidiary companies responds to stakeholders' requests or complaints;
- (c) Consultation, whereby communication with stakeholders is a two-way thing and information gathered can be used to influence changes in operations.

Each stakeholder group may require different forms of engagement as follows:

- (a) Internal stakeholder
 - i. Board of Directors, shareholders and employees may require informative engagement in the form of management review, internal office meeting, circular, memorandum, letter, email, newsletter and board meeting.



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(b) External stakeholder

i. Highway users and local communities:

- Consultative engagement may require written communications or engagement in the form of layman languages, allowing communities to respond in their preferred language. Some members of the community may also require assistance with submitting or reading written materials. Communities may require engagement with several subgroups separately including leaders and vulnerable groups.


ii. Media, government officials (inclusive local and international), opinion leaders and general public

- Informative engagement is often required, such as sharing of written materials (inclusive News Release or Media Statement) in the national or English language. Meetings may also be held where communication is verbal, but minutes and attendance should be taken and signed by all parties, where applicable and necessary.

iii. Local and international NGOs

- Responsive engagement in the form of written reports and media communications (news coverage) aimed at assisting the building of relationships with local and international NGOs.

The examples provided above are simplified for the purpose of this procedure and it is pertinent to note that some stakeholder groups will require a range of engagement methods. Choosing an appropriate method of engagement for each stakeholder group, depending on their need, will ensure that communication is well received and understood, and can be responded to effectively.

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5.4 RECOMMEND A GAME PLAN

(a) Formulate a Game plan


HUSEE is to develop a game plan activity for the stakeholders. The game plan will include among others, key messages to be carried throughout the stakeholder engagement exercise or in other words, making information accessible to stakeholders and communicating in a manner that is understandable. Methods to convey them are as follows:-

- i. Briefing
- ii. Phone/Email
- iii. Face-to-face Interview
- iv. Workshop
- v. Public Meeting
- vi. Focus Group Discussion
- vii. Mass media

All methods of engagement above, from briefing to the mass media, will be more productive if stakeholders, including affected communities, have accurate and timely information about MTD Group, its associate and subsidiary companies' activities, impacts, and any other aspects that may have an effect on them. The type and level of game plan is dependent on the priority of each stakeholder.

- a) Disclosure Timing
 - If feedback is required, it is important to share information as early as possible to allow stakeholders adequate time to review and process what is presented and decide appropriately.
- b) Meaningful Information
 - The information will need to be culturally appropriate in a format and language that is easily understandable by the stakeholders.
- c) Accessibility
 - Stakeholders will require information during engagement, but also acknowledgement on how they can access further information, if required.

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d) Information Sensitivity

- It is important to share risks and the impact with affected stakeholders, but how this information is presented can help influence their reaction. When information is sensitive, it is important to present just the facts and leave out any uncertainties.

Hence, HUSEE is required to prepare a comprehensive game plan including budget estimation for the stakeholder engagement program. Once finalized, HUSEE is to present and recommend to HGCCD for comments and concurrence.

5.5 APPROVAL

HGCCD is to seek approval of EXCO/ED/CEO/COO on the recommendation of an information pack.

5.6 COLLATERAL FOR MEDIA COVERAGE

SEEU to provide relevant information to MMEU to develop news release and prepare Frequently Asked Questions (FAQ) for media briefing, if any.

Refer to MME Procedure.

5.7 PROJECT/ STAKEHOLDER ENGAGEMENT PROGRAM

Engagement program with stakeholder to obtain their feedback can be considered as a valuable platform/ source of information, which can help improve MTD Group, its associate and subsidiary companies' operations, in addition to assist to identify and address potential risks.

Once stakeholders have been identified and prioritized, and the method and frequency of engagement are determined, engagement program for each stakeholder should be implemented immediately.

The engagement will build trust with communities within the Company's operations and raise awareness.

5.8 ACTIONS AFTER EVENT

HUSEE is to compile a post mortem event report including feedbacks from the engagements within 2 weeks.

The post mortem is to be reported to CSR Panel/Board/HBU as an Activity Report.