

RELIABLE PARTNER

AS A PROPERTY INVESTMENT AND DEVELOPMENT GROUP, CREATING VALUE AND DELIVERING A LASTING AND POSITIVE IMPACT TO THE COMMUNITY SURROUNDING US AS A RELIABLE PARTNER IS INTEGRAL TO THE SUCCESS OF OUR BUSINESS. WE ARE COMMITTED TO TAKING AN ACTIVE AND LONG TERM ROLE IN MANAGING THE RELATIONSHIPS WITH OUR STAKEHOLDERS AND WORKING AS A PARTNER WITH THE COMMUNITIES TO ENGAGE BOTH CITIZENS AND COMMUNITY PARTNERS TO ENSURE CONTINUOUS IMPROVEMENT IN OUR APPROACH TO SUSTAINABILITY AND IN GIVING BACK TO THE COMMUNITY WHICH SURROUNDS US.

We work with our stakeholder groups to build and strengthen mutually beneficial relationships by building trust and commitment and growing with our partners to maintain long-term partnerships across our business portfolios. We have been collaborating with our tenants to help them meet their sustainability goals and we are supportive of our tenant's energy conservation efforts. We aim to provide communicative channels for suggestions and feedback from tenants and customers to be regularly integrated into sustainability decision making.





Transparent Procurement Practices

In line with the general principles of the CoBE, KLCCP Stapled Group is committed to uphold the highest standard of ethics and integrity in all aspects of its procurement activities. The KLCCP Stapled Group's policies and guidelines for procurement are developed to ensure that a streamlined tendering approach is adopted throughout the KLCC Group of Companies. The policies and guidelines are also designed to ensure transparency, integrity and fairness in

the tendering process. It also takes into consideration KLCCP Stapled Group's corporate objectives and governing policies on contracting and procurement activities.

Our Philosophy and governing principles of KLCCP Stapled Group procurement system include:

- To secure the "Best Value for Money" in the procurement of materials, equipment and services
- To conduct procurement activities effectively, demonstrating the

highest standard of integrity and professionalism and in accordance with KLCCP Stapled Group's corporate objectives

- o To encourage and promote effective local participation (material and labour) on the property industry, in terms of providing services and products
- To ensure that the activities throughout the tendering process are conducted in a fair, transparent and reliable manner

CORPORATE RESPONSIBILITY AND SUSTAINABILITY REPORT

Supply Chain

Supply chain is a sustainability area where KLCCP Stapled Group is working towards due to the potential to generate economic, environmental and social benefits for the organisation, our suppliers and society at large. We strive to develop sustainable supply chain management guidelines to ensure that environmental criteria, risk and costs are taken into account in all purchasing decisions.

KLCCP Stapled Group with its niche position in property investment, development and facility management services has a responsibility in ensuring the dignity and safety of the workers employed by our contractors and service providers. All contracts entered into by KLCCP Stapled Group with all its contractors, suppliers, service providers and other parties are at all times governed by and construed in accordance with the current applicable and prevailing laws of Malaysia. The contracts also incorporate sustainability clauses on:

- product and services responsibilities
 compliance with HSE laws,
 regulations and requirements.
- human rights commitment to local employment sourcing and prevention of child labour.
- fair wages payment of rates and wages in accordance to industrial rates and observation of conditions of employment and compliance

- with all the relevant acts governing labour practices in Malaysia.
- practice of anti-competitive behaviour among contractors – non-exclusive contract which reserves rights of KLCCP Stapled Group to engage with other contractors and afford such other contractors adequate opportunity to carry out their contracts and perform the works in co-operation with those contractors and with KLCCP Stapled Group.

Our asset management team at KLCC Urusharta Sdn Bhd (KLCCUH) has included in their contracts with landscape providers, the criteria relating to product and services responsibility whereby biodegradable products such as organic fertiliser are to be utilised for landscape services.

Also in place is the utilisation of green products in our contracts for pest control and stationery such as copier paper from certified farmed trees.

At MOKL Hotel, the procurement policy is to consistently and continuously look for potential sustainable sourcing in all aspects of its business. The purchasing process focuses on giving first preference to environmentally friendly products, especially if they enhance guest experiences.

As food and beverage contributes approximately 40% of our hotel's revenue, food hygiene and safety is critical is sustaining MOKL Hotel's revenue. As such, MOKL Hotel's Food and Beverage department has stringent food safety supply chain processes.

Supply chain compliance	 Ensures all F&B suppliers are audited for food safety compliance before they are listed as preferred suppliers Premises are checked, pest control processes are reviewed and supporting documentation is audited Suppliers who are unable to meet food safety standards are coached and given time to take corrective actions prior to being reviewed for acceptance
Materials management control	 Established food safety standards at receiving, handling, storage, preparation and serving products Introduced concept of buying "just in time" where there will be minimal stocking of products, thus ensuring food items are fresh – no spoilage
Other sustainable practices	Other practices in F&B include: Non usage of shark's fins Procurement of salads from Cameron Highlands Procurement of farmed fish from reputable vendors





The children of Rumah Charis at the tallest Christmas tree replica at KLCC

Indirect Economic Impact

KLCCP Stapled Group has been involved in nation building, realising the vision of making Kuala Lumpur a world class city. The development within KLCC Precinct has marked a milestone in the growth of Kuala Lumpur and is the benchmark for the urban spatial planning and development in Malaysia. Designed to be a city-within-a-city, the KLCC Development sits on a 100-acre precinct and is an integrated mixed development with residential, hotel, convention, retail and leisure components. Our properties within the KLCC Precinct have bridged people together and built a stronger sense of community where people can work, live, shop, play, meet, visit and eat.

Malaysia's Iconic Experience in Kuala Lumpur

Malaysia's Iconic Experience in Kuala Lumpur (MIEKL) is KLCCP's 'Iconic Malaysia' project in collaboration with its business partners to promote the Kuala Lumpur City Centre precinct as a must-visit destination. This is to create awareness and promote the attractions in KLCC Precinct as well as provide convenient access to information on the places of interest to further boost the tourism industry. Various communication modes such as website, touch-screen kiosks, product pamphlets and digital screen advertisement have been established to ensure easy access of information to both local and international visitors.

During the year, efforts were made towards promoting the attractions through reprinting of information leaflets with new and updated information and publicising current happenings and promotions through the website and touch screen kiosks.

KLCC Park

The KLCCP Stapled Group continued to promote public awareness on environmental protection and the importance of environmental conservation and this is reflected through its exemplary efforts in the upkeep and maintenance of the 50-acre KLCC Park. The KLCC Park signifies the Group's contribution towards social and community wellbeing by providing a green, convenient, tranquil and conducive destination in the midst of a bustling and dynamic city centre.

KLCCP Stapled Group also collaborates with local authorities and the KLCC community to observe effective compliance for provision of local facilities. The common cost sharing management policy between landowners of commercial properties known as the Common Estate Committee for the upkeep and maintenance of the park continues to promote positive impact on the commercial environment for local and foreign tourists and shoppers.

As Syakirin Mosque

The As Syakirin Mosque, also known as "The Jewel in the Park", is one of the Group's contributions to the Muslim community living and working around and within the KLCC Precinct. The mosque was opened in 1998 with a capacity of 6,000 people. It underwent an extension in 2009 and currently accommodates a congregation of 12,000 people. The mosque is being maintained by KLCCP Stapled Group as part of our continuous CSR initiatives involving the community around us.

CORPORATE RESPONSIBILITY AND SUSTAINABILITY REPORT



Suria KLCC's presentation of mock cheque to NASOM

Pedestrian Walkway

As part of the Group's effort to ease accessibility within and surrounding its development, pedestrian linkages were built to provide "building to building" connectivity where pedestrian can walk in comfort under a covered walkway from one point to another. The pedestrian walkway connecting Kompleks Dayabumi to the Pasar Seni Light Rail Transit (LRT) station not only provides pedestrians the convenient access to surrounding areas but also complements the comprehensive pedestrian connectivity

and the River of Life project under the Government's Economic Transformation Programme and the Kompleks Dayabumi Master Plan. The maintenance services for the walkway is part of the Group's CSR contribution to further spur vibrancy and breathe new life to the heritage trail.

Merdeka and New Year's Celebration

Annually, the Esplanade at KLCC Park becomes a major attraction site during the *Merdeka* and New Year's celebrations at KLCC. KLCC Group organises the *Merdeka* and New Year Celebrations at the KLCC Park to share the joy in celebrating the nation's Independence Day and to usher in the New Year with the public by having wholesome family entertainment at the Park. This year, the New Year Celebration was made more meaningful with the inclusion of a donation drive in aid of the flood victims in the East Coast region.

Community Investment

KLCCP Stapled Group recognises the importance in contributing towards the welfare of the community in which we operate in to improve the quality of life and promote social betterment. We are committed to making a difference and striving to enrich the community by channeling our investment to the underserved communities through donations and fund raising activities:

Initiatives	Outcome
Bursa Bull Charge Run and Charity Runs	Contributed RM23,000 to two charity homes, beneficiaries of the fund.
Sunshine September and Kids Carnival	 Creating awareness on autism and fundraising for the autistic community. Raised approximately RM457,000 to help more autistic children live productive and fulfilling lives. Raised RM35,000 from the Kids Carnival to aid the National Autism Society of Malaysia with their early intervention programmes.
Donation Drives and Fund Raising	 KLCCP Stapled Group organised a Donation Drive for Flood Relief by the employees for staff and families affected by the ordeal. Donations were channelled to the affected employees' family respectively. Sponsored the 'Battle of the Bands' Festival for the visually-impaired with the aim of promoting interest and the spirit of entrepreneurship amongst the visually-impaired talents. MOKL Hotel collaborated with Chef Aziamendi from Iniala Beach House Phuket, the first ever 3-Michelin Star pop-up restaurant in Malaysia for 88 days (Aziamendi88). Proceeds from Aziamendi88 were contributed to a local charity, United Voice Malaysia and to Inspirasia Foundation in Bali in the sum of RM94,000. MOKL Hotel teamed up with Reach Out Malaysia where employees took part in the nightly "Runs" and donated food and water to the homeless.





Community Outreach

KLCCP Stapled Group proactively engages with the community through synergistic collaborations and sustainable CSR programmes to support charitable causes and initiatives in community development projects. Our employees are encouraged to be involved in community outreach projects while inculcating the spirit of helping the underprivileged and needy.

In 2015, KLCCP Stapled Group strengthened its outreach to the less fortunate through a broad range of programmes that reached out to the underserved. The Group was able to encourage their employees to be proactively involved in the initiatives and make an impact to the community.

Making a Positive Impact to our Community

Our asset management team from KLCCUH initiated a CSR Program which was held in December 2015 at the Royal Belum Rainforest in Gerik, Perak. They reached out to the needy *Orang Asli* community at Kampung Damai ini the heart of the Royal Belum Forest. The KLCCUH employees conducted a charity session where employees donated cash and used items to the community whilst the National Library sponsored 254 books for the Orang Asli school children.

Our team at MOKL Hotel contributed to a number of outreach and educational programs during the year and these included programs for Homes for Children, displaced families due to natural disasters, and supporting single mothers. During the year, MOKL Hotel also collected donations from employees for the flood victims of East Coast Malaysia where 250,000 people were displaced from their homes. Through The Star Publication, the donation included boxes of towels, diapers, food and beverage and dental care items.

With a common purpose and objective, the employees of MOKL Hotel were actively engaged in supporting and working with the local communities in respect to the Pink Ribbon Breast Cancer Awareness Foundation through various programs to create awareness as well as for fund raising.

Festive Celebrations with the Under Privileged Community

Over the years, KLCCP together with Suria KLCC and MOKL Hotel have actively supported a myriad of community and charity efforts in our focused areas of the environment and community. We continue to share festive joys with the under privileged children from various homes through annual events of breaking fast, Chinese New Year, Hari Raya, Deepavali and Christmas celebrations. This year, KLCCP Stapled Group held a breaking fast dinner in the month of Ramadhan for orphans from Rumah Pengurusan Anak Yatim Al-Firdaus and a visit to old folks home at Rumah Jagaan Al-Fikhrah in Kajang, Selangor.

CORPORATE RESPONSIBILITY AND SUSTAINABILITY REPORT



The children of Pondok Penyayang Raudhah with the Mayor of Kuala Lumpur and Suria KLCC's Management

During the Chinese New Year festivities, Suria KLCC treated 53 children from the House of Joy to shopping at Isetan Department Store. The children were also entertained by drum, acrobatic lion dance performances and were treated to a scrumptious dim sum feast. In the month of Ramadhan, Suria KLCC hosted 39 children of Pondok Penyayang Raudhah for a Hari Raya shopping treat and broke fast with Suria KLCC's employees. In conjunction with Deepavali, Suria KLCC invited 40 children of Sinthamani Divine Life Ashram to spend a memorable day at the mall. The children decorated kolam art pieces, and were treated to shopping and delicious cuisine at the mall. Christmas was another time of the year when Suria KLCC's employees accompanied 35 children of Rumah Charis for their Christmas shopping and dinner at the mall. The children also joined Suria KLCC Management to light up the tallest Christmas tree replica in Malaysia at the Esplanade, KLCC Park.

Our MOKL Hotel also showed its commitment and compassion to the under privileged. MOKL Hotel invited 30 children from Rumah Titian Kasih, Titiwangsa for Breaking of Fast Dinner at the Hotel. MOKL Hotel together with eCEO Sdn Bhd also co-sponsored a Hari Raya buffet dinner for Children of Rumah Anak Yatim Rumah Kasih Nurul Hasanah, Ampang.

Customer Relationship Management

Our management services segment which contributes approximately 9% to KLCCP Stapled Group revenue continues to complement our property portfolio in delivering premium facilities management services in maintaining the iconic stature and performance of the assets within KLCCP Stapled Group. The performance of this segment is reliant upon the value generated through businesses with customers, coupled with effective cost management. We rely on our customers for continuous business income whilst our customers rely on KLCCP Stapled Group to deliver the services.



During the year, our facilities management team at KLCCUH launched their Customer Services and Relationship Management (CSRM) Charter. The new CSRM Charter has been established to replace the Tenant Charter (2006). The CSRM Charter is testament to our commitment to our tenants, clients, visitors and customers whom we serve at all PETRONAS facilities. We aim to adapt to higher standards and be dynamic in managing our customer expectations in this continuous evolving environment.

Valuing Tenants and Creating Unique Shopping Experiences

KLCCP Stapled Group continues to build strong tenant relationship through events such as "Tenants' Nite" held annually for tenants of the PETRONAS Twin Towers and Menara 3 PETRONAS. The event is an avenue to express our appreciation and recognition of tenants' support and pay tribute to the roles played by tenant representatives and floor safety managers and assistants at our commercial properties in the tenant-building working relationship.

At our retail mall, Suria KLCC, the leasing team implements an active leasing strategy to attract new international brand retailers to be part

of the mall's portfolio to provide shoppers with a selection that combines brands and shopping experiences with new and unique choices. Over the past 12 months, the leasing team has taken a strategic approach in delivering a tenant mix and shopping experience that are attractive to shoppers and appeal to the local communities and tourists. In addition to delivering such a tenant mix, this year Suria KLCC has also been expanding their luxury, beauty and skincare category to enhance the unique shopping experience and overall positioning as a premier shopping centre.

Delighting Guests with Quality Service

The quality service at our MOKL Hotel underpins everything that we do, and we are committed to exceeding guests' expectations on a daily basis. Our hotel focuses on providing personalised service to every guest every day, and on the sincerity of the people who deliver it. We encourage

colleagues to know our guests, and to anticipate what they want, in order to provide them with the best experience throughout their stay at MOKL Hotel.

Feedback from our guests is vital to our success. MOKL Hotel conducts a customer satisfaction and loyalty survey with the help of a third-party organisation that sends an online questionnaire following a guest's stay. Our hotel receives over 3,000 quest satisfaction surveys annually, which are measured and analysed to help ensure constant improvement. MOKL Hotel's overall satisfaction ratings indicate a consistently high level of quest satisfaction and loyalty to the brand. In 2015, we achieved an overall satisfaction rate of 82%, consistent with last year's performance.



Children from House of Joy were entertained by lion dance performances at Suria KLCC