

OUR PEOPLE

Our people are our core strength and our organisation’s success highly depends on their capabilities and commitment. Our employees stand guided by a strict compliance to CoBE without any compromise to the organisation’s integrity. At KLCCP Stapled Group, we embrace the Cultural Beliefs which unleash potential in our employees to deliver excellent results while creating better day-to-day experiences.

SUSTAINABLE MATTERS



Supporting the UNSDGs

Our People
Human Rights and Labour
Practices

WHY IT MATTERS

- Our people define the culture of the organisation and their diverse capabilities enable us to deliver quality outcomes and achieve business results
- We aim to be the Employer of Choice to be able to attract, nurture and retain the best talent in the industry

VALUES CREATED

- Greater inclusiveness towards talent retention
- More focused and engaged workforce making results matter



A Kembara 2.0 - Mount Kinabalu Challenge hosted by KLCC Sports & Recreation Club (KSRC)

SEC 01

SEC 02

SEC 03

SEC 04

SEC 05

SEC 06

SEC 07

SOCIAL OUR PEOPLE

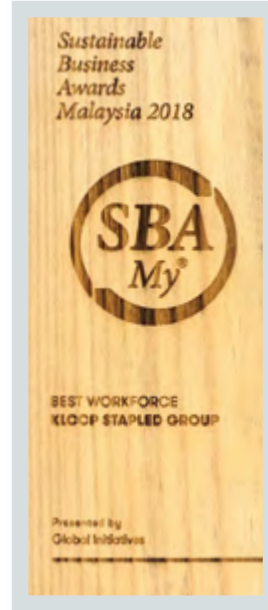
OUR APPROACH

At KLCCP Stapled Group, our key focus for employees is to build the most diverse and inclusive workplace with appropriate capability development efforts and fair employment practices for our people to make better and informed decisions for superior business performance against the challenges in the real estate and property sector. We believe human capital is fundamental for us and we are guided by a high performance culture based on meritocracy, performance and delivery, subscribing to our KLCC Shared Values of Innovative, Cohesiveness, Loyalty, Integrity, and Professionalism, which are reflected in our daily work practices. Our Human Resource policies adhere to the strict guidelines on non-discrimination and fairness.

3-Year (2016-2018) Sustainability Roadmap

3-YEAR TARGET (against 2015 baseline)	STATUS	RESULTS
Succession ratio of 1:1.2	● ○ ○	Achieved a succession ratio of 1:2.6 as at December 2018
100% completion of leadership program for the remaining identified critical positions	● ○ ○	Completed 100% of leadership program for identified successors in critical position

● ○ ○ Met 2018 target ○ ○ ● 2018 target not met



**Winner of
"Best Workforce"
at Sustainable
Business Awards
Malaysia 2018**

**in recognition of our
commendable approach on
employee engagement and
diversity**

EQUALITY, DIVERSITY AND INCLUSION

We view equality, diversity and inclusion within our workplace as a business imperative and continuously strive to provide equal opportunity in recruitment, career development, promotion, training and reward for all employees regardless of age, gender, race, religion, sexual orientation or disability. As at 31 December 2018, KLCCP Stapled Group has a total of 1,126 employees.

Type of Employment

91% of our workforce constitute permanent employees. We still have contract employees as they are hired based on their specific skills for certain projects for a particular time duration. This demonstrates KLCCP Stapled Group's commitment to provide opportunities and nurture local talent by promoting talent retention within the organisation and ensuring that employees make the best of our organisation.

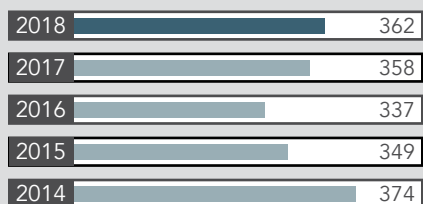


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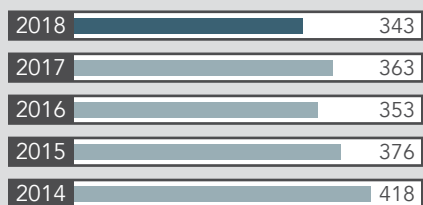
Age Profile

We have a diversified workforce across all age-groups with majority being in the millennials age-group. In 2018, 32% of our employee population are below the age of 30 years while 67% range from 30-60 years old.

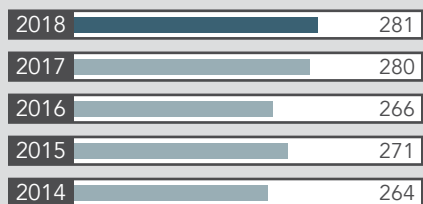
Below 30



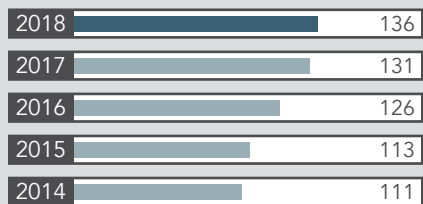
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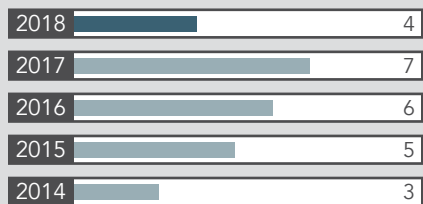
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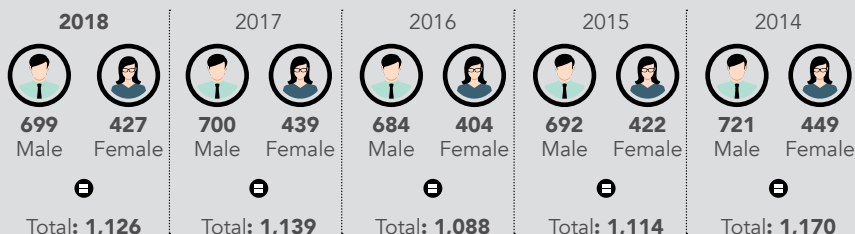


60 Above



Gender Diversity

KLCCP Stapled Group is committed to provide equal employment opportunities and practices merit-based promotion regardless of gender. Though our employee population is still dominated by males with a 62% to 38% female, there is still continuous efforts to balance the gender diversity within the organisation. For managerial position and above, male account for 57% with female at 43%.



Top Management



2018
12 Male, 2 Female

2017
20 Male, 6 Female

2016
27 Male, 18 Female

2015
7 Male, 4 Female

2014
10 Male, 6 Female

Senior and Mid Management



2018
151 Male, 122 Female

2017
151 Male, 115 Female

2016
151 Male, 124 Female

2015
93 Male, 78 Female

2014
126 Male, 100 Female

Other Levels



2018
536 Male, 303 Female

2017
529 Male, 318 Female

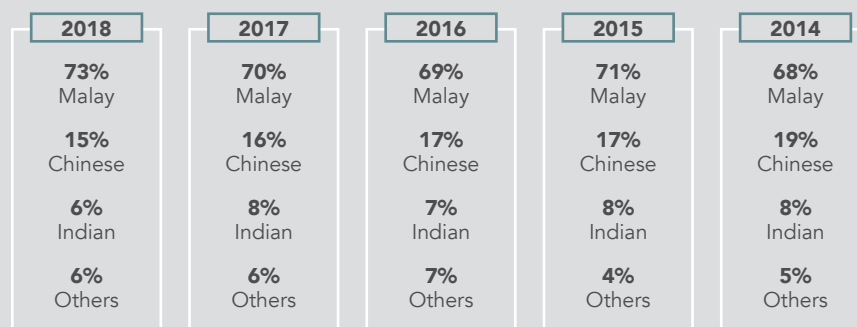
2016
506 Male, 262 Female

2015
592 Male, 340 Female

2014
585 Male, 343 Female

Ethnicity and Disability Inclusion

KLCCP Stapled Group embraces an inclusive workplace practices by having a diverse racial workforce. Our workforce is inclusive of the three major races in the country with the remaining being the natives of Sabah and Sarawak from East Malaysia. We also provide fair employment opportunities for the disabled. As at 2018, we have two employees who collectively have been with the organisation for 30 years.



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SKILLS AND CAPABILITY DEVELOPMENT

Workforce Training and Investment

KLCCP Stapled Group strongly believes in investing in training and development initiatives as this leads our organisation towards gaining competitive advantage for future growth and success. Our training and development strategy is results driven in order to meet the needs of the business. We are focused on developing talent with the right competencies, knowledge and leadership skills at all levels. We groom and grow our internal talents by setting high standards of expectations and encourage employees to take personal ownership of their career that is reinforced through the 70:20:10 learning philosophy wherein 70% is experiential learning, 20% through coaching, mentoring and networking while the 10% is through formal classroom training.

Key Initiatives for the Year

INITIATIVES	BENEFITS
Development of Skill Group (SKG) competencies for the Finance, Legal and Corporate Services and Human Resource fraternity between 2016 and 2018	<ul style="list-style-type: none"> • Enable employees to undergo assessments to identify gaps for closure to enhance functional and technical competencies • As at to-date, SKG assessment for Finance, Legal and Corporate Services and Human Resource fraternity have been completed
Establishment of KLCC Group Elite Leadership Program (KELPRO)	<ul style="list-style-type: none"> • Focuses on building future leaders for second-tier succession line: senior executives and managers • Talents are subjected to a 1½ year programme to prepare themselves to take up future leadership roles
Conducting of "Brown Bag" learning series sessions during lunch hour	<ul style="list-style-type: none"> • Ensure time is well spent making it hassle-free and non-disruptive to other work engagements • 12 learning sessions conducted covering areas such as technical and financial skills, personal development, economy, real estate industry and balanced scorecard framework
Participation in Skim Latihan 1 Malaysia (SL1M) employment program	<ul style="list-style-type: none"> • 4 SL1M trainees joined for a duration of one year, positioned at various business units within our organisation to gain exposure of the business operations • These trainees are from varied backgrounds - Human Resource, Property Management, Business Administration and Quantity Surveying
On-the-job training and Group Training Techniques for hotel employees	<ul style="list-style-type: none"> • Enhance the department trainer's skills in order for them to conduct training according to the hotel standards • Trainings are conducted in two categories: <ol style="list-style-type: none"> a) Generic Quality Trainings b) Fire Life, Health, Safety, Security and Environment trainings
Leadership Development Workshop and Teambuilding for hotel management supervisors	<ul style="list-style-type: none"> • Solidify the management team and enhance its effectiveness by giving members time to get to know each other and execute strategic planning for the organisation
"Management Job Swap" for hotel management employees	<ul style="list-style-type: none"> • Opportunity to assume the role of their down line staffs for a minimum of half a day • Encouraging stronger interpersonal networks, improved communications, gain broader experience and develop new skills and awareness
Culture Exchange Ambassador at MOKL Hotel	<ul style="list-style-type: none"> • Ambassador is assigned to support and assist in the operational processes, conducting specific training, coaching new colleagues and sharing the Mandarin Oriental Hotel Group culture in other subsidiaries • 9 employees were sent to Guangzhou, Bangkok, Singapore and Dubai to build personal relationships, learn about the hotel's uniqueness, working style and culture

Our retail employees continued their Competency Based Learning Curriculum with a focus on Customer Experience Excellence for Concierge and Front Liners, English programmes for Front Liners, Objective Setting and Planning, Standard Operating Procedures Drafting Guide, Procurement Optimisation Workshops and Specialised Trainings for competent handling of Photovoltaic Solar Panel.

In 2018, we invested RM1.4million on learning and development which saw 78% of employees undergoing training programmes that were planned for the year with an average of 34 hours per employee. This saw a total of close to 4,055 man-days for a total of 326 training programmes provided by the Group.

Student Internship Programme

KLCCP Stapled Group also partners with local tertiary education institutions to offer student internship opportunities for students interested in the real estate sector. In 2018, there were 9 interns assigned to various departments within the organisation. Our Human Resource Division also engaged with almost 30 fresh graduates from various universities via "Meet the Grads" session held in December 2018 to reach-out to potential talents for our 2019 internship program. They were inspired by the talks given by our various business unit heads and the graduates were offered an opportunity to initiate conversations with them. This program which was also to promote KLCCP Stapled Group as part of our branding initiative, ended with interview sessions to identify potential talents.

At MOKL Hotel, a structured 6-month global internship programme for key operational departments is made available in line with the hotel school internship schedule. Successful interns are given an opportunity to apply for the Management Development Programs upon their graduation. During the year, 18 students who have shown outstanding performance during the internship training were absorbed into employment at the hotel. MOKL Hotel also partners with the Bandung Institute of Tourism, a leading hotel school in Indonesia to train their students for a duration of 6 months at our hotel. This exposure is essential as part of their curriculum assessment and their accommodation is provided in-house including all meals.

TALENT MANAGEMENT

Dynamic, talented and dedicated employees play a crucial role in our organisation's long-term success. KLCCP Stapled Group continues to retain experienced and skilled employees for long-term and aspires to attract highly qualified and motivated new generation professionals. We see the recruitment, promotion and retention of young talents as a key strategic task. This requires flexible talent management that meets the current challenges of the labour market and transparent career opportunities. We have in place a Talent Strategy Blueprint detailing the strategies on attracting, retaining and developing talents, spanning a 5-year horizon. The blueprint outlines the HR roadmap and milestones focusing on three strategic thrusts – getting the right talents, putting them in the right environment and building credible leaders.

KLCCP Stapled Group identifies talent from within the organisation as well as externally. In 2018, our Human Resource Division participated in the Mega Career and Study Fair 2018 to attract potential candidates to be part of the Group. Our talent management programmes covers all stages from entry-level talent development programmes to top-tier executive programmes which are varied year-on-year to remain relevant to the changing needs of our employees and business while being impactful and meaningful.

We recognise that a systematic approach is necessary in ensuring leadership continuity. Hence, we constantly strengthen our performance management system, engaging our high-performing employees to set stretched key performance indicators and assume bigger roles and responsibilities. Career development planning based on employees' development needs and the input of their superiors are also important for us to build our pool of future leaders. Our Human Resource Planning and Development Committee (HRPDC) continuously reviews our succession planning strategy on an annual basis to identify and develop high potential employees to ensure sufficient talent pool for future succession and leadership needs. In 2018, KLCCP Stapled Group identified 8 critical positions with 21 successors to fill the next leadership roles within the organisation. The succession management ratio for the Group as at 31 December 2018 stands at a ratio of 1 to 2.6. KLCCP Stapled Group was also recognised in Malaysia's 100 Leading Graduate Employers as the most popular employers to work for which is voted by Malaysian students and fresh graduates.

Appraisals and Rewards

As KLCCP Stapled Group is committed to meritocracy, our rewards and compensation policies emphasise employees' performance, taking into account the challenges faced and efforts put in. Our employees' performance management was reviewed periodically and incorporated into a well-structured appraisal system through the Online Employee Management System (EMS) which covers all levels of employees. The EMS comprises of 3 stages – goal setting, periodic review and year-end review. Following the year-end review, a challenge session at division level with the Heads of Department and Heads of Division ensues, followed by a challenge session at organisation level prior to the final round of challenge at the HRPDC.

As part of our employee performance appraisal, our Human Resource Division initiated the inclusion of Behavioral Evaluation – PETRONAS Cultural Beliefs (Be PCB) to nurture and instill the Cultural Beliefs elements amongst employees. Each employee is required to nominate themselves for the Cultural Beliefs elements they have exhibited for the year and subsequently be assessed by their superior for feedback in the areas of strength and improvement. In 2018, 100% of our employees completed their performance appraisals via the EMS.

KLCCP Stapled Group also places emphasis on internal rewards recognition for our employees. In 2018, the Human Resource Division introduced the KLCC Group Choice Awards in recognition of our employee's relentless efforts to excel, through the quality of their performance and efforts in achieving excellent results. We recognise employee of choice for Manager, Executive and Non-Executive levels, best Sports person, for both men and women and employees who displayed exemplary efforts in embracing the Cultural Beliefs values. The selection was based on individual performance, participation in company events, and online voting by all employees.

Our hotel performance appraisal system for the Management team supports the Mandarin Oriental Hotel Group (MOHG) Performance Management process, called "PROFILE". The annual performance and succession planning reviews were completed at all levels of the organisation and feedback were given to ensure that employees are aware of their potential career progress.

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KLCC Young Professional Executive Club (YPEXC)

Nurturing young talents is an agenda of KLCCP Stapled Group as our young professionals constitute 27% of the workforce. In developing our future leaders, we provide an avenue for them to unlock their potential and leadership capabilities. YPEXC is a platform for the young executives to elevate their talent and focus on promoting KLCC values, work-life balance and breakthrough performance culture. The establishment of YPEXC Leadership Team has been endorsed in February 2018 to help empower youth leadership as the culture activator towards sustainable performance and growth.

Key Initiatives for the Year

ACTIVITIES	DETAILS AND BENEFITS
YPEXC Annual Grand Meeting 2018	<ul style="list-style-type: none"> • Annual gathering of YPEXC members as a platform to deliberate YPEXC initiatives and activities throughout the year • Election of YPEXC Leadership Team (LT) and committee members
YPEXC Team Building	<ul style="list-style-type: none"> • A platform for the LT and committees to communicate and align YPEXC organisational vision, mission and core values with clarity and effectiveness • Enable the LT's to conceptualise learning experience and draw upon a cognizant plan of action to achieve a common goal in a fun and exciting settings
Confab session YPEXC LT-GCEO	<ul style="list-style-type: none"> • A face-to-face opportunity to connect with the company's top management to achieve common understanding and to share concerns and challenges of being a Leader
YPEXC Clan Jumpa 2018	<ul style="list-style-type: none"> • Address concerns and issues on YPEXC activities and its members • Encourage camaraderie among members and strengthen YPEXC community ties
Sharing Session with UKM Students	<ul style="list-style-type: none"> • Helps University students to connect their learning with the workplace challenges and expectations • Sharing information about the property and construction industries and the career options it provides
YPEXC visit to Rumah Perlindungan Nur Hati	<ul style="list-style-type: none"> • A joint effort with Human Resource (HR) Division to ease the burden of Rumah Perlindungan Hati residents in preparation for Aidilfitri • Among the CSR activities include: monetary donations, visit to the orphanage and raya shopping with the unfortunate
KLCC Projek Knowledge Day	<ul style="list-style-type: none"> • YPEXC was given the opportunity to be one of the invited speakers to share on Digital Transformation in Property and Construction Industries during Knowledge Day • A platform for sharing knowledge about new technologies, products and services, as well as current challenges within the industry
Toastmaster Series Program/Stand Up, Speak Out Competition	<ul style="list-style-type: none"> • Equip YPEXC with the skills of thinking clearly, speaking persuasively and listening to the opinions of others critically and constructively • To develop their capacity for leadership and promote advance mutual understanding through more effective communication

WORKFORCE ENGAGEMENT

Our employees play pivotal roles in advancing our business towards sustainable growth with the unique and valuable skill sets that they bring. To that end, we consistently engage our employees and empower our Management to interact transparently with their teams. Our engagements focus on employees' well-being, performances, results and recognition. During the year, we continued our proactive engagement with our workforce through various avenues for effective flow of information and alignment to business goals and strategies across our operations.

In 2018, we maintained the employee engagement score at 85%, well above the property and development industry benchmark of 63%. This is reflective of the trust the employees have in our organisation and for providing a workplace that inspires them. As at year end, the attrition rate for KLCCP Stapled Group stood at 6% compared to the property and development industry average of 11%.

Key Initiatives for the Year

INITIATIVES	BENEFITS
Recognition of employees' loyalty and contribution to organisation	<ul style="list-style-type: none"> • Long Service Awards – provision of additional reward for retirees and long service for 10-35 years • Annual Dinner
Promote camaraderie, teamwork and cohesiveness	<ul style="list-style-type: none"> • CEO Townhall • Leadership Development Workshop and Teambuilding • Induction for new employees • Round Table Conference
Encourage stronger interpersonal networks and improved communication	<ul style="list-style-type: none"> • Employees Briefing • Management Retreat • Division Away Day • Social and Recreational Day • Employees Year End Party • Informative Talks • Social Get Together Fund
Employees' feedback on organisational culture	<ul style="list-style-type: none"> • Peer Review Survey • Online Employee Engagement Survey
Promote work-life balance	<ul style="list-style-type: none"> • Talent competition • Cooking Class for hotel employees • Sports and Games



KLCC Group's Long Service Award ceremony is held annually to appreciate and recognise long serving employees

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Employee Wellness

We believe that investing in employees’ health and well-being benefits both the employees and organisation. Healthy employees show better productivity, improved morale, positive contribution to work environment, and drive down overall healthcare costs. We are committed to creating a healthy workplace that encourages our employees to stay healthy and engage in a wide range of health programmes and initiatives.

Key Initiatives for the Year

INITIATIVES	DETAILS AND BENEFITS
Free entry passes to the Twin Towers Fitness Centre (TTFC) for employees	<ul style="list-style-type: none"> Employees are able to utilise the gym facilities, squash, badminton courts and studios for group fitness classes and sports activities
KLCC Group Family Carnival and Property Games	<ul style="list-style-type: none"> Held in November 2018 as part of the efforts in promoting togetherness amongst families and encourage sports development Activities held include: <ul style="list-style-type: none"> - Zumba warm up - Telematch games - Food trucks - Carnival game booth - Petting zoo - Pony rides - Face painting - Clowns and mascots - Colouring contest - Magic show
Fitness programme - Fit4Life 3.0 and JomFit	<ul style="list-style-type: none"> Aimed at providing an avenue for all employees to participate in physical exercise activities after working hours Conducted by professional trainers and highly effective for those who aim to get an ideal weight with an appropriate diet plan and physical exercise
MOHG Global Employees’ Wellness Week	<ul style="list-style-type: none"> MOKL Hotel participated in the Blood Donation Campaign held in collaboration with the National Blood Bank Programmes on health talks, grooming classes, wellness class, sports and social activities as well as healthy food offerings
Suria KLCC staff get-together	<ul style="list-style-type: none"> Organises monthly zumba class, quarterly get-togethers and jogs in the KLCC Park to encourage bonding and understanding between managers and their teams as well as keeping fit.

TOWARDS DIGITALISATION

In an effort of improving service delivery to employees, our Human Resource Division embraced digitalisation by continuing its efforts to relook at its current processes for automation. The journey started in 2012 via the outsourcing of its administrative and transactional activities through a shared services company, PETRONAS Human Resource Centralised Services (“PETRONAS HRCS”). In 2018, our HR Division embarked on several automation and simplification efforts for their systems. These enhancement initiatives were communicated with our employees at the ICT Pit-Stop event held in November 2018 which was in collaboration with PETRONAS-ICT to provide employee experience on the new digitalised services offered.

SOCIAL OUR PEOPLE

The year also saw the “New Room Reservation System” go-live for meeting rooms. The goal is to make room bookings much easier whereby employees can book the meeting rooms using the outlook calendar without leaving the desk to check on every meeting rooms that are available. It saves time and in line with our goal to reduce paper usage.

EMPLOYEE BENEFITS

In an effort to attract, motivate and retain employees, KLCCP Stapled Group emphasises on enhancing employee welfare and catering to the growing needs of our people. In 2018, KLCC Group of Companies were given the opportunity to leverage on PETRONAS’ exclusive vehicle offer for certain brand names. In light of the increasing importance of smart phones making them a necessity for everyone, KLCCP Stapled Group under the Employee Purchase Program provides employee with great discounts to own smart phones.

MOKL Hotel on the other hand introduces MObstay programme which provides its employees and their families discounts on hotel stays giving them the opportunity to experience Mandarin Oriental hospitality. “MOKL Family and Relatives Promo Rate” is also applicable to all permanent employees’ family and/or relatives who are travelling on leisure.

HR ONE-STOP POINT

Aiming to assist both employers and employees, the Human Resource Division established a centralised contact centre called HR One-Stop Point to serve as a one-stop focal point that manages all enquiries that come in through emails, phone calls as well as walk-ins. Part of this initiative, the division introduced “HR Careline” in early 2018 to address HR-related matters for employees and to improve HR’s service level.

We also aim to address any grievance or complaints amongst employees or third party fairly and effectively. The grievance mechanism that we have in place enables employees to raise issues such as dissatisfaction regarding conditions of employment, relationship with colleagues or supervisor, or discrimination. In our efforts to establish fairness in the workplace, our employees can voice their grievances through multiple communication channels such as via the HR Careline, submission of official grievance form or even through face to face conversation with a HR representative. When a grievance report is filed, our HR team will closely monitor any concerns and conduct an investigation with due process which may include disciplinary actions within the framework of local laws and practices, if necessary.











KLCCP Stapled Group participates annually in the Bursa Bull Charge Run in aid of the underprivileged communities

SOCIAL

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RESPONSIBLE EMPLOYMENT PRACTICES

KLCCP Stapled Group is a performance-driven organisation, adopting fair and responsible employment practices. We abide by the following laws:

<p>Employment Act 1955 (ACT 265)</p> 	<p>Trade Union Act 1959 (ACT 262)</p> 
<p>Industrial Relations Act 1967 (ACT 177)</p> 	<p>Minimum Retirement Age Act 2012 (ACT 753)</p> 
<p>Occupational Safety and Health Act 1994 (ACT 514)</p> 	<p>Factories and Machinery Act 1967 (ACT 139)</p> 
<p>Merchant Shipping Ordinance 1952</p> 	<p>Children and Young Persons (Employment) Act 1966 (ACT 350)</p> 

We also benchmark against the property development and management industry wherein the Group's policy is above the 50th percentile of the property development and management industry. Our remuneration packages comply with Malaysia's Minimum Wage regulation while the overtime compensation, working hours and fatigue management are in accordance with the Employment Act. We offer fair and competitive remuneration packages based on employees' competencies and expected roles and responsibilities which are aligned to industry's best practices and market benchmarks with review conducted annually.

Our Group also provides flexible work arrangements (FWA) for employees with special family needs to manage their personal and work commitments more effectively giving a well-balanced lifestyle. We keep abreast with the compliance or adoption of policies and best practices in PETRONAS through quarterly meetings with the PETRONAS Group Human Resource Management in order to align ourselves with our parent company whilst taking into account the relevance of the industry KLCCP Stapled Group is operating in.

HUMAN RIGHTS AND LABOUR PRACTICES

A strong commitment to human rights is an integral part of KLCCP Stapled Group's business etiquette. We also demonstrate responsible workplace practices with respect to employment and fully comply with the legislations on the welfare and rights of our employees and workers as well as our service providers at our project sites. In 2018, there were no incidents and grievances of discrimination, child labour and forced labour reported in KLCCP Stapled Group.

Respect for Freedom of Association

KLCCP Stapled Group respects all employees' fundamental rights to freedom of association and the rights to be members of trade unions. Although KLCC Stapled Group is not a unionised organisation, we stand guided by the Industrial Relations Act which allows trade unions to act on behalf of employees for collective bargaining, providing them with an additional avenue to seek redress for disputes.