

SUSTAINABILITY REPORT

The Board of Directors (“Board”) of Kerjaya Prospek Property Berhad (“KPPROP” or the “Company”) presents this Sustainability Report (“Report”) which discloses the concepts, practices, and performances of the economic, environmental, social, and governance risks and opportunities of KPPROP and its subsidiaries (“KPPROP Group” or the “Group”).

As KPPROP drives itself towards the achievement of its business objective in the long run, we uphold our mindset that places sustainability at the core of our business decisions and practices. Business sustainability, including building a long-term, mutually beneficial relationship with our stakeholders, is key to the Group having a solid foundation to support its growth and vision.

REPORTING SCOPE AND PERIOD OF THE REPORT

The scope of this Report includes the Group’s two main businesses, namely Property Development and Hospitality, for the reporting period from 1 April 2023 to 31 March 2024 (“FY2024”), unless otherwise stated. All information in this Report is disclosed at the Group level unless otherwise stated.

This Report is prepared in accordance with the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa”) and has considered elements of the Sustainability Reporting Guide – 3rd Edition and its accompanying Toolkits.

This Report has not been subjected to specific internal reviews by the internal auditors or external assurance. Nevertheless, the Management of KPPROP has undertaken the necessary care and diligence to report quality data in this Report, based on the information and data available. KPPROP is also committed to continuous improvement in its data collection and reporting process.

SUSTAINABILITY IN KERJAYA PROSPEK PROPERTY GROUP

The Group’s business strategies and objectives are driven by its Vision, Mission, and Core Values, which address KPPROP’s envisaged position in the industry as well as its value creation for the Group’s various stakeholders.



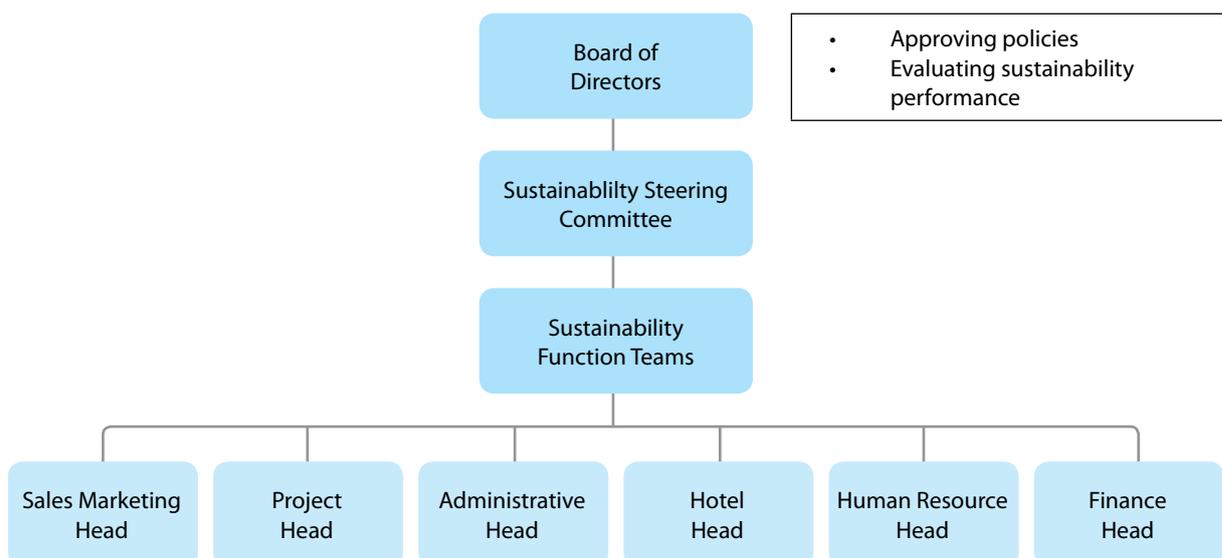
SUSTAINABILITY REPORT (CONT'D)

Further supporting the Group's Vision, Mission, and Core Values is the Group's established set of policies on sustainability, which further specify our sustainability focuses and guide the overall implementation and practice of KPPROP Group's business sustainability.



As a responsible corporate citizen, KPPROP commits to sustainable and responsible practices that not only contribute to business sustainability but also environmental stewardship and social responsibility. We aim to bring sustainable value to our various stakeholders, considering our legal obligations and social responsibilities.

GOVERNANCE STRUCTURE



KPPROP Group's approach towards long-term business sustainability is driven by strong top-level leadership. The Board is instrumental in providing stewardship and overseeing the Group's sustainability efforts and performance, setting the Group's short-, medium-, and long-term sustainability strategies taking into consideration the interest of stakeholders. The Board also periodically monitors the Group's sustainability strategies, approaches, progress, targets, and performance.

SUSTAINABILITY REPORT (CONT'D)

The Board recognises the importance of risk management and internal control in our effective management of sustainability risks and opportunities. The Board holds the responsibility for establishing a sound risk management framework and internal control system and ensuring their adequacy and effectiveness, including in relation to sustainability matters. The Audit and Risk Management Committee is delegated with the responsibility to evaluate the adequacy and effectiveness of these frameworks.

The Board is supported by the Sustainability Steering Committee (“Committee”) which is chaired by the Executive Chairperson and includes the Executive Director as Committee member. The Committee meets annually to discuss the strategies and focuses in addressing and managing the Group’s sustainability matters, particularly material sustainability matters (“MSMs”).

The responsibilities of the Committee include:

- reviewing the engagement with stakeholders;
- developing sustainability strategy, policies, and goals, considering the Group’s MSMs;
- driving, reviewing, and monitoring sustainability performance;
- maintaining sustainability performance throughout the Group;
- generating and increasing awareness among internal and external stakeholders; and
- reviewing the Sustainability Report before tabling it to the Board.

The Committee also ensures that sustainability is integrated into the Group’s daily operations by communicating sustainability-related information to Directors and employees via tools such as policies, internal memos, and updates to the Group’s Standard Operating Procedures (“SOPs”).

The day-to-day operations and management of sustainability matters are overseen mainly by the Sustainability Function Team which comprises the head of key departments and functions. The members of the Sustainability Function Team drive progress and performance, based on the Group’s sustainability policy and direction, in the capacity of their respective roles and within their respective departments. They report the progress, performance, and outcomes of their management performance of the MSMs to the Committee periodically.

The Sustainability Function Team also performs materiality assessment to identify sustainability matters that are most material to the Group so resources can be prioritised to address these MSMs.

The effectiveness of the Group’s sustainability governance is further supported by its overall corporate governance practices, including ensuring Directors receive the relevant information to keep themselves abreast of global and domestic development of sustainability topics that are material to the Group’s business.

STAKEHOLDERS’ ENGAGEMENT AND COMMUNICATION

KPPROP Group has a Stakeholders Communication Policy which aims to promote effective communication with the Group’s various stakeholder groups. Each stakeholder engagement channel serves different purposes, including obtaining feedback and comments from stakeholders, communicating policies or updates to stakeholders, and serving as a platform for bi-directional discussions between the Group and its stakeholders. In addition, the stakeholder engagement processes also enable the collection of valuable input from stakeholders which is considered in the Group’s materiality assessment process, facilitating the Group’s understanding of stakeholders’ issues and concerns, as well as matters that influence stakeholders’ assessments and decisions.

SUSTAINABILITY REPORT (CONT'D)

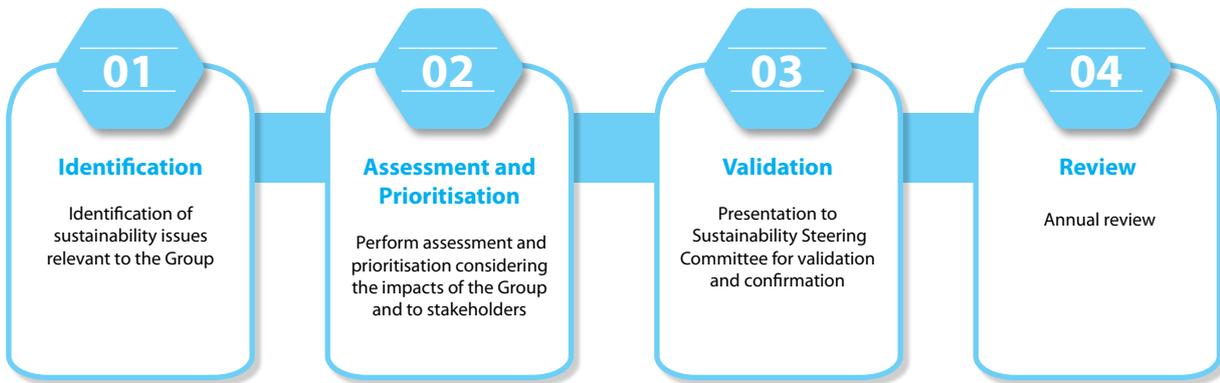
Our key stakeholder groups, engagement approaches, and engagement areas for all key stakeholders are summarised as follows.

Stakeholders	Engagement Methods	Engagement Areas
Shareholders	<ul style="list-style-type: none"> Annual & Extraordinary General Meetings Press releases Bursa announcements Quarterly report Annual report Timely update on corporate website 	<ul style="list-style-type: none"> Financial and operational performance Return on investments
Government	<ul style="list-style-type: none"> Compliances to laws and regulations 	<ul style="list-style-type: none"> Operations-related regulations Bursa listing requirements Companies Act Labour law Taxations Department of Environment Occupational Safety and Health Act
Board of Directors	<ul style="list-style-type: none"> Board meetings 	<ul style="list-style-type: none"> Corporate strategy Corporate governance
Employees	<ul style="list-style-type: none"> Technical and skills training Performance review Department meetings In-house newsletters/communications 	<ul style="list-style-type: none"> Occupational safety and health Remuneration policy Career development Performance review Fair employment practices
Financial Institutions	<ul style="list-style-type: none"> Bursa announcements Quarterly report Annual report Timely update on corporate website 	<ul style="list-style-type: none"> Financial and operational performance Funding requirement
Customers	<ul style="list-style-type: none"> Customer Relationship Management Facilities management review Marketing events, social media, roadshows and sales galleries 	<ul style="list-style-type: none"> Customer satisfaction After-sales services Quality assurance
Suppliers & Contractors	<ul style="list-style-type: none"> New Supplier Form Regular meetings Quality audit on services and products Contract negotiation 	<ul style="list-style-type: none"> Services and products' quality Legal compliances
Communities	<ul style="list-style-type: none"> Charity and welfare programs 	<ul style="list-style-type: none"> Social contribution Job opportunities Donation and financial aid
Analyst/ Media	<ul style="list-style-type: none"> Annual & Extraordinary General Meetings Investor briefings Media release 	<ul style="list-style-type: none"> Financial and operational performance General announcements

SUSTAINABILITY REPORT (CONT'D)

MATERIALITY ASSESSMENT

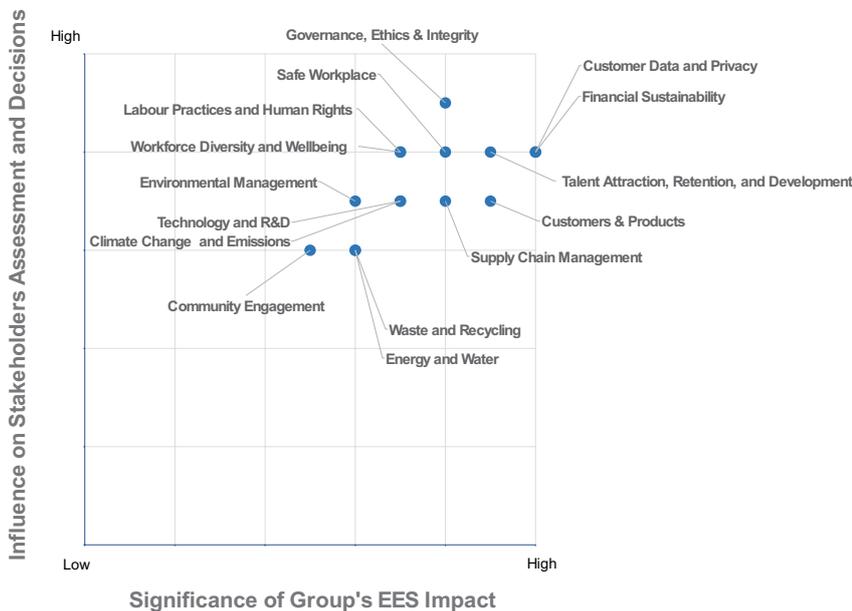
KPPROP assesses and prioritises its sustainability matters through a materiality assessment process to determine the matters that are most significant to the Group and require focused resources and attention. A material sustainability matter is one that reflects the Group's significant economic, environmental, and social ("EES") impacts or substantively affects the stakeholders' decisions or assessments. The materiality assessment is performed by the Sustainability Function Team and the outcome is illustrated in a materiality matrix.



KPPROP's Sustainability Function Team performed a materiality assessment to assess and review the Group's sustainability matters in FY2024. The assessment was conducted via a workshop, which also includes the participation of personnel who are familiar with key stakeholders of the Group in ensuring key views and concerns of the stakeholders are considered.

The materiality assessment has seen the inclusion of various sustainability matters including Labour Practices and Human Rights, Workforce Diversity and Wellbeing, Customer Data and Privacy, Climate Change and Emissions, and Technology and R&D as sustainability matters considered in the matrix. The matrix has been tabled to the Committee and the Board, and the Group's priorities in managing sustainability matters have also taken into consideration their priorities and orders in the matrix.

The Group's materiality matrix is illustrated as follows.



SUSTAINABILITY REPORT (CONT'D)

CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS (“SDGS”)

In September 2015, 193 member states of the United Nations collectively adopted “Agenda 2030”, a comprehensive plan aimed at addressing the world’s most urgent economic, environmental, and social challenges over a span of 15 years. This agenda comprises 17 goals and 169 targets, which encompass a wide range of challenges including economic inclusion, geopolitical stability, depleting natural resources, environmental degradation, and climate change. Malaysia has demonstrated its commitment to “Agenda 2030” by implementing its own SDG Roadmap.

All SDGs may be relevant to our operations to varying degrees and we place emphasis on SDGs that are most relevant to our industry as well as SDGs that we can better contribute towards.



SUSTAINABILITY REPORT (CONT'D)

Material Sustainability Matters	SDGs
Governance, Ethics, and Integrity	
Customer Data and Privacy	
Financial Sustainability	
Talent Attraction, Retention, and Development	   
Safe Workplace	 
Customers & Products	 
Labour Practices and Human Rights	
Workforce Diversity and Wellbeing	
Supply Chain Management	
Technology and R&D	
Climate Change and Emissions	
Environmental Management	 
Energy and Water	  
Waste and Recycling	 
Community Engagement	 

SUSTAINABILITY REPORT (CONT'D)

ECONOMIC

Financial Sustainability

The Group's businesses operate on foundations that believe long-term profitability and stakeholder value can be achieved by considering the interests of our diverse stakeholders, including employees, suppliers, other business partners, and the communities we engage with.

Financial sustainability is one of the fundamental conditions for securing the sustainability of our operations across the short-, medium-, and long-term, maintaining sufficient financial resources to support operational needs, execute business strategies, and other activities of the business. Furthermore, strong financial sustainability also helps to develop trust and confidence amongst shareholders and investors.

During the financial year under review, KPPROP Group recorded a profit before tax of RM120.4 million. Total equity stood at RM708.4 million as at 31 March 2024 where the gearing ratio was maintained at a healthy level at 0.18. At the end of the financial year, the Group has RM90.7 million in cash and bank balances.

For further details regarding the financial performance and position of the Group, please refer to the **Management Discussion and Analysis** section.

We uphold accountability and transparency in our interactions with shareholders, prioritising the timely and accurate information regarding the Group's financial performance and position. Apart from the Annual General Meeting where we endeavour to have meaningful engagements among Directors, shareholders, and the Company, we also have our corporate website (www.kpproperty.com.my) which publishes essential information, including quarterly results, announcements, and circular/ statements required by the MMLR. We ensure that these documents are uploaded promptly, ensuring convenient access to our shareholders, as we uphold transparency and trust in our communications.

Customers & Products

We develop and deliver our value to our customers through our products and services. By selecting KPPROP Group, our customers have cast their vote of confidence in the quality of our products and services, and we reciprocate their trust with a continuous commitment to meet their demands and expectations with high-quality products. Striving for continuous enhancement and exceeding customer expectations, we aim not just to satisfy but to delight our customers. Our ultimate objective is to maintain long-lasting relationships with our customers by prioritising their needs and ensuring a customer-centric approach.

CUSTOMERS' SATISFACTION

Internationally recognised best practices and international quality and safety accreditation

Experienced workforce that equipped with professional knowledge and comprehensive training

Prompt delivery and reliable customer service

Efficient after-sales service, create an integrated and resilient workforce

We maintain a steadfast commitment to the unwavering quality of our products by diligently selecting contractors accredited with ISO 9001:2015 - Quality Management Systems. This accreditation serves as an assurance of their compliance with stringent quality and safety requirements, reinforcing our credibility and upholding our standards within the property development industry. Moreover, our Group strictly complies with all relevant laws and regulations concerning safety and quality, reinforcing our dedication to customer satisfaction and trust.

SUSTAINABILITY REPORT (CONT'D)

Prior to handing over properties to our customers, we undertake comprehensive internal assessments to ensure the functionality and the quality of the finishes. This meticulous process involves scrutinising aspects such as tiling, internal paint, electrical functionality, plumbing functionality, and more. Any identified defects prompt swift corrective actions to swiftly rectify them, ensuring optimal quality for our customers.

KPPROP Group is committed to leveraging digital transformation to improve our customer experience, and this includes the creation of virtual sales galleries to cater to our customer's needs. Through these virtual platforms, it enables us to integrate sales processes and customer engagement with technology. With these virtual sales galleries, buyers can explore and choose their preferred properties and access detailed site plans, specifications, and other relevant information. Furthermore, the Group have also expanded our branding and marketing efforts through diverse online and social media channels, broadening our visibility and facilitating engagement across diverse age demographics.

KPPROP Group views customers not just as consumers, but as vital partners in innovation, recognising their feedback and ratings as invaluable resources driving our continuous enhancement. To remain competitive, we prioritise aligning our service and product development with their evolving needs. To achieve this, we actively gather feedback from our customers via various channels, including social media platforms, our website, hotlines, and interactions with our frontline staff. By actively listening to their expectations and suggestions, we gain invaluable insights that inform and steer our future improvements and innovations. This customer-oriented approach not only improves the overall experience and satisfaction of our customers but also positions us at the forefront of the industry.

In a highly competitive market, KPPROP Group prioritises creating and maintaining strong trust-based relationships with our customers. Our charter underscores the importance of customers' well-being, safety, and satisfaction, serving as the cornerstone of our product responsibility. We diligently adhere to these principles across the entire lifecycle of our services and products.

Sustainable Design and Living

We strive to integrate sustainability principles into our master plans, which involve integrating lush greenery and thoughtfully designed landscaping. For KPPROP, sustainable living means living harmoniously with the natural environment and seamlessly blending with local elements and ecosystems. In our project designs, we prioritise leveraging local site features like natural lighting and ventilation to their fullest potential. These design strategies not only diminish the reliance on excessive electricity for lighting and air-conditioning but also facilitate cross-ventilation systems for optimal temperature regulation, fostering healthier living spaces for our residents. These elements ultimately will contribute to more responsible living where our building users can achieve greater energy efficiency, conserve energy, minimise water consumption, and reduce carbon emissions.

Bloomsvale's residential component has achieved a Platinum Provisional rating under the Green RE certification program, whereas the commercial components achieved Gold Provisional rating. This serves as an acknowledgement of our integration of sustainable living in our project designs and implementation.

Supply Chain Management

The effectiveness of our supply chain significantly impacts the KPPROP Group's capacity to generate value as property development projects rely on a collaborated effort between various players in the industry. In our selection of suppliers or business partners, we prioritise alignment with our fundamental principles, notably integrity and capability to deliver.

When choosing suppliers for a new project, the capacity to provide high-quality services and products stands as a pivotal factor in our assessment process during tender or bid calls. The assessment of suppliers also includes an evaluation of our supplier's compatibility with the Group's operational, environmental, and social objectives. The information and details of the newly selected suppliers are documented in the New Supplier Form.

SUSTAINABILITY REPORT (CONT'D)

Regular assessments are conducted to ensure that the quality of products and services meets our internally set standards and requirements. Annual audits are also conducted for existing suppliers and contractors to address any operational issues. Suppliers with unsatisfactory performance will be terminated or warnings may be issued, while contract continuity or renewal will be subjected to satisfactory performance or remedial actions for minor unsatisfactory performance.

We are committed to enhancing our processes and cultivating strong relationships with our suppliers. We engage proactively with our suppliers to identify and reduce risks, boost productivity, and promote efficiency across the supply chain. Our approach is guided by principles of transparency and integrity. We believe in creating value by seeking opportunities to collaborate and share best practices with our suppliers to fortify a robust supply chain that is reliable and of quality.

Environmental and Social Sustainability in the Supply Chain

KPPROP Group is committed to reducing the environmental and social impacts associated with our business activities, internally and across our supply chain. We believe that sustainable practices are essential for the enduring prosperity of our business and our ability to serve customers over the long-term. This commitment involves conducting business ethically and integrating responsible practices throughout key nodes of our value chain, especially our supply chain.

We actively promote responsible and sustainable practices among our suppliers, addressing diverse environmental and social issues. These expectations are integrated into our supplier engagement process. When selecting new suppliers, we prioritise those who demonstrate a commitment to compliance, environmental preservation, safeguarding endangered species, labour rights and welfare, and equal opportunities, and we also consider if there are any pending environmental issues or integrity issues such as those relating to anti-corruption and anti-bribery. By embedding these considerations into our supplier relationships, we aim to shape a supply chain that reflects the way KPPROP Group does business.

We are also committed to upholding the fundamental human rights of our employees and maintaining a conducive working environment for them. This commitment extends to our appointed contractors, where we have stringent requirements mandating strict adherence to the Workers' Minimum Standards of Housing and Amenities (Amendment) Act 2019 (Act 446). This regulation ensures that the living conditions of workers engaged in our projects meet acceptable standards and comply with regulated boundaries.

Local Procurement

The Group strives to bolster the local economy and local businesses by prioritising local procurement practices. We actively advocate for sourcing materials and goods from local suppliers and associates. When engaging with our contractors and suppliers, we aim to understand the sources of materials used in our construction projects and hotels and encourage the use of locally sourced materials and services while maintaining quality standards and cost-effectiveness of the procured materials or services. Procuring locally not only supports the local economy and businesses but also contributes to shorter delivery times for materials.

During the financial year under review, approximately more than 99% of KPPROP Group's procurement of products and services was attributable to local suppliers and contractors.

Group	FY2022	FY2023	FY2024
Proportion of spending on local suppliers (including contractors) (%) ¹	Not available	>95 %	>99 %

¹ KPPROP began to collect data for spending on local suppliers in FY2023.

SUSTAINABILITY REPORT (CONT'D)

Technology and R&D

Technology and research and development ("R&D") is an important matter for KPPROP Group as it helps to enhance efficiency and innovation in our Property Development segment and Hospitality segment.

In our Property Development segment, we place focus on identifying technologies that allow us to enhance project efficiency, quality, environmental protection, and further protect employees' and workers' safety and health where possible. In addition, we also consider investments in cutting-edge technology and green resources, driving our products and properties to achieve better design, sustainability, and functionality.

For our Hospitality segment, we aim to deepen our guest experience in our hospitality ventures by leveraging the latest advancements in technology and investing in ongoing research and development approaches. From implementing seamless booking systems to gathering guest preferences, we ensure that our innovation for every aspect of the guest stay is tailored to their needs. Apart from that, staying at the forefront of technological trends enables our Hospitality segment to enhance operational efficiency, streamline processes, as well as ultimately deliver exceptional service. In this regard, we generally review our key equipment such as air conditioners and information systems periodically and upgrade them where required.

SOCIAL

Workforce Diversity and Wellbeing

In our employment practices, we uphold equitable recruitment practices aimed at fostering diversity and inclusivity. We are committed to providing equal employment opportunities to all potential candidates, irrespective of gender, age, race or ethnicity, colour, religion, or disability. Discrimination in the workplace is considered a violation of our Group's Code of Ethics and must be reported.

At the Board level, we have implemented a Gender Diversity Policy and Target and the Directors of KPPROP Group are cognisant of the ongoing efforts to increase female representation on the board whenever suitable opportunities arise.

Our Board and workforce as a whole boasts a balanced mix of genders, age groups, and ethnicities, bringing to the Group various benefits. These include fostering open-minded dialogues, broadening positive impact, bridging gaps, and introducing innovative viewpoints and strategies.

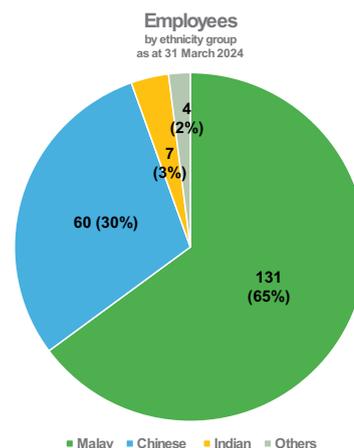
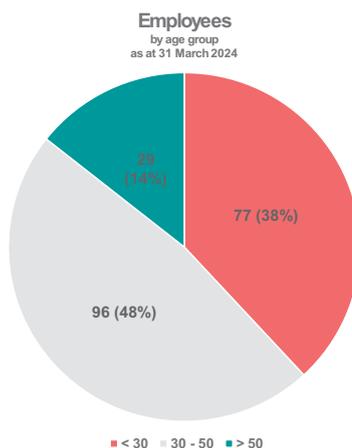
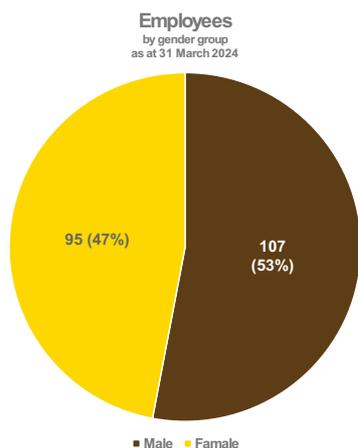
We prioritise merit in our hiring and recruitment processes to ensure fair and unbiased selection and decisions. Recognising human capital as our most vital asset, we consistently invest in talent development. We understand that the commitment and productivity of our employees are pivotal to maintaining our success and overall performance.

SUSTAINABILITY REPORT (CONT'D)

Our employees' data

The Group maintains a balanced and diversified workforce and our employment demographics as at 31 March 2024 which are summarised as follows.

Group	31 Mar 2022	31 Mar 2023	31 Mar 2024
Employees by gender (number)			
Male	65	80	107
Female	67	74	95
Employees by age (number)			
Below 30	50	62	77
30 – 50	62	74	96
Above 50	20	18	29
Employees by ethnicity (number)			
Malay	64	92	131
Chinese	57	50	60
Indian	6	5	7
Others	5	7	4
Total	132	154	202



SUSTAINABILITY REPORT (CONT'D)

Group	31 Mar 2024				
	Gender		Age		
	Male	Female	<30	30 – 50	>50
Board of Directors	4 (80%)	1 (20%)	0 (0%)	2 (40%)	3 (60%)
Employee category					
Management	16 (52%)	15 (48%)	0 (0%)	20 (65%)	11 (35%)
Executives	26 (39%)	41 (61%)	19 (28%)	40 (60%)	8 (12%)
Non-Executives	65 (62%)	39 (38%)	58 (55%)	36 (35%)	10 (10%)
Total	107 (53%)	95 (47%)	77 (38%)	96 (48%)	29 (14%)

Group	31 Mar 2023				
	Gender		Age		
	Male	Female	<30	30 – 50	>50
Board of Directors	4 (80%)	1 (20%)	0 (0%)	2 (40%)	3 (60%)
Employee category					
Management	14 (47%)	16 (53%)	2 (7%)	17 (57%)	11 (37%)
Executives	17 (34%)	33 (66%)	21 (42%)	26 (52%)	3 (6%)
Non-Executives	49 (66%)	25 (34%)	39 (53%)	31 (42%)	4 (5%)
Total	80 (52%)	74 (48%)	62 (40%)	74 (48%)	18 (12%)

Due to the different nature of businesses and functions within the Group, we employ full-time permanent and full-time and part-time contract employees, as follows. All employees receive fair compensation and are provided with benefits aimed at supporting, motivating, and rewarding their performance.

Group	31 Mar 2022	31 Mar 2023	31 Mar 2024
Employment types²			
Full-time permanent employees	Not available	144 (94%)	180 (89%)
Part-time permanent employees	Not available	–	–
Full-time contract employees	Not available	10 (6%)	19 (10%)
Part-time contract employees	Not available	–	3 (1%)
Total	Not available	154	202

² KPPROP began to collect data for employment types as at 31 March 2023.

SUSTAINABILITY REPORT (CONT'D)

Labour Practices and Human Rights

The Group is committed to upholding and respecting the fundamental human rights of our people and we strive to maintain a workplace that is free from discrimination and harassment, prioritising the safety, health, and ethical treatment of all employees. We firmly believe in fostering an environment where employees can exercise their right to unionise and freely associate, in accordance with local laws and practices. KPPROP also makes the necessary effort to promote a culture of inclusivity, respect, and fairness for all.

At KPPROP Group, we adhere strictly to statutory requirements and regulations pertaining to compensation and benefits, encompassing minimum wage orders, contributions to the Employee Provident Fund, and obligations to the Social Security Organisation.

We are also committed to cultivating a safe and respectful workplace environment and strictly prohibiting any instances of sexual harassment, including but not limited to verbal, non-verbal, psychological, or physical sexual harassment within our premises.

We are against any child labour and forced labour practices, and we expect the same ethical standards from our contractors and service providers. We respect the entitled benefits of our employees as prescribed by applicable laws and regulations. Our Group also undertakes efforts to elevate employee welfare by providing various additional benefits such as dental allowances, travel allowances, group personnel insurance and provision of uniforms.

We have communication channels, through our Human Resources Department, where employees can reach out to highlight any grievances regarding employment matters, including human rights matters. Serious violations of human rights matters may also be reported via the Group's Whistleblowing Policy.

During the financial year under review, there were 0 substantiated complaints concerning human rights violations. This is in line with the Group's goal of maintaining a zero-tolerance policy towards sexual harassment.

Group	FY2022	FY2023	FY2024
Substantiated complaints concerning human rights violations (number of cases) ³	Not available	0	0

Talent Attraction, Retention & Development

Employee Engagement

Employee engagement is a cornerstone for the Group, serving as a driving force for inspiring employees to perform at their best, on top of helping us understand how the business can align its interests with employees. We also acknowledge that effective engagement is integral to our company's capacity to create value, as we recognise our people as our most valuable asset. To improve engagement, management actively engages with the workforce through various activities, such as annual dinners, festive celebrations, employee surveys, team building, and more. Our performance management process serves as a vital connection between employees' performance outcomes, their learning requirements, and the rewards they receive.

³ KPPROP began to collect data for substantiated complaints concerning human rights violations in FY2023.

SUSTAINABILITY REPORT (CONT'D)

In FY2024, the turnover numbers are summarised as follows:

Group	31 Mar 2022	31 Mar 2023	31 Mar 2024
Number of employees turnover⁴			
Management	Not available	Not available	1
Executives	Not available	Not available	16
Non-Executives	Not available	Not available	1
Total	Not available	Not available	18

Learning and Development

KPPROP Group acknowledges the pivotal role of a strong team in driving business growth and success. We prioritise employee growth via a range of measures, including promoting job and personal development opportunities, conducting training programs, fostering diversity in our workforce, providing employee benefits and welfare, and actively promoting employee engagement.

To ensure long-term performance and sustainability, KPPROP Group prioritises succession planning, especially for pivotal and leadership positions. The HR Department is responsible for reviewing the Group's human resources plan, including the succession management framework and related activities. This process involves multiple HR initiatives, encompassing job and salary reviews, and the annual manpower budget. Succession planning is undertaken throughout the Group, emphasising the creation of tailored training programs to address the development requirements of management staff.

The Group also recognises the importance of the Industrial Revolution 4.0, which demands ongoing upskilling and reskilling efforts to uphold relevance and productivity. We actively promote employee participation in both internal and external training programs, fostering opportunities for professional growth. These approaches aim to improve their knowledge and skills in various aspects such as career enhancement, personal development, human resource management, technical expertise, and more. The training programs are provided based on employees' specific roles and responsibilities, extending to diverse participant groups including subsidiaries, staff groups, and third parties. Training sessions are conducted regularly and we adopt a structured approach to ensure that employees at all levels, from entry-level recruits to frontline staff, supervisors, and top-level management, receive the necessary training. In FY2024, the topics addressed in training attended by our employees are summarised as follows:

- Anti-bribery and corruption;
- Sustainability reporting requirements;
- Health and safety in the workplace environment;
- Taxation;
- E-invoicing; and
- Sales and service tax.

Upholding the principle of equal opportunity, we strive to empower every employee to continually enhance their skill sets, leaving no one behind in the pursuit of ongoing improvement.

⁴ KPPROP began to collect data for turnover number by employee category as at 31 March 2024.

SUSTAINABILITY REPORT (CONT'D)

During the financial year under review, the Group recorded a total of 851 hours of training for our employees.

Group	FY2022	FY2023	FY2024
Training hours by employee category⁵			
Management	Not available	Not available	233
Executives	Not available	Not available	193
Non-Executives	Not available	Not available	425
Total training hours	247	551	851

Safe Workplace

KPPROP Group places a strong emphasis on the safety and health of its employees within its business operations. We strive to establish a workplace that is secure and promotes good health, ensuring safety measures are consistently maintained across all aspects of our business. To achieve this, the Group has in place a policy on the Group's commitment to occupational safety and health, summarised as follows.

- ensure compliance with laws and regulations in relation to occupational safety and health;
- set targets and measures to oversee occupational safety and health performance across the organisation; and
- promote a culture where all employees share the commitment to prevent harm or injury to the safety and health of our employees, contractors, and the general public.

Throughout our organisation, we consistently communicate occupational health and safety procedures to our employees via manuals, work instructions, and other communication channels, ensuring they stay updated on crucial safety measures and controls. New hires undergo induction sessions, inclusive of relevant safety and health training, equipping them to identify and manage potential workplace risks effectively.

We ensure that relevant employees are provided with relevant training to operate safely and in alignment with the Group's safety procedures. In FY2024, 202 employees attended training pertaining to health and safety standards.

Group	FY2022	FY2023	FY2024
Employees trained on health and safety standards (number of employees) ⁶	Not available	Not available	202



Training on Life Saving Awareness - CPR & AED

⁵ KPPROP began to collect data for training hours by employee category in FY2024.

⁶ KPPROP began to collect data for number of employees trained on health and safety standards in FY2024.

SUSTAINABILITY REPORT (CONT'D)

Safety and Health at our Hotels

At our Hospitality operations, Safety Officers were appointed and they are responsible for overseeing our hotels to mitigate health and safety risks during daily operations. Provisions for cleanliness, safety, and health preservation within our hotels are integral components of our SOPs, fostering a conducive work environment for employees and a comfortable experience for our guests. Regular checking is conducted by Safety Officers to ensure adherence to these SOPs. Furthermore, we conduct annual internal audits to ensure the effective execution and maintenance of our health and safety management systems.

Our security teams are on duty 24/7 to uphold the highest standards of safety and security for all guests, employees, and visitors. We conduct routine audits to ensure the reliability and effectiveness of our security systems, assessing various elements like the efficacy of CCTV recordings and the training provided to security staff regarding emergency response in diverse scenarios. These audits serve as a mechanism for ongoing improvement, allowing us to enhance and reinforce our security measures continuously, thereby prioritising the safety and well-being of our guests and employees.

Food Safety

At our Hospitality operations, our commitment to food safety standards is reflected in our operational procedures and stringent requirements for our suppliers of food, beverages, and related services. These suppliers are required to adhere to stringent criteria that align with internationally recognised food safety certifications or undergo third-party audits. For smaller-scale suppliers, our hotels conduct hygiene audits to ensure compliance with our food safety standards.

During the financial year under review, we are pleased that KPPROP Group and its contractors for KPPROP's projects recorded zero work-related fatalities. The Group also recorded zero lost-time incident rate for the financial year.

Group	FY2022	FY2023	FY2024
Work-related fatalities (number) ⁷	Not available	0	0
Lost time incident rate ⁸	Not available	0	0

Group	FY2022	FY2023	FY2024
Contractors in relation to KPPROP's projects			
Work-related fatalities (number) ⁹	Not available	0	0

Community Engagement

As we are deeply rooted in the community we operate, we are actively engaged in community outreach programs and initiatives. We take great pride in having the opportunity to serve and bolster various community sectors, working towards social empowerment and positively impacting people from diverse backgrounds. In FY2024, KPPROP Group contributed RM13,175 towards orphan welfare, providing essential supplies for mosque attendees, and sponsoring a graduation dinner for college students.

Group	FY2022	FY2023	FY2024
Total amount invested in the community ¹⁰ (RM)	Not available	Not available	13,175
Beneficiaries ¹¹ of the investment in communities (estimated number) ¹²	Not available	Not available	630

⁷ KPPROP began to collect data for work-related fatalities of KPPROP Group in FY2023.

⁸ KPPROP began to collect data for lost time incident rate of KPPROP Group in FY2023.

⁹ KPPROP began to collect data for work-related fatalities of contractors for KPPROP's projects in FY2023.

¹⁰ KPPROP began to collect data for the amount invested in the community in FY2024.

¹¹ Beneficiaries that are external to the company.

¹² KPPROP began to collect data for the number of beneficiaries of the investment in communities in FY2024.

SUSTAINABILITY REPORT (CONT'D)

CSR activities conducted in FY2024



Conducted *Majlis Berbuka Puasa* with orphans at *Swiss-Garden Melaka Hotel*



Cash and food donation to *Pusat Pengurusan Al Firdaus*



Donation to *Surau Al-Muhajirin*

ENVIRONMENT

Environmental Management

KPPROP is cognisant of the tender balance between the built and natural environments which is fundamental to the Group's business. The Group also acknowledges its role in protecting and preserving the environment and is committed to complying with applicable environmental laws and regulations. In addition, we also strive to reduce the negative environmental impact of our business including undertaking serious efforts to prevent any incidents of pollution in relation to our business and operations.

Environmental compliance is embedded as part of our operational procedures as well as key criteria in our relationship with business partners such as contractors and service providers who work together with us on our projects.

We are pleased to report that there were no fines or penalties that arose from non-compliance with environmental laws and regulations imposed on KPPROP during FY2024.

Environmental protection and preservation is also one of the key elements that we incorporate in our operations, such as energy and resource efficiency initiatives in our hotels and environmentally sustainable design in our projects which are incorporated as early as the conceptualisation stage such as natural lighting and natural ventilation.

Energy & Water Savings

Energy

Electricity consumption at our offices, hotels, and sales galleries is identified as the main source of direct energy consumption of the Group. All electricity used by the Group is purchased electricity. Other direct energy source is the use of fuel for vehicles of the Group.

With regard to our electricity consumption, we continue to promote efficient electricity use and adopt energy-saving initiatives, such as:

- switching off lights and air-conditioners in offices and meeting rooms when not in use;
- setting computers and photocopiers to "sleeping mode" or switching them off when not in use;
- using LED lighting which is more energy-efficient in general; and
- encourage maintaining the air conditioning temperature at approximately 23°C – 24°C in the office.

SUSTAINABILITY REPORT (CONT'D)

In FY2024, the non-renewable fuel consumption and electricity consumption of the Group totalled 67 MWh and 7,299 MWh, respectively. Electricity consumption contributed to approximately 99% of the Group's overall energy consumption, which is illustrated below.

Group	FY2022	FY2023	FY2024
Non-renewable fuel sources (MWh) ¹³	Not available	Not available	67
Purchased electricity (MWh) ¹⁴	Not available	Not available	7,313
Total energy consumption of the Group (MWh)	Not available	Not available	7,380

We measure the energy efficiency for the Hospitality segment, considering electricity cost over the revenue of the segment. Such a measure allows us to monitor the margin in terms of electricity expenses. This year, we have also included an indicator to measure the energy efficiency of the Hospitality segment.

For FY2024, the Hospitality segment recorded 9% of electricity cost over the segmental revenue, compared to 8% in FY2023, this is mainly attributable to the increase in occupancy rates and the heightened activity levels relating to banquets and hosted events.

Hospitality segment	FY2022	FY2023	FY2024
Electricity cost as a percentage of revenue			
Electricity cost (RM'000)	1,925	3,347	3,970
% of electricity cost over hospitality revenue (%)	8	8	9
Energy efficiency			
Energy consumption ¹⁵ (MWh)	Not available	Not available	7,277
Energy efficiency (energy consumption per RM1,000 revenue) ¹⁶ (MWh)	Not available	Not available	0.16

Beginning this financial year, we measure the energy efficiency of the Property Development segment based on the segmental revenue, as follows:

Property Development segment	FY2022	FY2023	FY2024
Energy efficiency			
Energy consumption ¹⁷ (MWh)	Not available	Not available	36
Energy efficiency (energy consumption per RM1,000 revenue) ¹⁸ (MWh)	Not available	Not available	0.0001

¹³ KPPROP began to collect data for non-renewable fuel sources in FY2024.

¹⁴ KPPROP began to collect data for purchased electricity in FY2024.

¹⁵ Indicator included in FY2024 and not available for FY2022 and FY2023.

¹⁶ Indicator included in FY2024 and not available for FY2022 and FY2023.

¹⁷ Indicator included in FY2024 and not available for FY2022 and FY2023.

¹⁸ Indicator included in FY2024 and not available for FY2022 and FY2023.

SUSTAINABILITY REPORT (CONT'D)

Water

Generally, KPPROP does not operate in water-stressed areas, and we also emphasise the importance of using water responsibly and unnecessary wasting water. In our operations, we are also committed to promoting water conservation and water-saving efforts.

Overall, the Group's water consumption during the year amounted to 94,509 m³ which is mainly attributable to water use for the Hospitality segment and other premises including the headquarters. The Property Development segment does not have significant direct water consumption.

Group	FY2022	FY2023	FY2024
Water used ¹⁹ (m ³)	Not available	Not available	94,509

Water is a key element in our Hospitality segment, used in our hotels for drinking, cooking, cleaning, leisure facilities, and irrigation. We implement a range of measures to ensure water is used efficiently such as installing water-saving flush systems and devices in washrooms and bathrooms. We also promote environmentally friendly practices by encouraging guests to reuse towels and linen.

Water cost amounted to approximately 0.5% of the revenue of the Hospitality revenue in FY2024.

Hospitality segment	FY2022	FY2023	FY2024
Water cost (RM'000)	198	235	247
% of water cost over hospitality revenue (%)	0.8	0.5	0.5

Climate Change and Emissions

Acknowledging the urgency of a concerted global effort to tackle climate change, we begin to gather and analyse our greenhouse gas ("GHG") emissions derived from the use of energy in our Group.

On the other hand, we are also undertaking measures to gradually incorporate climate risks in our business assessments and decision-making. We believe that a sustainable business is one that plans ahead to build business resilience in the short-, medium-, and the long-term, and climate change is one of the most significant topics that concern businesses around the world in this era.

Waste & Recycling

We are committed to complying with applicable waste management practices and deliver our responsibilities to protect the environment. The management of scheduled waste, which is regulated by the Department of Environment and relevant regulations, follows a compliant process where scheduled waste is handled and transported by licenced contractors to approved treatment facilities prior to disposal. Internal processes and SOPs are in place to guide our employees in proper waste management practices.

For our Property Development segment, waste is mainly generated by our project contracts and service providers at project sites. We collaborate with these business partners to ensure compliant and sound waste management practices are in place, preventing pollution while enabling greater resource efficiency. Waste from building materials such as steel bars, timber, concrete, aluminium, plastic, and glass is valuable and can be recycled or reused. Waste segregation practices are in place to enable effective collection and subsequent recycling or reuse.

¹⁹ KPPROP began to collect data for water used in FY2024.

SUSTAINABILITY REPORT (CONT'D)

We continue to implement resource-saving and recycling initiatives at our premises such as offices and sales galleries. The adoption of electronic means of communication using the Group's secured network system is highly encouraged as it helps to reduce the need for printing and photocopying. When printing is necessary, double-sided printing is encouraged. The high-quality materials that we use for the furniture and fittings in our showrooms can also be recycled or reused, instead of being discarded once the showroom is closed. Amongst others, the main types of waste generated from the Hospitality segment include paper, plastic materials, and food waste. We adopt waste segregation practices at our hotels, which helps to enhance the effectiveness of our recycling and reuse initiatives.

GOVERNANCE

Governance, Ethics, and Integrity

KPPROP Group complies with the applicable regulatory requirements in relation to corporate governance and applies relevant, applicable practices of the Malaysian Code on Corporate Governance ("MCCG"). The Group also develops and upholds a high standard of ethics which is expected to be demonstrated by the Group's employees and within its operations. Our business operations are compliant with the applicable laws and regulations and are conducted ethically.

Corporate Governance

Corporate governance is crucial for the sustained leadership and stewardship of the Group. It ensures that all aspects of our organisation function effectively and that we deliver our accountability to our stakeholders. The Board is ultimately responsible for the Group's overall corporate governance. Details of the Group's corporate governance practices are disclosed in KPPROP's Corporate Governance Overview Statement and Corporate Governance Report.

Ethics & Integrity

Ethics and integrity are fundamental elements in KPPROP's business and its relationship with stakeholders. The Group's people, business, and operations are guided by our Corporate Code of Conduct and Code of Ethics ("Codes"), which sets out the principles and standards for ethics and integrity amongst others. Topics addressed by the Codes include conflict of interest, anti-corruption, no-gift policy, compliance, data protection and confidentiality, insider dealings, human rights, and others.

Whistleblowing Policy

KPPROP's whistleblowing policy is a platform for stakeholders, including employees and others, to report concerns or suspicions about wrongful activities or serious misconduct without fear of victimisation or reprisal. The whistleblowing policy is a mechanism to support the implementation of the Group's policies and codes relating to ethics and integrity.

Directors, employees, and other external parties can access the whistleblowing mechanism via the Group's website at www.kpproperty.com.my to make genuine reports pertaining to matters covered by the policy. The whistleblowing mechanism does not prohibit anonymous reporting. In order to ensure check and balance as well as the presence of the element of independence, there is a channel for whistleblowers to reach out to a designated Independent Director.

Issues raised will be thoroughly investigated, and appropriate actions will be taken with the objective of achieving effective resolution and upholding ethics and integrity within the Group's businesses and operations.

SUSTAINABILITY REPORT (CONT'D)

Anti-Bribery and Corruption Policy

The Group also has an Anti-Bribery and Corruption Policy & Guidelines (“ABC Policy”) that sets out the Group’s zero-tolerance approach against corruption. The ABC Policy applies to the Board, all employees, and third-party business associates. It ensures the Group has a comprehensive framework to prevent bribery and corruption in the organisation, associated relationships, and across the Group’s businesses. KPPROP adheres to a “No Gift Policy”.

We adopt a risk-based approach towards managing corruption risk, where the corruption risks for business functions and activities are identified and assessed to determine their risk priorities. Relevant controls are then put in place to manage the identified risk areas, focusing particularly on high-corruption risk areas. The corruption risk management process is also integrated with the Group’s risk management process which ensures the Group’s risk assessment is reviewed annually. All of the Group’s operations have been assessed for corruption-related risks.

Group	FY2022	FY2023	FY2024
Operations assessed for corruption-related risk (%) ²⁰	Not available	100	100

All new employees of the Group are introduced to the Group’s ABC Policy and the Codes during their orientation. In addition, updates and revisions to the policies or codes are communicated to employees via the internal network to ensure employees are informed about the Group’s latest anti-corruption policies and relevant controls. All employees are also required to provide signed acknowledgements of the Group’s policies with regard to confidentiality, conflict of interest, integrity, and prevention of staff fraud after attending internal briefings conducted by the Group.

Training related to anti-corruption is provided to identify personnel who have higher exposure to corruption risks pertaining to their positions or functions. The following table summarises the Group’s employees who have received anti-corruption training as at 31 March 2024.

Group	FY2024	
	Communicated on anti-corruption	Received training on anti-corruption
Number of employees (and percentage) ²¹		
Management	31 out of 31 (100%)	31 out of 31 (100%)
Executives	67 out of 67 (100%)	67 out of 67 (100%)
Non-Executives	104 out of 104 (100%)	104 out of 104 (100%)

There were no confirmed incidents of corruption noted during the financial year under review. There were also no known cases regarding significant breaches of ethics or integrity issues concerning the Group’s overall management integrity.

Group	FY2022	FY2023	FY2024
Confirmed incidents of corruption (number of cases) ²²	Not available	Not available	0

²⁰ KPPROP began to collect data for operations assessed for corruption-related risk in FY2023.

²¹ KPPROP began to collect data for employees who have been communicated and received training on anti-corruption by employee category in FY2024.

²² KPPROP began to collect data for confirmed incidents of corruption in FY2024.

SUSTAINABILITY REPORT (CONT'D)

Customer Data and Privacy

KPPROP Group strives to safeguard the information and data of the business and its stakeholders by putting in place relevant controls to develop cyber resilience and maintain the integrity of the Group's IT systems. To ensure robust cybersecurity measures, the Group ensures that its IT systems are equipped with anti-virus software and are regularly maintained and updated where relevant.

We prioritise the protection of personal data by adhering strictly to the Personal Data Protection Act 2010 ("PDPA"). We are committed to processing and using customer information only for the purpose intended and consented to by customers.

The Group also ensures that employees have a certain level of cybersecurity awareness and understanding of how to properly handle data and operate the Group's IT systems so as to not expose the system or sensitive data to risks. Policies and guidelines are in place to guide employees with regard to the do's and don'ts when handling sensitive and confidential data.

Regular IT audits are performed by the Group's IT officer to monitor and assess the health and security of the Group's system, including evaluations of system integrity, access controls, and cybersecurity measures, amongst others.

The Group is pleased to report that there were no substantiated complaints concerning breaches of customer privacy and losses of customer data during the financial year. There were also no significant incidents of successful breaches or cyberattacks on its database.

Group	FY2022	FY2023	FY2024
Substantiated complaints concerning breaches of customer privacy and losses of customer data (number of cases) ²³	Not available	0	0

²³ KPPROP began to collect data for substantiated complaints concerning breaches of customer privacy and losses of customer data in FY2023.

SUSTAINABILITY REPORT (CONT'D)

Indicator	Measurement Unit	2024
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	99.00
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	0.00
Management Between 30-50	Percentage	65.00
Management Above 50	Percentage	35.00
Executive Under 30	Percentage	28.00
Executive Between 30-50	Percentage	60.00
Executive Above 50	Percentage	12.00
Non-executive/Technical Staff Under 30	Percentage	55.00
Non-executive/Technical Staff Between 30-50	Percentage	35.00
Non-executive/Technical Staff Above 50	Percentage	10.00
Gender Group by Employee Category		
Management Male	Percentage	52.00
Management Female	Percentage	48.00
Executive Male	Percentage	39.00
Executive Female	Percentage	61.00
Non-executive/Technical Staff Male	Percentage	62.00
Non-executive/Technical Staff Female	Percentage	38.00
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	80.00
Female	Percentage	20.00
Under 30	Percentage	0.00
Between 30-50	Percentage	40.00
Above 50	Percentage	60.00
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	233
Executive	Hours	193
Non-executive/Technical Staff	Hours	425
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	11.00
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	1
Executive	Number	16
Non-executive/Technical Staff	Number	1
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	202
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	13,175.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	630
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	7,380.00 *
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	94.509000
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	100.00
Executive	Percentage	100.00
Non-executive/Technical Staff	Percentage	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Internal assurance	External assurance	No assurance
(*)Restated		