

# PROSPERITY

## ADVANCING ECONOMIC RESILIENCE

We are committed to sustainable social and economic development across our business, operations and communities. We seek to share prosperity through our local hiring, investments in our operations and infrastructure, and contributions to non-profit organisations that help communities thrive and promote inclusive social development.

### OUR APPROACH

We constantly look to strengthen our portfolio to ensure it meets the changing needs of our customers and communities. We always bring social, economic, and environmental benefits to the areas where we operate. Great design increases efficiency, encourages people to spend time in our spaces and enables buildings to adapt to changing customer needs. We design with long-term value in mind. We design our buildings to support wellbeing and productivity. From office occupiers to brands and shoppers, we aim to provide our customers with exceptional experiences – creating value for our shareholders.

### OUR ALIGNMENT TO THE UNSDGs



### MATERIAL SUSTAINABILITY MATTERS

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

### MAPPED TO OUR CAPITALS



### RELATED PRINCIPAL RISKS

- Finance
- Market
- Asset Management
- Facilities Management
- Supplier

### 5-YEAR SUSTAINABILITY ROADMAP (2019-2023)

- Goal 1**  
Building a Smart, Safe and Sustainable KLCC Precinct

### In this section

#### Financial Sustainability

- Delivering and Adding Value
- Digitalisation

#### Customer and Tenant Management

#### Supply Chain Management

#### Corporate Social Responsibility

- Investment in Local Communities
- Charity and Donations



### FOCUS FOR THE YEAR

**Strengthening business resilience** and continuity through close monitoring of our cash flow and cost optimisation

Enhancing customer and tenant communication in **building trust and elevating experience**

**Progressing social agenda** through community programmes for the needy and underprivileged

### FINANCIAL SUSTAINABILITY

#### DELIVERING AND ADDING VALUE

In 2022, our total revenue amounted to RM1.46 billion. From this, about 22% went to purchasing costs and other operating expenses. The remaining RM1.14 billion were distributed to our employees, shareholders, and other providers of capital, paid in taxes to government, or retained in the company.

#### Prosperity Goes Beyond Profit

The Group has adopted the definition of prosperity from the WEF Stakeholder Capitalism Metrics framework: "An ambition to ensure that all human beings can enjoy prosperous and fulfilling lives and that economic, social, and technological progress occurs in harmony with nature." Prosperity for us highlights the importance of prosperous societies and the role of businesses in fueling economic growth, innovation and shared wealth.

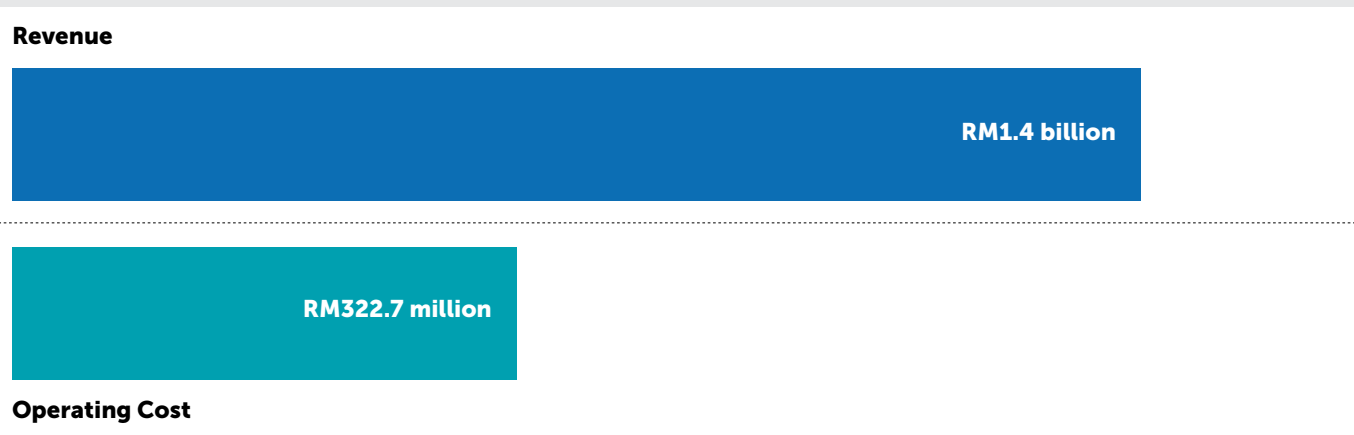
#### What Gets Measured Gets Done

Transparency through measurement is our key tool in running an accountable business. We use metrics from both reporting standards and ratings and have set up a system of establishing internal ownership of indicators in order to allow for systematic follow-up and improvement against best practices. We take guidance from the WEF Stakeholder Capitalism Metrics, with disclosures focusing on people, planet, prosperity, and principles of governance, as we support improved approaches on how to measure and drive sustainable performance.

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VALUE GENERATION

Our Direct Economic Generated in 2022 is RM1.46 billion, which RM322.7 million went to Operating Costs and Expenses



Value Distribution

TO SHAREHOLDERS

**RM660.5 million**

was paid to shareholders. We aim to be an attractive investment for shareholders

TO GOVERNMENT

**RM70.2 million**

in income taxes was paid to the government

TO COMMUNITIES

**RM17.0 million**

was paid in donations, sponsorships, and rental assistance. RM15 million went to our retail tenants in 2022

TO EMPLOYEES

**RM132.8 million**

was paid in employee wages and benefits

TO BANKS

**RM105.8 million**

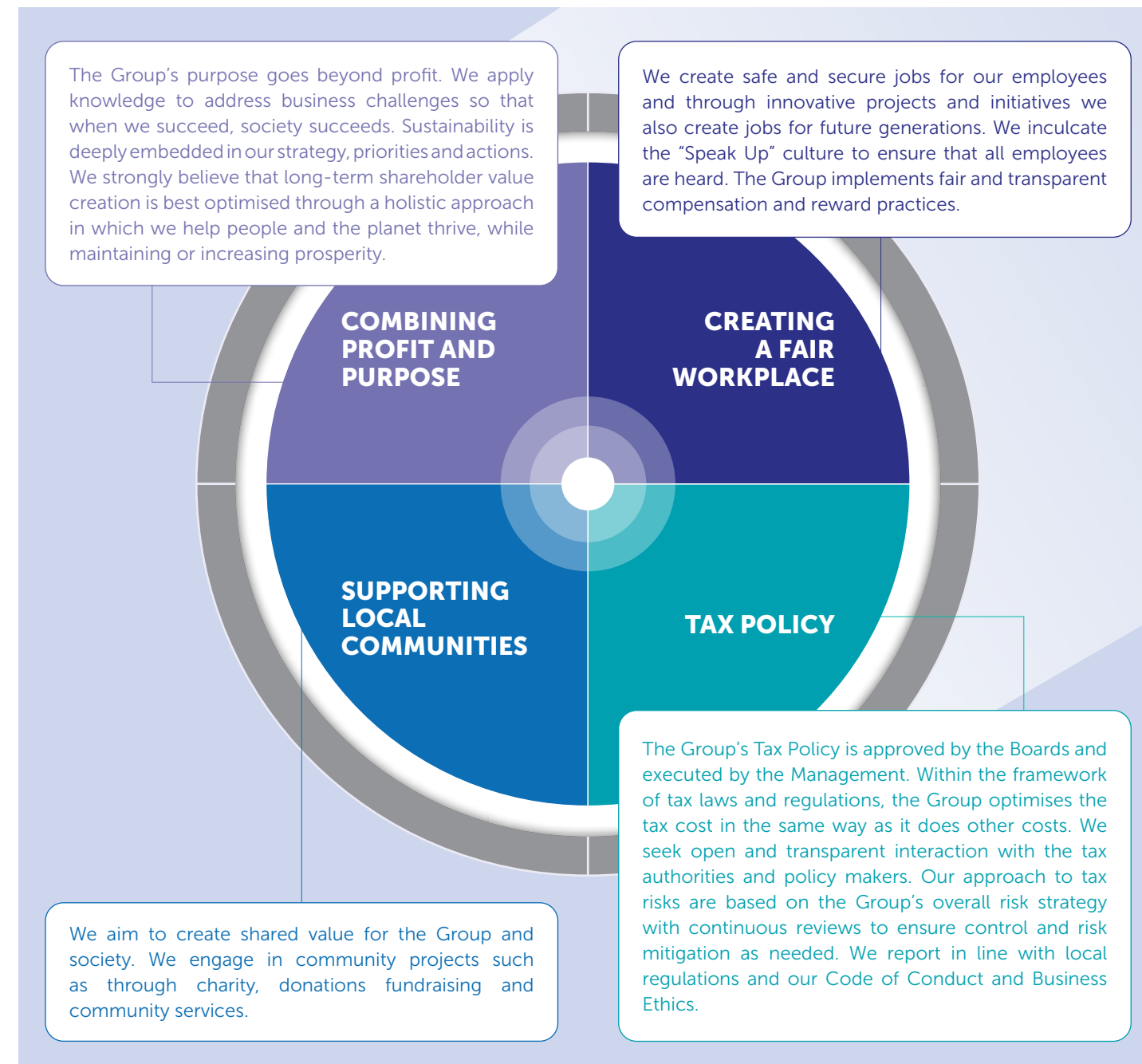
was paid in interest expenses to banks

TO KLCCP STAPLED GROUP

**RM87.4 million**

was retained in the company

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DIGITALISATION

The world around us is changing at a great pace and we are in continuous dialogue with our customers as we strive to understand and prepare to meet the longer-term trends within our industry. By doing this we are able to ensure that our portfolio continues to meet the needs of, and play an integral part in, our customers' operations, and that our business remains relevant.

We have embedded a culture of continuous improvement within the Group and are constantly questioning how and why we do things while pushing ourselves to do better. This means we are constantly refining not just our existing portfolio but also how we design, plan and build our assets, with sustainability and technology at the heart of our thinking.

The creation of our Digital Roadmap (2020-2023) was an important part of this process, reflecting our belief that we should consider investments in data and technology in the same way that we consider investments in physical assets.

The industry within which we operate offers significant opportunities to make changes that not only help improve efficiencies, but also help us make better and more informed decisions. Key to this is a focus on enhancing operational excellence in the areas of project management, facilities management and safety and security.

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- Digital Project Management Framework (DPMF)**
  - Set a standard reference for digital project procedures in guiding the Business Units and Operating Performance Units with the DPMF phases and process for accommodating any new digital request
- KLCC Parking Alternative Cashless Payment Method**
  - Collaborated with Setel Ventures Sdn Bhd (SVSB), a petrol epayment solution in Malaysia, to deliver a cashless and seamless parking payment experience for its customers with Setel mobile application
  - KPM Converted 16,000 visitors into Setel users in 2022
  - About 98% of customers paid their parking fare using digital solutions

**CASHLESS PARKING**  
CONVENIENT . SAFE . SECURE

**PARKIR TANPA TUNAI**  
MUDAH . SELAMAT . TERJAMIN

VISA MyDebit Touch 'n GO

**KLCC PARKING MANAGEMENT SDN BHD**  
SERVICE BEYOND BOUNDARIES

- KLCC Digital DiReq**
    - Launched the Service Request Management system (DiReq @Digital Requests) to better manage and organise KLCC Group employees' requests for Digital related services
- DiReq ensures requests from internal customers are managed, systemised and organised. Requests are categorised by workflows, therefore better tracked. Dashboard reports were built in for Management reporting

**JOIN US FRIYAY WITH DIREQ**  
THINK DIGITAL, THINK DIREQ

AHMAD FARIS ISKANDAR AHMAD FUAD  
11TH NOVEMBER 2022  
4.00 PM

Brought to you by klcc.digital@klcc.com.my

- Hot Desking Management System via PUSPA**
  - In the new ways of working, it is not necessary that employees are desk bound or permanently assigned to a specific desk
  - PUSPA allows staff to make reservations on specific dates when there is a need to be in the office and a desk is made available. PUSPA is able to show available desks where a staff can reserve for use over a specified period of time

**Experience it TODAY!**

**Hot Desk Booking via PUSPA app** PUSPA is ready to assist you!

**HOW to use it?**

Step 1: Go to > Microsoft TEAMS > Select 'Apps' > Type 'PUSPA' > Install  
Step 2: Select 'New Booking' > Select 'Location' > 'Kuala Lumpur/ Putrajaya'  
Step 3: Make a booking > 'Date & Time' > 'Select Desk' | Submit Booking

For more details, please refer attachment: **USER GUIDE | Hotdesk Booking**

**Start Booking & Share Your experience with Us!**  
For any enquiry, do reach us at [klcc.digital@klcc.com.my](mailto:klcc.digital@klcc.com.my)

- Enterprise Information Management**
  - Established foundation for data governance across the Group
  - Raised Data Management capability through upskilling to ensure continual data quality improvements in the organisation
  - Built high quality Enterprise Data Hub and high-quality Enterprise Content Management
  - Facilitated Digital Transformation journey through the provision of insights generated from connected network of information across functional business operations

- KLCC Parking Management Operations Dashboard**
  - Created a reporting dashboard to track parking operations within KPM
  - The dashboard provides real time monitoring and assist in decision making by leveraging on data analytics from multiple points within parking operations

- KLCC Group Procurement Integrated Dashboard**
  - Created an integrated dashboard which displays real time status of procurement related requests
  - This has replaced an existing manual system which requires several rounds of verification to ensure accuracy



**CUSTOMER AND TENANT ENGAGEMENT**

KLCCP Stapled Group believes in building a strong and trusting relationship with our customers and tenants as we continue to engage with them even during the difficult times. We value their patronage and take into consideration their feedback in our effort to expand our outreach and in building a shared sense of responsibility and progressing societal development. We conducted extensive engagements via numerous communication channels to promote social betterment, and to build strong tenant relationship, to meet the evolving customer behaviour and expectations.

We are also committed to provide the best customer experience and endeavour to exceed guests' expectations, through personalised services that cater to individual needs. We curated loyalty programmes to suit our guests and provide them with the best experience whether they are in offices, at our retail mall or during their stay at our hotel.

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INITIATIVES FOR THE YEAR

HOTEL

**Customer loyalty program - Fans of MO**

- Benefits varies for members during and between stays includes complimentary wifi, dining benefits, and welcome amenity
- 48,000 guests signed up for the program this year
- 52% of the customers are repeat long-term guests

**Guest engagement platform - helloMO**

- helloMO is a guest messaging platform that MOKL Hotel uses to engage with guests prior, during and after their stay via instant messaging
- The helloMO is a centralised, intelligent messaging platform designed for leading luxury and resort properties around the world



**Digital communication and marketing**

- Collaborated with influencers/KOLs (Key Opinion Leader) for them to post on their stay or dining experience at MOKL Hotel to attract guests
- Performed social media campaigns on Instagram and Facebook, highlighting the hotel's offerings such as room, dining or spa experiences



**Little Explorer Club/Tatler House**

- Launched Little Explorer Club on 29 October, featuring key parenting influencers Lily Shah and Happy Go KL who specialise in family-child oriented content
- Venue sponsorship for Tatler cover page photoshoot



PARKING MANAGEMENT

**Communication with parkers on Car Park Operation Updates**

- Released notifications via email, website and signages on car park operation updates



**"Jump Card" service at NWD Car Park**

- Introduced "Jump Card" to customers to ease exit from the car park

Customer Experience and Satisfaction



SUPPLY CHAIN MANAGEMENT

Sustainable Procurement and Supply Chain plays a significant role in our sustainability practices. Recognising that we are in a position to influence our suppliers to adhere to our principles and values, we included in all our contracts with our contractors, consultants and suppliers (suppliers), the provisions requiring them to comply with our CoBE. We also promote transparent and fair practices by our supplier by including a provision on supplier code of conduct in the contract's terms and conditions on fighting corruption, maintaining business ethics and prioritising HSE practices.

hope will affect the way that suppliers deal not only with us, but with their other customers and their own suppliers as well. We believe procurement is one of the biggest levers to drive sustainability in our economy.

We are committed to doing business with other companies that share our values and beliefs. For effective sustainable supply chain management, we must secure buy-in from our suppliers to uphold our high standards.

By doing this, we promote our sustainability standards beyond our own business, causing a ripple effect of change that we

In promoting sustainable procurement practices, we have a robust procurement process that covers every element of our value chain.



INITIATIVES FOR THE YEAR

**Established Procurement Principle**

- To secure "Best value for money" in procurement of goods and services while adhering to good governance and transparency

**Implementation of Go-Anywhere Managed File Transfer**

- Implemented the Go-Anywhere Managed File Transfer (GMFT), a service to facilitate the exchange of large files between staff and external parties in managing submission of tender documents
- Folders can be shared to other users via browser
- GMFT enables transfer of files above 5MB which also reduces cost and save time

**Implementation of Digital Tender and Contract Document**

- Replaced the current conventional practice of printed/hardcopy tender and contract document with Digital Tender Document (eTD) and Digital Contract Document (eCD)

**Due Diligence**

- Due diligence is one of the Third-Party Risk Management (TPRM) Tools. It refers to process of researching and verification of pertinent information before entering into a contract with a third party
- In 2022, the Group conducted due diligence checking on all our suppliers

**Supplier Performance Management**

- Supplier Performance Management is a process where the performance of suppliers is monitored, evaluated (via Contractor/Consultant Performance Appraisal (CPA) and reported to the management
- The CPA is conducted twice yearly, i.e. January to June and July to December cycles

**Procurement System and Application**

- Evaluation of end-to-end digital procurement systems such as SMART by GEP or other end to end system

**Category Management**

- Maximising value by having a category-driven procurement e.g. stationery, Personal Protection Equipment (PPE), panel contractor, panel consultant

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CORPORATE SOCIAL RESPONSIBILITY

**KLCCP Stapled Group embraces social responsibility and maintains active engagement with our diverse group of stakeholders who have a direct or indirect impact to our business, reputation and our purpose in creating a sustainable future for all. We continue to establish mutually beneficial relationships through impactful communications and initiatives that suit the different needs of our stakeholders.**

We maintain infrastructure that ease connectivity for public and community. These infrastructure comprise the KLCC Park, pedestrian bridges and tunnels surrounding KLCC Precinct and Menara Dayabumi.

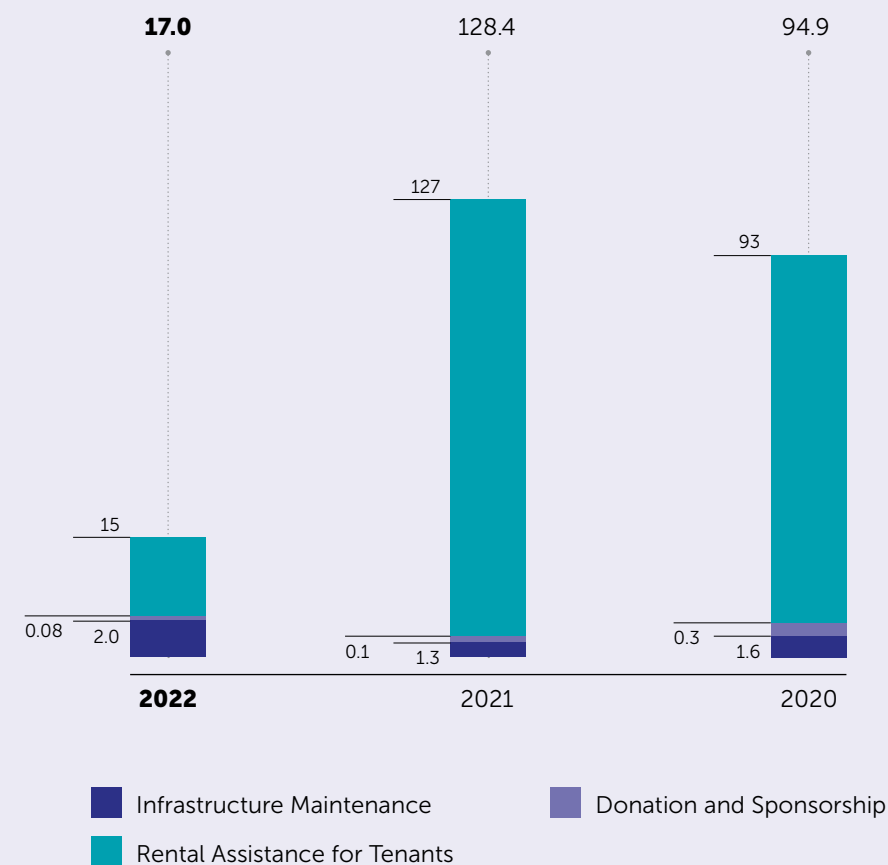


As a responsible corporate citizen, we recognise that we will be more enriched when those around us thrive. We have a duty to maintain the highest standards of social responsibility and integrity as an employer, a developer, a landlord and a solutions partner. We are aware that our buildings are part of the local community and of our city.

We strive to make our spaces better places to live and work in for our communities and recognise we can only do this if we foster and maintain strong community relationships, and listen to our stakeholders about what matters to them. Our community programmes are designed to ensure we make a positive contribution to the society in which we operate. We support our communities via projects such as fundraising events, community development and partnership in creating a conducive environment for all.

Through our community engagement initiatives, we ensure that we support local issues and, in particular, help the underprivileged and the needy. This year, we invested a total of RM17 million corporate social initiatives which cover infrastructure maintenance, donation and sponsorship, and rental assistance to our retail tenants.

CORPORATE SOCIAL INVESTMENT (RM 'mil)



Charity and Donations

INITIATIVES FOR THE YEAR



Community Tree Planting at Kuala Langat Forest Reserve

- On 24 September, the Global Environment centre, in collaboration with the Selangor State Forestry Department and Sahabat Gambut Asli Temuan of Malaysia carried out the tree planting activity at the Kuala Langat North Forest Reserve
- 14 volunteers from MOKL Hotel participated in the Initiative
- About 450 Tenggek burung (Melicope lunu-ankenda) trees were planted at FC 6



MOKL Hotel actively supported the Blood Donation Campaign with the National Blood Bank

- team consisting of doctors and nurses on 23 September 2022
- 35 donors from MOKL Hotel participated in the initiative



Flood Relief by Suria KLCC

- Suria KLCC participated in a flood relief initiative in December 2022
- Donated food items and other self-care worth RM20,000 to the flood victims at Hospital Kuala Lumpur and Putrajaya



Feed the Homeless with Reach Out Malaysia

- MOKL Hotel continued to support Reach Out Malaysia program donating of 30 packets of food to feed the homeless on Mondays, Thursdays and Fridays to be distributed in various areas of Kuala Lumpur
- 630 packets of food were donated between May and December this year for the homeless in Kuala Lumpur area

Contribution towards the Malaysian Aids Foundation (MAF) Post-Flood Relief Fund

- Provided Emergency post-flood relief assistance for HIV/AIDS community situated at the one-stop support centre: shelter home in Kuantan, Pahang

Contribution towards Badan Kebajikan Kakitangan Melayu Dewan Bandaraya Kuala Lumpur (BKMDBKL) Welfare, Building and Educational Fund

- Financial support of their employees in need

Contribution towards Polis Diraja Malaysia (PDRM) Police Administrative and Civilian Staff Union Welfare Fund

- Contributed financial assistance for the administrative and civilian staff of PDRM through their educational and welfare fund

Contribution towards Ibu Pejabat BOMBA dan Penyelamat Malaysia: Firefighters' Welfare, Building and Educational Fund

- Sponsored Persatuan Sukan, Kebajikan dan Kebudayaan (PSKK) Ibu Pejabat BOMBA dan Penyelamat Malaysia via participation in Charity Movie Screening

Contribution towards Yayasan Universiti Teknologi PETRONAS (UTP)'s Scholarships Fund through participation in Tapestry of Colour Charity Dinner

- Boosted the university's growth and helped underprivileged UTP's deserving students

