



- ▶ Goal 1: Sustainable supply chain
- ▶ Goal 2: Building robust community ties through investment



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Capitals:

FC MC SR

Strategy:

MC EB SO

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UNSDG:



Driving financial sustainability, strengthening supply chain and tenant relationships, and advancing customer engagement and corporate social responsibility to deliver enduring value.



OUR COMMITMENT

KLCCP Stapled Group is dedicated to achieving financial sustainability through strategic investments, operational excellence, and the integration of ESG principles across our operations. This approach ensures long-term value creation and positions us as a resilient and responsible organisation.

We actively foster positive social impact through a sustainable supply chain by partnering with suppliers who share our commitment to ethical standards, diversity and fair labour practices. This strengthens both our operational efficiency and community outcomes, reinforcing our reputation for excellence.

Our focus on building strong relationships with customers and tenants drives trust, brand loyalty and positive social impact, contributing to vibrant, inclusive communities. We are committed to enhancing well-being through community initiatives that support local infrastructure, education and healthcare, further cementing our role as a responsible corporate citizen.



OUR APPROACH

FINANCIAL SUSTAINABILITY

To achieve financial sustainability, KLCCP Stapled Group prioritises the following key focus areas:



Business Resilience

By diversifying our portfolio across retail, office and hotel segments, we maintain steady revenue streams and mitigate the risks posed by economic uncertainties, market fluctuations and unforeseen challenges. This diversification fortifies our resilience and stability in an ever-changing business landscape.



Value Sharing

Financial sustainability is about more than generating value. It is about equitable value distribution. We engage actively with our stakeholders, including tenants, investors, suppliers and the community, to ensure the benefits of our success are shared responsibly and inclusively, fostering long-term relationships and mutual growth.



Sustainability Aspirations

A robust financial foundation enables us to make bold investments in innovative technologies, sustainability initiatives, and asset upgrades. These initiatives enhance the value and appeal of our portfolio while aligning short-term efforts with long-term sustainable outcomes.



Socio-Economic Benefits

Beyond profit margins, we invest in initiatives that deliver socio-economic benefits. From community development programmes to infrastructure maintenance investments, our financial sustainability amplifies our capacity to contribute positively to the broader society.



Prosperity

TAX GOVERNANCE, APPROACH AND RISK MANAGEMENT

The Group maintains a robust tax governance and control framework to ensure compliance with our tax strategy. Oversight is provided by various governance bodies and executive-level positions, with the Group Chief Financial Officer (CFO) serving as the highest authority for tax-related strategies, while regular compliance activities are managed and reviewed by the Financial Controller. The adoption of key tax policies is formally approved by the Board.

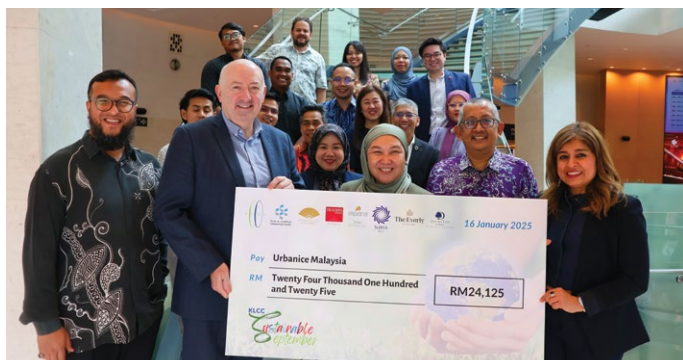
We assess tax financial risks annually, identifying areas of concern and addressing them through appropriate management actions. Additionally, a self-assurance process is conducted using myAssurance, a compliance checklist designed to ensure adherence to tax regulations. This process is supported by robust records management practices, ensuring all relevant documents are properly maintained.

The tax department plays a central role in embedding tax considerations across the Group. Businesses consult the tax team for new initiatives to enable assessment of potential risks and identify opportunities for incentives and reliefs. Collaborative efforts between Strategic Finance, Group Risk and Assurance, and Digital divisions further strengthen the integration of tax governance within the Group.

Risks related to tax are identified, managed and monitored through systematic assessments and ongoing compliance measures. Compliance with the tax governance and control framework is evaluated regularly through internal reviews and audits.

To uphold integrity and ensure transparency, the Group has established whistleblowing channels through various methods, enabling employees and stakeholders to raise concerns about business conduct and tax-related matters.

While the Group's tax strategy currently lacks a direct link to its business and sustainable development strategies, we are actively exploring opportunities to incorporate UNSDG into our financial strategies. This approach will further enhance our ability to make strategic investments in sustainability while maintaining strong governance and compliance practices.



SUPPLY CHAIN MANAGEMENT

Our approach to supply chain management transcends operational efficiency; it embodies our commitment to sustainability and ethical practices, ensuring our values resonate across all business relationships.

- **Sustainable Supply Chain and Ethical Behaviour**

We recognise our influence in shaping suppliers' practices and have embedded sustainability into every aspect of our supply chain management. Through robust procurement management, we mandate adherence to our CoBE in all contracts with contractors, consultants and suppliers, prioritising anti-corruption measures, business ethics and HSE practices.

- **Supplier's Code of Conduct**

Our suppliers are held to high ethical and sustainability standards through a comprehensive code of conduct. Beyond compliance, we aim to foster a ripple effect of positive change, encouraging suppliers to adopt similar values and practices within their own networks.

- **Supplier Diversity and Local Procurement**

We are committed to promoting diversity within our supply chain and supporting the local economy. By prioritising local suppliers wherever feasible, we contribute to socioeconomic growth while ensuring alignment with our sustainability goals.

- **Supplier Audits**

To ensure compliance with our ethical and sustainability standards, we conduct regular audits of our suppliers. These audits enable us to identify areas for improvement and collaborate with suppliers to enhance their performance, reinforcing the integrity of our supply chain.

- **Purchasing Policy and Scope**

Our purchasing policies are guided by sustainability and responsibility, covering the entire scope of procurement activities. We ensure that all purchasing decisions align with our broader goals of operational excellence and ethical behaviour.

- **Green Procurement**

For our hotel segment, in line with the Group's sustainability aspirations, we actively promote green procurement practices. By sourcing environmentally friendly materials and engaging with suppliers who prioritise sustainable production methods, we reduce our environmental footprint and drive innovation in our supply chain.

Through these initiatives, KLCCP Stapled Group's supply chain management not only supports operational efficiency but also strengthens our commitment to ethical practices, sustainability and local economic development.

There have also been several improvements made in terms of processes involved in procurement, especially on the automation front:

- **Consolidated Procurement:** Consolidation of procurement activities minimise redundant tasks, enabling employees to focus on high-value initiatives and enhancing overall productivity.
- **SMART by GEP Implementation:** The SMART by GEP system as an end-to-end digital procurement platform supports our sustainability goals by digitising procurement processes, significantly reducing paper usage and fostering a more sustainable and efficient approach to purchasing.
- **Digital Tools for Procurement:** The Group developed and implemented digital tools for procurement that are designed to eliminate waste. By digitising workflows and centralising data, we reduce inefficiencies, foster a dynamic work environment and contribute to sustainability by minimising resource consumption.
- **Commitment to ESG in Supply Chain Management:** We are gearing towards improving our supply chain management to embed elements of ESG as part of our commitment for sustainability. Further details can be found in Our Outlook section on pages 104 to 105.

Additionally, human rights requirements on supply chain have been strengthened by the establishment of the Human Rights Policy across each entity in the Group. In 2024, the Group began fine-tuning the relevant mechanism and procedures to ensure adherence to principles in the policy. These will be finalised in 2025.

Demonstrating a commitment to sustainability, a total of **RM6.61 million** was invested in responsible procurement by MOKUL Hotel. Key initiatives included the elimination of single-use plastics, 100% responsible sourcing for agricultural commodities (coffee, cocoa, tea, vanilla, cage-free eggs, sugar, and paper products), and a commitment to sustainable seafood practices. This involved **100%** compliance with the WWF Endangered Seafood Guide and the purchase of at least **57%** of seafood from sustainably certified sources (MSC, ASC, and AIP)

CUSTOMER AND TENANT MANAGEMENT

Extensive Engagement

We believe in more than just transactional relationships – we actively engage with our customers and tenants throughout their journey with KLCCP Stapled Group. Via personalised interactions, open communication channels and community involvement, we seek to understand our customers' and tenants' evolving needs and preferences.

Feedback Mechanisms

Recognising that feedback is invaluable for continuous improvement, we continuously seek insights from our customers and tenants. We have implemented robust feedback mechanisms to capture their opinions, suggestions and concerns. This iterative feedback loop not only helps us refine our services, but also demonstrates our commitment to transparency and responsiveness.

Customer Satisfaction

Our primary goal is to ensure the satisfaction of our customers and tenants. We measure success not just by transactions but by the positive impact we make on their lives and experience. Through consistent and reliable services, transparent communication, and a proactive approach to problem-solving, we strive to exceed expectations. Customer satisfaction is a guiding principle that shapes our decisions and actions, reinforcing our dedication to building sustainable, long-lasting relationships.

MOKUL Hotel, for instance, leverages the TrustYou platform to track guest feedback on its sustainability initiatives, generating a dedicated sustainability score that reflects guest sentiment.

In 2024, the Group's average customer satisfaction score was 87% with the office, car park and hotel scoring 80%, 91% and 92% respectively. Our retail segment, meanwhile, achieved a positive net promoter score of 65.

We will work continually on feedback provided to us, both positive and negative, to improve our capabilities and provide the best customer experience in all our segments.





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CORPORATE SOCIAL RESPONSIBILITY (CSR)

KLCCP Stapled Group fully embraces the concept of CSR which provides us our social license to operate. Serving the communities we operate in is an extension of creating a positive social impact as part of our ESG commitments. Focusing on community well-being, environment and education as our main social impact aspiration, we continuously enhance our CSR initiatives and explore long-term endeavours that provide ongoing benefits to the communities involved.



Fostering a culture of volunteering

We aim to instil a strong sense of community among our employees by encouraging a culture of giving through volunteering. Our volunteer programmes focus on activities that address key community needs while promoting sustainability and social well-being. These include providing food aid to underserved communities, participating in environmental conservation efforts like maintaining public spaces or wildlife habitats, and supporting educational initiatives such as recycling programmes in schools.

Through these efforts, we empower our employees to contribute their time and skills to meaningful causes, fostering a shared sense of purpose and community impact.

Contribution to Common Infrastructure Maintenance

As part of KLCCP Stapled Group's commitment to community investment, we actively support the upkeep of a diverse range of public infrastructure that enhances the functionality and accessibility of our shared spaces. These contributions, either self-funded or pooled in collaboration with other entities managing the common estate and facilities, reflect our dedication to sustainable urban development and community well-being.

Key infrastructure under our care includes iconic spaces such as KLCC Park, the Esplanade, forecourts, vehicular ramps and tunnels, as well as pedestrian walkways and tunnels, which form critical links within the city.

Our investment delivers measurable impacts, particularly in:

- Enhancing pedestrian safety, health and comfort, ensuring the infrastructure remains conducive for public use.
- Driving indirect economic benefits by fostering connectivity and maintaining an environment that supports vibrant urban activities.

While the contributions encompass all infrastructure under our maintenance initiative, beneficiaries are accounted for specifically in areas where tangible metrics, such as pedestrian footfall, can be tracked effectively. This approach ensures transparency and accountability while minimising unnecessary costs in data collection.

KLCC Sustainable September

KLCCP Stapled Group continued to be actively involved in the KLCC Sustainable September 2024, the 2nd rendition of the month-long event dedicated to various ESG-related programmes. Bringing together all our business segments, we presented a united front in engaging communities and fostering sustainable practices. We will continue to organise the event annually, underscoring our relentless pursuit of contributing to a more sustainable planet and society. Refer to pages 164 to 165 of [IR](#) for the detailed section related to KLCC Sustainable September.





OUR IMPACT

PROGRESS AGAINST SUSTAINABILITY PLAN 2030 GOALS AND TARGETS

	Target 2030	Progress	Status	
GOAL 2030	Goal 1: Sustainable supply chain	Progressive screening of current and new suppliers on environmental and social impacts	Identified our screening criteria, leveraging ESG Start Assessment in collaboration with PETRONAS GP and UNGCMYB	●
		100% of supply chain screened and assessed on environmental and social criteria by 2030		
		Supplier engagement and collaboration to educate, create awareness and communicate ESG expectations	Identified mechanism to provide education and awareness through SME Hub by UNGCMYB	●
		100% Initiatives conducted as planned on annual basis		
	Goal 2: Building robust community ties through investment	Social impact/community investment programmes with focus on delivering positive impact to beneficiaries	Positively impacted 814,302 beneficiaries.	●
		Positively impact 3,750,000* beneficiaries (cumulative) by 2030		
		Foster a culture of giving back to communities among employees by encouraging spirit of volunteerism	3,582 volunteer hours recorded in 2024	●
		1,000 volunteer hours (cumulative) spent on community investment activities by 2030		
		Human capital investment	Protégés/interns comprise 13% of workforce	●
• Interns/protégés to make up 5% of total workforce				
	• 20 education sponsorships	Established framework for educational sponsorship	●	

● On Track ● Progressing

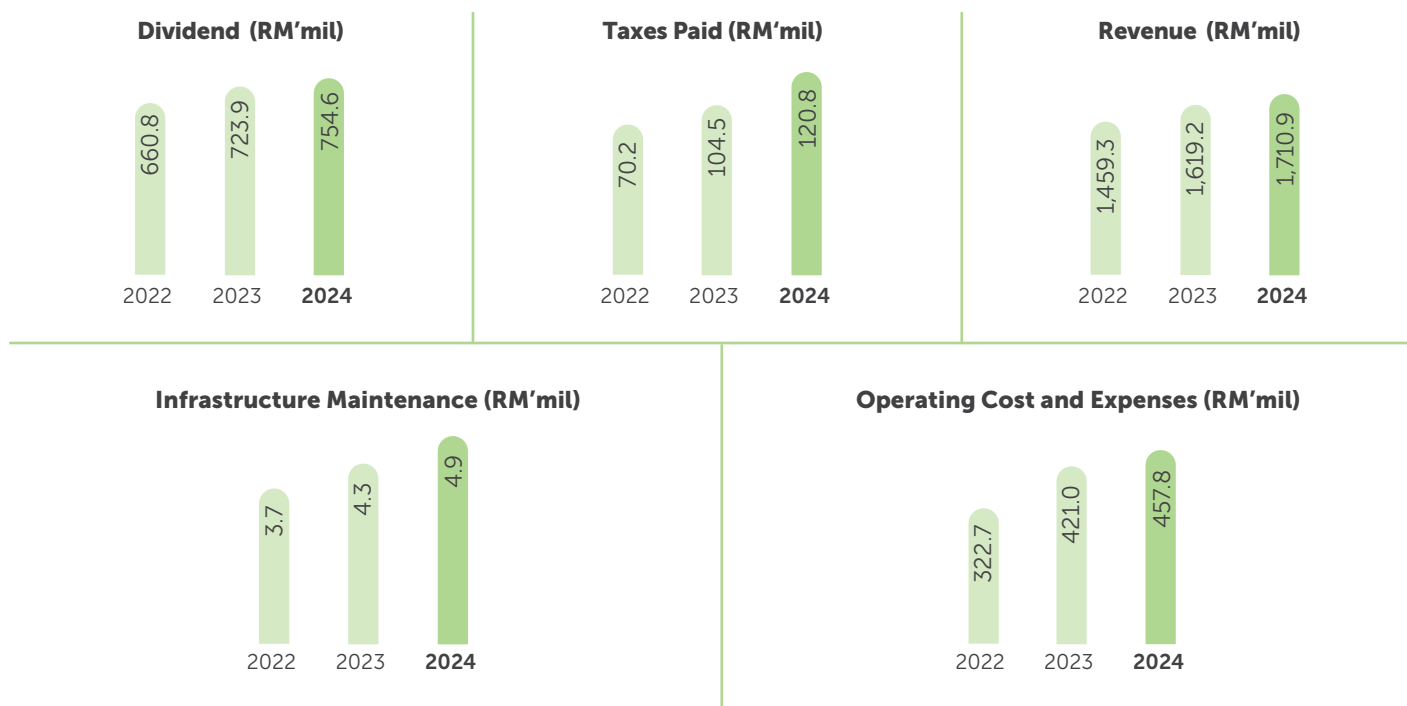


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FINANCIAL SUSTAINABILITY

Our strategic approach has driven robust revenue growth and sustained profitability, ensuring the Group's long-term financial health.

Financial Results



These results also deliver impactful value distribution towards our stakeholders.

Value Distribution



SUPPLY CHAIN MANAGEMENT

99% of 2024 expenditure for procurement involved local suppliers

Progress towards Environmental and Social Screening for New Suppliers

The Group prescreens contractors prior to registration. The Know Your Contractor (KYC) screens social and governance requirements such as human rights and anti-bribery.

In line with Bursa Sustainability Guidelines and GRI indicators, we are now exploring mechanisms to screen for environmental and social criteria that have been identified as being relevant to our business. This process is ongoing, hence we did not conduct any formal screening on environmental and social criteria during the year under review.

CUSTOMER SATISFACTION

MOKUL Hotel had an overall 2024 Sustainability Score of **91%**, which is 2% higher than the score achieved in 2023. The survey was based on over **3,846** post-stay reviews on how satisfied guests were with the hotel's sustainability practices.



Suria KLCC achieved a

**positive
NPS score
of 65 in
2024.**

Offices, Car Park and Hotel

2024 score

80% 91%
and **92%** respectively

2023 score

96% 85%
and **90%** respectively

vs

CORPORATE SOCIAL RESPONSIBILITY

RM5.3 million invested for CSR, with **3,582** number of volunteer hours clocked, and **814,302** beneficiaries impacted.





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KEY CSR INITIATIVES IN 2024 ACROSS ALL SEGMENTS

KLCC Property Holdings Berhad

Kesatuan Pekerja Bomba dan Penyelamat (KPBP)	<ul style="list-style-type: none"> Contribution to Kesatuan Pekerja Bomba dan Penyelamat via purchase of advertisement space in Special Berita KPBP Hari Bomba 2024. Contributions to firefighters' welfare, building and education fund. This includes providing essential services, healthcare support, and financial aid for their families in times of need.
Badan Kebajikan Kakitangan Melayu Dewan Bandaraya Kuala Lumpur (BKMDBKL)	<ul style="list-style-type: none"> Contribution to Badan Kebajikan Kakitangan Melayu Dewan Bandaraya Kuala Lumpur (BKMDBKL) via purchase of advertisement space in BKMDBKL Bulletin to commemorate National Day 2024. Support various initiatives funded by BKMDBKL's welfare fund, including educational programmes, crime prevention campaigns, and financial assistance for administrative and civilian staff.
Donations in conjunction with Ramadhan	<ul style="list-style-type: none"> Kelab Belia Anak Wilayah Lembah Pantai (B.A.W.A): Donated kitchen necessities, "<i>Sampul Keperluan Raya</i>" and "<i>Majlis Berbuka Puasa</i>" to orphanages, single mothers, the elderly and underprivileged families. Pertubuhan Kebajikan Ihsan Budi Malaysia: Contributed to Pertubuhan Kebajikan Ihsan Budi Malaysia in support of initiatives designed to enhance the well-being of underprivileged families. Rumah Bakti Nur Ain: Monthly donation to fund operational cost for orphanages and Asnaf. Pertubuhan Kebajikan Anak Yatim dan Miskin Nur Iman: Donation towards operating costs of Pertubuhan Kebajikan Anak Yatim dan Miskin Nur Iman. Pertubuhan Kebajikan Ukhuwah Keharmonian Kuala Lumpur: Contributed to <i>Majlis Iftar Ramadan</i> and <i>Penyerahan Pakaian dan Sumbangan kepada Murid-Murid SK Pendidikan Khas Kg Baharu</i> to fund Iftar, provide new clothes and essential supplies to students and their families, as well as ensure necessary accommodation to ease the financial burden during Ramadan.
Polis Administrative and Civilian Staff Union (PDRM)	<ul style="list-style-type: none"> Purchase of advertisement space in "<i>Suara PACSU</i>" Magazine of the Police Administrative and Civilian Staff Union, Polis Diraja Malaysia (PDRM). Provide financial assistance for their administrative and civilian staff in the areas of education, legal aid, workshops, forums, and sports and recreational activities. Support crime prevention campaign and any future activities organised by the Union.
PETRONITA Orchid Run and Ride 2024	<ul style="list-style-type: none"> Funds from the event are channelled towards healthcare facilities, research initiatives and critical patient needs.
Malaysian Philharmonic Orchestra (MPO) Benefit Concert	<ul style="list-style-type: none"> Contribute towards MPO's Music Talent Development Programme.
Fabric Recycling Bin Initiative	<ul style="list-style-type: none"> KLCCP SG, in collaboration with MISC and POS Malaysia, provided space for the installation of a fabric recycling bin by LLC Malaysia, allowing internal and external parties to deposit unwanted items to be repurposed or recycled. <i>For further details, please refer to page 69.</i>
Reverse Vending Machine Initiative	<ul style="list-style-type: none"> Collaborative effort with MISC and Janz Technologies, the reverse vending machine enables internal and external parties to deposit plastic bottles, aluminium cans and other waste in exchange for points that can then be used to redeem rewards. <i>For further details, please refer to page 69.</i>

Mandarin Oriental Kuala Lumpur

Feed the Homeless with Reach Out Malaysia	<ul style="list-style-type: none"> Since 2015, MOKUL Hotel has donated 50 hot meals three times a week to the homeless in Kuala Lumpur through Reach Out Malaysia.
School Holiday Programme for the Indigenous Youth from SK Tekir	<ul style="list-style-type: none"> Partnered with Petrosains to organise a visit to Petrosains and the KLCC Park for 40 indigenous students from SK Tekir, Labu, Negeri Sembilan on 19 September 2024.
Diverting nutritious food from landfills with The Lost Food Project (TLFP)	<ul style="list-style-type: none"> MOKUL Hotel and TLFP have distributed over 19.3 million meals since the project was launched in February 2016.
Kechara Soup Kitchen	<ul style="list-style-type: none"> MOKUL Hotel employees delivered vegetarian hot meals, including buns, biscuits, fruits and water to the homeless and urban poor.
School Recycled Learning Programme – Aluminium can	<ul style="list-style-type: none"> MOKUL Hotel's stewarding team collected, cleaned and donated 250 metal cans for International School of Kuala Lumpur (ISKL)'s annual recycling activity.
Supporting Nicholls Spinal Injury Foundation's 18 th Annual Golf Event	<ul style="list-style-type: none"> MOKUL Hotel contributed a gift voucher for a complimentary four-night stay in an MO Club Suite with access to our Club Lounge for two persons valued at USD1,250 per night.
Weekly visits to Rumah Kasih Charity Home	<ul style="list-style-type: none"> MOKUL Hotel employees assisted and accompanied elderly residents at Rumah Kasih Charity Home in Setapak. Additionally, MOKUL Hotel donated 25 hot meals with fruits and drinks for the elderly.
Run for National Cancer Society of Malaysia	<ul style="list-style-type: none"> On 23 June 2024, 13 MOKUL Hotel employees ran for a good cause, with proceeds going to the National Cancer Society of Malaysia.
CSR Day at Zoo Negara	<ul style="list-style-type: none"> MOKUL Hotel volunteers participated in the zoo's Glow Project, to modify the exhibits and upgrade the parameter, creating brighter spaces for the animals and a more welcoming atmosphere for visitors.
Donation of 101 refurbished TV sets to schools and refugee centre	<ul style="list-style-type: none"> MOKUL Hotel donated 101 refurbished TV sets to schools and a refugee centre, supporting a Digital Learning Programme benefitting 1,500 students.
Supporting Malaysian Fire and Rescue Veterans Association's Annual Event	<ul style="list-style-type: none"> MOKUL Hotel contributed two gift vouchers for a complimentary 3D2N stay valued at BAR rate RM2,200 per night.

Suria KLCC

Mental Health Awareness Campaign at Suria KLCC	<ul style="list-style-type: none"> In 2024, Suria KLCC donated RM15,000 to the Mental Illness Awareness and Support Association (MIASA), which advocates mental health awareness and engages in various initiatives including Santai Sihat, counselling services, mental health assessments and food basket programmes.
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OUR OUTLOOK

Looking ahead, KLCCP Stapled Group remains focused on driving sustainable growth through a series of strategic initiatives. We will diversify our portfolio and explore new opportunities to ensure steady revenue growth, while enhancing profitability through improved operational efficiency and cost management. Our commitment to sustainability will be reflected in increased investments in sustainable projects, ensuring our assets remain competitive and environmentally responsible.

We will continue to strengthen our ESG commitment by engaging with stakeholders and integrating responsible practices across the business. As part of our Sustainability Plan 2030, we are focusing on building the ESG capabilities of our supply chain. This includes screening new and existing suppliers on environmental and social aspects, alongside collaborative programmes to raise awareness and align partners with our ESG expectations. Digital platforms will support this process in collaboration with PETRONAS, UNGCMYB and Bursa Malaysia starting in 2025.

We are also dedicated to enhancing customer satisfaction and fostering deeper relationships with our tenants, leveraging innovation to exceed their expectations while promoting sustainability. Our corporate social responsibility efforts will focus on long-term community impact, particularly in education, environmental conservation and employee volunteerism. We will continue to invest in shared infrastructure that supports urban connectivity and safety, while maintaining the momentum of our annual KLCC Sustainable September initiative.

We are committed to continuous improvement and reinforcing our role as a responsible corporate citizen.



