

SAFETY IS THE PRE-REQUISITE FOR SUSTAINABLE OPERATIONS EXCELLENCE AND INTEGRITY. KLCCP STAPLED GROUP HAS ROBUST HEALTH, SAFETY AND ENVIRONMENT (HSE) POLICIES AND PRACTICES IN PLACE THAT MINIMISES AND PREVENT WORKPLACE INJURIES, ACCIDENTS, MEDICAL ILLNESSES AND FATALITIES



SECURITY, SAFETY AND HEALTH



Sustainability Matters

- Safety & Health Management
- Security Management

Protecting our people and caring for their well-being is essential to our business operations. As a property owner, developer and manager, KLCCP Stapled Group imposes strict adherence to the Group's HSE Policy in all areas of our operations. Our leadership's commitment in enhancing and improving HSE is testament to this. Regular HSE programmes are conducted to strengthen our HSE culture and capability and ensure our operations are carried out with the highest safety standards.

SECURITY, SAFETY AND HEALTH



1 Top Management HSE Walkabout at a project site

Context

Safety at worksite is of utmost importance for the real estate and construction industry as it has one of the highest safety issues due to the increasing number and rate of work-related injuries, illnesses and inherent risks associated with working in the industry. There is an ever-present chance of serious injury not only for workers but also site visitors and those travelling and working around sites or even at the workplace. Safety considerations are embedded and given the highest priority in all that we do at KLCCP Stapled Group be it at the workplace or project sites and every person is entrusted to take collective ownership in upholding safety at all times.

Our Approach

KLCCP Stapled Group is committed to conducting business in a manner that protects the health, safety and security of our employees, tenants, contractors, suppliers and the community who visit our properties and is compatible with environmental and economic needs of the communities in which we operate. Our business activities are conducted in accordance with our policies on Health, Safety and Environment and comply with the highest standards of occupational safety and health regulations.

We place utmost importance on safety management to prioritise safe work practices, building HSE capability and culture within our organisation and occupational health in sustaining ideal health levels of our employees and visitors to our properties and at project sites.

We believe continuous improvement of our HSE and engagement with our stakeholders is essential to create a leading organisation and to make it the responsibility of every employee, ensuring accountability within the organisation. We measure and track our performance against industry best practices in our effort to raise the bar on HSE.

SECURITY, SAFETY AND HEALTH

HSE Governance

HSE at KLCCP Stapled Group is driven from both top down and bottom up through the various HSE committees within the organisation. At the Group level, the HSE Management Review is chaired by the CEO and its members comprise heads of business units and representatives from our joint ventures and hotel operations. The HSE Management Review which is a requirement under ISO 14000, OHSAS 18000 and the PETRONAS Management System (HSEMS), oversees all HSE matters, review of HSE performance and all ongoing improvement efforts.

In compliance with OSHA 1994, the entities under KLCCP Stapled Group have their respective HSE Committees. The HSE Committees are chaired by the respective Division Heads and comprise representatives from the Employer and Employee. These committees meet every quarter to proactively discuss on mitigating potential HSE risks and investigate root causes of incidents, and are reported back to Group level. The members of the committee actively undergo training on the roles and responsibilities of the National Institute of Occupational Safety and Health.

With this governance structure, KLCCP Stapled Group ensures effective practice and implementation of HSE culture.

SAFETY AND HEALTH MANAGEMENT

Managing the safety of our people, assets and the environment is KLCCP Stapled Group's top priority. Our emphasis is to develop effective controls on identified HSE risks. We are committed to conducting our business activities in accordance with our policies on

HSE and complying to the highest standards of occupational safety and health regulations.

KLCCP Stapled Group has a robust safety system in place, demonstrating our strong commitment to uphold the KLCC HSE Policy which governs and reinforces our commitment towards safeguarding the employees, preserving the reliability of assets, facilities and operations. This is supported by our HSE Management System, HSE Mandatory Control Framework and PETRONAS Technical Standards to strengthen HSE Governance within the KLCCP Stapled Group while providing clear requirements on operational safety, environment and health for consistent and effective implementation.

Our employees, and third party personnel serving at our properties and development sites are mandated to comply with our standards and rules on HSE. We comply to the Zero Tolerance (ZETO) Rules, a principle to ensure all activities are carried out in a safe manner and where any non-compliance is not tolerated.

KLCCP Stapled Group have the responsibilities in providing a safe workplace and healthy working environment for its employees. Ergonomics, stress, and anxiety can have significant impact on job performance, employee satisfaction, and retention, which ultimately affect organisational goals and objectives. In this regard, our facilities management company, KLCC Urusharta Sdn Bhd conducted a workplace health assessment in accordance to the Department of Safety and Health's (DOSH) requirement where chemical health risk, chemical exposure, noise exposure and Indoor air quality were assessed and monitored.



↑ KLCCP Stapled Group's HSE team participated in a HSE visit to a project site

SECURITY, SAFETY AND HEALTH

Key Initiatives for the Year

<p>HSE MS Assurance Tier 2 Audits</p>	<ul style="list-style-type: none"> • KLCCP adopts the PETRONAS HSEMS. HSEMS integrates the Business Controls, Quality Management System & Risk Management into a single management system. It consists of 88 elements with 36 sub-elements • The governance of HSEMS is done through tier 2 assurance, a cross business assurance exercise which is conducted on an annual basis
<p>KLCC Safety Leadership Workshop</p>	<ul style="list-style-type: none"> • Two sessions were conducted • The objectives of the workshop was to internalise ownership and nurture HSE values in the KLCC Management Leadership Team • It helps to condition KLCC leaders on expected leadership roles, mind-set and behavior in driving safety within the organisation • This programme will be continued in years to come as part of the HSE awareness programmes and to be extended to all Management with the aim to establish common understanding on HSE towards achieving operational sustainability
<p>Top Management HSE Walkabout</p>	<ul style="list-style-type: none"> • In 2017 a total of 40 leadership walkabouts were conducted group wide by the Management Leadership Team – from project sites to plant environment and from buildings to parking management sites. • The main objective of the walkabout was to promote leadership visibility in driving HSE at our workplace and provide clarity to staff and contractors that they are not alone in preventing fatalities and accidents at workplace.
<p>Workplace Health Assessment</p>	<ul style="list-style-type: none"> • The workplace health assessment was conducted in accordance to DOSH requirements as minimum (industrial hygiene) identified workplace health risk through: <ul style="list-style-type: none"> • Chemical health risk assessment • Chemical exposure monitoring • Noise exposure monitoring • Indoor air quality <ul style="list-style-type: none"> - Monitoring and tracking were followed through in HSE committee meetings and monitored in Tier 2 HSEMS assurance exercise - No health incidents recorded for the Group in year 2017
<p>Emergency Preparedness</p>	<ul style="list-style-type: none"> • Fire and evacuation drills held in all premises • Simulation exercises held for our offices, hotel and car park operations to test the effectiveness of the Emergency Response Plan, Crisis Management Plan and Business Continuity Plan
<p>Safety Engagement with Contractors</p>	<ul style="list-style-type: none"> • KLCC Urusharta Sdn Bhd's Safety Engagement with Contractors was held at Dayabumi Auditorium. The programme on safe work practices towards achieving zero LTI included sharing on HSE best practices, lessons learnt and safety pledge on working safely. A total of 20 employees and 60 contractors attended the programme
<p>Investigations and Findings of Reported Incidents/Action Taken</p>	<p>In cases of injuries or fatalities:</p> <ul style="list-style-type: none"> • All incidents are investigated with proper accident and root cause methodology to identify the cause of the incident • The action items from incidents were discussed at various platforms i.e. within the HSE team, OPU level and tracked accordingly by corporate HSE • Major incidents which involved lost time injury and property damage were tracked and monitored by PETRONAS Group HSSE • Lessons learnt and any LTI incidents and dangerous occurrence/ near miss incidents were published and shared for reflective learning

SECURITY, SAFETY AND HEALTH

Strengthening HSE Capability and Culture

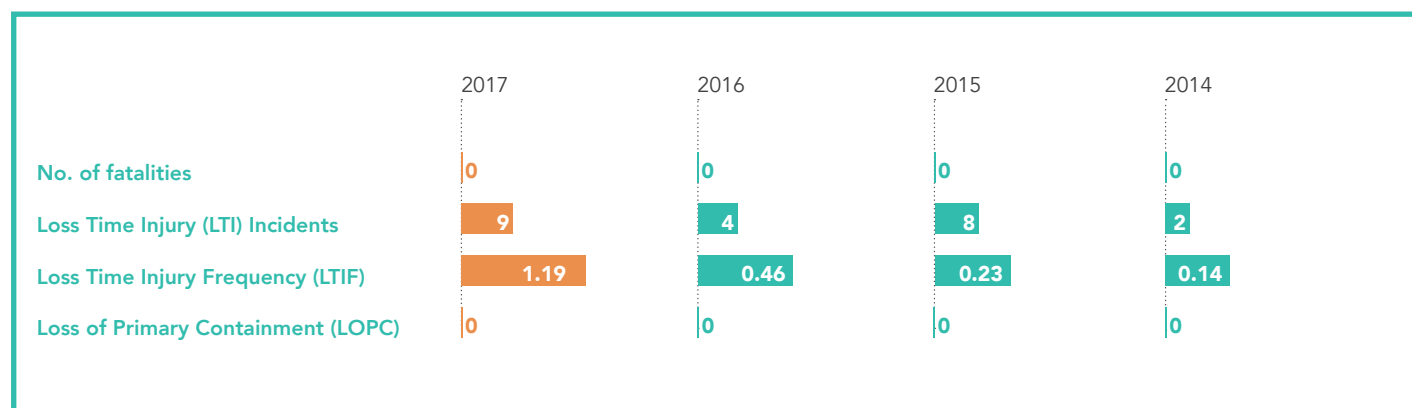
KLCCP Stapled Group continued to drive efforts towards values, attitudes, goals and proficiency of the organisation's health and safety programmes to strengthen HSE capability and culture among its employees and contractors. Our Management is committed to workplace safety and encourages the safety culture with everyone playing a part in keeping themselves and others safe.

For workplace safety, we continued our initiatives in ensuring strict adherence to ZETO Rules, safety management systems, enforcing safety culture, compliance and leadership and lessons learnt. In 2017, numerous HSE programmes were conducted:

Key Initiatives for the Year

Instilling HSE in each employee via Key Performance Indicators in Employee Performance Contract	<ul style="list-style-type: none"> Reporting on Potential Incident/Near Miss (PI/NM) of potential hazards or incidents at our properties or sites to prevent injury/illness or recurring of similar incidents In 2017, 528 PI/NM were reported and corrective actions were identified, implanted, monitored and reviewed for effectiveness
HSE Awareness and Training Programmes	<ul style="list-style-type: none"> HSE Awareness Session with Staff – Theory and practical. To elevate HSE awareness among staff, value-add information on safety reaction and emergencies – basic first-aid response, basic fire emergency response and fire extinguisher hands-on training HSE Briefings conducted for new hire on-boarding programme
HSE Communication	<ul style="list-style-type: none"> Regular updates on HSE news and events and lessons learnt in KLCC Group intranet portal HSE alerts on HSE incidents within the PETRONAS Group communicated to all employees for awareness HSE sharing sessions with business units facilitated by the HSE team on environmental awareness & conservation and basic hazards and risk at workplace

KLCCP Stapled Group's HSE performance monitoring includes both full-time and part-time employees involved in the daily operations and project sites.



KLCCP Stapled Group maintained its impressive zero fatal incidents rate in 2017, stretching its record to five years. This was contributed by stringent safety measures implemented throughout our business operations. This achievement was also the result of employees' and leadership awareness and commitment towards the importance of upholding and embracing safety culture in all aspects of their work be it at site or offices.

During the year, KLCCP Stapled Group recorded nine LTI incidents with a LTIF of 1.19 contributed by manual handling, kitchen activities and housekeeping chores at MOKL hotel and incidents at car park areas. LOPC was maintained at zero.

SECURITY, SAFETY AND HEALTH

Independent verification by Third Party for HSE Data/ international assurance used

- KLCC Urusharta Sdn Bhd successfully received ISO 9001:2015, ISO 14 001:2015 and OHSAS 18 001:2004 certification (renewal) on 21st July 2017 by Llyod’s Register
- KPM received its ISO 14001:2015 in 2016. In September 2017, KPM completed its 1st surveillance audit by Llyod’s Register

SECURITY MANAGEMENT

At KLCCP Stapled Group we have the responsibility of keeping our guests, tenants, customers and visitors safe by strengthening our security measures in light of the rising global security threats. It is even more so critical that we put in place the best security measures within and surrounding our premises as the KLCC Development is located in the iconic belt and receives millions of visitors each year.

Our facility management company, KLCC Urusharta Sdn Bhd reviewed the KLCC Precinct Security Master Plan to enhance the Security Surveillance System and HELP Points within the KLCC Precinct Common Area. We continued to collaborate with the Police and PETRONAS Group Security to manage the customers and visitors’ safety and security across all asset classes. We also reviewed various measures to ensure security standards of all our assets in relation to monitoring systems, physical controls, emergency and crisis management plans and administrative systems are intact.

Precinct Security Initiatives within our Premises

<p>KLCC Precinct & PETRONAS Twin Towers</p>	<ul style="list-style-type: none"> • Implementation of Integrated Command Centre for the KLCC Precinct to enhance the Precinct Security command, control and communication through technology enhancement. Communication for all Security offices within the precinct is linked for a more efficient and effective operation • Setting up of the Police Beat Base equipped with X-Ray machine manned by auxiliary police to screen suspected character, prior to their entrance into densely occupied premises • Adopted the “Crime Prevention through Environmental Design” principles into premise design to mitigate threats and potential attacks using vehicles or other means through surveillance and physical check • Development of the Security Management System for a holistic approach for managing security, human resource and technologies systematically
<p>MOKL Hotel</p>	<ul style="list-style-type: none"> • Business Continuity Management (BCM) Plan, Crisis Management Team Alert System, Key Management System, Management of Lost and Found, Deployment of Walkie Talkie for Security Communication, Management of Assets with Gate Pass System, Management of Fire Fighters and First Aid Equipment, Security Deployment System, Installation of Panic Button System, Fire Alarm Control Room, Addressable Fire Alarm Panel and Audit exercise
<p><i>To ensure effective roll-out of best practices on building safety and asset integrity:</i></p>	
<ul style="list-style-type: none"> • 24 hours coverage of hotel security • Deployment of security personnel on Route Assignment • Visitor Management System • CCTVs coverage and maintenance system • Deployment of Team Forced Guards for Building Parameter Security • Security Assessment by Intelligent Risk Private Limited • Public Announcement System • Bomb threat training with Polis Diraja Malaysia • Fire fighting training • BCM training & simulation on security risk 	
<p>Suria KLCC</p>	<ul style="list-style-type: none"> • Upgrade of CCTV at control room • Tightened security at all mall entrances • Daily briefing to all security personnel