



PROSPERITY

Continued Value Creation

► FINANCIAL SUSTAINABILITY [GRI 203-1]

WHY IT IS IMPORTANT

Financial sustainability is not merely a financial metric for KLCCP Stapled Group; it is a strategic imperative that underpins our commitment to responsible and enduring business practices. By prioritising financial health, we ensure not only our survival but also the continuity of our sustainability efforts, translating aspirations into tangible results that benefit our company, stakeholders, and the world at large.

OUR APPROACH




Ensuring Business Resilience



Financial sustainability is the lynchpin for the survival of our business. By ensuring sound financial health and vigilantly executing our strategies for growth, we fortify ourselves against economic uncertainties, market fluctuations and unforeseen challenges. It provides the stability and resilience necessary to navigate the dynamic business landscape.




Impactful Value Sharing



We understand that financial sustainability is not just about generating value; it is about how that value is shared. We are committed to equitable and responsible distribution practices that ensure the benefits of our success reach all stakeholders, including employees, customers, suppliers and the communities in which we operate. This commitment reflects our belief that sustainable financial practices should contribute to a more inclusive and just society.



Ensuring Sustainability Aspirations



Financial sustainability is pivotal to ensuring that our sustainability aspirations and efforts endure over time. By maintaining a robust financial foundation, we can invest in innovative solutions, newer technologies and responsible practices that contribute to a more sustainable future. This longevity justifies the trade-offs with the costs incurred, aligning short-term sacrifices with long-term gains.



Supporting Socio-Economic Benefits



Our financial sustainability transcends profit margins; it supports the creation of socio-economic benefits. By fostering a financially resilient environment, we can invest in initiatives that extend beyond the bottom line, such as community development programmes and responsible supply chain management. Financial sustainability amplifies our capacity to generate positive impacts that resonate far beyond our balance sheets.

2023 in Focus [GRI 2-4, 3-3] Prosperity

KEY INITIATIVES IN 2023

Digitalisation

KLCC Group Digital Roadmap

The Group developed our Digital Roadmap charting our digital journey up till 2028.



The following deliverables were implemented in 2023:

SMART GEP – Source to Contract (S2C)

The SMART GEP S2C module went live successfully on 9 October 2023. Based on a sample Purchase Requisition (PR) application valued at less than RM100,000, the module reduced manpower costs by 33%. This was attributed to the consolidation of data through the Digital Form at source, whereas previously data provided in manual forms had to be re-entered into the system.

Integrated Workplace Management System (IWMS)

IWMS has been segmented into several phases within OPUs:

- Computerised Maintenance Management System (CMMS), one of the modules within IWMS, a system to improve operational efficiency, is currently being assessed on its utilization against business day to day operations. Results of which are then measured against industry practices to help further improve quality of services to end user customers. Gaps are closed and baselines updated to ensure optimum results.
- A successful pilot project with the aim to improve leasing and sales processes through digitalisation, resulting in enhanced business productivity.

Improvement in Parking Services

In December 2023, Parking Management System (PMS 2.0) was completed successfully, enabling seamless entry into the carparks at NWD, KLCC Convention Centre, Menara Dayabumi and Menara Permata Sapura, greatly enhancing the customer experience. Also under PMS 2.0, KPM has established a Disaster Recovery Plan for business continuity.

Cyber Security Baselines

Implemented security baselines across KLCC Group Digital systems for new and existing ICT infrastructure to prevent Cyber Security attacks.

KEY PERFORMANCE INDICATORS

Indicator:	2023	2022	2021
Financial Result			
Dividend (RM'mil)	723.9	660.8	500.1
Taxes (RM'mil)	104.5	70.2	81.9
Revenue (RM'mil)	1,619.2	1,459.3	1,171.1
Infrastructure Maintenance (RM'mil) ^[1]	4.3	3.7*	4.4*
Operating Cost and Expenses (RM'mil)	421.0	322.7	235.0
Value Distribution			
Total RM distributed to Shareholders (RM'mil)	723.9	660.8	500.1
Total RM distributed to Government (RM'mil)	112.2	105.5	45.9
Total RM distributed to Communities (RM'mil) ^[1]	4.6	18.6*	131.4*
Total RM distributed to Employees (RM'mil)	145.1	132.8	104.2
Total RM distributed to Banks (RM'mil)	111.3	105.8	105.2
Total RM distributed to KLCCP SG (RM'mil)	104.5	87.4	25.9

^[1] Total RM distributed to communities includes expenditure on infrastructure maintenance and donations or charity from KLCCP, Suria KLCC and MOKUL Hotel.

* Denotes data that has been restated from prior reports due to updates post disclosure.

Map to

Stakeholders:



UNSDG:



Capitals:



2023 in Focus [GRI 2-4, 3-3]
Prosperity

SUPPLY CHAIN MANAGEMENT
[GRI 204-1]

WHY IT IS IMPORTANT

Beyond operational excellence, our supply chain is a vehicle for social impact. We actively seek suppliers who share our commitment to fair labour practices, diversity and ethical standards. This approach contributes to positive outcomes for workers and communities, in line with our broader goal of being a responsible corporate citizen. Moreover, our streamlined and sustainable supply chain is designed to provide the best customer experience, exceeding expectations and reinforcing our reputation for excellence.



99%
local supplier prioritised

OUR APPROACH

Our approach to supply chain management is more than just about operational efficiency; it is a commitment to sustainability that resonates throughout our business.

Robust Procurement Management

Recognising our ability to shape suppliers' practices, we have integrated clauses in all contracts with our contractors, consultants and suppliers, mandating adherence to our CoBE. The focus is on combatting corruption, upholding business ethics, and prioritising HSE practices along every step of our supply chain.

Beyond compliance, we seek to instigate a ripple effect of change throughout our supply chain. We anticipate that our sustainability standards will influence not only our direct relationships but also the broader business landscape. Mindful of our contribution to the local economy, we also prioritise local partners as far as possible.



KEY INITIATIVES IN 2023

Consolidated Procurement

Consolidated procurement not only streamlines the purchasing process but also optimises manhours and reduces paper consumption. Through centralisation, moreover, redundant tasks associated with procurement are minimised, allowing employees to focus on more value-added activities.

Specific Initiatives in MOKUL Hotel

Responsible Procurement

In 2023, MOKUL Hotel spent RM5.66 million on Responsible Procurement. This included continued efforts to eliminate single-use plastic since 2022 and achieving 100% responsible sourcing for agriculture commodities like coffee, cocoa, tea, vanilla, free-range chicken eggs, sugar, and paper products. MOKUL Hotel also ensured compliance with the WWF Endangered Seafood Guide in its menu and purchased 64% sustainably certified seafood (MSC, ASC, AIP). These initiatives underscore MOKUL Hotel's commitment to sustainable and responsible business practices.

Supplier Audit Process

In the pursuit of maintaining Food Safety practices, MOKUL Hotel has implemented a systematic approach by conducting audits on their food suppliers. In 2023, a total of 30 vendors were assessed, of which 23 falling into the high-risk category and the remaining categorised as low risk. Notably, all audits revealed no non-compliances, affirming the adherence of these vendors to the specified standards.

Consequently, these suppliers have been retained within MOKUL Hotel's supply chain.

Additionally, 40% of MOKUL Hotel's food vendors hold accreditation with either ISO 22000 or HACCP&MS:1480, subjecting them to audits only once every five years. In contrast, non-accredited vendors undergo more frequent audits, with high-risk vendors audited annually and low-risk vendors audited biannually. This systematic evaluation underscores MOKUL Hotel's commitment to ensuring the reliability and compliance of its supply chain partners in the realm of responsible procurement.

KEY PERFORMANCE INDICATORS

Indicator:	2023	2022	2021
Proportion of spending on local suppliers ^[1]			
Total amount spent on local suppliers (RM 'mil)	261.0	–	–
Total amount spent on all suppliers (RM 'mil)	261.4	–	–
Proportion of spending on local suppliers in %	99%	–	–

^[1] Data acquired from KLCCP and MOKUL Hotel. Suria KLCC is excluded from the data provided.

Map to

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2023 in Focus [GRI 2-4, 3-3] Prosperity

► CUSTOMER AND TENANT MANAGEMENT

WHY IT IS IMPORTANT

Being a multifaceted concept, sustainability is addressed not only through environmental initiatives but also by emphasising strong relationships with customers and tenants. By understanding their needs, KLCCP Stapled Group builds trust and collaboration, positioning ourselves as reliable partners in the communities we serve. This commitment not only fosters brand loyalty but also contributes to positive social impact, creating vibrant and inclusive communities. Our dedication to providing the best customer experience ensures satisfaction, reinforcing our position as a responsible corporate citizen and driving positive change in the business ecosystem.



OUR APPROACH

Extensive Engagement

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

Feedback Mechanisms

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

Customer Satisfaction

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

In 2023, we maintained a score of between 85% and 96% in the Customer Satisfaction Survey rolled out across most segments in the Group, as shown in the Key Performance Indicators (KPIs) section below. Our retail segment, meanwhile, achieved an NPS score of 73, which compares very favourably against the industry benchmark of 43. We will work continually on feedback provided to us, both positive and negative, to improve our capabilities and provide the best customer experience in all our segments.

KEY PERFORMANCE INDICATORS

Indicator:	2023	2022	2021
Customer Satisfaction/Net Promoter Score			
Office	96	88	81
Retail ^[1]	73	64	65
Hotel	90	87	87
Car Park	85	83	–

^[1] The retail segment specifically utilises NPS, while the other segments utilise the Customer Satisfaction Score.

Map to

Stakeholders:



UNSDG:



Capitals:



2023 in Focus [GRI 2-4, 3-3]

Prosperity

► CORPORATE SOCIAL RESPONSIBILITY

WHY IT IS IMPORTANT

Corporate Social Responsibility (CSR) is crucial to sustainable operations as it encompasses a commitment to social impact and community well-being. Social impact initiatives, such as philanthropy and sustainable practices, address societal challenges and contribute to community betterment.

Community enrichment and well-being emphasise a company's role in enhancing the communities it serves. Investments in local infrastructure, education and healthcare not only foster sustainable growth but also cultivate positive relationships with stakeholders, demonstrating a genuine commitment to community development.



OUR APPROACH

Corporate Social Responsibility (CSR) Initiatives

KLCCP Stapled Group fully embraces the concept of CSR which we believe provides us our social license to operate. Serving the communities we operate in is an extension of creating a positive social impact as part of our ESG commitments. We have a designated CSR team within the Strategic Communication and Investor Relations department that is tasked with identifying and implementing community outreach programmes focusing on charity, donations and fundraising initiatives. We will continuously enhance our CSR initiatives and explore long-term endeavours that provide ongoing benefits to the communities involved.

KLCC Sustainable September

KLCC Sustainable September was a month-long event dedicated to various ESG related programmes and initiatives. The collaborative effort of the Group's diverse segments involved engaging communities and fostering sustainable practices. Going forward, we seek to organise the event annually, underscoring our relentless pursuit of contributing to a more sustainable planet and society.

Refer to pages 112 to 113 for a detailed spread on the event.

KEY INITIATIVES IN 2023

Sponsorships	Details
Energy Asia Conference	<ul style="list-style-type: none"> The Energy Asia Conference serves as a platform for leadership discussions and showcases cutting-edge solutions with the aim of uniting global industry leaders, investors and policymakers to overcome energy transition challenges for a just and responsible net-zero future in Asia.
Young Executive Sustainability Summit (YESS)	<ul style="list-style-type: none"> Organised by UNGCMYB, YESS addresses sustainability issues from diverse perspectives targeting young professionals.
PETRONITA Orchid Run and Ride 2023	<ul style="list-style-type: none"> PETRONITA Orchid Run and Ride promotes physical fitness and mental wellness. Proceeds are channelled towards more equitable healthcare.
Suara PACSU – Police Administrative and Civilian Staff Union	<ul style="list-style-type: none"> Suara PACSU contributes to PDRM's crime prevention campaign and Union activities, including financial assistance for education, legal aid, workshops, forums and sports activities.
Bursa Bull Charge Run	<ul style="list-style-type: none"> The Bursa Bull Charge Run brings together the Malaysian capital market in a fund-raising initiative to support Bursa Malaysia's goal of creating a more sustainable marketplace.
Tapestry of Colours Charity Dinner (TOCCD)	<ul style="list-style-type: none"> Proceeds from TOCCD 2023 were directed to Yayasan Universiti PETRONAS (UTP)'s scholarship fund for underprivileged students, fostering research, innovation, and campus activities related to arts, sports and culture.
Yayasan UTP Charity Golf 2023	<ul style="list-style-type: none"> The Yayasan UTP Charity Golf 2023 raised funds for Yayasan UTP's Scholarship and Bursary fund, supporting underprivileged students and promoting educational excellence.
Pertubuhan Dar Asnaf	<ul style="list-style-type: none"> In collaboration with KLCC Sustainable September, KLCCP donated to Pertubuhan Dar Asnaf Al-Fateeh Al-Idrisiah Selangor, benefiting orphans and Asnaf children via programmes such as educational sponsorships, vocational training, healthcare services and necessities.

2023 in Focus [GRI 2-4, 3-3]

Prosperity

KEY INITIATIVES IN 2023

Initiative	Details
Mental Health Awareness Campaign at Suria KLCC	<ul style="list-style-type: none"> Since the Mental Health Awareness Campaign was first organised in 2021, Suria KLCC has allocated a budget of RM5,000 for each of Chinese New Year, Hari Raya and Christmas to enhance the sales of Suria Ribbon Pins at RM10 per piece, commencing in 2022. Proceeds from these sales are directed to selected NGOs, namely: <ol style="list-style-type: none"> Malaysian Mental Health Association The Green Ribbon Group Befrienders KL Mental Illness Awareness & Support Association To date, we have contributed RM57,910 to the NGOs, of which RM30,410 was collected in 2023.
Make-A-Wish with Us – Festive 2023	<ul style="list-style-type: none"> Make-A-Wish Malaysia is part of a global movement to fulfil the wishes of children battling critical illnesses. We commit 5% of sales from our Festive Afternoon Tea at the Lounge on The Park, Christmas Eve Dinner, and Christmas Day Brunch at Mosaic to the cause.
Malaysian Association of Hotels (MAH) KL Chapter's Charity Cookies Bake 2023	<ul style="list-style-type: none"> The Annual MAH KL Chapter's Charity Cookies Bake raises funds for charity. This year, the proceeds went to Rumah Kasih Charity Home and Pertubuhan Kebajikan Ulul Azmi (formerly Pusat Jagaan Anak Yatim & Miskin Sri Kundang).
Pink Afternoon Tea in support of Estée Lauder Companies' 2023 Breast Cancer Campaign	<ul style="list-style-type: none"> Promotions were offered at RM188 net, with 10% of the proceeds channelled to Estée Lauder Companies' 2023 Breast Cancer Campaign.
Visit to Rumah Kasih Charity Home	<ul style="list-style-type: none"> On 26 September 2023, 21 MOKUL Hotel colleagues organised a visit to spread cheer among the senior citizens and abandoned government hospital patients at Rumah Kasih Charity Home in Setapak. This was in conjunction with the Mid-Autumn Festival.
World Environment Day	<ul style="list-style-type: none"> MOKUL Hotel celebrated World Environment Day and its 25th anniversary by planting 25 trees at the Forest Research Institute Malaysia (FRIM), supporting the national 100 Million Tree Planting Campaign.
Minimising Food Waste Awareness Workshop	<ul style="list-style-type: none"> MOKUL Hotel collaborated with WWF Malaysia to conduct a precinct-wide workshop for the Kuala Lumpur Convention Centre Business Events Alliance (KLCCBEA). The objective was to share how we can improve food waste management in hotels.
Feed The Homeless with Reach Out Malaysia	<ul style="list-style-type: none"> Since 2015, MOKUL Hotel has been contributing packets of food (35 packs) to Reach Out Malaysia to help feed the homeless in Kuala Lumpur.
Old Soles New Life	<ul style="list-style-type: none"> This shoe recycling campaign aims to turn old shoes into surfaces for jogging tracks, fitness corners and playgrounds.
Toyota Outrun 2023 on 15 Jan 2023	<ul style="list-style-type: none"> Toyota OutRun 2023 brought communities together to celebrate the lives of cancer survivors, while raising funds for the National Cancer Society Malaysia (NCSM).
School Recycled Learning Programme	<ul style="list-style-type: none"> The Kitchen & Stewarding Team collected and cleaned 100 metal cans before donating them to a school for its annual children's recycling activity.

KEY PERFORMANCE INDICATORS

Indicator:	2023	2022	2021
Corporate Social Responsibility (CSR)			
Total amount invested in the community (RM'mil) ^[1]	4.6	18.6*	131.4*
Total number of beneficiaries of the investment in communities	16,983	–	–

^[1] Amount includes contributions from KLCCP, Suria KLCC and MOKUL Hotel.

* Denotes data that has been restated from prior reports due to updates post disclosure.

Map to

Stakeholders:



UNSDG:



Capitals:



KLCC Sustainable September

KLCC Sustainable September, initiated in 2022 by KLCC Business Events Alliance (KLCCBEA), aims to promote sustainable practices within the KLCC Precinct. The choice of September as the designated month is strategic, aligning with various sustainability-related days such as International Charity Day (5 September), UNSDG Action Day Decade of Transformation (25 September) and International Day of Awareness of Food Loss and Waste (29 September).

In 2023, a larger collaboration was fostered, involving the broader KLCC Group in our collective efforts to reinforce our commitment to a sustainable future. A comprehensive month-long series of activities was organised to drive sustainable initiatives for the environment and community.

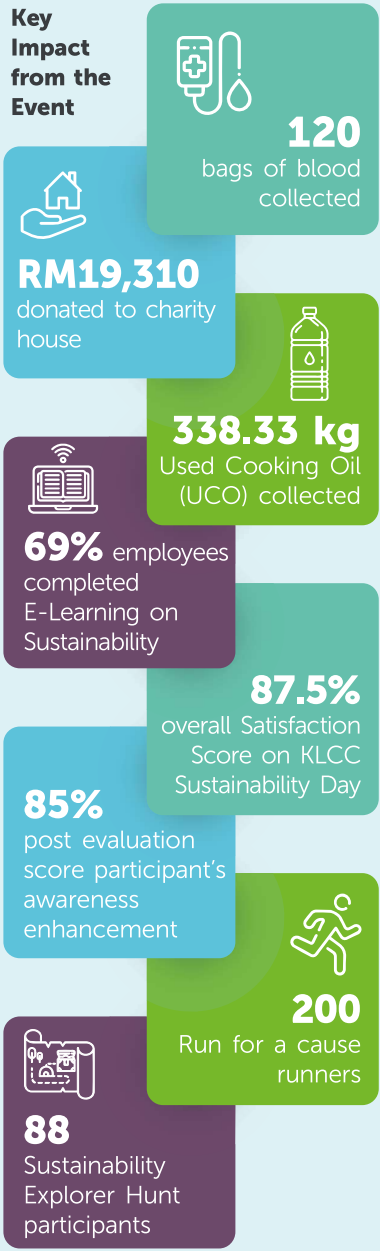
Key participants in this collaborative endeavour included KLCCP, KLCC Sports & Recreation Club, KLCCBEA (comprising KLCC Convention Centre, Mandarin Oriental Kuala Lumpur, Traders Hotel, Impiana KL Hotel and Suria KLCC), Double Tree Hilton Putrajaya and The Everly Putrajaya as well as external parties such as Pusat Darah Negara, AIA, Capital Oil, KLOTH Cares, MAEKO and Accordia.

The primary objective of this month-long initiative is to foster increased involvement of our staff and business partners in advancing KLCC Group's sustainability agenda, focusing on the following key objectives:

- Strengthening relationships within KLCC Group to drive the attainment of UNSDG, in line with the aspirations of both KLCC Group and KLCCBEA.
- Establishing September as a month dedicated to sustainability within our Group, with the intention to turn the event into an annual tradition.
- Elevating global recognition of KLCC Precinct as an UNSDG-oriented destination for both leisure and business activities.
- Motivating the business events supply chain as well as venues and hotels associated with KLCC Group to take a leading role in advocating environmental and societal causes.



Key Impact from the Event



UNSDG Contribution:

Sustainable September contributes towards these UNSDG through the impact achieved from its execution.



Date	Event	Objective	Stakeholders/ participants	Collaborating parties
8	Media Launch, including: <ul style="list-style-type: none"> Care For Your Kidney fun run Health screening by NKF 	<ul style="list-style-type: none"> To promote kidney health awareness To raise funds for the National Kidney Foundation (NKF) 	KGLT, KLCCBEA, Media, KLCC Group runners (200pax)	KLCCP, KLCCBEA
5, 25	Blood Donation at Putrajaya Holdings & Dayabumi	<ul style="list-style-type: none"> To educate employees about how regular blood donation reduces the risk of medical conditions To encourage volunteerism among employees and tenants 	KLCC Staff and PJH/Dayabumi tenants	KLCCP Pusat Darah Negara, AIA
9-17 22	Restaurant Week Campaign Live draw	<ul style="list-style-type: none"> To create awareness about KLCC The Place's positioning as an UNSDG precinct, where visitors can "meet, eat, sleep, shop and play" sustainably. 	Customers	KLCCP, KLCCBEA
19-22	Bake for Charity fund-raising	<ul style="list-style-type: none"> Hotels and KL Convex culinary teams made 1,700 packs of cookies for sale (at RM5) to KLCCBEA partners and KLCC Group staff to raise funds for charity To provide nutritious meals to individuals and families 	Employees and customers	KLCCP, KLCCBEA
19, 20, 26	Used Cooking Oil (UCO) collection drive at Menara PJH, NWD & Dayabumi	<ul style="list-style-type: none"> To promote awareness on UCO recyclability and its importance as a feedstock for bio-refinery Inter-division competition to boost the drive 	Employees, tenants & community	KLCCP & Capital Oil
26	KLCC Sustainability Day activities – awareness talks, exhibition booths and experiential learning	<ul style="list-style-type: none"> To enhance awareness among staff on sustainable practices and environmental responsibility To showcase the potential of circular economy by collaborating with recycling and social enterprise organisations 	KLCC employees	KLCCP, KLCCBEA, Kloth Cares & Capital Oil
30	Treasure Hunt around KLCC Precinct	<ul style="list-style-type: none"> To promote awareness of Sustainability initiatives by the KLCC Group To engage in team bonding through interactive activities 	KLCC Group employees	KLCCP & KSRC