

CORPORATE GOVERNANCE REPORT

STOCK CODE : 5235SS
COMPANY NAME : KLCC PROPERTY HOLDINGS BERHAD (“KLCCP”) &
KLCC REAL ESTATE INVESTMENT TRUST (“KLCC REIT”)
FINANCIAL YEAR : December 31, 2023

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA

Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.1

The board should set the company's strategic aims, ensure that the necessary resources are in place for the company to meet its objectives and review management performance. The board should set the company's values and standards, and ensure that its obligations to its shareholders and other stakeholders are understood and met.

Application	: Applied
Explanation on application of the practice	<p>The Boards are responsible to our Stapled Securities holders for delivering sustainable growth, as well as to stakeholders, to achieve the KLCCP Stapled Group's strategic objectives. The Boards' display of leadership is emphasised in the code of business conduct, ensuring compliance with relevant laws, policies, applicable standards, and guidelines across the Group.</p> <p>The Boards recognise their responsibility in setting the group's direction and long-term strategic plans by considering changes in the external environment that impact the performance of KLCCP Stapled Group. The Boards provide effective oversight of business operations, resource management, and risks through the assistance of respective Board Committees, operating under clearly defined Terms of Reference.</p> <p>The Boards and Boards' Committees' discharge of duties and responsibilities during the financial year ended 31 December 2023 ("FY2023") comprised:</p> <p>(a) <u>Governance and compliance</u></p> <p>(i) Approved the inclusion of relevant sustainability questions in the Board, Board Committees and Directors' Effectiveness Evaluation for FY2022 ("BEE FY2022").</p> <p>(ii) Considered and reviewed the FY2022 management activities relating to tracking and reviewing of the ABMS performance applicable to the Group Adequate Procedures established in line with the T.R.U.S.T Principles for the ISO 37001:2016 Anti Bribery Management System ("ABMS").</p> <p>(b) <u>Business strategy, business planning & budget and financial performance</u></p>

- (i) Reviewed, deliberated, and approved the FY2024 Business Plan and Budget as well as the 4-year Financial Forecasts FY2025 - FY2028 for KLCC Property Holdings Berhad (“KLCCP”) and KLCC REIT.
- (ii) Considered and deliberated on management updates and progress reports relevant to the business operations and undertakings, paying particular attention to the frequent reviews of reporting of the KLCCP Stapled Group’s financial performance progress and status.

(c) Internal control and risk management

- (i) Review of quarterly update on KRI and risk appetite results to gain an early insight of any potential risk exposure to the Group.
- (ii) Annual review of the Risk Appetite to ensure that the risk exposure and type of risk to pursue or retain by the Company in achieving its strategic objectives are reflective to the internal and external changes.
- (iii) Annual review of the Corporate Risk Profile is conducted in compliance with the ERM Framework where the principal risks are assessed and updated to safeguard KLCCP Stapled Group’s investment and key business activities and to ensure that risk exposures are relevant and up-to-date, taking into account both current and emerging risks.
- (iv) Annual review of Risk Profile for entities under KLCCP Stapled Group namely KLCC Parking Management Sdn. Bhd. and KLCC Urusharta Sdn. Bhd;
- (v) Analyse the risk assessment on business proposals, new initiatives and any other Board decision papers for deliberation and decision making.

The Corporate Risk Profile is monitored via the INTERISK system, a risk management tool which provides a complete risk overview of the organisation for reporting to the Boards. It is a web-enabled system where users can access the organisation risk profile on a real-time basis anytime and anywhere.

The Board Risk Committees provide advice to the Boards on risk matters. This includes reviewing the adequacy and effectiveness of risk management, internal control system and key control processes as adopted by KLCCP Stapled Group.

(d) Succession planning

- (i) Discussed updates on succession management especially on KLCCP Leadership Bench Strength in line with the approved Succession Management Framework.
- (ii) Discussed the updates on Talent Readiness Assessment and Matching to the identified Success Profiles.

	<p>(e) <u>Effective communication with stakeholders</u></p> <p>Stakeholders are regularly updated about the performance and results of the KLCCP Stapled Group through engagement and the public release of relevant information, which is also available on the KLCCP Stapled Group's corporate website at www.klcc.com.my.</p> <p>(f) <u>Sustainability matters</u></p> <p>(i) Approved Sustainability Materiality Assessment and Matrix 2023.</p> <p>(ii) Reviewed the KLCC Group sustainability matters update and enhancement.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.2

A Chairman of the board who is responsible for instilling good corporate governance practices, leadership and effectiveness of the board is appointed.

Application	:	Applied
Explanation on application of the practice	:	<p>The Chairman of the Boards is responsible for leading and managing board performance, providing stewardship, leadership, and guidance. The roles and responsibilities of the Chairman are clearly set out in Appendix A of the Board Charter which is available on the KLCCP Stapled Group's corporate website at www.klcc.com.my.</p> <p>The Chairman:</p> <p>(a) Leads Board meetings' discussions, allowing sufficient time for deliberations on key issues, and seeks views from the Directors on matters requiring decisions of the Boards.</p> <p>(b) Assisted by the CEO and Company Secretary, sets the board meeting agenda for timely dissemination of complete and accurate information to the Directors.</p> <p>(c) Chairs the annual general meetings ("AGMs") of KLCCP and KLCC REIT and provides responses to the holders of Stapled Securities on issues raised by them.</p> <p>(d) Instils leadership in promoting and implementing good governance practices across KLCCP Stapled Group. The Chairman ensures that relevant corporate governance practices are adhered to, fostering reasonable interaction between the Boards and Management to support an effective decision-making process.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.3

The positions of Chairman and CEO are held by different individuals.

Application	:	Applied
Explanation on application of the practice	:	<p>The positions of the Chairman and the CEO of KLCCP and KLCC REIT Management Sdn Bhd ("KLCCRM") are held by two different individuals. The Chairman of the Boards is Tan Sri Ahmad Nizam bin Salleh whilst Datuk Md. Shah bin Mahmood is the CEO.</p> <p>The Board Charter of KLCCP provides that the chairmanship should be held by a Non-Executive Director. The roles of Chairman are distinguished from that of the CEO's with clear division of responsibilities as outlined in the Board Charter. The Board Charter is available on the KLCCP Stapled Group's corporate website at www.klcc.com.my.</p> <p>The Chairman is primarily responsible for the orderly conduct and function of the Boards as well as ensuring their effectiveness thereof.</p> <p>The CEO has delegated authority from, and is accountable to, the Boards for managing the day-to-day businesses of KLCCP and KLCCRM, and for implementing the approved policies. The CEO is empowered to make decisions for operational matters as defined in the Limits of Authority approved by the Boards.</p> <p>In managing the group business affairs, the CEO is assisted by the Management of KLCCP Stapled Group.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.4

The Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
Application	: Applied
Explanation on application of the practice	: The Chairman of KLCCP and KLCCRM Boards is Tan Sri Ahmad Nizam Salleh who is not a member of the Nomination and Remuneration Committee ("NRC"), Board Audit Committee ("BAC") and Board Risk Committee ("BRC"). This practice has also been embedded explicitly in the Board Charter and Terms of Reference of the respective board committees.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.5

The board is supported by a suitably qualified and competent Company Secretary to provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices.

Application	:	Applied
Explanation on application of the practice	:	<p>The Boards of KLCCP and KLCCRM are equipped with adequate resources to carry out their oversight duties and responsibilities effectively. The Boards have unrestricted access to the advice and services of their Company Secretaries who are competent and qualified under Section 235 of the Companies Act, 2016 ("CA 2016"). They support the Boards and assist the Boards and Board Committees in discharging their duties and functions effectively, especially in governance matters. The Directors delegate the duties of the Company Secretaries of KLCCP and KLCCRM to the position without derogating from the statutory duties and other legal duties.</p> <p>During the year under review, Mr. Yeap Kok Leong resigned from his position as Company Secretary effective 30 September 2023. On 28 November 2023, Puan Hanida Hanum binti Jamon was appointed as the Joint Company Secretary of KLCCP and KLCCRM. The Company Secretaries, Puan Lim Siew Mei and Puan Hanida Hanum binti Jamon, are both qualified and competent to act as Company Secretaries pursuant to the CA 2016. Puan Lim Siew Mei is a Fellow of the Malaysian Institute of Chartered Secretaries and Administrators, and Puan Hanida Hanum binti Jamon is a Licensed Secretary by the Companies Commission Malaysia. The Company Secretaries play an advisory role to the Boards, particularly concerning the Constitution of KLCCP and KLCCRM, Board policies and procedures, as well as the Company's compliance with regulatory requirements, codes, guidance and legislation.</p> <p>The Company Secretaries ensure that discussions and deliberations at Board and Board Committee meetings are well documented, and subsequently communicated to the relevant Management for appropriate actions. Additionally, they update the Boards on the follow-up of its decisions and recommendations by the Management. The Company Secretaries consistently keep themselves abreast of regulatory changes and developments in corporate governance through continuous training. The Boards are satisfied with the performance and support rendered by the Company Secretaries in discharging their functions in the year under review.</p>

Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.6

Directors receive meeting materials, which are complete and accurate within a reasonable period prior to the meeting. Upon conclusion of the meeting, the minutes are circulated in a timely manner.

Application	:	Applied
Explanation on application of the practice	:	<p>The Boards meet at least quarterly with additional meetings convened as and when necessary.</p> <p>Each meeting enables the Boards and Board Committees to properly discharge their duties. The Boards and Board Committees are provided with relevant information on matters for consideration in a timely manner, facilitating effective boardroom deliberation.</p> <p>All Board meetings were conducted separately from board committees meetings. During each Board meeting, the Chairman ensures adequate time is allocated for thorough deliberation of key issues. This includes the Committee Chairs reporting on the contents of discussions and any recommendations requiring approval from the Boards and the actions to be taken by the Boards.</p> <p>The meeting agenda was set by the Chairman, assisted by the Company Secretary and CEO. As part of the initiative to enhance the Boards effectiveness, CEO briefings are included in the Boards' agendas. This provides a platform for the CEO to apprise the Boards on the business and operations of the Group.</p> <p>The Boards' and Board Committees' Meeting packs consisting agenda items, reports, and papers, are provided to the Directors at least six (6) days prior to each meeting. Minutes of meetings of the Boards are circulated to Board members in a timely manner upon the conclusion of meetings.</p> <p>The Boards have easy access to the Boards' and Board Committees' Meeting Packs which are available on the "Cloud Database" accessible through mobile devices. Leveraging on technology, the Boards have the flexibility to review all meeting materials, facilitating informed decision-making.</p> <p>The Company Secretary records all deliberations and decisions of the Boards, including instances where directors abstained from voting or deliberating on a particular matter.</p>

Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

There is demarcation of responsibilities between the board, board committees and management.

There is clarity in the authority of the board, its committees and individual directors.

Practice 2.1

The board has a board charter which is periodically reviewed and published on the company's website. The board charter clearly identifies–

- the respective roles and responsibilities of the board, board committees, individual directors and management; and
- issues and decisions reserved for the board.

Application	:	Applied
Explanation on application of the practice	:	<p>The functioning of the Boards is guided by KLCCP's Board Charter, adopted on 27 November 2012, with the latest revision approved by the KLCCP Board on 28 November 2023.</p> <p>The Board Charter outlines among other others, the respective roles, responsibilities and authorities of the Boards, Board Committees, Chairman, CEO, as well as the Senior Independent Non-Executive Director in setting the direction, management and control of the organisation. It also delineates the Issues and matters reserved for the Board's decisions.</p> <p>The Board Charter is available on KLCCP Stapled Group's corporate website at www.klcc.com.my. KLCCP Board will review the Board Charter periodically and make any necessary amendment to ensure it remains consistent with the Boards' objectives, current laws and practices.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

Practice 3.1

The board establishes a Code of Conduct and Ethics for the company, and together with management implements its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Code of Conduct and Ethics is published on the company's website.

Application	: Applied
Explanation on application of the practice	<p>KLCCP Stapled Group adopted the PETRONAS Code of Conduct and Business Ethics ("CoBE"), effective 1 April 2012 as well as the Anti-Bribery and Corruption Manual ("ABC Manual") effective 28 October 2013. The CoBE and ABC Manual set out the standards of behaviour and ethical conduct that must be complied with by the Directors, management, and employees of KLCCP Group. These documents aim to ensure that the Directors, management, employees and third parties performing work or services for KLCCP Stapled Group act ethically and remain above boards at all times, and their individual behaviour is in line with PETRONAS' Shared Values.</p> <p>The CoBE and ABC Manual govern the daily conduct of the employees and directors on matters relating to abuse of power, conflict of interest, giving and receiving gifts, bribery and corruption, competition, anti-money laundering, international trade, and facilitation of payments, amongst others. The CoBE and ABC Manual also emphasise and advance the principles of discipline, good conduct, professionalism, loyalty, integrity, and cohesiveness that are relevant to the success and well-being of KLCCP Stapled Group.</p> <p>The CoBE and ABC Manual are available on KLCCP Stapled Group's corporate website at www.klcc.com.my.</p> <p>During the year, awareness programmes on CoBE and ABC Manual were rolled out to all new employees. Additionally, refresher programmes on anti-bribery and corruption, including corporate liability, were conducted for all employees in the months of June, July and August.</p> <p>The Boards place emphasis on combatting bribery and corruption. As part of KLCCP Stapled Group's implementation of adequate procedures, the Boards of KLCCP and its subsidiaries (including KLCCRM) have executed an Integrity Pledge in combatting bribery and corruption. In addition, KLCCP, KLCCRM and other subsidiaries of the Group have</p>

	<p>issued a Policy Statement on Anti-Bribery and Corruption with zero tolerance to any form of bribery and corruption culture.</p> <p>In December 2020, the Group, and its identified subsidiaries (including KLCCRM) received its first ever ISO 37001:2016 Certification on Anti Bribery Management Systems (“ABMS”). In 2023, the Group successfully passed ABMS Recertification Audit conducted by a competent Certification Body, SIRIM QAS International Sdn Bhd and renewed its ABMS Certification until the year 2026.</p> <p>Apart from the above, the Directors also adhere to their own code of conduct, outlined in the Board Charter. KLCCP Stapled Group has implemented a Memorandum on Insider Trading prohibiting Directors and employees from trading in Stapled Securities, especially when they are in possession of price-sensitive information and knowledge of facts that are not publicly announced.</p> <p>Notices on Closed Period for trading in Stapled Securities are sent to the Directors and principal officers on a quarterly basis specifying the timeframe during which the Directors and principal officers are prohibited from dealing in Stapled Securities and to comply with relevant requirements governing their trading in Stapled Securities during the Closed Period.</p> <p>The Boards are also reminded not to deal in Stapled Securities when they are in possession of any price-sensitive information.</p>	
<p>Explanation for departure</p>	<p>:</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>	<p>:</p>	
<p>Timeframe</p>	<p>:</p>	

Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

Practice 3.2

The board establishes, reviews and together with management implements policies and procedures on whistleblowing.

Application	:	Applied
Explanation on application of the practice	:	<p>KLCCP Stapled Group adopted PETRONAS' Whistle-blowing Policy ("Whistle-blowing Policy") effective 27 November 2012. An enhanced version of the PETRONAS Whistleblowing Policy, which provides and facilitates appropriate communication and feedback channels involving KLCCP Stapled Group, its employees and the public, was adopted on 4 May 2021.</p> <p>The enhanced Whistle-blowing Policy was revised to comply with the Guidelines on Adequate Procedures under Section 17A (4) of the Malaysian Anti-Corruption Commission Act. The enhanced Whistle-blowing Policy provides avenues for employees, directors, and any parties (including public) to report on amongst others, corruption, fraud, dishonest practices, misconducts and / or malpractices at the workplace.</p> <p>The enhanced Whistle-blowing Policy is available on KLCCP Stapled Group's corporate website at www.klcc.com.my and includes process and procedure that allow for independent investigation, even for anonymous reports, on any improper conduct with appropriate follow-up action, without reprisal.</p> <p>The Group in its endeavour to combat bribery, has introduced the Integrity pledge, Asset Declaration Form, Gift Register, Bribery and Corruption Risk assessment, and Anti-Bribery Management System.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.1

The board together with management takes responsibility for the governance of sustainability in the company including setting the company's sustainability strategies, priorities and targets.

The board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.

Strategic management of material sustainability matters should be driven by senior management.

Application	:	Applied
Explanation on application of the practice	:	<p>KLCCP Stapled Group has a governance structure in place where the Board represents the highest authority and is ultimately accountable for managing sustainability matters within the Group.</p> <p>The Sustainability Steering Committee ("SSC") reports to the CEO who in turn provides progress/updates to the Boards quarterly and seeks their advice on related issues.</p> <p>Strategic material matters for the Group are deliberated consistently via multiple engagements including SSC meetings, 5-year Business Plan & Budget meetings and quarterly risk assessments. meetings etc.</p> <p>The sustainability agenda has been embedded into the Group's business model, aligning with corporate strategy, culture and values, forming an integral part of the "Business as Usual" for the KLCCP Stapled Group.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.2

The board ensures that the company’s sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Boards endorse KLCCP Stapled Group Sustainability Report each year prior to publication. The Sustainability Report includes the Group’s sustainability strategies, priorities, targets, and performance, which are communicated to our internal and external stakeholders through various channels:</p> <ul style="list-style-type: none"> • Internal – Intranet portal, emails, monthly bulletin, employee engagement, presentation to leadership team etc. • External – Corporate website, annual report, press releases, investor presentations, quarterly analysts’ briefings, KLCCP’s dedicated ESG World Platform, etc. 	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.3

The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Boards oversee the overall sustainability strategy and direction of the Group to ensure long-term value creation.</p> <p>The SSC undertakes the role of keeping the Boards informed about the deliberations and decisions of the SSC regularly. Additionally, the CEO reports to the Boards on the sustainability risks and opportunities faced by the Group.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.4

Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company’s material sustainability risks and opportunities.

Application	:	Applied	
Explanation on application of the practice	:	<p>The current performance review i.e. Balanced Score Card for Senior Management, takes into account sustainability risks such as Health, Safety and Environment risks, financial and people development.</p> <p>The Board, Board Committees and Directors’ Effectiveness Evaluation (“BEE”) FY2023 has included questions in addressing the Group sustainability matters.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.5- Step Up

The board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.

Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.

Application	:	Adopted
Explanation on adoption of the practice	:	<p>KLCCP Stapled Group's Sustainability Steering Committee (SSC) is chaired by the Senior General Manager, Group Strategy and Sustainability. The SSC reports to the CEO who in turn reports the progress to the Boards.</p> <p>The Head of Environmental, Social & Governance also serves as the secretariat to sustainability committees aligned with the Sustainability Governance Framework. This role involves providing stewardship and guidance on key sustainability matters for the Group, as well as guiding the effective implementation and management of various economic, environment, social and governance objectives and initiatives.</p>

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.1

The Nomination Committee should ensure that the composition of the board is refreshed periodically. The tenure of each director should be reviewed by the Nomination Committee and annual re-election of a director should be contingent on satisfactory evaluation of the director's performance and contribution to the board.

Application	:	Applied
Explanation on application of the practice	:	<p>The Nomination and Remuneration Committees (“NRCs”) continue to discharge their functions and ensure that the board composition and tenure of each director are reviewed periodically.</p> <p>The Boards and NRCs recognised that directors’ performance is crucial in recommending directors for re-election to the shareholders. In addition, in 2022, KLCCP and KLCCRM implemented the Directors’ Fit and Proper Policy. This policy serves as a guide to ensure all directors possess the necessary qualities, competencies and experience that enables them to perform their duties and carry out their responsibilities effectively.</p> <p>The Boards have also implemented a nine years’ term limit for Independent Directors to ensure a progressive refreshing of the Boards. In the first quarter of 2023, the Boards and NRCs reviewed and endorsed the results of BEE FY2022 as well as the annual re-election of Directors for AGM 2023 of KLCCP and KLCCRM.</p> <p>In the fourth quarter of 2023, the NRCs assessed the yearly performance of all Directors through BEE FY2023. Additionally, the following Directors, who are standing for re-election at the forthcoming 21st Annual General Meeting of KLCCP, have completed the Directors’ Fit and Proper assessment:</p> <ul style="list-style-type: none">(a) Tan Sri Ahmad Nizam bin Salleh;(b) Datuk Md. Shah bin Mahmood; and(c) Puan Chong Chye Neo <p>Prior to recommending the re-election of the abovementioned Directors, the NRCs also reviewed the individual retiring Director’s performance based on their individual performance based on the results of BEE FY2023, and the Directors’ fit & proper assessment.</p> <p>The NRCs are of the opinion that the abovementioned retiring Directors have effectively discharged the duties of a director and have provided valuable contribution to the leadership of the Boards.</p>

	With that, the Boards and NRCs collectively resolved to resolved to recommend the re-election of the abovenamed Directors at the AGM 2024 of KLCCP and KLCCRM.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.2

At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.

Application	:	Applied
Explanation on application of the practice	:	<p>The Boards of KLCCP and KLCCRM currently comprise eight (8) Directors, with five (5) Independent Non- Executive Directors (“INEDs”), two (2) Non- Independent Non-Executive Directors, and one (1) Executive Director.</p> <p>The Independent Non-Executive Directors represent 63% of the Boards composition, namely:</p> <ul style="list-style-type: none">(a) Puan Farina Farikhullah Khan(b) Dato’ Jamaludin Osman(c) Puan Chong Chye Neo(d) Dato’ Sr. Mazuki A Aziz(e) Datin Noor Lily Zuriati Abdullah <p>All Board Committees members are Independent Directors, ensuring independence and objectivity in decision making are in the best interest of the companies.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.3

The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

If the board intends to retain an independent director beyond nine years, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

Application	:	Not applicable - Step Up 5.4 adopted	
Explanation on application of the practice	:		
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.4 - Step Up

The board has a policy which limits the tenure of its independent directors to nine years without further extension.

<i>Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.</i>	
Application	: Adopted
Explanation on adoption of the practice	: To-date, KLCCP and KLCCRM have five (5) Independent Non-Executive Directors, none of whom have served beyond nine (9) years. The policy to limit the tenure of independent directors to nine (9) years is included in the KLCCP's Board Charter. KLCCP Board Charter is available on KLCCP Stapled Group's corporate website at www.klcc.com.my .

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.5

Appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

Directors appointed should be able to devote the required time to serve the board effectively. The board should consider the existing board positions held by a director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the company should be avoided.

Application	:	Applied
Explanation on application of the practice	:	<p>KLCCP and KLCCRM practice formal and transparent procedures and emphasise the necessary selection criteria for the appointment of Directors. The Boards adopted the Board Diversity Policy in August 2016, aspiring to ensure diverse and inclusive boards. This aims to leverage differences in thoughts, perspectives, knowledge, skills, regional and industry experiences, cultural and geographical backgrounds, age, ethnicity, and gender to achieve effective stewardship, thereby enhancing the companies' competitive advantage. The Board Diversity Policy is available on KLCCP Stapled Group's corporate website at www.klcc.com.my.</p> <p>Before making any proposed appointment, the Boards also consider other requirements such as professionalism, integrity, and competencies. They ensure that no person shall be appointed as a director on the board if the person is or becomes an active politician, heads of state, heads of government or ministers.</p> <p>The Boards and NRCs continuously review the Board Skills Matrix, to identify the appropriate skills, knowledge, experience, and capabilities required to meet both current and future challenges of the Group. The Matrix reflects the appropriate mix of skills, expertise and experience required to address existing and emerging business and governance issues. In the selection of suitable candidates, the Boards and NRCs refer to the Board Skills Matrix.</p> <p>The Board Skills Matrix consists of several criteria, namely Finance & Accounting, Business Management, Property & Real Estate, Engineering, Information Technology/Digital, Quantity Survey/Project Management and Legal.</p> <p>The Directors' commitment in carrying out their duties and responsibilities is reflected by their attendance at the Board and Board Committees meetings held during the year. Although some Directors hold multiple directorships, they were able to commit and devote their time for the Boards and Board Committees meetings. The Boards are</p>

	satisfied that each Director has devoted sufficient time to effectively discharge his/her responsibilities.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.6

In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.

If the selection of candidates was based on recommendations made by existing directors, management or major shareholders, the Nominating Committee should explain why these source(s) suffice and other sources were not used.

Application	:	Applied
Explanation on application of the practice	:	<p>In view of the need to ensure proper processes are in place to manage composition and succession issues at board level, an appropriate process for the selection, nomination and appointment of suitable candidates to the Boards has been established.</p> <p>The Boards do not solely rely on recommendations from existing Board Members, management or major shareholders in identifying candidates for appointment of directors.</p> <p>While the Boards are responsible for the appointment of new Directors, the NRCs are entrusted with the responsibility of screening and conducting an initial selection. This involves assessing and considering the capabilities, commitment, and qualities of candidates to be appointed as Board Members.</p> <p>Prior to the submission of its recommendations to the Boards on the selection and appointment of INEDs, the NRCs considered of the approved Directors' Fit and Proper Policy, Board Skills Matrix, Board Diversity Policy, competencies, experiences, integrity, and considered, inter-alia, the current directorships of companies held by the candidates and any potential conflict of interest/risk.</p> <p>Aside from that, the NRCs also made additional verifications prior to the appointments, which includes background checks on the individual's character and bankruptcy search to qualify as Directors.</p> <p>The potential candidate was required to declare/confirm that he/she meets the criteria of an Independent Director in accordance with the Main Market Listing Requirements of Bursa Securities and the Listed REIT Guidelines issued by Securities Commission Malaysia, prior to recommending to the Board for its approval on his/her proposed appointment as INEDs.</p>

Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.7

The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

Application	:	Applied
Explanation on application of the practice	:	<p>Through the Director's Fit and Proper Declaration Form, the NRCs have assessed the Directors' eligibility for re-election and appointment by considering their competencies, commitment, contribution, and sufficient time to effectively discharge his/her responsibilities.</p> <p>The Boards have endorsed the recommendation of the NRCs for Directors standing for re-election and the Directors concerned have abstained themselves from deliberation and decisions by the Boards on their re-election. The profiles of each Director are published in the KLCCP Stapled Group Integrated Annual Report.</p> <p>The Notice of AGMs for 2023 had included the justifications for the re-election of retiring directors for shareholders' approval.</p> <p>With respect to the 2024 AGMs, the information for the Directors standing for re-election and the justifications to support the re-election of retiring Directors have been disclosed in the Explanatory Notes to the Notice of AGMs.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.8

The Nominating Committee is chaired by an Independent Director or the Senior Independent Director.

Application	:	Applied
Explanation on application of the practice	:	<p>The NRCs Chairperson is responsible for leading the succession planning and ensuring the yearly Board, Board Committees and Directors' Effectiveness Evaluation is carried out to assess the performance of the Boards, Boards' Committees, each individual Director as well as the Chairman of the Boards.</p> <p>The NRCs of KLCCP and KLCCRM are chaired by Independent Non-Executive Director, Puan Chong Chye Neo.</p> <p>The profile of Puan Chong Chye Neo is available in the Directors' Profile of the KLCCP Stapled Group Integrated Annual Report.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Applied	
Explanation on application of the practice	:	As of 31 December 2023, the KLCCP and KLCCRM Boards comprised eight (8) Directors, including four (4) female Directors, namely Puan Farina Farikhullah Khan, Puan Liza Mustapha, Puan Chong Chye Neo and Datin Noor Lily Zuriati Abdullah, representing 50% of the Boards.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.10

The board discloses in its annual report the company's policy on gender diversity for the board and senior management.

Application	:	Applied
Explanation on application of the practice	:	<p>KLCCP's and KLCCRM's Diversity Policy ensures that the mix and profiles of the Boards members, in terms of age and gender, provide the necessary range of perspective, experience and expertise required to achieve effective stewardship and management.</p> <p>KLCCP and KLCCRM have adopted the PETRONAS policy of achieving 30% women representation on the Boards and the same is reflected in the KLCCP Board Diversity Policy which is available on KLCCP Stapled Group's corporate website at www.klcc.com.my.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Stakeholders are able to form an opinion on the overall effectiveness of the board and individual directors.

Practice 6.1

The board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out its outcome, actions taken and how it has or will influence board composition.

For Large Companies, the board engages an independent expert at least every three years, to facilitate objective and candid board evaluation.

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	: <p>The Board Effectiveness Evaluation FY2023 (“BEE FY2023”) was conducted by the Institute of Corporate Directors Malaysia, the external independent expert.</p> <p>The criteria agreed by the NRCs for the BEE FY2023 were as follows:</p> <ol style="list-style-type: none">1. Board effectiveness assessment of the Board as a whole.2. Individual director assessment (self-assessment and assessment by fellow board members).3. Board Committee effectiveness as evaluated by all members of the Board.4. Individual Board Committee member assessment by members of the committee.5. 360-degree assessment of the Board by key selected members of Management.6. BEE 2023 report including recommendations and action plans. <p>The outcome of the BEE FY2023 was reviewed in the NRCs held on 23 January 2024 and deliberated in Board meeting held in February 2024. The Boards concluded that collectively the members of the Boards continue to operate in an effective manner.</p> <p>Based on the analysis of the findings from the FY2023 Board Effectiveness Evaluation Report, the key strengths of the Board are evident in the following areas:</p> <ol style="list-style-type: none">1. The Boards are engaged and provided strong leadership in formulating and driving long term strategic goals.2. The current board composition is well-balanced and meets the threshold of good governance standard.3. The Board Committees meet the needs of the Boards and are in line with best practices.

	<p>4. The Boards and senior management work effectively together and there is a healthy relationship between the parties.</p> <p>5. The Boards actively ensures the readiness and resilience of the Group in crisis management.</p> <p>The NRCs collectively agreed that the current composition of the Board is relevant and that the members have appropriate knowledge and experience and will continue to add value to the business.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

Practice 7.1

The board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company's website.

Application	:	Applied
Explanation on application of the practice	:	<p>The Boards delegated to the NRCs the responsibility of considering the remuneration of Directors and relevant Senior Management positions in KLCCP Stapled Group.</p> <p>The Boards, in determining the Directors' remuneration is guided by the Remuneration Framework for KLCCP Non-Executive Directors and the recommendation of the NRCs. The Remuneration Framework for KLCCP Non-Executive Directors is available on KLCCP Stapled Group's corporate website at www.klcc.com.my.</p> <p>Remuneration of Senior Management of KLCCP Stapled Group is based on the total reward policy approved by the Board.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

Practice 7.2

The board has a Remuneration Committee to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management.

The Committee has written Terms of Reference which deals with its authority and duties and these Terms are disclosed on the company's website.

Application	:	Applied
Explanation on application of the practice	:	The members of NRCs are Independent Non-Executive Directors. Their authority and duties as well as functions are clearly defined in the Terms of Reference which is accessible on KLCCP Stapled Group's corporate website at www.klcc.com.my .
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.1

There is detailed disclosure on named basis for the remuneration of individual directors. The remuneration breakdown of individual directors includes fees, salary, bonus, benefits in-kind and other emoluments.

Application	:	Applied												
Explanation on application of the practice	:	<p>The remuneration of the Boards is based on the KLCCP Non-Executive Directors' ("NEDs") Remuneration Framework ("Framework") which is available on KLCCP Stapled Group's corporate website at www.klcc.com.my.</p> <p>Summary of KLCCP NEDs Remuneration Framework:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Element</th> <th></th> </tr> </thead> <tbody> <tr> <td>Retainer fee</td> <td>The NEDs are to be paid a fixed retainer fee.</td> </tr> <tr> <td>Special fee</td> <td>Special fee is payable to the NEDs with special experiences and skills critical for the company's success.</td> </tr> <tr> <td>Meeting Allowance</td> <td>The NEDs shall be paid attendance allowance for every meeting (Board & Board Committees Meetings) attended.</td> </tr> <tr> <td>Petrol Allowance</td> <td>The NEDs are each given petrol card with a fixed maximum amount per annum.</td> </tr> <tr> <td>Others</td> <td>The NEDs of KLCCRM are only entitled to Meeting Attendance Allowance as well as Special Fee (where applicable). The said allowance / fee is payable only when the meetings of Board or Board Committees of KLCCRM are held on a different date than the meetings of the Board or Board Committees of KLCCP.</td> </tr> </tbody> </table> <p>Datuk Md. Shah bin Mahmood is the Group CEO of KLCC (Holding) Sdn Bhd ("KLCC") and is assigned to KLCCP and KLCCRM to undertake all responsibilities of the Executive Director and CEO. KLCCP reimbursed KLCC for the services rendered by Datuk Md. Shah bin Mahmood in the form of management fees with an amount of RM1,570,871.</p> <p>The director's fee and meeting allowance for the Non-Independent Non-Executive Director, Puan Liza Mustapha, who is also an employee and nominee of PETRONAS, are paid directly to PETRONAS as fees for representation in the Boards.</p>	Element		Retainer fee	The NEDs are to be paid a fixed retainer fee.	Special fee	Special fee is payable to the NEDs with special experiences and skills critical for the company's success.	Meeting Allowance	The NEDs shall be paid attendance allowance for every meeting (Board & Board Committees Meetings) attended.	Petrol Allowance	The NEDs are each given petrol card with a fixed maximum amount per annum.	Others	The NEDs of KLCCRM are only entitled to Meeting Attendance Allowance as well as Special Fee (where applicable). The said allowance / fee is payable only when the meetings of Board or Board Committees of KLCCRM are held on a different date than the meetings of the Board or Board Committees of KLCCP.
Element														
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	<p>The Directors' remuneration incurred by KLCCP and the Group (including meeting allowance incurred by KLCC REIT) respectively for the financial year ended 31 December 2023 is enumerated in the table of this Corporate Governance Report. The allowance for Directors is inclusive of meeting allowances for Board meetings, BAC meetings, NRC meetings and BRC meetings held during FY2023. The petrol allowance which is paid via petrol card is classified under "Other emoluments".</p> <p>The details for directors' remuneration are also disclosed in the Nomination and Remuneration Report of KLCCP Stapled Group Integrated Annual Report.</p>
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No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Datuk Md. Shah bin Mahmood	Executive Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2	Tan Sri Ahmad Nizam bin Salleh	Non-Executive Non-Independent Director	240,000	14,000	-	-	-	6,000	260,000	240,000	14,000	-	-	-	6,000	260,000
3	Farina binti Farikhullah Khan	Independent Director	120,000	52,500	-	-	-	6,000	178,500	120,000	52,500	-	-	-	6,000	178,500
4	Dato' Jamaludin Osman	Independent Director	120,000	38,500	-	-	-	6,000	164,500	120,000	38,500	-	-	-	6,000	164,500
5	Liza Mustapha	Independent Director	120,000	14,000	-	-	-	N/A	134,000	120,000	14,000	-	-	-	N/A	134,000
6	Chong Chye Neo	Independent Director	120,000	42,000	-	-	-	6,000	168,000	120,000	42,000	-	-	-	6,000	168,000
7	Datin Noor Lily Zuriati Abdullah	Independent Director	120,000	28,000	-	-	-	6,000	154,000	120,000	28,000	-	-	-	6,000	154,000
8	Dato' Sr. Marzuki A Aziz	Independent Director	120,000	31,500	-	-	-	6,000	157,500	120,000	31,500	-	-	-	6,000	157,500
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
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14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.2

The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>KLCCP opts not to disclose the Senior Management's remuneration components (including their salary, bonus, benefits in-kind and other emoluments) to the public at large as such disclosures are subject to the Personal Data Protection Act 2010 and it is not in the best interest of KLCCP and Senior Management personnel.</p> <p>KLCCP has identified its top 4 Senior Management positions (excluding CEO who is also an Executive Director) as follows:</p> <ol style="list-style-type: none">1. Chief Financial Officer.2. General Manager, Legal and Company Secretarial.3. General Manager, Human Capital.4. General Manager, Governance, Risk & Assurance.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	KLCCP does not have any plan to meet the intended outcome and may explore ways to meet the intended outcome in future.
Timeframe	:	Others -

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
2	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
3	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
4	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
5	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.

Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.3 - Step Up

Companies are encouraged to fully disclose the detailed remuneration of each member of senior management on a named basis.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

No	Name	Position	Company ('000)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee’s findings and recommendations.
The company’s financial statement is a reliable source of information.

Practice 9.1

The Chairman of the Audit Committee is not the Chairman of the board.

Application	:	Applied	
Explanation on application of the practice	:	Puan Farina Farikhullah Khan who is an Independent Non-Executive Director chairs the Board Audit Committees (“BACs”) of KLCCP and KLCCRM. The Chairperson of the BACs is not the Chairman of the Boards, so as not to impair the objectivity of the Boards’ view of the BACs’ findings and recommendations. This has always been the practice of KLCCP and KLCCRM, which is reflected in the Terms of Reference of the respective BACs.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee’s findings and recommendations.
The company’s financial statement is a reliable source of information.

Practice 9.2

The Audit Committee has a policy that requires a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.

Application	:	Applied	
Explanation on application of the practice	:	<p>The respective Terms of Reference (“TORs”) of the BACs of KLCCP and KLCCRM have incorporated the requirement for a cooling-off period of at least 3 years for the appointment of a former audit partner of the companies’ external audit firm as a member of the Board Audit Committee.</p> <p>The TORs of the BACs are available on KLCCP Stapled Group’s corporate website at www.klcc.com.my.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

Practice 9.3

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.

Application	:	Applied
Explanation on application of the practice	:	<p>KLCCP and KLCCRM have adopted the Framework on External Auditors, providing a formal policy and procedure for the respective BACs to assess the suitability, objectivity and independence of the external auditors annually based on the following key areas:</p> <ul style="list-style-type: none">(a) Quality of engagement team and services.(b) Adequacy of resources.(c) Quality of communication and interaction.(d) Independence, objectivity, and professionalism scepticism. <p>The BACs also review the fees and list of non-audit services provided by external auditor to KLCCP, KLCCREIT and the Group.</p> <p>For the year under review, two (2) private sessions with the external auditors were also conducted by the BACs to gauge the extent of concerns of matters raised by the external auditors.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.
The company's financial statement is a reliable source of information.

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	The BACs of KLCCP and KLCCRM comprised solely of Independent Directors. As of 31 December 2023, the members of BACs were as follows: (a) Puan Farina binti Farikhullah Khan, Chairperson (b) Puan Chong Chye Neo, and (c) Dato' Sr. Mazuki bin A Aziz

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

Practice 9.5

Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate, competent and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

All members of the Audit Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

Application	:	Applied				
Explanation on application of the practice	:	<p>All members of the BACs have vast experience and skills in accounting and finance as well as other relevant fields of expertise. They are highly-qualified to review the accuracy of KLCC REIT's financial statements and KLCCP Stapled Group's consolidated financial statements before recommending for approvals of the Boards.</p> <p>The profile of the Chairman and members of the BACs are disclosed in the Company's Integrated Report for further information.</p> <p>BACs members acknowledged the need for continuous education training. For the year under review, the BACs members attended training sessions on the developments in accounting and auditing standards, practices and rules.</p> <p>Trainings attended by the BACs members during 2023 are as follows: -</p> <table border="1"> <thead> <tr> <th>Members</th> <th>Training Attended</th> </tr> </thead> <tbody> <tr> <td>Farina binti Farikhullah Khan (Chairperson)</td> <td> <ul style="list-style-type: none"> • Sustainability Awareness Program • BNM Climate Risk Management and Scenario Analysis Policy Document • Bursa Securities Malaysia's Requirement: Roles and Responsibilities of Board in Financial Reporting • PETRONAS Board Conversation Series #Q1 2023: A Session with Martijn Wilder AM, Founder and CEO of Pollination </td> </tr> </tbody> </table>	Members	Training Attended	Farina binti Farikhullah Khan (Chairperson)	<ul style="list-style-type: none"> • Sustainability Awareness Program • BNM Climate Risk Management and Scenario Analysis Policy Document • Bursa Securities Malaysia's Requirement: Roles and Responsibilities of Board in Financial Reporting • PETRONAS Board Conversation Series #Q1 2023: A Session with Martijn Wilder AM, Founder and CEO of Pollination
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Farina binti Farikhullah Khan (Chairperson)	<ul style="list-style-type: none"> • Sustainability Awareness Program • BNM Climate Risk Management and Scenario Analysis Policy Document • Bursa Securities Malaysia's Requirement: Roles and Responsibilities of Board in Financial Reporting • PETRONAS Board Conversation Series #Q1 2023: A Session with Martijn Wilder AM, Founder and CEO of Pollination 					

		<ul style="list-style-type: none"> • Energy Asia - Charting Pathways for a Sustainable Asia • Refresher of 5 Critical Legal Areas for Board of Directors of KLCC Property Holdings Berhad • 2nd Asian Economy Impact – Climate Change Risk • PGB BAC & BRC Sustainability Training • Board Strategic Away Day Portfolio Review and Strategic Conversation • Dialog with Bursa on FTSE4GOOD ESG Ratings and ESG Development • Conflict of Interest ('COI') and Governance of COI • Cyber Security Awareness Program
	Chong Chye Neo	<ul style="list-style-type: none"> • Refresher of 5 Critical Legal Areas for Board of Directors of KLCC Property Holdings Berhad • Board Strategic Away Day Portfolio Review and Strategic Conversation • Mandatory Accreditation Programme Part II: Leading for Impact (LIP) • Directors' Conflict of Interest • Building a Sustainable Legacy – Empowering Leaders for a lasting impact • ESG for Construction and Property • Anti-Bribery and Corruption Refresher Training: Revisiting Section 17A of the Malaysian Anti-Corruption Commission (MACC) Act 2009 • Briefing on Environmental, Social and Governance by PricewaterhouseCoopers PLT • Understanding the Cyber Security Landscape • Battling The Rise of Cyber Threats in Financial Services in 2023

		<ul style="list-style-type: none"> • Invest Malaysia 2023 Series 1: Reshaping Malaysia's Narrative • Building a Winning Conglomerate In Turbulent Times by Dr Ram Charan • Entrepreneurial and Business Leadership for a New Era • Invest Malaysia 2023: National Energy Transition Projects & Initiatives • Board's role in value creation • Mega Trends 2023: 'Malaysia's Development Bargain: Can it be Renewed and Enhanced?' by Prof Stefan Dercon • 'Mega Trends 2023: 'Chinese New Economy and Globalisation - The Sequel' by Dr Eric Li • Board Oversight of Climate Risks & Opportunities • Embedded Finance - seizing the multi-trillion dollar opportunity • Joint Committee for Climate Change Conference 2023: Journey to Zero • National Economic Masterplan: NIMP 2023 – Strategies for Industries
	Dato' Sr. Mazuki bin A Aziz	<ul style="list-style-type: none"> • Refresher of 5 Critical Legal Areas for Board of Directors of KLCC Property Holdings Berhad • Board Strategic Away Day Portfolio Review and Strategic Conversation • Directors' Conflict of Interest • Building a Sustainable Legacy – Empowering Leaders for a lasting impact • ESG for Construction and Property • BAC Dialogue & Networking 2023

Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

Practice 10.1

The board should establish an effective risk management and internal control framework.

Application	:	Applied
Explanation on application of the practice	:	<p>The Boards have established sound risk management practices to safeguard KLCCP Stapled Group's business interests from risk events that may impede the achievement of business strategies and growth opportunities as well as providing assurance to all stakeholders.</p> <p>The Boards have implemented the KLCC Group Enterprise Risk Management ("ERM") Framework ("Framework") which outlines the risk policy, risk governance and structure, risk measurement and risk operations and system. The ERM processes include identifying, assessing, monitoring, reporting and mitigating identified risks impacting KLCCP Stapled Group's business and supporting activities in accordance with ISO 31000:2009 - Principles and Guidelines on Implementation.</p> <p>Effective governance and line of sight within KLCC Group shall be predicated on governance practices defined within policies, frameworks, standards, guidelines and the Limits of Authority. The KLCC Group Management Framework has been established and it serves as the first line of reference, providing guiding principles across KLCC Group for managing business to achieve business excellence. <i>myGOVERNANCE</i>, a digital centralised governance management platform has been deployed to improve efficiency of governance management. Governance frameworks and guidelines are put in place to provide a structured and consistent approach in managing risks, among others, as follows:</p> <ol style="list-style-type: none">1) Risk Quantification Guideline;2) Enterprise Risk Management Process Guideline;3) Enterprise Risk Management Assurance Guideline;4) Risk Assessment in Decision Making ("RADM") Guideline,5) Partnership and Partner Risk Assessment Guideline;6) Crisis Management Framework;7) Business Continuity Management Framework;8) Business Impact Analysis Guideline;9) Business Recovery Strategy Guideline;10) Business Continuity Plan Guideline;11) Testing and Exercising Guideline;

	<p>The Boards continued to uphold and implement a strong control structure to identify, evaluate and manage weaknesses of KLCCP Stapled Group’s internal control system.</p> <p>The internal audit function of KLCCP Stapled Group is provided by the Group Internal Audit (“GIA”) of KLCC (Holdings) Sdn Bhd. The GIA provides an independent, objective assurance on the efficiency and effectiveness of governance, risk management and internal controls which includes anti-corruption and whistle-blowing.</p> <p>Governed by the Internal Audit Charter, the Group Internal Audit is independent of the activities being audited and performs its duties with objectivity, proficiency, and due professional care.</p>	
<p>Explanation for departure</p>	<p>:</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>	<p>:</p>	
<p>Timeframe</p>	<p>:</p>	

Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

Practice 10.2

The board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework.

Application	:	Applied
Explanation on application of the practice	:	<p>The Group has an organisational structure with defined lines of responsibilities, delegation of authority, and accountability. A hierarchical reporting structure has been established to provide documentary and auditable trail of accountability. Limits of Authority manuals are in place to define the lines of accountability and responsibility in relation to the Group's operations and functions.</p> <p>The Enterprise Risk Management Framework ("ERM Framework") outlines the risk policy, risk governance and structure, risk measurement, and risk operation and system for the KLCCP Stapled Group. The ERM Framework is implemented to identify, assess, monitor, report and mitigate risks impacting the Group's business and supporting activities in accordance with ISO 31000:2018 – Principles and Guidelines on Implementation.</p> <p>The Boards have also established a Risk Management Oversight Structure for effective and strategic risk communication between the Boards, BRCs and the Management on a quarterly basis where the status of the principal risks, key risk indicators and risk appetite performances are reported and deliberated.</p> <p>The Boards conducted annual reviews of the Group's risk profiles in compliance with the ERM Framework. During these reviews, the risk profiles were assessed and updated to safeguard KLCCP Stapled Group's investment and key business activities. This process ensures that the risk exposures are relevant and up-to-date, taking into consideration both current and emerging risks.</p> <p>The Boards carried out an annual review of the Group's risk appetite to reflect the nature and extent of risks the Group is willing to pursue to achieve its strategic objectives. The risk appetite was established to cover 5 main areas which flows across our business:</p> <ol style="list-style-type: none">1. <u>Strategic</u>

	<p>This measured the degree of variability in investment returns and capital efficiency that the Group is willing to take in ensuring achievement of business objectives.</p> <p>2. <u>Financial</u></p> <p>This measured capital, profitability and liquidity position in pursuing the Group’s business objectives.</p> <p>3. <u>Operational</u></p> <p>This measured the direct or indirect loss resulting from inadequate or failed internal processes, people, and systems or from external events which affects the achievement of Group’s business objectives.</p> <p>4. <u>Reputational</u></p> <p>This measured the risk of failure to meet stakeholder expectations as a result of any event, behaviour, action or inaction of the Group that may form negative view towards the Group by stakeholders.</p> <p>5. <u>Legal and Regulatory Compliance</u></p> <p>This measured the risk of non-compliance with prevailing laws and regulations governing the business.</p> <p>The Boards also have put in place a structured process for risk assessment as part of decision-making where risk assessment process is to be carried out prior to any decision point to assist decision- makers in making well-informed decision, taking into consideration calculated risk to provide a balanced view for informed decision- making through richer risk conversation and considerations of risk reward trade-off.</p>
<p>Explanation for departure :</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p>Measure :</p>	
<p>Timeframe :</p>	

Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

Practice 10.3 - Step Up

The board establishes a Risk Management Committee, which comprises a majority of independent directors, to oversee the company's risk management framework and policies.

Application	:	Adopted
Explanation on adoption of the practice	:	<p>The Board Risk Committees ("BRCs") are formed on 9 December 2021. Both BRCs comprise solely Independent Directors.</p> <p>As of 31 December 2023, the members of BRCs were as follows:</p> <ul style="list-style-type: none">(a) Dato' Jamaludin bin Osman, Chairman(b) Puan Farina binti Farikhullah Khan, and(c) Datin Noor Lily Zuriati binti Abdullah. <p>The purpose of the establishment of BRCs is to oversee the Group's risk management framework, policies and practices as well as governance, compliance and sustainability matters.</p> <p>The respective Terms of Reference of BRCs are made available on KLCCP Stapled Group's corporate website at www.klcc.com.my.</p>

Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

Practice 11.1

The Audit Committee should ensure that the internal audit function is effective and able to function independently.

Application	: Applied
Explanation on application of the practice	<p>The internal audit function of KLCCP Stapled Group is provided by Group Internal Audit (“GIA”) of KLCC (Holdings) Sdn Bhd.</p> <p>Governed by the Internal Audit Charter, GIA maintained its independence, impartiality, proficiency, and due professional care by having their plans and reports directly under the purview of the BACs. To support the BACs in discharging their responsibilities, the Head of GIA reports directly to the BACs.</p> <p>The appointment of the Head of GIA is reviewed and recommended by the BACs. The Head of GIA has unrestricted access to the BACs, the Boards, and Management. The Head of GIA and all GIA staff are members of the Institute of Internal Auditors Malaysia.</p> <p>The BACs of KLCCP and KLCCRM annually review the adequacy of the scope, function, and resources of the internal audit to ensure that the responsibilities of GIA are fully discharged.</p> <p>For the financial year ended 31 December 2023, GIA had executed the following internal audit works:</p> <ol style="list-style-type: none">(1) Conducted assurance activities based on the approved annual audit plan 2023.(2) Conducted periodic monitoring and reporting on the implementation status of agreed mitigation action items by the managements of KLCCP and KLCCRM to ensure key risks and control weaknesses were addressed effectively and timely. The status of implementation of the said agreed mitigation actions was reported to the BACs on a quarterly basis.(3) Re-evaluated the annual audit plan for 2023 to include Review of KLCCP’s Sustainability Reporting to address Bursa Malaysia Requirements.(4) Prepared annual audit plans for 2024 to ensure that all high-risk areas in significant businesses and support units were assessed and identified for the BACs’ deliberations and approvals.

	Further details of the internal audit activities are set out in the BAC's Report and Statement on Risk Management and Internal Control of the KLCCP Stapled Group Integrated Annual Report 2023.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

Practice 11.2

The board should disclose–

- whether internal audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence;
- the number of resources in the internal audit department;
- name and qualification of the person responsible for internal audit; and
- whether the internal audit function is carried out in accordance with a recognised framework.

Application	:	Applied
Explanation on application of the practice	:	<p>None of the internal audit personnel have any relationships or conflicts of interest that could impair their objectivity and independence in conducting their internal audit functions. Current structure under Group Internal Audit (“GIA”) comprises 1 Head, 5 managerial, 7 executive and 2 non-executive positions.</p> <p>The GIA is led by Puan Julika Ishak, who is certified in Committee of Sponsoring Organizations of the Treadway Commission (“COSO”) Internal Control – Integrated Framework, is a member of the Institute of Internal Auditors Malaysia (IIAM).</p> <p>The total costs incurred for the internal audit activities of KLCCP Stapled Group for the year 2023 was RM1,145,152.</p> <p>The internal audit function of KLCCP Stapled Group is carried out in accordance with a risk-based approach steered by internal policies, procedures, and the Internal Control – Integrated Framework issued by COSO.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

Practice 12.1

The board ensures there is effective, transparent and regular communication with its stakeholders.

Application	:	Applied
Explanation on application of the practice	:	<p>The Boards acknowledged the importance of actively involving our stakeholders and believe that consistent, clear and timely communication will foster confidence and facilitate mutual build understanding of shared objectives and expectations, ultimately driving maximum shareholder value.</p> <p><u>Group Strategic Communication & Investor Relations ("GSCIR")</u></p> <p>In KLCCP Stapled Group, the GSCIR Department provides a platform for two-way communication, ensuring seamless flow of information between KLCCP Stapled Group and the stakeholders under the patronage of the Chief Financial Officer ("CFO") and the Head of Group Strategy & Sustainability.</p> <p>The GSCIR manages the investing community and conducts engagement between Management, investors, analysts, fund managers, and media in the form of briefings, announcements, and press statements to keep the stakeholders updated and well-informed on the financial performance and corporate development of KLCCP Stapled Group.</p> <p>The Senior Management is actively involved in the GSCIR engagement programs and demonstrates their commitment to fostering meaningful connections with stakeholders. The Boards are periodically briefed on these interactions and feedback received from the investment community, ensuring alignment with the expectations and perspectives of the stakeholders.</p> <p>During FY2023, the Boards ensured the transparent and clear disclosure, providing comprehensive and timely information to the stakeholders in the following manner:</p> <p>a) Publication of KLCCP Stapled Group Integrated Annual Report 2022 and provision of regular disclosures, including quarterly financial results and investor presentations of the KLCCP Stapled Group.</p>

	<p>b) Engagement with analysts, and media through press releases and analysts' briefings following announcements of the quarterly financial results of KLCCP Stapled Group.</p> <p>c) Engagement with media through AGM press conference to provide overview for the year.</p> <p>d) Hosted Property Tour with analysts, foreign institutional investors and potential investors to keep them updated on the asset modernisation/enhancement initiatives of KLCCP Stapled Group's core assets.</p> <p>e) Hosted Council on Tall Buildings and Urban Habitats (CTBUH) international conference and a site visit to PETRONAS Twin Towers, involving delegates from several countries. During the conference, the Group highlighted its commitment to sustainable practices in the business aligned with the United Nations Sustainable Development Goals (UNSDG).</p> <p>f) Engagement with the entire KLCC Group through the Sustainable September campaign, collaborating with KLCC Precinct Partners for an unwavering dedication towards a sustainable future and showcasing KLCC Precinct's status as Malaysia and the region's first Sustainable Development Goals (SDG) hub.</p> <p>g) Video/audio presentations to provide analysts/investors with updates on our quarterly financial results and sustainability initiatives via KLCCP corporate website/email.</p> <p>h) Timely updates of the corporate website on financial information, financial reports, minutes of 2023 AGMs, stock information, investor calendar, and investor presentation slides.</p> <p>i) Constant updates on KLCCP's ESG World platform on the corporate website for investors' ease of access to KLCCP Stapled Group's ESG commitment, detailed review of the Group's ESG factors with links to data and information in the public domain for investors' verification.</p> <p>j) Announcements of dividends and income distributions as well as other disclosures under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.</p> <p>k) Organised virtual AGMs and engaged with the holders of Stapled Securities where:</p> <ul style="list-style-type: none"> • The CEO delivered a management presentation on "Year In Review of KLCCP Stapled Group" as well as strategic direction moving forward; and • The Chairman provided ample time to the holders of Stapled Securities to raise questions and their concerns in a provided
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	<p>online platform which were addressed promptly and satisfactorily.</p> <p>The Boards also responded to inquiries made by the Minority Shareholder Watchdog Group (MSWG) and EPF in relation to KLCCP Stapled Group Integrated Annual Report 2022 in the AGMs held in 2023.</p> <p>In addition, shareholders and investors can also make inquiries about KLCCP Stapled Group via investor_relations@klcc.com.my. The Investor Relations (IR) team coordinates responses from the relevant department(s) and/or business unit(s) to address such queries and provide clarifications.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

Practice 12.2

Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

Application	:	Applied
Explanation on application of the practice	:	<p>The Boards acknowledged that the integrated reporting process is a continuous journey aimed at providing a more holistic view of the Group's business model and strategies. The integrated annual report remains as the principal communication tool, offering a comprehensive view on financial and non-financial performance, enabling investors and stakeholders to make an informed assessment of the year under review.</p> <p>KLCCP & KLCC REIT had adopted the Integrated Reporting set in accordance with the International Integrated Reporting Framework (IIRF) under the IFRS Foundation, including the disclosures based on the six capitals for KLCCP Stapled Group Integrated Annual Report 2023.</p> <p>All financial statements have been prepared according to the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Malaysia Companies Act 2016.</p> <p>The Boards stay updated on the latest requirements of the integrated reporting framework to enhance the quality of information disclosure for the Group's stakeholders.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.1

Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

Application	:	Applied
Explanation on application of the practice	:	<p>The 2023 AGMs for KLCCP and KLCC REIT were held virtually on 6 April 2023. The Notice for both AGMs was issued on 28 February 2023 i.e. 37 days before the AGMs. This allowed sufficient time for the holders of Stapled Securities to consider the proposed resolutions tabled at the AGMs.</p> <p>In addition, the Notice of AGMs also included details and relevant explanatory notes to the proposed resolutions to enable the holders of Stapled Securities to make informed decisions in exercising their voting rights.</p> <p>KLCCP Stapled Group Integrated Annual Report 2023 together with the Notice of AGMs 2024 for KLCCP and KLCC REIT dated 29 February 2024 are available on KLCCP Stapled Group's corporate website at www.klcc.com.my.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.2

All directors attend General Meetings. The Chair of the Audit, Nominating, Risk Management and other committees provide meaningful response to questions addressed to them.

Application	:	Applied
Explanation on application of the practice	:	<p>For 2023, the 20th AGM of KLCCP and 10th AGM of KLCC REIT were held virtually at the Broadcast Venue. All Directors, including the Chairs of the BACs, NRCs and BRCs, attended and participated in KLCCP and KLCC REIT AGMs.</p> <p>The presence of all Directors provided opportunities for the holders of Stapled Securities to engage with all Directors and allowed the holders of Stapled Securities to raise questions and concerns directly to the Directors.</p> <p>In addition, the Executive Director cum CEO responded to the questions raised by the Minority Shareholders Watch Group and Employees Provident Fund, as well as questions submitted by the holders of Stapled Securities via digital platform.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.3

Listed companies should leverage technology to facilitate–

- voting including voting in absentia; and
- remote shareholders' participation at general meetings.

Listed companies should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.

Application	:	Applied
Explanation on application of the practice	:	<p>At the 20th AGM of KLCCP and the 10th AGM of KLCC REIT held in 2023, KLCCP and KLCC REIT leveraged technology to facilitate Remote Participation and Voting (“RPV”) by the holders of Stapled Securities in accordance with the Constitution of KLCCP and the Trust Deed of KLCC REIT.</p> <p>The entire AGMs proceedings were held through RPV facilities provided by the Share Registrar of KLCCP and KLCC REIT, Tricor Investor & Issuing House Services Sdn Bhd (“Tricor”) via its TIIH Online website at https://tiah.online. The holders of Stapled Securities who intended to attend and vote at the virtual AGMs were required to register with Tricor via TIIH Online website.</p> <p>With the RPV facilities provided by Tricor, the following measures were implemented to encourage attendance and participation from the holders of Stapled Securities at the AGMs:</p> <ul style="list-style-type: none">(a) Comprehensive Administrative Details were circulated to the holders of Stapled Securities to facilitate remote participation and e-Voting.(b) Electronic lodgement of Proxy Forms was provided via Tricor’s TIIH Online website.(c) Electronic submission of questions by holders of Stapled Securities via TIIH Online prior to the date of meeting or during the live meeting.(d) The AGM proceeding was live streamed to TIIH Online for remote participants to watch live. <p>Tricor had put in place information security measures to prevent cyber threats and data breaches.</p>
Explanation for departure	:	

<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.4

The Chairman of the board should ensure that general meetings support meaningful engagement between the board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the company's financial and non-financial performance as well as the company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
Application	: Applied
Explanation on application of the practice	: <p>At the AGMs of KLCCP and KLCC REIT held in 2023 which were conducted virtually via online platform, the Boards shared information with the holders of Stapled Securities about the past year's business performance, strategies and the outlook going forward for KLCC Stapled Group.</p> <p>The holders of Stapled Securities were also given opportunities to pose any questions pertaining to financial and non-financial matters as well as long term strategies of KLCCP Stapled Group via an online platform (i.e., query box) provided during the AGMs.</p> <p>KLCCP and KLCC REIT received 147 pre-submitted and live questions from the holders of Stapled Securities.</p> <p>The responses to the questions were then published on KLCCP Stapled Group's corporate website within seven (7) working days including any questions that had yet to be responded to at the AGMs.</p>
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.5

The board must ensure that the conduct of a virtual general meeting (fully virtual or hybrid) support meaningful engagement between the board, senior management and shareholders. This includes having in place the required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders. Questions posed by shareholders should be made visible to all meeting participants during the meeting itself.

Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.

Application	:	Applied
Explanation on application of the practice	:	<p>The details of the virtual AGMs for 2023 and guidance notes on the conduct of AGMs were stated explicitly in the Administrative Details together with the Notice of AGMs. The holders of Stapled Securities were guided accordingly for their participation in the AGMs.</p> <p>The proceedings of the AGMs were live broadcasted, and the holders of Stapled Securities were able to join the live streamed AGMs via web portal or mobile application which were facilitated by Tricor Investor & Issuing House Services Sdn Bhd, being the Share Registrar of KLCCP and KLCC REIT and the poll administrator for the AGMs. KLCCP and KLCC REIT had also engaged BDO Consulting Sdn Bhd as Independent Scrutineer for the AGMs.</p> <p>The Chairman shared the questions submitted by Employees Provident Fund and Minority Shareholders Watch Group at the AGMs. The questions and the corresponding replies were also read out by the CEO during the AGMs.</p> <p>In addition, all questions submitted by the holders of Stapled Securities prior to and during the AGMs as well as the Boards' responses to the questions were posted and read out by the CEO at the online broadcasting AGMs.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.6

Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
Application	: Applied
Explanation on application of the practice	: The AGMs for 2023 of KLCCP and KLCC REIT were held on 6 April 2023. The proceedings of the AGMs including the responses to the questions raised by the holders of Staple Securities and proxies before and during the AGMs were recorded in the minutes of AGMs. The minutes of AGMs were uploaded on KLCCP Stapled Group's corporate website at www.klcc.com.my within 30 business days after the AGMs.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

**SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT
CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA**

Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.

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