

CORPORATE RESPONSIBILITY AND SUSTAINABILITY REPORT

KLCCP STAPLED GROUP HAS A SENSE OF RESPONSIBILITY TO THE PEOPLE WITH WHOM WE DO BUSINESS AND THE BROADER COMMUNITY IN WHICH WE OPERATE. SUSTAINABILITY IS FUNDAMENTAL ACROSS OUR PORTFOLIO OF REAL ESTATE ACTIVITIES INCLUDING INVESTMENT AND DEVELOPMENT OF COMMERCIAL, RETAIL AND HOTEL PROPERTIES AND MANAGEMENT SERVICES ACTIVITIES.

KLCCP STAPLED GROUP IS COMMITTED TO LONGER TERM VALUE VIA RESPONSIBLE ECONOMIC, ENVIRONMENT AND SOCIAL (EES) PRACTICES.



Having recently been included into the FTSE4Good Bursa Malaysia Index in December 2015, we are proud to have met globally recognised standards in our environment, social and governance (ESG) practices and continue to improve upon our journey towards sustainability. We have embedded sustainability principles into our organisational structure and operations and are working towards developing a framework to assist in addressing our sector specific sustainability issues of our business segments.

Guided by the PETRONAS Corporate Sustainability Framework, and premised on the Sustainability Guidelines of Bursa Malaysia Securities Berhad, our report is shaped by five priority areas identified, representing 19 material sustainability matters for KLCCP Stapled Group reflecting the themes and indicators for the construction and real estate sector. This takes into consideration our unique business requirements, wider industry landscape while being mindful of stakeholder requirements.

CORPORATE GOVERNANCE

Upholding transparency in our actions and disclosures

- Business Ethics and Compliance
- Anti-Bribery and Corruption
- Prudent Risk Management



ENVIRONMENTAL STEWARDSHIP

Improving operational sustainability

- GreenHouse Gas (GHG) Management
- Energy Efficiency
- Water Management
- Waste Management
- Products and Services Responsibility



SAFETY AND HEALTH

Committed to safeguarding the environment, our people and assets

- Safety Management
- Health, Safety and Environment (HSE) Capability and Culture
- Occupational Health



OUR PEOPLE

Nurturing a high performance culture

- Responsible Employment
- Leadership and Capability
- Equality, Diversity and Inclusion



RELIABLE PARTNER

Generating value for sustained growth

- Procurement Practices
- Supply Chain
- Community Investment
- Customer Relationship Management
- Indirect Economic Impact



ENVIRONMENTAL STEWARDSHIP

GHG Emissions

Office
19.45
mtCO₂e Scope 1

67,829
mtCO₂e Scope 2

Hotel
235
kg CO₂-e/sqm

Retail
300,000
kg CO₂ reduction per year

Energy Generated

Retail
591,216
kWh from solar photovoltaic

Water Consumption

Office
640,251
m³

Hotel
187,714
m³

Energy Consumption

Office
97,822,746
kWh

Hotel
13,886,919
kWh

Waste Management

Office
0.622
Tonnes Waste Generated

0.342
Tonnes Waste Disposed

Hotel
17.06 %
Diversion Rate
(weight of waste diverted from landfills and recycled)

4.08 kg
Waste Intensity
(weight of non diverted waste in kg vs guest room nights)



SAFETY AND HEALTH



Loss Time Injury (LTIF)
Frequency

0.23

Number of Fatalities

0 cases

Loss of Primary
Containment (LOPC)

0

Loss Time Injury (LTI)
Incidents

8 cases

OUR PEOPLE

Workforce Diversity

62% Male
38% Female

Staff sent for Training

81%
total population

Spent on Learning and
Development

RM2.6 million



RELIABLE PARTNER

Community Investment

RM1.3 million





CORPORATE GOVERNANCE

KLCCP STAPLED GROUP IS SUBJECT TO CORPORATE GOVERNANCE REQUIREMENTS SET OUT BY THE MAIN MARKET LISTING REQUIREMENTS (MMLR) OF BURSA MALAYSIA SECURITIES BERHAD AND BEST PRACTICES RECOMMENDATION AS STIPULATED IN THE MALAYSIAN CODE OF CORPORATE GOVERNANCE 2012.

Good governance enables KLCCP Stapled Group to function efficiently, effectively, and more importantly, responsibly, by providing clarity on acceptable and expected standards of behaviour.



Board Composition and Diversity

KLCCP and KLCCRM Boards of Directors comprise of 8 members respectively, a Chief Executive Officer, four independent non-executive directors including a Chairman and three non-independent non-executive directors, fulfilling the requirement of the MMLR on independence. Currently there are two female Directors on each Board. The Boards are responsible for overseeing the overall management of KLCCP and KLCCRM and responsible for providing oversight and stewardship of the organisation. Harnessing strengths from a variety of backgrounds and experiences, the Boards bring diversity and add depth to deliberations.

KLCCP and KLCCRM Boards do not practice any form of gender, ethnicity and age bias as both Boards believe both genders are to be given fair and equal treatment and any new appointments to the Boards are based solely on merit. The Boards have continued to apply high standards of corporate governance during the year, operating in compliance to protect and enhance interests of holders of Stapled Securities and stakeholders.

CORPORATE RESPONSIBILITY AND SUSTAINABILITY REPORT

Business Ethics and Compliance

KLCCP and KLCCRM Boards and Senior Management acknowledge their roles in establishing a corporate culture comprising ethical conduct within KLCCP Stapled Group. They are committed to conducting business with integrity, consistent with high standards and business practices and in compliance with all applicable laws and regulatory requirements.

KLCCP Stapled Group adopts and complies with the PETRONAS Code of Conduct and Business Ethics (CoBE) which is embedded throughout our organisation and form the basis for all our policies, procedures, and actions, as well as the personal behaviour of our stakeholders. It is rolled out through various training as well as communication programmes. The CoBE is applicable to all Directors, employees and third parties performing work or services for or on behalf of the organisation and governs the behaviour and ethical conduct expected of each individual.

The compliance to CoBE was made compulsory by having all the new recruits attend a mandatory training on the CoBE which was part of KLCCP Stapled Group's on-boarding programme. The CoBE is also disseminated to key stakeholders, including employees, through a series of training and communication programmes and made available on our corporate website.

Anti-Bribery and Corruption

KLCCP Stapled Group adopts the PETRONAS Anti-Bribery and Corruption (ABC) Manual and has zero tolerance for all forms of bribery as well as corruption and a *No Gift Policy* has been implemented since 1 April 2012. PETRONAS Integrity Compliance Framework (PICF) was developed and adopted within our organisation to nurture a stronger culture of ethics and integrity. The ABC Manual, one of the core components under the PICF was developed to supplement the general policy statements set out in the CoBE on fighting corruption and unethical practices. It applies across the KLCCP Stapled Group and contains details on improper solicitation, bribery and corruption, dealing with gifts, entertainment and corporate hospitality.

Whistleblowing Policy

KLCCP Stapled Group also adopts the PETRONAS Whistleblowing Policy which encourages openness and transparency in our commitment to the highest standard of integrity and accountability. Through the Whistleblowing policy, employees and members of the public can raise in confidence concerns on possible criminal offence and malpractices relating to numerous matters including financial reporting, internal controls, audit matters, any breach of CoBE, without fear of reprisals in any form.

Dealings in Stapled Securities

KLCCP Stapled Group has implemented a Memorandum on Insider Trading whereby Directors and employees of KLCCP Stapled Group are prohibited from trading in the Stapled Securities particularly when they are in possession of price sensitive information and knowledge of facts which have not been publicly announced. The Directors are notified in advance of the closed period for trading in Stapled Securities and reminded not to deal in Stapled Securities when price sensitive information is shared with them on any proposed transactions presented.

Prudent Risk Management

Risk management plays an integral part of KLCCP Stapled Group's business activities and continues to be an essential component of the planning process. The Boards have overall responsibility to ensure KLCCP Stapled Group has the capability and necessary framework to manage risks in existing and new businesses and that the risks appetite are aligned with the business plans and strategies.

KLCCP and KLCCRM Boards developed an integrated approach in managing risk in the Group focusing on three areas of business resiliency:

Enterprise Risk Management

A structured and holistic approach to identify, assess, treat and monitor risk aimed to reduce the likelihood and impact of all identified risks to enhance ability to achieve strategic objectives.

Risk profiling exercise is conducted to ensure KLCCP Stapled Group's risk exposures are properly mitigated and annually updated in line with current economic environment and new regulations imposed by the Government.

Crisis Management

A comprehensive set of processes aimed to prepare the organisation to respond and manage crisis in the risk areas to protect and save people, environment, assets and reputation.

A Crisis Management Plan (CMP) is in place to address and respond to incidents where risk mitigation fails or when full prevention of the risk occurring is unlikely. This includes the emergency response, emergency management and crisis management.

Business Continuity Management

A Business Continuity Plan (BCP) for KLCCP Stapled Group was established to cover the failure of ICT, business supply chain, assets and people. The BCP aims to provide guidance in resuming key business functions in the event the CMP fails to contain the incident and it escalates into a prolonged disaster that has a major or catastrophic impact on the business in terms of financial, operation and reputation.

With the high incidents of terrorist and bomb attacks globally in 2015, Crisis Management was a main focus for KLCCP Stapled Group this year. KLCCP Stapled Group conducted integrated simulation exercises for Menara Dayabumi and PETRONAS Twin Towers to test the effectiveness and robustness of the Crisis Management and the Business Continuity Plan which would result in prolonged business disruption.

Sustainability Governance

Our Board Charter incorporates elements of sustainability with the Boards recognising the responsibility to our stakeholders and acknowledging that the organisation should play an important role in contributing towards the welfare of the community in which it operates. The Boards also acknowledge the need to safeguard and minimise the impact to the environment in achieving KLCCP Stapled Group's objectives. The Boards' agenda reflects commitment to economic support for longer term sustainability with a focus on the positive impact on the environment, community and society.

KLCCP Stapled Group is working towards strengthening sustainability governance practices across the Group. Our Boards acknowledge that given the emerging trends of EES risks and opportunities affecting business value and share prices, incorporating sustainability considerations into the workings of an organisation leads to value creation for its business and stakeholders in the longer run.



ENVIRONMENTAL STEWARDSHIP

ENVIRONMENTAL STEWARDSHIP IS A CORE RESPONSIBILITY OF KLCCP STAPLED GROUP. WE CONTINUE TO TAKE PROACTIVE MEASURES IN IMPROVING ENVIRONMENTAL PERFORMANCE AND EFFICIENCY OF THE ASSETS WE MANAGE. WE COMMIT TO MANAGE AND INITIATE ENVIRONMENTAL INITIATIVES IN THE AREAS OF ENERGY EFFICIENCY AND RESPONSIBLE WATER AND WASTE MANAGEMENT. WE ALSO ENCOURAGE EMPLOYEES' ENGAGEMENT AND INVOLVEMENT IN ECO-FRIENDLY ACTIVITIES AND CONSERVATION EFFORTS.

Our retail and hotel properties and asset management company continue to support and step up KLCCP Stapled Group's efforts in responsible energy management, water efficiency and environmental conservation programs in its many areas of operations to make a positive difference and ensure that the best practices have minimum adverse effects on the general well-being of customers, guests and employees.



The fish release activity at Sungai Papan in Gerik, Perak promotes environment conservation and contributes to the lake ecosystem

GreenHouse Gas (GHG) Emissions

In our bid towards achieving a lower carbon economy, KLCCP Stapled Group embarked on its flagship action to monitor and manage GHG emissions in 2014 as part of our sustainability initiative recognising the focus on carbon emissions. This is also in line with PETRONAS' requirement of its subsidiaries to be in compliance with the enforced Environmental Quality

(Clean Air) Regulations 2014. Our data collection is focused on our office and hotel properties.

At Mandarin Oriental, Kuala Lumpur (MOKL Hotel), one of the hotel's Guiding Principles is "Acting with Responsibility". In line with this principle and also in compliance with our certified standards of ISO 14001, OHSAS 18001 and ISO 22000, our

hotel has identified and complies with various regulatory requirements. In respect to emissions, MOKL Hotel complies with the requirements of Environmental Quality Act in terms of baseline, yearly or every 5-years of monitoring and measurement of emission. This is conducted with a recognised organisation and results are reviewed by senior management for further improvements.

CORPORATE RESPONSIBILITY AND SUSTAINABILITY REPORT

Key Initiatives in 2015

KLCC Park	<ul style="list-style-type: none"> Electric motorcycles are used at the KLCC Park for patrolling
MOKL Hotel	<ul style="list-style-type: none"> Installed charging station for electric cars at the car park Brought on board Kuala Lumpur's first electric eco-friendly car, Nissan Leaf, for in-house guest use. One charger was installed at MOKL Hotel's car park and in June 2015 an additional charger was installed for guests' usage
KLCC North West (NWD) Development Carpark	<ul style="list-style-type: none"> Installation of LED lights at KLCC basement car park commenced in mid-October 2014 and was completed in April 2015 Equipped with Electric Vehicle Charging Station, made available to encourage the use of eco-friendly vehicles NGV Shuttle Buses are used to shuttle passengers from the multi-level carpark located near Jalan Binjai to the surrounding areas and within the KLCC Precinct

Performance in 2015

GHG Emissions

		2015	2014
Office and Car Park			
- Scope 1	mt CO ₂ -e	19.45	22.3
- Scope 2	mt CO ₂ -e	67,829	73,201
Hotel	kg CO ₂ -e/sqm	235	252
Retail	kg CO ₂ /year	300,000	



Electric eco-friendly car for MOKL Hotel's in-house guest use

In 2015, our GHG emissions showed a slight improvement under Scope 1 decreasing from 22.30 million tonnes of carbon dioxide equivalent (mt CO₂-e) in 2014 to 19.45 in 2015. Similarly Scope 2 emissions reduced from 73,201 mt CO₂-e in 2014 to 67,829 mt CO₂-e in 2015. This was attributable to the installation of LED lights in the PETRONAS Twin Towers and the basement car park which minimises electricity consumption.

Our hotel segment reduced GHG emissions by 6.7% compared to 2014. This translated to a reduced GHG emissions intensity of 18.3% compared to a 2007 baseline.

At our retail property, the photovoltaic system installed at the rooftop of Suria KLCC in 2012 generates clean energy that contributes to the reduction of carbon emission of approximately 300,000 kg of carbon dioxide a year.

Energy Efficiency

KLCCP Stapled Group acknowledges the importance of energy conservation for a sustainable future as reducing our electricity consumption not only lowers our greenhouse gas emissions and carbon footprint, it allows us to save in terms of our energy cost. We are committed to minimising energy consumption and reducing carbon footprint by adopting energy efficiency measures to enhance our operational excellence.

Key Initiatives in 2015

During the year, various ongoing initiatives in promoting energy efficiency at our properties were enhanced.

At the PETRONAS Twin Towers, sustainable procurement practices were adopted to promote reduced energy consumption. Energy saving office appliances and LED lights are used resulting in significant energy savings.

MOKL Hotel diligently tracked its energy usage and reported on a quarterly basis while energy intensity is measured on a monthly basis and compared against targets allocated by Mandarin Oriental Hotel Group. Energy performance is benchmarked against industry standards and internal and external audits are conducted monthly, bi-annually and annually for purposes of continual improvement.

During the year, KLCC Parking Management Sdn Bhd (KPM) embarked on the project of installing the Parking Guidance System (PGS), Energy Monitoring System (EMS), LED lighting and usage of Electric Vehicle (EV). The installation of the PGS was the largest implementation for a carpark which received recognition from a global vendor, Circontrol, Spain. With the EMS function in place, the overall electricity consumption of lighting cost constitutes 19% from the total energy cost. Installation of LED lights throughout KLCC NWD basement carpark has resulted in a reduction of 52% in electricity cost for car park lighting for the entire car park.

Suria KLCC has invested in energy saving lights within the area in the shopping mall since 2008. The photovoltaic system installed on the rooftop of Suria KLCC is capable of producing more than 600 megawatt hours of solar energy annually and continues to conserve the environment for future generations.



Recycle waste bins at MOKL Hotel



Engineering personnel recording meter reading at MOKL Hotel

Performance in 2015

Energy Consumption (kWh)

	2015	2014
Office and Car Park	97,822,746	100,209,159
Hotel	13,886,919	14,709,902

Our office and car park registered a 2.4% reduction in energy consumption from 2014 to 2015. The installation of LED lighting in the PETRONAS Twin Towers, Menara 3 PETRONAS and the basement car park contributed to this decrease in energy consumption. Our hotel segment saw energy consumption reduced by 5.6% in 2015.

CORPORATE RESPONSIBILITY AND SUSTAINABILITY REPORT

Solar Energy – Retail

Year	Energy Generated from Solar (kWh)
2012	529,470
2013	592,205
2014	551,162
2015	591,216
Total	2,244,053



Solar Panel on Suria KLCC rooftop

The clean energy generated from the photovoltaic system was able to generate 591,216 kWh in 2015 which is an increase of 7.3% from 2014.

Water Management

KLCCP Stapled Group continues to emphasise on the importance of efficient water usage throughout its operations particularly in areas where daily water usage is significant including washrooms and for cleaning and maintenance work. This is to ensure people using our buildings experience a healthy and pleasant environment.

Key Initiatives in 2015

We closely monitor the use of fresh water across our operations. At the PETRONAS Twin Towers and Menara 3 PETRONAS, controlled valve for water usage were installed as part of our effort to reduce water consumption.

Being in the hospitality industry, efficient usage of water is a priority at MOKL Hotel where water usage is generally measured to benchmarked international standards. Monthly water meter readings are also compared to billings by Syabas to determine challenges and action for improvement. Internal as well as external water audits are conducted on a monthly, bi-annually and yearly basis with actions determined for continued improvement.

Performance in 2015

Water Consumption (m³)

	2015	2014
Office	640,251	754,269
Hotel	187,714	213,343

The Green Building Index (GBI) initiatives on water consumption resulted in significant impact wherein a 9.6% reduction was reported for KLCC REIT properties. Kompleks Dayabumi under KLCCP showed a decrease of 38.4% from 2014, as a result of the roll-out of awareness programs year-on-year and the

demolition of the City Point podium. Through these efforts, overall water consumption for the office segment resulted in a 15% reduction in consumption from 2014 to 2015. Water consumption in the hotel sector recorded a 12% reduction as a result of the various initiatives undertaken to reduce water consumption.

Waste Management

Our properties are within the tourism belt and being an iconic destination in the Kuala Lumpur City Centre, they play an important role in raising public awareness about waste issues. KLCCP Stapled Group practices responsible and environmentally-friendly waste disposal to minimise the adverse effects on the environment. We also promote and educate the public on the importance of recycling and responsible waste disposal as these efforts, collectively will contribute towards a long-term sustainable future.

Scheduled wastes and hazardous wastes generated by our respective properties were well managed according to the Environmental Quality Act, Scheduled Wastes Regulations 2005 and comprised SW103 (used batteries), SW 109 (used fluorescent

tubes) and SW110 (E-wastes) which were disposed to the licensed prescribed service provider, Kualiti Alam Sdn Bhd.

At our MOKL Hotel, our employees are trained in the proper segregation of waste, solid, hazardous or recyclable waste. Targets are set each year for waste to be minimised and diligently segregated. Wastes collected are measured via Key Performance Indicators (KPI), namely Waste Intensity (weight of non diverted waste in kg vs guest room nights) and Waste Diversion Rate (weight of waste diverted from landfills and recycled).

Key Initiatives in 2015

At the PETRONAS Twin Towers, a Waste Management and Recycling Plan is part of the sustainability practices adopted for the premise operation, consistent with the overall sustainability policy adopted and the GBI initiatives. The plan aims to minimise quantities of waste generated ending up as landfill and the recovering, reusing and recycling of waste generated onsite which is integral to allow effective waste separation, collection and disposal.

In support of the 3R campaign in 2015, KLCCP Stapled Group organised the Hazardous Household Waste (HHW) Campaign involving the KLCC Group's subsidiaries and joint venture partners. The program was designed to cultivate public awareness on household hazardous waste such as used batteries, used fluorescent bulbs and e-waste which contain potentially hazardous ingredients that may be

corrosive, toxic, ignitable or reactive and require special care in disposal. Convenient collection points were provided to encourage the public to participate in the recycling initiatives.

MOKL Hotel continued its sustainability programs by creating awareness amongst its employees and guests on the need to think 'sustainable' and by doing their part. Among the programs conducted were the "Waste Not Want Not Sale" where employees contributed items for sale, sale of recycled wastes and implementation of glass bottled water with high grade long-lasting carbon filter at the Hotel's function rooms which reduced consumption of waste from plastic bottles.

Performance in 2015

			2015	2014
Office	Total Hazardous Waste Generated	tonnes	0.622	3.975
	Total Hazardous Waste Disposed	tonnes	0.342	1.920
Hotel	Waste Intensity	kg per room	4.08	3.52
	Waste Diversion	%	17.06	14.16

In 2015, total hazardous waste generated by our Office properties reduced by 84% whilst total hazardous waste disposed reduced by 82%. This significant waste reductions was as a result of the replacement of fluorescent bulbs with LED in our office buildings and basement car park.

As at December 2015, MOKL Hotel's waste intensity (landfill waste per overall guest room nights) was at 4.08 kg per room guest compared to 3.52kg in 2014. The increase was due to the decrease in guest room nights and covers for 2015. With MOKL Hotel's efforts in recycling, the Waste Diversion improved to 17.06% from 14.16% in 2014.

Products and Services Responsibility

As an organisation who takes pride in creating longer term value via responsible economic, environment and social practices, KLCCP Stapled Group is committed to sustainable development and services it renders. Our products and services play a part in driving environmental decisions and influencing environmental values and behaviours within the organisation.

CORPORATE RESPONSIBILITY AND SUSTAINABILITY REPORT

Green Excellence in our properties

The PETRONAS Twin Towers by virtue of its iconic stature have been the focus of numerous global events over the years. In 2014, we embarked on initiatives to obtain certification for the PETRONAS Twin Towers as a certified green building under GBI Malaysia. The efforts paid off when the PETRONAS Twin Towers attained the Provisional Gold Certification in April 2015 while Menara 3 PETRONAS attained the Provisional Silver Certification. Our facility management team at these two properties continue to improve performance in economic, health, safety, environmental and social aspects.

Property	Key GBI Initiatives
PETRONAS Twin Towers	<ul style="list-style-type: none"> • Upgrading of Building Management System • Installation of LED office lighting at Tower 2 in August 2015 • Installation of water efficient flushing systems for toilets • Installation of variable fan drives for lift motor rooms and fire fans
Menara 3 PETRONAS	<ul style="list-style-type: none"> • Implementation of the LED lights and motion sensors in the staircases which are expected to yield a 3% reduction in electricity bills • Implementation of the water leak detection system • Energy management system scheduled for implementation on site in 2016

Promoting the use of Biodegradable and Eco-Friendly Products

KLCCP Stapled Group promotes the usage of biodegradable and eco-friendly products in both our office and hotel premises as well as in the maintenance of KLCC Park. The use of biodegradable products not only benefits our environment but also helps to reduce cost. Our business operations aspire to do more to conserve and protect the environment and create an entire ecology of living that promotes sustainability.

PETRONAS Twin Towers	<ul style="list-style-type: none"> • Carpet flooring, paint and adhesive used for installation work are from recycled materials and low in Volatile Organic Compounds (VOC). • Materials used for ceiling insulation above acoustic partition walls were selected for good sound transmission class rating, non-toxic with recycled content materials. • All wiring outlet plates are free from PVC to minimise out-gassing of toxic substances and also taken into account are the lifecycle issues in terms of production and disposal.
MOKL Hotel	<ul style="list-style-type: none"> • Replacement of leather boxes for laundry with foldable laundry box in non-woven material. • Environment bulletin board was replaced with a TV monitor displaying notices and environmental awareness videos, eliminating printing on paper. • Spa products used in the Mandarin Spa are packaged with materials that cause minimal damage to the environment and are made of environmentally friendly ingredients. • Annual review of chemical lists in Housekeeping, Laundry, F&B and Engineering for environmentally friendly products which result in operational efficiency with energy and utility cost savings.

Inculcating Eco-Minds

KLCCP Stapled Group is committed in raising community and employee awareness on environmental issues by providing knowledge and encouraging its employees to volunteer their time and effort to participate in environmental conservation activities and inspire others in doing more for a sustainable future.

Key programs for the year included:

Envirocomm 2015

The Envirocomm 2015 program organised by KLCCP Stapled Group was successfully held at the Royal Belum Forest in Gerik, Perak. Envirocomm is one of our CSR programs initiated with the objective to cultivate the culture of an environmental and socially responsible employees. It is also our way of giving back and contributing to the society's wellbeing and promoting conservation of the environment and our eco system.

One of the activities held was contributing to the lake ecosystem through fish release program.



Bamboo rafting at Banding Lakeside in Gerik, Perak

Participants comprising employees of the Group were involved in activities such as bamboo rafting at Banding Lakeside, fish feeding at Sanctuary Waterfall and jungle trekking. A total of 10,000 native fish contributed by the Group were released at Sungai Papan.

MO Charity Run

In support of the Group's effort in inculcating eco-mindset among its employees, MOKL Hotel employees initiated the MO Charity Run as part

of the hotel's series of CSR activities for the year. The objective of the Run was to raise funds for the Malaysia Nature Society (MNS) and to create awareness amongst the community on the need to conserve our habitat and to highlight MNS's efforts in the protection of Malaysia's natural heritage. The Run had close to 500 participants and managed to raise RM36,000 for MNS.

Earth Hour

KLCCP Stapled Group has participated in Earth Hour since 2010. Earth Hour which is held in conjunction with Earth Day aims to inspire awareness of and appreciation for the earth's environment, particularly on energy consumption and sustainability principles by encouraging corporations and the general public worldwide to simultaneously switch off their power for an hour. Supporting this initiative are our retail, hotel and our offices as part of our ongoing commitment to create a legacy.



MO Charity Run



SAFETY AND HEALTH

SAFETY IS THE PRE-REQUISITE FOR SUSTAINABLE OPERATIONS EXCELLENCE AND INTEGRITY. THIS CONCERNS CONSERVING THE ENVIRONMENT AROUND US, PROVIDING A SAFE AND HEALTHY WORKPLACE FOR OUR PEOPLE AND SAFEGUARDING OUR ASSETS AND BUSINESS.

We mandate strict adherence to the KLCCP HSE Policy across our businesses in preventing harm to people, the environment and assets.



KLCCP Stapled Group implements stringent safety practices at both workplace and construction sites

Our HSE Policy guides our actions in health, safety and environment to strive for excellence and highlights our commitment to:

- Prevent and eliminate risk of injuries, occupational illnesses and damage to properties and towards prevention of pollution, conservation and preservation of environment
- Business activities carried out in accordance with legal requirements and other HSE related requirements
- Provide resources for training and engage with stakeholders
- Ensure contingencies plans are in place and maintained for emergencies
- Communication of HSE matters to employees, customers, contractors, suppliers and public
- Continual improvement on HSE Management, performance, processes and technology

The safety and health of our employees, tenants and visitors to and within the buildings are paramount to KLCCP Stapled Group. 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.

CORPORATE RESPONSIBILITY AND SUSTAINABILITY REPORT



First Aid training conducted by Suria KLCC

Safety Management	HSE Capability and Culture	Occupational Health
<p>Prioritise safe work practices to provide a safe, secure and conducive workplace and environment</p>	<p>Structured capability building to inculcate stronger HSE leadership, culture and mindset</p>	<p>Focused on sustaining optimal health levels</p>
<ul style="list-style-type: none"> • Our KLCCP HSE Policy, HSE Management System, HSE Mandatory Control Framework and PETRONAS Technical Standards are governance mechanisms established to integrate requirement of health and safety legislations and environmental protection to elevate our HSE performance • 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 with 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 • We are committed to conducting our business activities in accordance with our policies on Health, Safety and Environment and complying with the highest standards of occupational safety and health regulations • We continuously measure and track our performance against industry best practices 	<ul style="list-style-type: none"> • We are committed in providing our employees with a conducive work environment that complies with the highest standards of occupational safety and health (OSH) regulations with zero tolerance for non-compliance • We adopt a structured capacity building plan to inculcate stronger HSE leadership, culture and mindset via holistic competency development programmes at our various properties to develop well-rounded and technically-proficient HSE personnel • We are committed to providing, in collaboration with our employees, a safe, secure and conducive workplace culture and environment, where the values of mutual and reciprocal respect, trust and confidence are upheld and actively promoted 	<ul style="list-style-type: none"> • We promote and maintain the highest degree of physical, mental and social well-being of our employees in all occupations • We are committed to the wellness of our employees, contractors, customers and guests • We adopt and implement the PETRONAS Occupational Health and Industrial Hygiene standards including focusing on new legal and regulatory requirements to ensure our workplace adopts best practices

Key Initiatives in 2015

In our continuous efforts to create greater awareness among employees and contractors and to instill the HSE culture, KLCCP Stapled Group undertakes a variety of injury prevention and intervention programmes to eliminate or minimise the risk of injury to employees, contractors, suppliers and the public. Several initiatives and training programmes were conducted during the year to ensure a thorough understanding of health and safety roles and responsibilities.

➤ Strengthening the HSE Capability and Culture

In 2015, KLCCP Stapled Group's HSE initiatives included:

Instilling HSE in each employee via Key Performance Indicators in Employees' Performance Contract	<ul style="list-style-type: none"> • Participation in HSE programs • Reporting on Potential Incident/Near Miss (PI/NM) of potential hazards or incidents at any of our properties or sites
Communication and enhancing knowledge of HSE matters	<ul style="list-style-type: none"> • Health talks by external parties and regulatory authorities • Blood donation campaign
Regular HSE Awareness Trainings for employees and contractors	<p>In 2015, a total of 8,674 employees and contractors underwent HSE training. The trainings included amongst others:</p> <ul style="list-style-type: none"> • Scheduled waste generation and handling procedure • As part of Emergency Response Procedure training, the Emergency Response Team (ERT) was established to support in emergency situations at the workplace – included First Aider training and usage of SCBA equipment as breathing apparatus • Safety briefing for all contractors as a procedure to the application of Permit To Work • Incident Command Structure working session was conducted to set up a synchronised command system in handling any emergency situations involving our properties within KLCC Precinct
Improving Communication via HSE Bulletin	<ul style="list-style-type: none"> • Regular publication of news and updates on HSE matters and events in the Group's intranet portal that all employees have access to
Retail Mall Total Evacuation	<ul style="list-style-type: none"> • Attended by stakeholders – tenants, centre management office, third party contractors • To test the building's emergency preparedness response capability
Retail Mall Bomb Threat Training	<ul style="list-style-type: none"> • Conducted for new employees to familiarise themselves to Suria KLCC's Bomb Threat protocol
Crisis Management and Business Continuity Plan (BCP)	<ul style="list-style-type: none"> • Focused on the HSE aspects and in identifying potential risks and outlays mitigation processes

CORPORATE RESPONSIBILITY AND SUSTAINABILITY REPORT

<p>HSE Audits conducted monthly/annually at MOKL Hotel</p>	<ul style="list-style-type: none"> • Conducted by an independent UK based consulting firm • Includes verification of documentation and records as well as physical inspection of facilities • Ensures management team is focused on health and safety issues and prepared to manage in the event of crisis and business interruptions
<p>Hazard Identification Risk Assessment Determining Controls (HIRADC) team</p>	<ul style="list-style-type: none"> • Review of current control measures and its effectiveness



Staff attending HSE programme conducted by the Group

In August and September 2015, our country was engulfed in haze which caused an acute environmental issue. During this period, KLCCP took measures and closely monitored the API reading and kept staff informed of the conditions. Every staff was given an N95 face mask (dust mask) for their usage in the event they had to attend to matters outside of office.

Performance in 2015

KLCCP Stapled Group's HSE performance is monitored and tracked on a monthly basis in accordance with the targets and standards set by Management apart from compliance to applicable regulatory requirements. The safety performance of the Group is measured by Loss Time Injury (LTI), Major Fire Incidents, Loss of Primary Containment (LOPC) and Total Reportable Cases (TRC) which are benchmarked against industry best practices. KLCCP Stapled Group operates within the given regulatory limits.

➤ Continuous Improvement of Occupational Health and Industrial Hygiene

Our focus this year was also to spur a healthy culture and sustain optimal health levels of our people towards achieving KLCCP Stapled Group's business aspirations, with focus on our employees and contractors in the properties or sites we operate in. This involved adopting and implementing the PETRONAS Occupational Health and Industrial Hygiene standards, including industry best practices.

During the year, we conducted a Health Risk Assessment (HRA) at our property, Kompleks Dayabumi to evaluate health effects that may arise following exposure to physical, chemical, psychosocial, biological and ergonomics. The HRA is a requirement by PETRONAS Technical Standard (PTS) where all existing or new operations are required to be evaluated.



KLCC Group's Household Hazardous Waste Campaign held in June 2015

KLCCP Stapled Group recorded an impressive zero Fatal Accident Rate (FAR) in the last 4 years. This achievement is the result of stringent safety measures implemented throughout our businesses, as well as strengthening of KLCCP Group's safety culture and capabilities. During the year, KLCCP Stapled Group recorded 8 LTI incidents with a LTIF of 0.23, an increase from 2014 due to manual handling and housekeeping incidents whilst Major LOPC was maintained at zero.

	2015	2014	2013
No of fatalities	0	0	0
Fatal Accident Rate	0	0	0
Loss Time Injury (LTI) Incidents	8	2	4
Loss Time Injury Frequency (LTIF)	0.23	0.14	0.41
Loss of Primary Containment (LOPC)	0	0	0

Moving forward, we will continue regular compliance inspections and carry out enhancements of safety and health management systems in order to improve and accomplish the targets for the year.



OUR PEOPLE

KLCCP STAPLED GROUP IS COMMITTED IN CREATING A CONDUCTIVE WORK ENVIRONMENT AND CREATING OPPORTUNITIES FOR EMPLOYEES TO FURTHER NURTURE AND DEVELOP THEIR SKILLS. WE PLACE PRIME IMPORTANCE ON HUMAN CAPITAL DEVELOPMENT AND ENSURE A SUPERIOR PERFORMANCE CULTURE IS INSTILLED IN ALL EMPLOYEES.

We recognise that our employees are our most valuable asset. Our employees ensure that our organisation continues to sustain growth, remain viable and competitive. With our people being the cornerstone of KLCCP Staped Group's achievements, Management is committed to develop a motivated and highly professional and competent workforce by continuously improving its organisational climate and empowering its employees through training and development programmes throughout the year.

Staff of KLCCP Stapled Group underwent training at the Leadership Away Day as part of the Group's programmes in human capital development



At KLCCP Stapled Group, upholding equality and respecting the principles of diversity as well as inclusion by eliminating discrimination are mandatory principles. Fostering a harmonious relationship with our employees is fundamental to us, through guidance of the KLCC Shared Values and the Code of Conduct and Business Ethics.

We take a three-pronged approach through Responsible Employment, Leadership and Capability and Equality, Diversity and Inclusion by providing the culture, diversity and work-life balance to sustain the drive and momentum of the organisation.

CORPORATE RESPONSIBILITY AND SUSTAINABILITY REPORT

Responsible Employment	Leadership and Capability	Equality, Diversity and Inclusion
<p>Performance-driven organisation, adopting fair and responsible employment practices</p>	<p>Hone functional skills, behavioural competencies, leadership and mindset</p>	<p>Provide equal opportunities to spur professional and intellectual growth</p>
<ul style="list-style-type: none"> • We place emphasis on driving high performance through implementation of a Balanced Scorecard framework and methodology promoting objective performance assessment via Individual Performance Contract (IPC) measuring specific Key Performance Indicators • We abide by the Malaysian Labour Laws and Employment Act which promote fair and responsible employment practices • We have an established Board Nomination and Remuneration Committees in ensuring compliance with policies, implementation of best practices and continuous benchmarking against industry's best • We have established a Human Resource Planning and Development Committee (HRPDC) to discuss the Group's human resource policies, guidelines and employee matters on a quarterly basis • Our compensation practices comply with Malaysia's standards on minimum wage while superior performance is rewarded via competitive remuneration packages benchmarked against industry best practices 	<ul style="list-style-type: none"> • We build and nurture the employee culture that strives for superior performance • We groom and grow our internal talents by setting high standards of expectations and recognise achievements with monetary and non-monetary incentives • We are focused on developing talent with the right competencies, knowledge and leadership skills at all levels 	<ul style="list-style-type: none"> • We support equality, diversity and inclusion within our workforce and we strive to foster an inclusive culture of diverse racial and ethnic backgrounds • Women employees make up 38% of KLCCP Stapled Group's workforce • We value the diversity of our employees and treat all with respect and dignity • Our recruitment and selection of employees are on the basis of merit and regardless of age, race, gender, religion or disability • Our employees are provided equal opportunities for professional and intellectual growth and development in nurturing them to achieve their full potential

Key Initiatives in 2015

During the year, KLCCP Stapled Group focused on improving 5 key areas in line with KLCCP Stapled Group's Human Resource initiatives.

➤ Talent Sourcing and Recruitment

Attracting, developing and retaining talent is fundamental to an organisation remaining ahead of its competitors. Recruiting the right talent for the right position has indeed been a growing concern for KLCCP Stapled Group and in addressing this, during the year, we embarked on development of an E-recruitment portal in the KLCCP Stapled Group corporate website to facilitate the process of manpower recruitment and to reach to a wider and specific target group of potential talent. Final enhancements to the portal are being completed with target to go live in early 2016.

Our compensation packages are aligned to industry's best practices and market benchmarks including revision of salary scale to match the industry's market every three years. This is to ensure our competitiveness in attracting talent. KLCCP Stapled Group remains committed to meritocracy and our yearly performance assessment, rewards and compensation packages emphasise on employee performance and are assessed based on results, challenges and efforts as these contribute to the sustainability of the organisation.

➤ Building Core Capabilities and Skill Group

As part of KLCCP Stapled Group's efforts to ensure competitiveness in every facet of business it is operating in, building the people's skills and

capabilities are key initiatives to KLCCP Stapled Group. In managing talent capability, KLCCP Stapled Group had set up a Capability Implementation Committee (CAPIC) to identify its core capabilities focusing on building the people capability in the areas of Project Management, Property Development, Asset Management-Facilities, Asset Management-Marketing and Leasing and Investment Management.

During the year, we completed the first assessment of all the capabilities areas within the organisation for Executive levels 1, 2 and 3 and identified the baseline capability of these respective levels and the relevant gaps for closure through individual development or coaching plans. The results and findings were presented to the CAPIC Committee.

In aligning our practices with PETRONAS' human resource practices, we embarked on enhancement of the functional and technical competencies of employees via development of Skill Group (SKG) competencies to equip employees with the necessary knowledge for application into their daily operations. This effort was well supported by management with their investments into the people to ensure employees reach the required levels of competencies. In 2015, we commenced with developing the SKG competencies for the Finance fraternity within the organisation and are in the final stages of completing the SKG Finance functional team to enhance the level of competencies.



Leadership Away Days were conducted to foster togetherness and achieve common goals within the organisation

CORPORATE RESPONSIBILITY AND SUSTAINABILITY REPORT

➤ Leadership Development through Succession Management of Key Positions

KLCCP Stapled Group has established a framework for succession management to strengthen the current framework to ensure effective succession planning particularly in senior leadership positions. Critical positions and potential successors have been identified while career paths and focused interventions are being developed to ensure structured development and easing into critical leadership positions.

Since 2012, the succession management framework has been in place as part of a longer term retention tool to retain the high performing talents. In 2014, an enhanced structured succession management framework was established where 23 critical positions within KLCCP Stapled Group were identified. In 2015, this was further strengthened with 54 successors identified to fill the next leadership roles within the organisation. The succession management ratio for the Group as 31 December 2015 stands at a ratio of 1 to 2.3.

During the year, succession management for the middle management level were initiated and implemented to ensure adequate talents are developed internally for the next level critical positions. In order to ensure that the right successors are identified for both succession management at senior and middle management level, the potential successors list is reviewed on a yearly basis.

KLCC Group Bowling Tournament 2015

➤ Engaging Our Employees

KLCCP Stapled Group recognises the importance of creating an engaged workforce to achieve the business targets for short and long term strategy and as such provides various channels for employee engagement. In order to keep our employees motivated and their feedback and views at heart, our Human Resource team took proactive measures to engage with the employees through quarterly "Coffee O'clock" sessions where employees were able to air their concerns and highlight their suggestions and ideas on improving work environment and making it relevant to the younger generation of the workforce. Key findings are shared with management and the improvement actions taken.

Other platforms of engagement included:

Group CEO Townhall Session	On an annual basis, a town hall session with all employees is conducted by the Group CEO in the first quarter of every year with the purpose of sharing the business plan and setting the expectations for the whole year. With this, employees are aware of the business directions and understand their roles to support the objectives of the businesses. Each business unit also conducts quarterly engagement sessions with the employees
Employee Feedback Questionnaire (EFQ) Survey	KLCCP Stapled Group conducts an annual EFQ Survey where employees are given the opportunity to express their views and opinions in areas related to communication, training, remuneration, recognition, management practices, decision making and team work

➤ KLCC Young Professional Executive Club (YPEXC)

KLCCP Stapled Group's young professionals constitute 31% of the Group's workforce. In our effort to develop leaders of tomorrow in the organisation, the YPEXC was initiated and formed in 2011. This is a platform for young workforce in the organisation to demonstrate their creativity and leadership skills at the early stage of their career.





YM Raja Adli Raja Hassan receiving his long service award from Mr. Harry Menon, Chairman of KLCC Property Holdings Berhad

The YPEXC was formed to promote and uphold the KLCC Shared Values, work-life balance, breakthrough performance culture and to align initiatives towards achieving the Group's goals and objectives. The vision and mission of YPEXC is to enhance the vitality of its members by creating a strong community of young professionals and providing well-rounded individuals with opportunities to develop socially, professionally and civically.

A proposal to rejuvenate YPEXC was initiated in 2015 and this rejuvenation phase will be used as a platform to re-introduce YPEXC to all executives through various activities planned for 2016.

Employee Wellness

KLCCP Stapled Group supports the personal development and well-being of our employees by organising sports, recreational and social activities such as Kelab Sukan dan Rekreasi PETRONAS Wilayah Tengah (KSRP) 2015 and Sukan KSRP 4 Penjuru 2015 and KLCC Group Bowling Tournament 2015. These sporting activities encourage the employees to be part of a healthy and integrated life and promoted cohesiveness and team camaraderie.

KLCC Group held its Annual Dinner and Awards Night 2015 in September 2015 at the Kuala Lumpur Convention Centre. The Long Service Award presentation was the highlight of the night where 18 employees received awards for their 15, 20 and 30 years of service respectively with one retiring personnel. KLCC Group also presented 10 business units/divisions with the Performance Laureate Award for their outstanding performance and for achieving the highest standards of excellence in business conduct and practices.

Performance in 2015

	2015
EFQ Index	71%
Employees sent for training	81%
Learning and Development training spent (RM' mil)	2.6

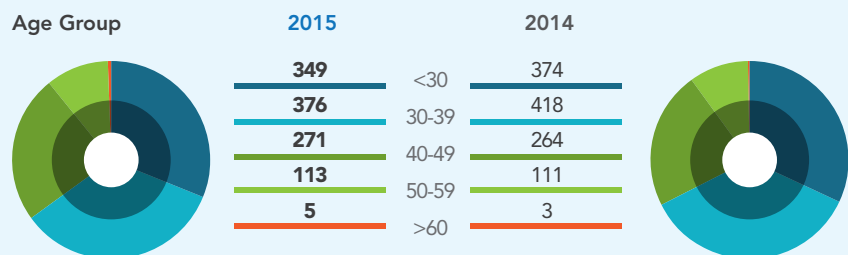
Throughout the year, the Group had sent a total of 81% of its employees for various trainings for purposes of enhancing and further improving their technical and functional skills in building leadership and capability. In relation to this, the Group had spent approximately RM2.6 million for training costs in 2015. The EFQ Survey received encouraging response from employees with a participation rate of 74% in 2015. The employee satisfaction score improved to 71% in 2015.

Diversity of our Workforce

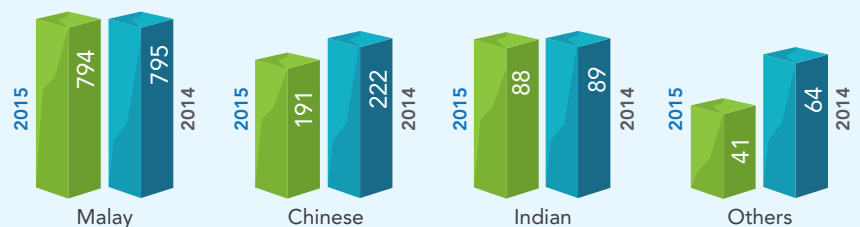
EMPLOYEES

	2015		2014	
	Male	Female	Male	Female
Top management	7	4	10	6
Senior and mid management	93	78	126	100
Other levels	592	340	585	343
Total	1,114		1,170	

Age Group



Ethnicity





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

- 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 in sustaining MOKL Hotel's revenue. As such, MOKL Hotel's Food and Beverage department has stringent food safety supply chain processes.

Supply chain compliance	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • 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	<p>Other practices in F&B include:</p> <ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> Contributed RM23,000 to two charity homes, beneficiaries of the fund.
Sunshine September and Kids Carnival	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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.



Visit to Orang Asli community in Kampung Damai in Gerik, Perak

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 in 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 guest 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 guest 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