

PROSPERITY

PLANET

PEOPLE AND PARTNERSHIP

PEACE

RELIABLE PARTNER

KLCCP Stapled Group believes that our ability to create values relies on strong and enduring relationships with our suppliers, customers and the communities we operate in. This is reflected in our commitment of taking an active role in ensuring increased communications with our suppliers, keeping our customers safe, supporting the resilience of our tenants and giving back to the community especially during these challenging times.



SUPPORTING THE UNSDGs

11 SUSTAINABLE CITIES AND COMMUNITIES

MATERIAL MATTERS

- Supply Chain Management
- Customer and Tenant Management
- Corporate Social Investment

MAPPED TO OUR CAPITALS

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RELATED PRINCIPAL RISKS

- Market
- Asset Management
- Facility Management
- Supplier

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 include our suppliers, customers, tenants and business partners to maintain long-term partnerships across our business portfolios. KLCCP Stapled Group's customer base is diverse, and we recognise that their preferences and behaviours are constantly evolving, particularly in the face of disruption caused by the global pandemic. Thus, we stay committed to being close to the hearts of our customers whilst understanding their changing needs.

We also increased our communication with suppliers and continually assessed supply chains for potential disruption and reinforced our requirement to comply with the Supplier's Code of Conduct throughout the pandemic. Despite the challenging period for our business operations and driven by a commitment to be a force for good, we continue to invest in special community needs by supporting charity associations, donation drives and fundraising.

FOCUS FOR THE YEAR

- Tenant sustainability through tenant assistance packages to affected retailers on a lease by lease basis
- Driving retail customer traffic and sales through experiential, reward-driven and trade campaigns
- Creating unique experiences for retail customers and hotel guests through curated collaborations with renowned brands and leveraging on digital technology

SUPPLY CHAIN MANAGEMENT

Every year, we engage hundreds of suppliers to assist in undertaking our business activities of delivering the end product. Building a network of supplier relationships help us to create value through our development activities and managing our properties more efficiently. 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 even during the pandemic.

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
Suppliers Diversity and Local Procurement	Supplier Audits
Purchasing Policy and Scope	Green Procurement

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Initiatives for the Year

INITIATIVES	DETAILS AND BENEFITS
Awareness Session on Procurement Procedure	<ul style="list-style-type: none"> We conducted awareness sessions for new employees on: <ul style="list-style-type: none"> - Introduction and overview of KLCC procurement governance and tender management - Enhancing the understanding on KLCC procurement scope and coverage and the roles of Tender and Procurement Department Two awareness sessions were held this year, in March and October respectively
Contractor Risk Assessment (CORA)	<ul style="list-style-type: none"> This assessment is conducted in line with PETRONAS' practice and to enhance the understanding on Contractor Risk Assessment overview and process This helps us to identify potential risk of non-performing contractors and to adopt and implement risk management best practices by identifying, assessing, treating and monitoring risks as well as effectively responding to crisis
Training for Vendors and Service Providers on Anti-Bribery Management System	<ul style="list-style-type: none"> Held to create awareness amongst the vendors and service providers on the implementation of Anti-Bribery Management System and ISO 37001:2016 certification and emphasised our practice of zero tolerance to bribery 148 vendors and service providers participated in this training session conducted this year

Food Safety and Quality

It is now more critical than ever for the hospitality industry to ensure that food safety best practices are implemented across the hotel operations due to the ongoing impact of the pandemic. This year, our hotel, MOKL Hotel, was the first to innovate its F&B service offerings by introducing assisted buffet arrangement to ensure guests' health and safety is prioritised.

MOKL Hotel has its own "Responsible Procurement Certification and Sustainability Criteria" in place to comply in purchasing food products with compliance to various certifications – MSC/ASC certified for seafood, Fairtrade/Rainforest Alliance certified for agricultural merchandises, and Non-Genetically Modified Organism (GMO) certified for fruits and vegetables. Our hotel will align to the Sustainability Criteria outlined in MOHG's Responsible Procurement Policy when evaluating food supplier and the products they supply.

MOKL Hotel's Supplier Chain Management is in line with their certification in ISO 22000 – Food Safety Management and Halal Assurance Management System. The policy MOKL Hotel has in place 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". The premises of the suppliers are audited based on food safety management, raw materials, product and materials, structure and facilities, pest control, cleaning and housekeeping. There is a total of 52 local F&B suppliers out of which 37 are "High Risk" and 15 "Low Risk" which is scheduled to be audited. This year, a total of 30 suppliers were audited. Suppliers are also encouraged to obtain accreditation (HACCP – ISO 22000/MS1480) and accredited suppliers are given "preferred" status. In 2020, 40% of MOKL Hotel's nominated suppliers have accreditation or certification in food safety requirement.



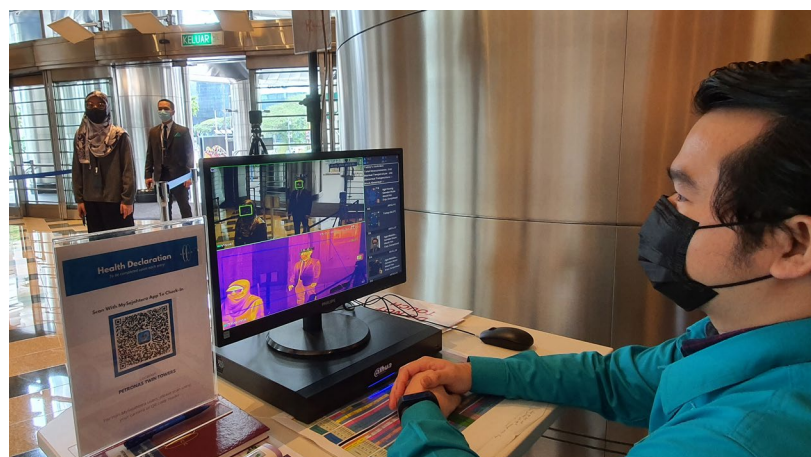
Customer and Tenant Management

At KLCCP Stapled Group, we connect with our stakeholders especially our tenants and customers in expanding the outreach and quality of service to build a shared sense of responsibility and societal development. This year, we focused on regaining customers' confidence and footfall in Suria KLCC by providing a convenient, safe and secured shopping environment and worked on aggressive marketing and promotional efforts. We also worked towards regaining our hotel guests' momentum with locally tailored offers and promotions and accelerated digital marketing initiatives to drive more business.

In securing long-term partnership, we are constantly working with our office and retail tenants in ensuring business continuity and tenant sustainability. Our facilities management team continue to embark on initiatives to enhance the service level providing excellent tenant and customer experience which saw us achieving 74% of customer satisfaction score in 2020. Despite the ongoing pandemic, as of 2020, we achieved a hotel guest satisfaction score of 87% testament to our effort in catering to our guests' need and providing them with the best experience.

Initiatives for the Year

ASSET	INITIATIVES	DETAILS AND BENEFITS
PETRONAS Twin Towers Menara 3 PETRONAS Menara Dayabumi	Ensuring the health and safety of our tenants during the COVID-19 pandemic	<ul style="list-style-type: none"> Installation of thermal imaging cameras at main entrances Limiting guest accessibility into our office buildings Placement of signages to inform users the capacity protocols and social distancing policies Social distancing labels and markers placed in the lobbies, lifts, reception counters, washrooms and pantries Reconfigured shared space and meeting rooms with staggered seating



Initiatives for the Year (cont'd)

ASSET	INITIATIVES	DETAILS AND BENEFITS
Suria KLCC	Supporting tenant sustainability	<ul style="list-style-type: none"> Extended various tenant assistance packages on a lease by lease basis exceeding RM90 million to ensure the retailers are able to weather the crisis, recover quickly and rebuild their loyal customer base
	Prioritising Health and Safety of Customers	<ul style="list-style-type: none"> Installed thermal scanners with facial recognition at all entrances of the mall Message on hygiene and social distancing are constantly being aired and displayed via digital screens, posters as well as custom-made signages throughout the mall Constant cleaning and sanitising of common areas and facilities with high touch points by visitors
	Regaining Shoppers' Confidence and Footfall via Aggressive Marketing and Promotional Efforts	<ul style="list-style-type: none"> Back to back promotions/campaigns as an appreciation for shoppers for their continued support, with daily cash rewards offered: <ul style="list-style-type: none"> Golden Ticket 2020 Campaign - shoppers who spent above RM150 was eligible to win RM5,000 voucher Shoppers' Surprise Initiative i.e. "Unlock A Christmas Surprise" Mega Sales Programme and "Buy Malaysian Products" Campaign in collaboration with the Government
	Reconfiguration of Anchor-to-Specialty Space	<ul style="list-style-type: none"> A strategic anchor-to-specialty reconfiguration exercise was embarked in 2019 to broaden the retail offer and introduce a diverse mix of prominent local and international brands The newly reconfigured space was launched early 2020 housing over 70 specialty stores including fashion, F&B and cosmetics
	Escalator Modernisation Project	<ul style="list-style-type: none"> This initiative which commenced in 2017 will be completed in phases to further enhance the safety of customers by the installation of higher balustrades and reliable safety features for the convenience of our shoppers Currently, work in progress for Ampang Mall escalators which is expected to be completed in 2021 and followed by the commencement of Ramlee Mall escalators

Initiatives for the Year (cont'd)

ASSET	INITIATIVES	DETAILS AND BENEFITS
MOKL Hotel	Prioritising Health and Safety of Guests	<ul style="list-style-type: none"> Temperature screening at all entrances of the hotel Health questionnaires were required to be filled by guests prior to checking-in Increased sanitisation and disinfection of all surfaces Social distancing was practiced in the meeting/function room venues for any events held Implementation of 'WeCare' programme with stringent protocols to further safeguard the comfort, health and safety of hotel guests and employees
	New Tactical Promotions	<ul style="list-style-type: none"> Weekend Staycations – A weekend package suitable for family and kids to enjoy the luxurious room, unlimited relaxation at the pool and spa, unlimited use for wellness facilities, complimentary afternoon tea and evening cocktails, access to indoor golf and outdoor tennis Suite Treat – A legendary hospitality stay at the Suite with complimentary connecting Deluxe room, early check-in and late check-out, laundry and dry-cleaning services and discounted spa treatment MOKL Limited-Time Offers - A one-week limited time offers for hotel guests to enjoy exclusive savings from tantalising meals to pampering spa treatments and luxurious stay at MOKL Hotel
	Fans of M.O. Elite	<ul style="list-style-type: none"> Fans of M.O. Elite is the evolution of Fans of M.O. membership program and its guest's hierarchy are based on RFM – recency, frequency and monetary Objective is to recognise and engage with these selected top guests where they enjoy superior benefits and receive an extensive range of complimentary privileges and personalised recognition, including Partner Benefits from global luxury brands and organisation
	Mandarin Online Shop	<ul style="list-style-type: none"> Enhanced Online Shop extending MOKL Hotel's signature dishes from its restaurants, specially curated cakes and pastries to customers This purchase service which can be delivered to doorstep or self-pick up helped boost revenue and introduced MOKL Hotel's products to non-hotel guests
	Spa and Wellness Online	<ul style="list-style-type: none"> Brought wellness to customers' doorstep and immerse them in complete relaxation at home Provided online consultation for personalised wellness advice via WhatsApp. MOKL Hotel's beauticians customised a skincare routine using renowned Biologique Recherche products, or spa therapists shares insight on aromatherapy products for body and face Offered online homecare products – recommends facial to body care essentials, with a list of MOKL Hotel's recommended spa products that are available for purchase through its Online Shop
	Festive Selections	<ul style="list-style-type: none"> Ramadan Iftar Banquet – offered a selection of specially curated Iftar menus to choose from Mid-Autumn Festival – Offered a selection of delectable mooncakes which exude Mandarin Oriental's signature fan encasing six dainty delights of choice, making them ideal for gifting to family, friends and business partners Malaysia Day Promotion - Mosaic offered a wonderful local specialties buffet spread in commemoration of Malaysia Day aptly named 'Taste of Malaysia' between 16 to 20 September 2020

Initiatives for the Year (cont'd)

ASSET	INITIATIVES	DETAILS AND BENEFITS
MOKL Hotel (cont'd)	Digital Marketing Efforts	<ul style="list-style-type: none"> Continued marketing efforts enabling guests to identify our hotel's world class hospitality services and in driving more bookings through the hotel's brand website
North West Development (NWD) Carpark	Transformation to Fully Ticketless and Cashless Payment	<ul style="list-style-type: none"> In maintaining customers' safety by avoiding touch points and improving customers' convenience, KPM successfully transformed the NWD carpark to 100% ticketless and cashless payment

Corporate Social Investment

Being part of the society within which KLCCP Stapled Group operates, we recognise our responsibility to make a positive difference to the broad range of local communities and deliver long-term social value across our portfolios. We have come together in positive ways in times of COVID-19 to reach out to the welfare of the community despite the challenging extraordinary year. We also continue to support various stakeholder engagement activities which include environmental sustainability, health, social integration and reaching out to the underprivileged community.



Initiatives for the Year

PROGRAMME	DETAILS	IMPACT/RESULTS
Contribution in relation to COVID-19	Monetary donation to University Malaya Medical Centre for the purchase of Personal Protective Equipment (PPE) and medical equipment	<ul style="list-style-type: none"> Donation is used to acquire and combat the continuing shortage of PPE A total of RM10,000 was donated for this purpose
	MOKL Hotel appreciates COVID-19 Front Liners between 18 March to 23 April 2020	<ul style="list-style-type: none"> Distributed breakfast (milo packet drinks, curry puffs and spring rolls) daily at 8.00 a.m. to 120 police personnel and 25 medical staff at Twin Towers Medical Clinic as a sign of appreciation for their support during the Movement Control Order A total of RM10,250 was spent for this effort

Initiatives for the Year (cont'd)

PROGRAMME	DETAILS	IMPACT/RESULTS
Contribution in relation to COVID-19 (cont'd)	MOKL Hotel contributed health care essentials for Hospital Front Liners on 24 March 2020	<ul style="list-style-type: none"> Donated 60 health care essential packs with shampoo, shower gel, soap, slippers, and toothbrush kit to thank the Front Liners for their support during the pandemic A total of RM500 was spent for this contribution
	MOKL Hotel supports part-time/contract staffs with basic food supplies on a monthly basis between 8 April to mid-June 2020	<ul style="list-style-type: none"> Donated basic food supplies to struggling employees who had suffered pay cuts or other implications that have been brought about by the outbreak A total of RM4,000 was spent for this contribution
Charity/Donation Drives/Fundraising/Community Service	United Voice Art Gallery Showcase at MOKL Hotel between 1 to 4 October 2020	<ul style="list-style-type: none"> Purpose was to create public awareness of United Voice (UV) and its objective to help persons with learning disabilities UV has been empowering people with learning disabilities to take control of their lives since 2005 A total of RM7,239 was raised during the four-day showcase featuring exhibition and sales of artworks, handicrafts and baked goods created by the members of UV MOKL Hotel funded the rental of the Diamond Ballroom which costs RM80,000
	Donation to Children's Wish Society held between 2 January to 3 February 2020	<ul style="list-style-type: none"> The donation by Suria KLCC was in conjunction with Chinese New Year 2020 campaign A total of RM20,000 was raised from this campaign
	Suria KLCC collaborated with Komuniti Tukang Jahit between 2 October to 31 December 2020	<ul style="list-style-type: none"> Suria KLCC purchased hand-sewn batik-designed mask from Komuniti Tukang Jahit, a social enterprise, working for the benefit of those in the B40 segment of Malaysia Gave away complimentary 50 units of essential kits to shoppers per day, which consist of the hand-sewn reusable mask and alcohol-based sanitising wipes Priority were given to elderlies, pregnant ladies, parents with families and the disabled A total amount of RM65,450 was spent for this initiative
	Involved in Reach Out Program – donation of food to the homeless	<ul style="list-style-type: none"> Contributed 35 packets of food three times a week to the homeless around Kuala Lumpur Approximately RM36,000 was spent for this contribution
	Christmas Tree of Hope (CTOH) held throughout Dec 2020	<ul style="list-style-type: none"> Seven homes/societies participated in the CTOH with 303 children requesting for their preferred toys, clothes or educational items A total of RM43,800 was spent for this initiative and apart from the Christmas presents, the balance fund will be used for each home to improve their environment or to purchase essential food items. The homes/societies which were covered include: <ul style="list-style-type: none"> - Agathians Shelter - Rumah Ozanam - Pusat Jagaan Siddharthan - National Autism Society of Malaysia - Rumah Charis - Ruman Keluarga Kami - Ti-Ratana Welfare Society
Contribution to the Police Administrative and Civilian Staff Union	<ul style="list-style-type: none"> To support the Police's Crime Prevention Campaign and contribute to the Union's Education and Welfare Fund Helped foster goodwill and the social wellbeing of our communities A total of RM7,500 was spent for this contribution 	