

SOCIAL - RELIABLE PARTNER

RELIABLE PARTNER

KLCCP Stapled Group is committed to taking an active and long-term role in managing the relationship with our stakeholders and working as a reliable 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.



SUPPORTING THE UNSDGs



MATERIAL MATTERS

1

Supply Chain Management

2

Customer and Tenant Management

3

Corporate Social Investment

MAPPED TO OUR CAPITALS



RELATED PRINCIPAL RISKS

1

Market

2

Asset Management

3

Facility Management

4

Supplier

“We create a myriad of experiences to tantalise, engage and connect with our customers and community seamlessly”



WHY IT MATTERS TO US

- We are conscious of our role in delivering lasting impact to the community
- Our customers, tenants, guests and community create the vibrancy in KLCC Precinct for us and we in turn need to give them the experience of The Place

VALUES WE CREATE

- Strategic business partnerships which contribute towards social development and long-term community value
- Produced the safest possible food for our guests without comprising the quality
- Made KLCC Precinct the people's place where they can converge and enjoy the various experiences through excellent infrastructure, accessibility, connectivity with the attractions within the development

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OUR APPROACH

Our objective as a reliable property investment and development group is to make meaningful contributions economically and socially and grow with our stakeholders which includes our suppliers, customers, tenants and business partners to maintain long-term partnerships across our business portfolios. We also invest in community and sustainable development programmes in the areas of education, health, environment and special community needs. Our contributions include the development of infrastructure, the support for charity associations through fundraising activities, as well as education and environmental initiatives.



FOCUS FOR THE YEAR

- Continue to seek out suppliers who have accreditation/certification to provide quality products at competitive prices
- Constantly creating unique experiences for customers and hotel guests through curated collaborations with renowned brands and leveraging on digital technology

SUPPLY CHAIN MANAGEMENT

We have a robust system in place to continuously review our supply chain, take concrete actions to enhance the quality of services and products we procure, and work closely with our suppliers to improve their sustainable performances. We ensure our entire procurement process takes into account the EES impacts of our business practices. We source responsibly and apply rigorous systems to ensure our products meet or exceed the highest standards of quality and safety.

All contracts with our contractors, consultants and suppliers contain provisions requiring them to adhere to and comply with our CoBE. To ensure transparent and fair practices by vendors, the supplier's code of conduct include a provision in the contract terms and conditions on fighting corruption, maintaining business ethics and prioritising HSE practices.

KLCCP Stapled Group practices sustainable procurement by ensuring its entire procurement process covers every element of the value chain:

- Sustainable Supply Chain and Ethical Behaviour
- Suppliers' Code of Conduct
- Supplier Diversity and Local Procurement
- Supplier Audits
- Purchasing Policy and Scope
- Green Procurement

INITIATIVES FOR THE YEAR	DETAILS AND BENEFITS
Awareness Session on Procurement Procedure	<ul style="list-style-type: none"> • We conducted awareness sessions for new employees on: <ol style="list-style-type: none"> i. Introduction and overview of KLCC procurement governance and tender management ii. Enhancing the understanding on KLCC procurement scope and coverage and the roles of Tender and Procurement Department
Training on Understanding of the Procurement Process	<ul style="list-style-type: none"> • Introduction to Purchase Request Bid and Contract Document • Described key activities of Quotation Process rationale and implications of non-compliance to the process • Aimed at minimising errors and improving quality of work and time management
Contractor Risk Assessment (CORA)	<ul style="list-style-type: none"> • Conducted in line with PETRONAS' practice and to enhance the understanding on Contractor Risk Assessment overview and process • Helps us identify potential risk of non-performing contractor and adopt and implement risk management best practices by identifying, assessing, treating and monitoring risks as well as effectively responding to crisis
SAP Profile Verification (SPV) and Roles of End Users	<ul style="list-style-type: none"> • Educate, create awareness and enhance the understanding of the roles and responsibilities of end users

Food Safety and Quality

Guests are becoming more aware of safety and quality standards and have growing expectations on hotels' food safety and quality. We are conscious of our responsibility to maintain our guests' trust and ensure the highest product quality and food safety standards.

MOKL Hotel's Supply Chain Management focuses on food and beverage suppliers in respect to compliance to food safety requirements. This is also in line with our ISO 22000 certification – Food Safety Management and Halal Assurance Management System. We have in place a policy and the procedures include supplier audits for local F&B suppliers. These local suppliers are classified into "High Risk" or "Low Risk", depending on product type supplied. The audits are conducted yearly for "High Risk" and conversely once every two years for "Low Risk". Suppliers are encouraged to obtain accreditation (HACCP – ISO 22000) and accredited suppliers are preferred and given "nominated supplier" status.

In 2019, 43% of MOKL Hotel's nominated suppliers have accreditation or certification in food safety requirement, improving from 2018 at 42%.

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The premises of the suppliers are audited based on food safety management, raw materials, structure and facilities, pest control, cleaning and housekeeping. There are a total of 54 local F&B suppliers out of which 38 are "High Risk" and 16 "Low Risk" which is scheduled to be audited. This year in MOKL Hotel, a total of 36 suppliers were audited.

CUSTOMER AND TENANT MANAGEMENT

At KLCCP Stapled Group, we connect with our stakeholders especially our tenants and customers in expanding the outreach and quality of services to build a shared sense of responsibility and societal development. We conduct extensive engagement with these stakeholders to promote social betterment, building strong tenant relationship and meet the evolving customer behaviour and expectations. We are also committed to exceeding guests' expectations, focusing on providing personalised service to them on a daily basis. We make effort to know our guests, anticipate what they want to provide them with the best experience throughout their stay at our hotel. As of 2019, we achieved a customer satisfaction score of 76% and hotel guest satisfaction score of 92% testament to our pursuit of continuously improving customer experience.

ASSET	INITIATIVES	DETAILS AND BENEFITS
PETRONAS Twin Towers Menara 3 PETRONAS	Annual "Tenants' Nite" held for tenants of PETRONAS Twin Towers, Menara 3 PETRONAS and Menara Dayabumi	<ul style="list-style-type: none"> Building strong tenant relationship by expressing 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
Suria KLCC	Luxury Men's Precinct	<ul style="list-style-type: none"> Launched the Luxury Men's Precinct in April 2019 The first of its kind in a shopping mall in the country and has increased the foot traffic and recorded double-digit sales growth post launch
	Reconfiguration of anchor-to-specialty	<ul style="list-style-type: none"> A strategic anchor-to-specialty reconfiguration exercise to broaden the retail offer and introduce a diverse mix of prominent local and international brands spanning a space of approximately 120,000 sq. ft. to house 80 specialty stores including fashion, F&B and cosmetics
	Escalator modernisation project which commenced in 2017 and will be completed in phases	<ul style="list-style-type: none"> Further enhancing safety of customers with higher balustrades and reliable safety features for the convenience of our shoppers Currently, work in progress for Ampang Mall escalators with Park Mall fully completed
	Proactive engagement with retailers	<ul style="list-style-type: none"> Quarterly engagements with retailers to help them deliver experiences that are complementary to Suria KLCC's overall strategy and retail space Create awareness amongst them to use the right marketing mix and skills of interacting with customers first-hand

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MOKL Hotel	Fans of MO	<ul style="list-style-type: none"> Members of the programme receive an extensive range of complimentary privileges and personalised recognition, including Partner Benefits from global luxury brands and organisation In 2019, members can also choose to participate in a wide variety of selected hotel and partner experiences designed to further enhance their stay Only Fans of M.O. members have access to this exclusive range of both paid and complimentary experiences, which are updated every three months
	Refurbished Mandarin Grill	<ul style="list-style-type: none"> Newly renovated Mandarin Grill reopened in July 2019 serving a contemporary modern Italian cuisine
	Festive Selections	<ul style="list-style-type: none"> Lunar New Year – an exquisite selection of delicacies and sweet treats which were meticulously crafted by the culinary maestros Ramadan Iftar Banquet – offered a selection of specially curated Iftar menus to choose from and guests were spoilt for choices over favourite Ramadan dishes and desserts Mid-Autumn Festival – handcrafted mooncakes from award-winning Lai Po Heen which came with gift boxes designed by a local artist
	Digital Marketing Efforts	<ul style="list-style-type: none"> The marketing efforts enabled guests to identify our hotel's world class hospitality services and the effort delivered exceptional results with success in driving more bookings through the hotel's website
North West Development Car Park	Digital LED Signage	<ul style="list-style-type: none"> Implementation of additional digital LED signages between August and December 2019 to improve visual messaging to customers and make the car park livelier with the new technology of LED
	Introduction of ICONIK mobile Application	<ul style="list-style-type: none"> Created a mobile application known as ICONIK in mid-2019 which features online ticket payment system, availability of parking bays and information on parking sites including parking rates Provides another method of payment and elevate customer experience at KLCC ICONIK also enable users to use the mobile application to register and scan the barcode on the physical ticket which then allow users to pay for their parking using a credit/debit card, without having to use the auto pay machines

CORPORATE SOCIAL INVESTMENT

We recognise the importance in contributing towards the welfare of the community in which we operate and continue to engage with the communities surrounding us to foster goodwill towards their well-being and social development. Being part of the society within which KLCCP Stapled Group operates in, we are conscious of our role in promoting social betterment of the community around it. We support various stakeholder engagement activities which include environmental sustainability, health, social integration and reaching out to the underprivileged community with a total investment of RM2.0 million in 2019.

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PROGRAMME	DETAILS	IMPACT/RESULTS
<p>"Projek Apprentice" programme (2017-2019)</p> <ul style="list-style-type: none"> Student Training Placement within KLCC Group 	<ul style="list-style-type: none"> Focused on students majoring in engineering, facilities management and other related courses In 2019, eight students were on board the programme from University Teknologi PETRONAS (UTP) and University Teknologi Mara (UiTM) 	<p>Impact to KLCCP Stapled Group:</p> <ul style="list-style-type: none"> Enhanced our Group's visibility in the market Able to identify future workforce to be absorbed into the Group <p>Impact to students:</p> <ul style="list-style-type: none"> Gained exposure to the working environment in the industry Assisted them to understand and plan their career path
<p>Charity/Donation Drives/Fundraising/Community Service</p>	<p>Hospis Malaysia Event between 11 April to 13 April 2019</p>	<ul style="list-style-type: none"> In conjunction with Palliative Care Awareness Month, Hospis Malaysia initiated a palliative care awareness campaign featuring real-life stories of patients with life-limiting illnesses and highlighting the work of palliative care practitioners and the importance of placing the patient at the centre of care plan Suria KLCC supported the cause by providing venue for the event to take place at its Centre Court where the visibility of the event reached a wider audience support and exposure to create awareness and educate the public about palliative care It was an initiative aimed at raising funds through direct donation and at the same time creating awareness and seeking public support towards "palliative care" programme. Proceeds of RM21,300 were raised and channeled to the respective foundation
	<p>Dewan Orang Ramai and Surau Al Falah at Kampung Peragap, Temerloh, Pahang on 6 September 2019</p>	<ul style="list-style-type: none"> Participated by 50 KLCCUH employees Activities include general cleaning, grass weeding, cleaning of perimeter drain, window washing and carpet cleaning A total of RM12,450 was spent for this effort
	<p>Visit to Tahfiz at Maahad Tahfiz Syababul Furqan, Sungai Besar Kuala Selangor on 23 June 2019</p>	<ul style="list-style-type: none"> Cleaning and organising student dormitories and general cleaning of the school building A total of RM2,642 was spent for this effort
	<p>Projek Perpustakaan Mini YSS-KPKT 2019 at Projek Perumahan Rakyat (PPR) Lembah Subang II, Selangor on 20 and 24 August 2019</p>	<ul style="list-style-type: none"> Organised in collaboration with Yayasan Sukarelawan Siswa (YSS) under the Ministry of Education and supported by Dasar Komuniti Negara of Kementerian Perumahan Dan Kerajaan Tempatan (KPKT) Refurbishment and set up works for Perpustakaan Mini PPR Lembah Subang II: <ol style="list-style-type: none"> Donation and aids of basic necessities – painting, housekeeping, arrangement of interior setup Donation of books and encyclopedias A total of RM25,000 was spent for this effort



KLCCUH supported the setting up of a mini library at Projek Perumahan Rakyat (PPR) Lembah Subang, Selangor for the B40 group to provide free and conducive learning infrastructure for residents

PROGRAMME	DETAILS	IMPACT/RESULTS
<p>Festive celebrations with the underprivileged community</p>	<p>Suria KLCC Chinese New Year campaign between 19 January to 22 February 2019</p>	<ul style="list-style-type: none"> A collaboration with Hospis Malaysia to raise funds through sales of merchandise and direct donation from shoppers and visitors Shoppers were encouraged to support the cause by contributing RM15 and in return receive O'Briens sandwich voucher as a token of appreciation. There were also souvenirs give-away by Suria KLCC to commemorate the campaign A total of RM10,000 was successfully raised from this campaign
	<p>Suria KLCC Hari Raya campaign between 10 May to 10 June 2019</p>	<ul style="list-style-type: none"> Suria KLCC had pledged its support towards spreading some festive cheer through the 'Share The Care' fundraising effort The aim was to raise awareness amongst the public about Food Aid Foundation, the first NGO organisation dedicated to reduce food wastage and end hunger in Malaysia Shoppers were encouraged to support the cause by donating RM10 each A total of RM10,000 were raised and channeled to the Food Aid Foundation to purchase food items, finance emergency relief and support its operations to alleviate hunger and malnourishment in the country
	<p>Suria KLCC Christmas campaign between 22 November to 29 December 2019</p>	<ul style="list-style-type: none"> In conjunction with Christmas celebration, Suria KLCC brought joy and hope to the terminally-ill children by contributing cash donation to the Children's Wish Society (CWS) of Malaysia A cheque amounting to RM20,000 was presented to the CWS which significantly helped them fulfil the wish lists of the terminally-ill children which include iPads, tablets, smart phones, Lego sets, bicycles and many more The objective was to enhance public awareness on the importance of building a caring society as well as making a difference in the lives of these unfortunate children and bringing a smile to them