THE PLACE TOGETHER, LOOKING BEYOND

KLCCP STAPLED GROUP **INTEGRATED ANNUAL REPORT 2020**

T H E P L A C E

TOGETHER, LOOKING BEYOND

In our journey to look towards a better tomorrow, we needed to come together and reflect. **Reflect on our purpose** and where we are today in delivering our commitments.

Reflecting on the essence of partnership, we continued constant communication with all stakeholders,

placing business continuity and the safety of our people at the forefront. We recognised our responsibilities beyond our own spaces and remained

committed towards supporting our stakeholders,

keeping our customers connected and our community safe.

Reflecting on delivering unique lifestyle choices, we continued our focus on redefining customer experience to meet the needs of the evolving trends and our customers' and guests' lifestyles. In providing a seamless digital experience for our people and our community, we accelerated our digital journey through enhanced digital infrastructure and innovative solutions in shaping our digital future.

Reflecting on the essence of dedication and commitment, we continued to **enrich and inspire our people** in order to stay competitive and relevant in our quest towards becoming an empowered and agile workforce and above all, we **acknowledged our frontliners** who are our heroes, who relentlessly carried out their responsibilities in ensuring the health and safety of our people and that of our community are protected.

The harsh and trying times was a test to our resiliency and perseverance but we are moving to **evolve and adapt** to the needs of the environment, create vibrant and inspiring spaces for our community and **deliver long-term sustainable value to our stakeholders**.

Together, looking beyond.

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THIS IS OUR REPORTING JOURNEY

Our Integrated Annual Report is published annually and presents an overview of the present and future direction and prospects of KLCCP Stapled Group that are most important to value creation

SCOPE AND BOUNDARY

This Integrated Annual Report has been prepared by KLCCP Stapled Group to provide stakeholders with an understanding of the Group's business model, strategy, past performance and future prospects. The report is written primarily for shareholders and investors. It covers the activities of the Group for the financial year 1 January 2020 to 31 December 2020, and addresses the material financial and non-financial risks and opportunities that impact value creation and strategy development.

Any material events after year-end, but before publication of this report, have been included.

REPORTING FRAMEWORKS AND REGULATIONS

The Integrated Annual Report has been prepared in accordance with the concepts and guiding principles of the International Integrated Reporting (<IR>) Framework issued by the International Integrated Reporting Council (IIRC), including disclosures based on the six capitals. KLCCP Stapled Group has also applied the principles of Malaysian Code on Corporate Governance (MCCG), Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad (Bursa Malaysia), Guidelines on Listed Real Estate Investment Trusts (Listed REITs Guidelines) of Securities Commission Malaysia, Bursa Malaysia's Management Discussion and Analysis Disclosure Guide (MD&A), as well as Companies Act 2016 (CA 2016).

In preparing the Sustainability Report, KLCCP Stapled Group is guided by the Bursa Malaysia's Sustainability Reporting Guide. All relevant disclosures are guided by the material economic, environmental and social (EES) issues which the directors believe have the potential to substantially impact the Group's ability to create and sustain value for its stakeholders. Due consideration is given to appropriate internal and external factors, including the operating environment, stakeholder expectations, the Group's strategies, risks and opportunities.

Additionally, the financial statements of KLCC Property Holdings Berhad (KLCCP) and KLCC Real Estate Investment Trust (KLCC REIT) are prepared in accordance with the Malaysian Financial Reporting Standards (MFRS), International Financial Reporting Standards (IFRS) and the requirements of CA 2016.

MATERIALITY

This report provides information on all those matters that we believe are key to KLCCP Stapled Group's ability to create value over time and which are likely to have a significant impact on our business and stakeholders. These matters were identified, prioritised and validated via a four-step materiality assessment.

FORWARD-LOOKING STATEMENTS

This report includes forward-looking statements that involve inherent risks and uncertainties and, if one or more of these risks materialise, or should the underlying assumptions prove incorrect, actual results may be different from those anticipated. Words such as "believe", "anticipate", "intend", "seek", "will", "plan", "could", "may", "endeavour", "project" and similar expressions are intended to identify such forward-looking statements, but are not the exclusive means of identifying such statements. Forward-looking statements apply only as of the date on which they are made, and KLCCP Stapled Group does not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise.



STRONG FINANCIAL **POSITION**

Our strong cash flow and robust balance sheet enable us to execute our growth strategy and be agile in responding to opportunities and mitigating risks



PORTFOLIO OF DIVERSE, **ICONIC ASSETS AND MANAGEMENT SERVICES**

We have a diverse portfolio within the sought-after KLCC Precinct comprising iconic and high quality assets and management services, which generate earnings for the Group



DEEP KNOWLEDGE AND STRONG CAPABILITIES

We have deep knowledge in the real estate industry, unique market insights and outstanding execution capabilities which keep us agile to respond and adapt to the new pace of change



Strong Capabilities

Services

NAVIGATION ICONS

Strong Financial Position

Portfolio of Diverse, Iconic

Assets and Management

Deep Knowledge and

SIX CAPITALS

Engaged and Inspired Employees

Natural Resources

Trusted Relationships with Stakeholders



ENGAGED AND INSPIRED EMPLOYEES

Our people are our core strength and our organisation's success highly depends on their skills, capabilities and commitment



NATURAL RESOURCES

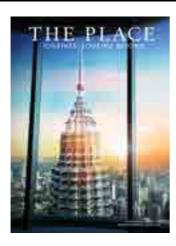
We rely on natural resources like electricity and water as an owner, developer and manager of our properties. We consciously manage and work towards minimising our environmental impact



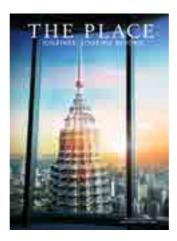
TRUSTED RELATIONSHIPS WITH STAKEHOLDERS

Our trusted relationships with our investors, partners, employees, regulators and the communities where we have business operations, provide us the social license to operate and access capital

REPORTING SUITE



Integrated Annual Report 2020



Sustainability Report 2020

REPORTING FRAMEWORK

- MCCG
- Bursa Malaysia's MD&A
- MMLR
- MFRS
- IFRS
- <IR> Framework
- CA 2016
- Listed REITs Guidelines

• Bursa Malaysia's Sustainability

Reporting Guide

• FTSE4Good Themes and Indicators for Real Estate Holdings and Development Sector

STRATEGIC PILLARS



Maximising Value of Investments



Resilience in Soft Market Conditions



Creating Value through Sustainability



Embracing Digital for Business Enhancement



Find more information inside this report



Link to corporate website at www.klcc.com.my



Scan to read our Sustainability Report 2020



Scan to read a bitesized version of our Integrated Annual Report 2020

KLEE Integrated Annual Report

A JOURNEY BEST MADE TOGETHER



LIVE (((*)))
STREAMING

WHERE CONVERSATIONS CONTINUE TO MATTER















WE ARE KLCCP STAPLED GROUP

SHARED VALUES

INNOVATIVE

Trend setting mentality through creation of new products, ideas and ways of doing

COHESIVENESS

United in purpose and fellowship

LOYALTY

Loyalty to corporation and nation

INTEGRITY

Honest and upright

PROFESSIONALISM

Committed, proactive and always striving for excellence

CULTURAL BELIEFS

CUSTOMER FOCUSED

I deliver solutions from the customer lens

INNOVATE NOW

I challenge norms and push boundaries

BE ENTERPRISING

I seek opportunities and make them happen

SPEAK UP

I express my views openly

COURAGE TO ACT

I take action to progress with pace

OUR PURPOSE

WE CREATE PLACES PEOPLE LOOK FORWARD TO, PROGRESSING LIFESTYLE FOR A SUSTAINABLE FUTURE

Malaysia's largest REIT and only Stapled Security in the country, comprising KLCCP and KLCC REIT. KLCC REIT focuses on active asset management and acquisition growth strategies, whilst KLCCP is the development arm of the Stapled Group. At the forefront of Malaysia's real estate industry, our unique structure allows us to maximise the value we create for all our stakeholders.



To read more, refer to A Strong Corporate Structure on pages 26 to 27

We own, manage, develop and invest in a portfolio of premium assets comprising office, retail and hotel properties in the heart of Kuala Lumpur. This is complemented by our award winning asset management services provided by KLCC Urusharta Sdn Bhd (KLCCUH) and KLCC Parking Management Sdn Bhd (KPM). This synergy of property investment and asset management strengthens the earning potential of our stable of iconic properties.

To read more, refer to Operations Review on pages 90 to 115

We are committed to creating a progressive lifestyle experience within the KLCC Precinct while enhancing the value of our property portfolio. We are focused on optimising sustainable value creation through a strategic approach that capitalises on our unique Stapled Group structure and our competitive differentiators, well positioned for the future.



To read more, refer to Our Strategic Value Creation on pages 72 to 73

An integrated office and retail development (located outside the KLCC Precinct)

KOMPLEKS DAYABUMI

MENARA EXXONMOBIL

Office tower tenanted by major oil and gas corporations