Knight Frank



2023
Annual ESG Report

KNIGHT FRANK MALAYSIA

2023 Report Theme

UNDERSTANDING OUR IMPACT

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MESSAGE FROM OUR LEADERSHIP



Dear Stakeholder,

As one of Malaysia's leading real estate agencies, Knight Frank recognizes the critical importance of integrating ESG principles into our business practices and the real estate life cycle. Our commitment to environmental stewardship, social responsibility, and ethical governance enhances the value we deliver to our stakeholders, particularly our employees, clients, and the communities we serve. By prioritizing ESG and aligning with the Ten Principles of the United Nations Global Compact, we ensure that our services are not only of the highest quality but also contribute positively to the environment, society, and our workforce. This holistic approach positions us as a responsible and forward-thinking partner in the real estate industry.

Knight Frank Malaysia has set an ambitious and necessary goal to reduce our carbon emissions, aligning with our global objectives. This requires the rapid deployment of sustainability solutions across our managed properties, supply chain, and our own operations. That's why we are collaborating with our employees, clients, and suppliers, implementing innovative technologies, and leveraging our capabilities to reduce carbon emissions from all potential angles.

Corporate and social responsibility is integral to our business. Our talented workforce and strong ethical culture drive progress, creating a work environment where everyone feels valued and can realize their potential.

Thank you for joining us on this journey.

Keith H.Y. Ooi
Group Managing Director



Dear Stakeholder,

It is essential to foster resilience in real estate portfolios by anticipating risks and minimizing disruptions from all corners, especially in light of the increased emphasis on sustainability and climate change mitigation through ESG frameworks. By proactively identifying potential environmental, social, and governance-related risks, we can implement strategies that not only protect but also enhance the value of our assets. This includes investing in energy-efficient technologies, adopting sustainable building practices, and engaging with stakeholders to promote social equity and community well-being.

We proudly contribute to the United Nations Sustainable Development Goals through our business practices and the dedication of our team. We foster an inclusive environment that reflects our communities' diversity and drives economic impact through our supplier relationships. Our employees are central to our mission, actively volunteering and fundraising for local causes.

Together, we are committed to building a sustainable future for all. Thank you for your continued support.

Sarkunan Subramaniam
Group Executive Chairman

2023 PERFORMANCE HIGHLIGHTS



28%
reduction in total energy consumption compared to the 2019 baseline, and 4% reduction compared to 2022



12%
waste recycling rate



10,640
hours spent for employee development



92%
overall employee satisfaction rate

40%
of the employees are female





9
community engagement programs

47%
of the management team are female





More than
RM400,000
invested in employee development



RM40,000
contributed for community giving

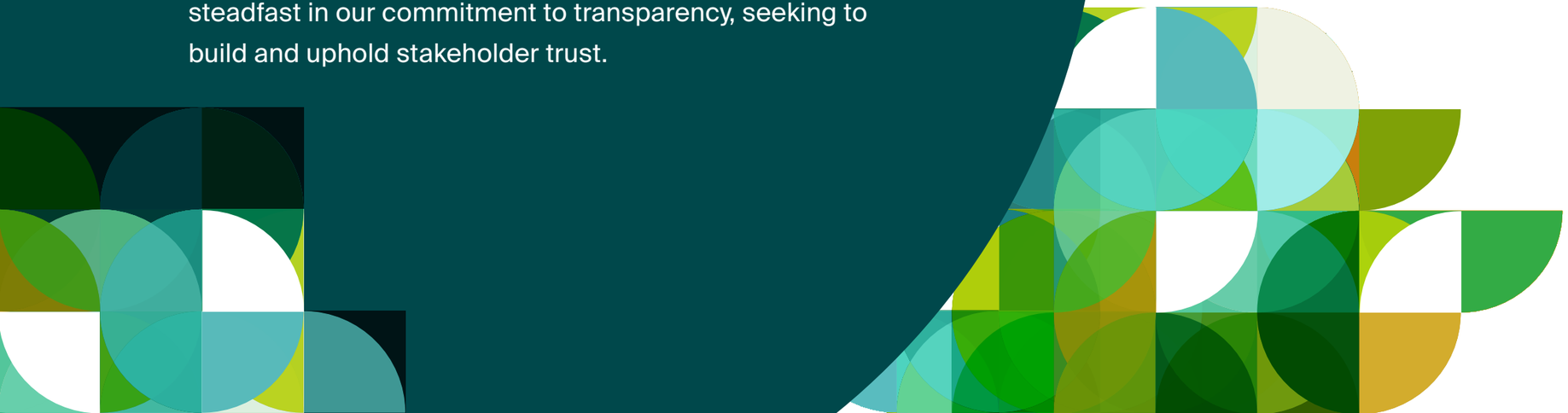


1,523 kg
of e-waste collected in CSR and special projects

ABOUT THIS REPORT

Dear Stakeholder,

We are delighted to introduce the first Knight Frank Annual ESG Report for the year 2023. This inaugural report addresses our comprehensive ESG framework, emissions reduction program, outlines strategic advancements, and details the financial and operational performance throughout the year. Additionally, the report articulates our future direction, aiming to offer a well-rounded perspective on our value creation process. As a progressive real estate consultancy agency, we remain steadfast in our commitment to transparency, seeking to build and uphold stakeholder trust.



Knight Frank group of companies' first annual ESG report ('Report') covers the Environmental, Social and Governance (ESG) initiatives and performance for Financial Year 2023 (FY2023) and includes comparative historical data from baseline year of 2019 where available. The report boundary encompasses all employees working in our corporate offices in Malaysia for Knight Frank Malaysia Sdn. Bhd. and Knight Frank Property Management Sdn. Bhd. (both will be known as 'Knight Frank' in this report).

Knight Frank has developed an ESG framework which has outlined our targets, initiatives, and commitment to operate sustainably in real estate consultancy business. Our ability to deliver value and drive ESG performance to meet stakeholder expectations rests on our ability to leverage and balance all material issues stated in our ESG framework and strategy. We are now focusing on the sustainable and inclusive growth, progressively expanding our disclosures and ESG performance.

Reporting Period and Cycle

Knight Frank's annual ESG Report covers the period from 1st January 2023 to 31st December 2023, unless otherwise specified, and is published annually as a stand-alone ESG report. The reporting period is aligned with the organization's financial reporting period. This report is prepared with reference to the Global Reporting Initiatives (GRI) Standards.

Verification and Assurance

We continuously assess and discuss the extent of openness and the level of information provided across different departments within Knight Frank entities in Malaysia. The reporting structure and important updates adhere to the ESG framework, being presented, deliberated upon, and sanctioned accordingly. Certain significant data pertinent to Knight Frank undergoes a restricted independent verification process by SIRIM QAS International Sdn. Bhd. Please refer to pages 136 for the complete Statement of Assurance.

Feedback

We invite and encourage our stakeholders to provide feedback on this Report and the related issues by contacting our ESG team at esg@my.knightfrank.com.



ABOUT KNIGHT FRANK MALAYSIA

Knight Frank in Malaysia was established in 2002 and has since grown to have a strong presence locally and globally. With nearly 700 employees in 2023, the company's headquarter is located in Kuala Lumpur as well as branches in Penang, Johor & Kota Kinabalu. The company is registered with the Board of Valuers, Appraisers, Estate Agents and Property Managers and is licensed to undertake property valuations/consultancy, estate agency and property management. The company is also on the panel of all leading banks and financial institutions.

As part of the company corporate mission to be the place for best property professionals, Knight Frank has built its strategy around to provide quality services and solutions to clients, understand clients' needs and go beyond the mere premise of basic professional service. With carefully selected and dedicated teams, as well as utilising Knight Frank's vast global network and Knight Frank Malaysia's expertise in local market, the company offers high- quality professional advice and solutions across a comprehensive portfolio of property services.

Since 2002

697 Employees
as of December2023

13 Service Lines

4 Offices

PURPOSE AND VALUES

Our purpose guides our decisions and underpins everything we do, supported by our four values, which guide our behaviour. Our vision acts as a compass to help us move forward together, while our strategy lays out the route we will take to get there. Together, they help ensure that we act authentically and in a joined-up way.

Our purpose is to work responsibly, in partnership, to enhance people's lives and environments. Meanwhile, our four values reflect what we believe in, how we interact, how we operate and how we aim to make people's lives better by working together.

Our purpose

We work responsibly:
we strive to do the right thing by all and for all.

In partnership:
we are all in this together, as a collective we are tackling some of the greatest issues of our time. The success of our communities, clients and colleagues is the success of our business.

To enhance people's lives and environments:
we believe in better; together we can inspire and shape places that are more sustainable and inclusive for everyone.

Our values

1. **Value the individual**
Recognising the strength in difference, being responsive to the needs of others, encouraging all voices to be heard and ideas shared, and supporting everyone to perform at their best.

2. **Collaborate to succeed**
Embracing the power of teams, taking pride in the collective process, and constructively challenging one another so we can always raise the bar higher.

3. **Make the difference**
Bringing positive energy, caring about getting it right, and being ambitious about creating the future, instead of waiting for it to happen.

4. **Commit to partnership**
Creating partnerships that benefit all, acting with integrity and trust, broadening perspectives, and committing to long-term sustainable growth.

VISION AND STRATEGY

We define our vision as ‘Our Desired Future’. That means where we’re going, together, as a business.

That vision is supported by three strategic pillars that are critically important for positioning ourselves for long-term success: people potential; client centricity; creating the future.

Together, they help us determine what we want to achieve in the next five years. They set out where we are heading, and from there we can establish the steps needed to make that desired future a reality.

These pillars are for everyone at Knight Frank to explore, be inspired by and bring to life. And the more we use them to influence the way we work, the closer we will get to that vision.

People potential

Our Desired Future

A diverse place to work where people have a voice and are empowered to make a difference; where their whole contribution is valued and recognised.

Knight Frank attracts people who share values and an entrepreneurial challenger mindset. People stay because they have a sense of belonging, access to exciting opportunities, clear career mobility and they enjoy working here!

Client centricity

Our Desired Future

Our relationships are deep-rooted, enduring and personal because we use our insight and knowledge to meet our clients’ current needs and anticipate their future ones. The recognised and recommended Global Partnership, we deliver seamlessly with speed, ease and excellence.

Creating the future

Our Desired Future

A stronger brand and global business, because we pioneer with purpose; looking beyond our sector to find new ways of doing things and moving quickly to adapt.

We walk the walk, collectively making a demonstrable commitment to the things which matter including ESG, diversity and technology.



SERVICE LINES

At Knight Frank, we deliver forward-thinking property solutions that deliver tangible value for our clients across a diverse range of sectors and services. We firmly believe that personal engagement is a vital element in ensuring every client finds the property that best suits their needs, whether it be in the commercial or residential realm.

As a partnership-driven organization, our decisions are formulated by and for our people, with a steadfast focus on long-term outcomes. We understand that achieving exceptional results necessitates effective collaboration and clear communication.

Our overarching mission is to operate responsibly and in partnership to enrich the lives and environments of individuals. For our team members, this entails granting them autonomy in their roles and encouraging them to explore innovative ways to make a positive impact as part of our organization. For our clients, this means delivering inventive property solutions that generate tangible value across a diverse array of sectors and services.



Advisory

- Valuation & Advisory
- Research & Consultancy
- Asset Management
- ESG Advisory



Transactions

- Capital Markets - Investments
- Land & Industrial Solutions
- Office Strategy & Solutions
- Project Management
- Residential Agency
- International Project Marketing



Management

- Commercial Management
- Retail Management
- Strata Management
- Facilities Management
- Industrial & Logistics Management
- Management Consultancy

AWARDS AND RECOGNITIONS

Commercial Real Estate Firm of the Year 2022

In the fiscal year 2023, Knight Frank achieved a significant milestone, garnered the prestigious National Real Estate Award (NREA) as Commercial Real Estate Firm of the Year 2022. NREA is an established annual awards program that recognize the top achievement of real estate practitioners in Malaysia, the NREA has been a hallmark of excellence since its establishment in 2009. This accolade is reserved for outstanding real estate practices, recognized as the nation's highest National Real Estate awards - it's a symbol of achievement, recognition and success.

The award's stringent criteria encompass a thorough evaluation of diverse facets, including Sales & Rental of Residential, Commercial, Industrial Properties and land transactions. This triumph serves as a testament to Knight Frank Malaysia's unwavering commitment to upholding the highest standards in quality, innovation, and sustainability throughout its services.









2015

National Real Estate Awards (NREA)

Specialized Project Category 2015

Corporate Leasing

2018

Malaysian Institute of Estate Agency (MIEA)

Best Commercial and Industrial Real Estate Firm 2018

2021

National Real Estate Awards (NREA)

Best Commercial Real Estate Firm 2021

2022

National Real Estate Awards (NREA)

Commercial Real Estate Firm of the Year 2022

2023

National Real Estate Awards (NREA)

MIEA-TRITERRA Commercial Real Estate Firm of the Year 2023

Commercial Rental Deal of the Year 2023

Commercial Sale of the Year 2023

AWARDS AND PUBLICATIONS

Project Management







Land & Industrial Solutions

2018

- NREA: Industrial Real Estate Firm

2021

- MIEA - TRITERRA:
  Commercial Real Estate Firm of the Year

2022

- MIEA - TRITERRA:
  Commercial Real Estate Firm of the Year
- MIBA:
  Malaysia International Business Awards



AWARD HIGHLIGHT



"Research Team of the Year" at the 2023 RICS Southeast Asia Awards for **"The Age of ESG"** white paper series.

ACHIEVEMENT HIGHLIGHT



Knight Frank Property Management announces new milestone of managing over **100 buildings.**

Notable Testimonials

We are pleased and have full confidence with the Knight Frank Property Management team delivering the desired service to our property.

Sr. Abdul Halim Hussain
General Manager, Property Management Department.
Pelaburan Hartanah Berhad

Air Liquide

The Knight Frank team took the time to understand our needs and also decision-making criteria, and they guided us through the entire process relying on important experience and expertise.

Patrick Franchinard
Air Liquide Group, APAC Vice President Global Services - CEO Air Liquide Business Services Malaysia

ECOLAB

The Knight Frank team was always committed in understanding and integrating our needs into the new office space, patiently guided us through the whole tedious process with their extensive experience.

Kyle Honsey,
Finance Director,
Global Business Services,
Ecolab Malaysia

Malaysian Insurance Institute

The Knight Frank team delivered on the sale and leaseback of our leasehold interest in Wisma IBI. Over 12 months, they demonstrated their professionalism, reliability, and efficiency in delivering an excellent result and we would not hesitate to highly recommend the Knight Frank team based on the service they provided to the Malaysian Insurance Institute.

Dato' Syed Moheeb
CEO, The Malaysian Insurance Institute, Malaysia

JESSELTON GROUP

I have personally witnessed the team's ability in engaging and communicating with on-board consultants and other stakeholders to better understand the project from multiple perspectives when carrying out due diligence processes.

Kevin Thong
Group CEO, Jesselton Waterfront Holdings Sdn. Bhd.

DHL

Their vast experience supported us through our recent office relocation project, end-to-end, from site searches, lease negotiation to project management. Overall, we are very satisfied with the level of service we received from the team.

Nicole Tan
Senior Real Estate Manager (Singapore), GBS Corporate Real Estate (APAC)

Xsolla

The Knight Frank Malaysia team also provided a one stop solution and assisted us to solve the issue of relocation from Russia by providing us residential options and movers arrangements and also project management service for the office renovation. We were impressed by the full-fledged services that were provided by the Knight Frank Malaysia team!

Ilya Mamontov
Managing Director, Xsolla KL Sdn. Bhd. Patrick Franchinard

SUNWAY REIT

We would like to express our heartfelt appreciation to your team for providing a top notch exclusive and enriching experience for your client and we look forward to working with you again in the future.

Clement Chen Kok Peng
Deputy Chief Executive Officer, Sunway REIT

MENARA BINJAI

Knight Frank has been excellent in their marketing endeavours.

Khor Joo Saik Sdn. Bhd.
The Landlord of Menara Binjai



MEMBERSHIPS AND ASSOCIATIONS

Knight Frank Malaysia is a member of these leading organisations:

Chambers:

- BMCC - British and Malaysia Chamber of Commerce
- AMCHAM - American Malaysian Chamber of Commerce
- MFCCI - Malaysia French Chamber of Commerce and Industry (CCIFM)
- MICCI - Malaysian International Chamber of Commerce and Industry
- EUROCHAM Malaysia
- SCCC - Sabah China Chamber of Commerce

Associations:

- RICS: Royal Institution of Chartered Surveyors
- RISM: Royal Institution of Surveyors Malaysia
- MIID: Malaysian Institute of Interior Designers
- Corenet Global: Malaysia Chapter
- FMM: Federation of Malaysian Manufacturers
- MRMA: Malaysia REIT Managers Association
- PEPS: Association of Valuers, Property Managers, Estate Agents and Property Consultants in the Private Sector in Malaysia
- REHDA: Real Estate & Housing Developers' Association
- MIEA: Malaysia Institute of Estate Agents
- MIPFM: Malaysian Association of Professional Property & Facility Managers
- MRA: Malaysia Retailers Association

OUR ESG FRAMEWORK

In accordance with societal expectations, corporations like ours are rightfully called upon to contribute to the establishment of a more environmentally sustainable and equitable world. As an integral player in the global real estate sector, our forthcoming achievements are contingent upon the integration of Environmental, Social, and Governance (ESG) principles throughout our operations.

However, navigating the expansive and rapidly evolving landscape of ESG presents challenges, and it is impractical to address every facet comprehensively. Nevertheless, we are committed to positioning ourselves as frontrunners by establishing ambitious objectives, delineating clear goals, and deploying robust measurement mechanisms in areas where our impact can be most significant.

The decisions we make must be intricately linked to our organizational purpose and strategic objectives, consistently guided by our core values. Therefore, we have categorized the ESG issues that are of paramount importance to our stakeholders and where we can effectuate the greatest change into three primary action domains, structured around a straightforward management framework designed to facilitate goal delivery and progress communication.

While these areas have been delineated at a global level, it will be the responsibility of us as the local team in Malaysia to operationalize them, developing tailored action plans with unique targets and roadmaps reflective of our geographies, cultures, and regulatory environments.

Responsible Business

At Knight Frank, we're committed to being a Responsible Business. Our Building Foundations program provides a charter for all Knight Frank offices to work by. Our efforts as an employer in, and contributor to, global real estate is guided by an ethos of 'People, Planet, and Community'. This means we focus on restoring the natural environment by adhering to sustainable practices, supporting our people by creating a safe, healthy and inclusive workplace, and giving back to our communities who support us.



OUR COMMITMENT



RESTORING THE NATURAL ENVIRONMENT

Our journey is anchored by our unwavering commitment to restoring the natural environment, where we pledge to achieve net zero emissions, engage in climate action efforts, and actively work towards reducing pollution.



CREATING AN INCLUSIVE WORKPLACE

We prioritize the creation of an inclusive workplace by striving for greater Diversity, Equity, and Inclusion (DEI) and fostering a culture of belonging and trust.

In addition, we also prioritizing the health and wellbeing of our employees, and enhancing our people's ESG skills.



STRENGTHENING OUR COMMUNITIES

We strengthen our community through impactful engagement initiatives, taking local action to support and uplift our communities.

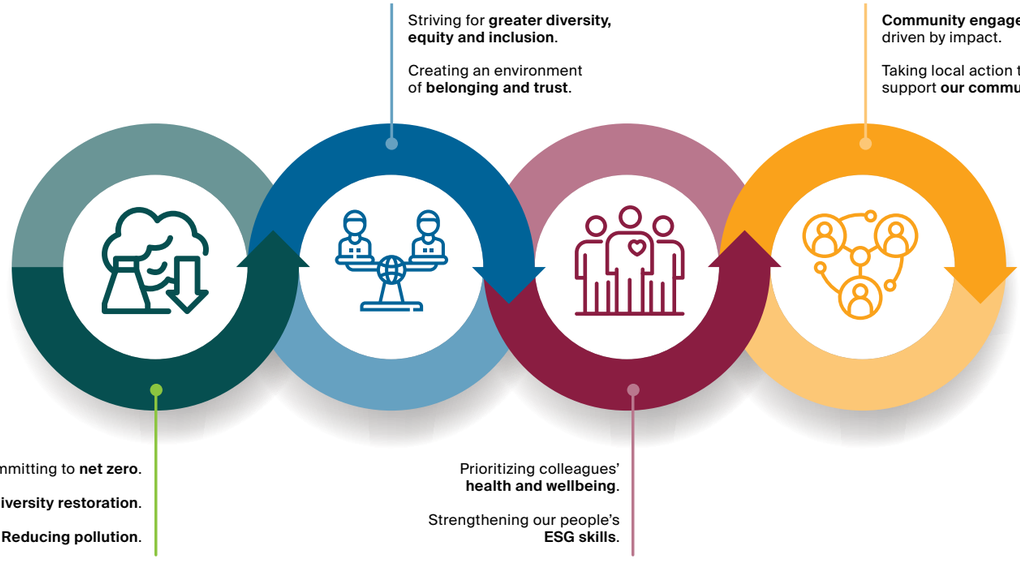
Together, these pillars guide our efforts as we endeavour to make a positive impact on the environment, our workplace, and the communities we serve.

Our policies to support our ESG ambition

We have several policies in place to help set standards of ethical behaviour at Knight Frank:

- Global ESG Policy Statement
- Global Whistleblowing Policy
- Global Anti-Bribery and Corruption Policy
- Competition Law Compliance Policy
- Anti-Money Laundering Policy
- Modern Slavery Statement
- Safety and Health Policy
- Tender Process Policy
- Global Privacy Policy

Based on our material issues, we have developed a focused ESG strategy addressing key areas of environmental and social responsibility as illustrated below:



MATERIALITY ASSESSMENT

Understanding our Material Issues

We have established a robust governance structure designed to integrate ESG considerations throughout all levels of our business. This ensures clarity regarding individual responsibilities in achieving our ESG ambition. Complementing this structure, we have implemented policies that articulate our expectations of our personnel on crucial issues. Articulating our intentions represents an initial phase in our ESG journey; moving forward, we are actively reviewing the processes and tools necessary to measure and report our progress meaningfully.

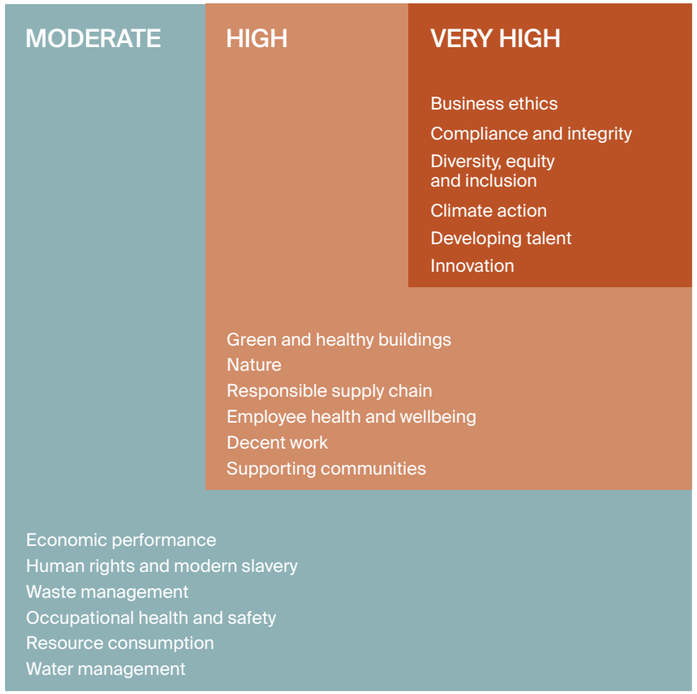
To refine our ESG strategy, it is imperative that we grasp the nuances of the most pertinent issues to our operations and stakeholders. To achieve this, our global ESG team conducted a comprehensive materiality assessment aimed at elucidating the focal points warranting our attention and efforts.

This involved an extensive review of both internal and external catalysts, as well as engagements with our prominent clients. Furthermore, we meticulously examined the ESG landscape to identify present and potential risks. The outcomes of this assessment have not only provided clarity on areas necessitating prioritization but have also enhanced the comprehension of key stakeholders' concerns among our Group ESG Board members. This deeper understanding has guided our leadership in discerning impactful and influential priorities concerning our people, clients, and customers.

Following a rigorous materiality assessment process, Knight Frank, globally, has discerned and prioritized the foremost 18 material matters that hold substantial significance for its stakeholders and possess the capacity to influence the business operations and sustainability. These identified matters serve as foundational principles guiding Knight Frank Malaysia's continuous ESG endeavors, informing strategic decision-making, and molding the approach to sustainable growth. Read more on our global approach to stakeholder engagement here.

Our ESG approach is shaped by a thorough consideration of the issues that hold the greatest significance for our business and stakeholders, focusing on areas where our impact can be most substantial.

Importance of issues to Knight Frank and our stakeholders



* the above graph is based on perceived risk, not quantitative statistical risk.

GOVERNANCE

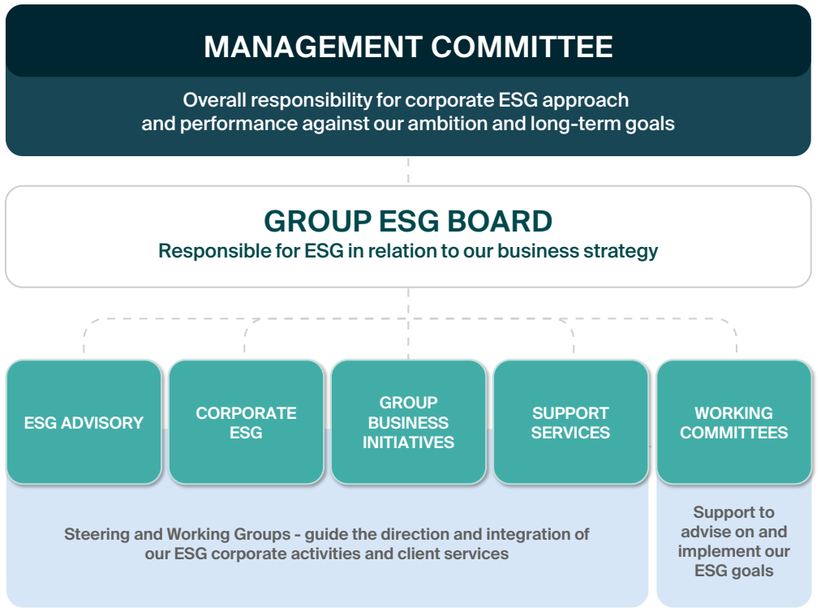
A clear governance structure to build trust and confidence

While ultimate responsibility for Environmental, Social, and Governance (ESG) matters rests with our Management Committee, it is reinforced by our Group ESG Board, which oversees our business strategy concerning ESG. This board is supported by steering groups focused on Corporate Impact and Client Services, directing the implementation of our ESG approach throughout our business operations. Simultaneously, our Global ESG Alliance Group convenes our global partners to enhance alignment of our ESG ambitions across the global network and facilitate the exchange of best practices and lessons learned. Oversight of ESG regulatory obligations is provided by our internal ESG team, which contributes to the work of the Group ESG Board.

In certain instances, we institute local governance structures, backed by employee resource groups offering guidance and assistance in executing ESG-related activities. This framework, in conjunction with an ESG approach aligned with our vision, purpose, and values, serves to enhance transparency, ensure greater accountability, and foster trust in our brand.

The highest governance body, the Management Committee, consists of a selected shareholders overseeing business directions and ESG matters alongside other members with expertise in property management, valuation and advisory, property consultancy.

Stakeholder interests are actively represented within our governance structures through designated positions, ensuring diverse perspectives and enhancing stakeholder engagement in decision-making processes. Our governance body members possess competencies and expertise relevant to managing real estate consultancy business and ESG impacts, enabling informed decision-making and strategic oversight aligned with our organization's ESG goals.





Nomination and selection of the highest governance body

At Knight Frank, our nomination and selection process for the highest governance body members, known as Management Committee is designed with a strong emphasis on transparency, accountability, and effectiveness. We actively engage stakeholders, including clients, employees and shareholders, to gather their views and insights through consultations, and engagement sessions.

While specific diversity criteria may not apply to non public-listed organizations, we prioritize diversity in perspectives, expertise, and backgrounds to enrich discussions and ensure representation of diverse stakeholder interests. Our Management Committee members are selected based on their competencies relevant to the Knight Frank service lines, including expertise in property management, advisory, and transactions.



Our nomination process involves identifying suitable candidates based on established criteria and values, comprising members of the Management Committee overseeing the process. We maintain transparency throughout the process by communicating clear guidelines and criteria to stakeholders and making decisions based on merit and alignment with organizational goals through quarterly meetings.

The effectiveness of our nomination and selection process is continuously monitored through feedback mechanisms and annual performance evaluations, allowing us to identify areas for improvement and implement changes based on stakeholder input and evaluation outcomes.

Our commitment to transparency, stakeholder engagement, and continuous improvement underscores our dedication to effective governance practices and sustainable decision-making at Knight Frank.



STAKEHOLDER ENGAGEMENTS

Knight Frank ESG strategy is significantly influenced by the perspectives and input of our stakeholders. Our engagement strategy is guided by three fundamental principles: openness, partnership, and collaborative value. These principles work in concert to yield outcomes that are mutually advantageous:

- Openness and partnership are rooted in open and effective communication, allowing us to gain unique insights and perspectives.
- Partnership and collaborative value help us establish a clear and defined purpose for our actions and initiatives.
- Collaborative value and openness enable us to effectively communicate our progress and results.

While our approach remains consistent, we recognize that each stakeholder possesses distinct interests in Knight Frank. We define stakeholders as individuals and organizations that can either influence our operations or be impacted by them, including shareholders, clients, employees, and community organizations. We actively engage with many of these stakeholders through our various channels and maintain an ongoing open dialogue. Detailed information on our methods of engagement, along with a summary of key topics relevant to each stakeholder group, can be found on the following table.

Stakeholder	Engagement	Frequency of Engagement	Key Topics Raised/Areas of Interest/ Expectations in FY2023
 Employees	Appraisal or evaluation exercise	Annually	Career development Equal opportunity Occupational health and safety Fair and competitive remuneration benefit Employee wellbeing and conducive work environment Employee engagement Knowledge and skill enhancement Job security
	Workplace safety inspections	Quarterly	
	Training programmes Surveys Community development programs Conferences/ Seminars/ Workshops Interviews Face-to-face meetings Newsletters	As needed	
 Clients	Clients' testimony or feedback Social media Newsletter Face-to-face meetings	As needed	Pricing Quality of services Timely project delivery Occupational health, safety and environment practices Green and sustainable products Property design Defect rectification
 Supply Chain	Supplier pre-qualification assessment Face-to-face meetings	As needed	Supply chain management OSH practices Legal compliance and contractual commitments Product and service quality and delivery Cost effectiveness Payment schedule Fair and transparent procurement process

Stakeholder	Engagement	Frequency of Engagement	Key Topics Raised/Areas of Interest/ Expectations in FY2023
 Regulators / Certification bodies	Internal and external audit	As needed	Corporate governance Regulatory compliance Certifications
	Presentations Site visit		
 Local Com-munities	Community development programs Community charity events Internships Press releases Social media	As needed	Community investment and community engagement Job creation and internship opportunities Local welfare
 Shareholders	Financial update	Quarterly	Corporate developments Financial performance Growth plans ESG practices Risk management Corporate governance Transparent disclosure
	Financial report	Annually	
	General meetings Press releases Face-to-face meetings Site visits	As needed	
 Media	Interviews Press releases Advertising	As needed	Brand image Reputation Corporate news Industry outlook

SUSTAINABLE DEVELOPMENT GOALS

SUPPORTING THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The Sustainable Development Goals (SDGs) set forth by the United Nations advocate for concerted efforts in sustainable development, urging businesses to make substantive contributions towards the preservation of the planet and the well-being of humanity by 2030. Aligned with global leaders, Malaysia embraced this commitment in September 2015. In the fiscal year 2023, Knight Frank Malaysia has fortified its reporting on the UNSDGs by pinpointing significant contributions in alignment with the specific targets of the SDGs pertinent to the nature of its operations. The organization actively supports these goals through:

Material Matters	Description	SDG
Climate action & Nature	Implement sustainable practices to align our commitment with the Science-Based Targets Initiative (SBTi) globally, in line with a 1.5°C pathway (13.2.2)	
Green and healthy buildings	Collaborative partnerships to enhance energy efficiency and promote the use of renewable energy sources for energy consumption(7.3.1)	
Water Management	Actively collects water consumption data as part of responsible water management practices, aligning with targets to improved efficiency (6.4)	
Waste Management	Reduce waste generation, enhance waste management practices, and advocate for circular economy models (12.5)	
Resource consumption	Prioritizing local procurement and low carbon products (12.7)	
Employee health and wellbeing & Occupational health and safety	Promoting a positive work environment, enhancing productivity, and fostering employee engagement and satisfaction (3.4) Health, safety and environmental management (3.9)	
Diversity, equity and inclusion	Gender balance across the majority levels of management (5.5, 10.3)	
Developing talent	Training, education and career development (4.4)	
Human rights and human slavery	Adopt the Global Modern Slavery Statement (5c, 8.7, 10.4)	
Decent work	Ensure fair and living wages, and equitable employment opportunities for all through policy implementation and workplace initiatives (8.5)	
Supporting communities	Empowering communities through targeted assistance programs and collaborative initiatives (1.4)	
Economic performance and Innovation	Innovative collaborations, value creation, financial performance and growth (8.1, 17.16)	
Responsible supply chain	Robust performance capabilities and reliable supply chain, contribution to the development of the local economy (local procurement) (8.1, 12.6)	
Compliance	Comprehensive compliance measures and proactive monitoring (16.6)	
Business ethics and Integrity	Conducting business dealings with integrity, ethical decision-making, transparent rules and controls (16.5)	

SUSTAINABLE DEVELOPMENT GOALS

Our Contribution in Supporting UNSDGs.

SDG	Targets	Knight Frank Contributions FY2023
	Target 1.5: By 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters.	RM40,000 contributed to underprivileged communities and the poor who are in need.
	Target 3.4: By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being.	Employees are provided with access to complimentary mental health session on myKFX portal.
	Target 4.4: By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.	15.27 hours average training hours per employee. More than RM400, 000 invested in general and specialised training course. In FY2023, a total of 29 management trainees were trained under the guidance of experienced management team.
	Target 5.c: Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels.	Adopted a Global Modern Slavery Statement which outlined the Company's employment regulations to ensuring everyone in the Company is treated fairly and has equal access to opportunities. 39% of shareholders are women, 40% of total employees are women.
	Target 6.4: By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.	Reported the total water consumption in litres.
	Target 7.3: By 2030, double the global rate of improvement in energy efficiency.	Space Energy Intensity (SEI) under 75 kWh/m2/year.
	Target 8.8: Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.	Providing employment to 266 new recruits. 1,541 hours of OSH-related training including risk and hazard identification. Achieved zero fatalities across all divisions.
	Target 10.3: Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard.	Practices a system with no discrimination on religion, age, disability, nationality, or other demographic criteria. Strictly adhere to Malaysia's Employment Act 1955.
	Target 12.5: By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.	Promote recycling awareness among its employees and conducted recycling program and activities. Increased recycling rate to 12% within 4 months comprising of cans and plastics, paper and glass, with additional 1,523 kg of recycled e-waste in special projects. Procuring eco-labeled or energy-efficient products for majority of corporate use products.
	Target 13.2: Integrate climate change measures into national policies, strategies and planning.	Global-level commitment to Science Based Target (SBTi).
	Target 16.5: Substantially reduce corruption and bribery in all their forms.	Employees were communicated on Anti-Bribery and Anti-Corruption Policy.
	Target 17.16: Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals in all countries, in particular developing countries.	Collaborated with the IREC participant in Malaysia, Progressture Power Sdn. Bhd., to obtain renewable energy certificates (RECs).

MEASURING OUR PROGRESS

Measuring and reporting

It is imperative for us to establish complementary goals and targets to facilitate the systematic measurement of progress within our key areas of focus. Our approach entails a commitment to leveraging data-driven methodologies, utilizing recognized key performance indicators (KPIs) and metrics to effectively gauge our ESG achievements.

Given the expansive nature of our operations, the majority of our commitments, goals, and metrics will be set at the local level. However, an exception exists with our global Net Zero commitment, necessitating establishment at the parent or group level to adhere to science-based targets (SBTs) requirements.

Transparent reporting holds significant importance within our value chain, as an increasing number of our clients seek collaborations with organizations aligned with their sustainability objectives. The dissemination of ESG performance data not only contributes to our clients' own sustainability endeavours but also fosters transparency and accountability within our partnerships.

While, as a private limited company in Malaysia, we are not obligated to adhere to ESG reporting regulations as listed organizations are, we firmly believe in the ethical imperative of proactive reporting. We are currently preparing to globally report under the Task Force for Climate-Related Disclosures (TCFD) framework in 2024, which will facilitate a comprehensive assessment of climate-related risks to our global operations. This framework will also inform our business growth strategy, allowing us to evaluate potential adaptations to our operations and managed assets to mitigate risk and disruption while providing a unified ESG communication platform for our clients.



Additionally, we have adopted the Global Reporting Initiative (GRI) reporting standards to align our ESG disclosures, a decision that was informed by our materiality assessment and data collection methodologies, which are tailored to meet the diverse needs of our clients. Continual monitoring of the reporting landscape may lead us to adopt alternative frameworks and standards in the future, with certain ESG indexes potentially serving as valuable benchmarks.

Furthermore, sentiment analysis will play a pivotal role as a measurement tool, enabling us to gauge stakeholder perceptions of our achievements and benchmark our performance within the sector. Internally, existing engagement channels such as employee surveys and feedback forums will provide insights into employee perspectives, while externally, our consultancy teams will assist in understanding evolving client needs amid the increasing significance of ESG issues.

Tracking our progress

Establishing a framework is a pivotal initial phase. Now, our focus turns to translating our ambition into tangible actions. The imperative task ahead involves diligent measurement and tracking of our progress of our ESG data to meet corporate and client requirements.

Sharing this data assumes growing significance for our business, particularly as an increasing number of clients consider ESG issues as a distinguishing factor in their selection of business partners. The ability of a business to aid clients in achieving their ESG ambitions is becoming a key criterion for collaboration.



RESTORING THE NATURAL ENVIROMENT

Knight Frank is acutely aware of the environmental consequences associated with our reliance on non-renewable energy from the grid. Recognizing the imperative to preserve the environment, we are steadfastly monitoring our electricity and water usage, as well as diligently managing waste generation and recycling.

In the reporting year of 2023, notable strides were made in advancing our sustainability agenda. We established a baseline for greenhouse gas (GHG) emissions and commenced the comprehensive calculation of GHG emissions across all scopes in preparation for submission to the Science-Based Target Initiative (SBTi). Our unwavering commitment extends to collaborating with our global partners in pursuit of the Global Net-Zero ambition by 2040.

As countries worldwide accelerate their transition to a low-carbon future, and with Malaysia having set its sights on achieving national carbon neutrality by 2050, Knight Frank is strategically positioned to contribute to these initiatives, leveraging our local and global expertise.

We are actively complying to all applicable legal requirements relating to environmental protection, which underscores our policy and dedication to mitigating any adverse environmental impacts stemming from our operations. This practice serves as our guide in the identification, management, monitoring, and control of environmental concerns, facilitating incremental enhancements in integrating sustainability into our business operations.



CLIMATE ACTION AND NATURE

Knight Frank Malaysia is dedicated to reducing our carbon footprint and aligning with our global emissions reduction agenda. Thus, we have improved our office space to be more efficient, consume less energy and water, and have also started to develop a waste management strategy to reduce waste generation as well as increase the recycling rate.

A Hybrid Working Policy has been introduced to offer employees a flexible working model that allows them to work from various locations. This approach empowers our employees to determine what works best for them, as long as they consistently deliver excellent work on time while also reducing carbon emissions resulting from their commuting activities and improving their productivity by reducing traveling time.



Restoring the Natural Environment

Our endeavors exert a dual influence on the natural environment, as our operations intricately intersect with and depend on the world around us. This extends from the manner in which we conduct our business to the counsel we offer clients, which significantly shapes both built and natural landscapes.

These impacts possess the potential for substantial positivity, such as safeguarding and enriching lives through the provision of spaces where individuals reside, work, and socialize daily. However, our operations also necessitate reliance on products and services derived from natural resources.

Unsustainable consumption and production patterns not only deplete these resources but also engender adverse consequences across various stages, from extraction and processing to manufacturing, consumption, and waste disposal, thereby leaving a lasting detrimental imprint on the environment.

This predicament underscores the emergence of three critical planetary crises: climate change, biodiversity loss, and pollution. These challenges are deeply intertwined, as pollution exacerbates climate change, while biodiversity loss is compounded by the impacts of both climate change and pollution.

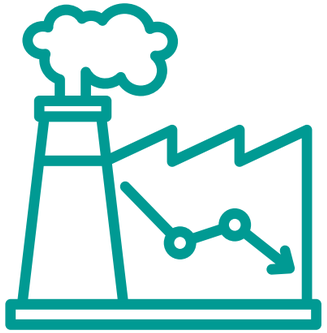
Given the extensive scope and global reach of our expertise and services, we are in a distinctive position to effect positive change. Through our own actions and the guidance, we offer clients, we possess the capacity to address these pressing environmental issues and contribute towards sustainable solutions.

This means:

Committing to Net Zero	Biodiversity Restoration	Reducing Pollution

The global production of emission is detrimentally impacting the Earth's life-sustaining systems. This extends beyond the visible debris in our oceans or the air quality we inhale. Climate change has the potential to instigate a detrimental cycle of harm, diminishing both the quality and quantity of available natural resources.

Knight Frank remains resolutely committed to implementing the following stages to minimize our environmental footprint from our business operations in Malaysia:



01

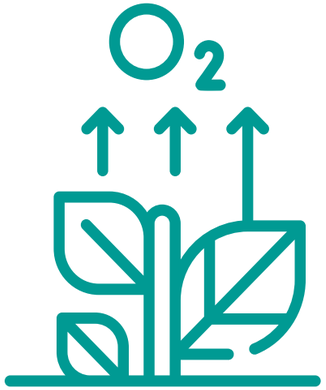
Measure and analyze the greenhouse gas (GHG) emissions from our business operations.

02

Reduce GHG emissions by implementing sustainable practices and appropriate strategies.

03

Offset remaining GHG emissions by investing in renewable energy sources, forestry projects, and purchasing carbon credits.



Managing our emissions

For over a century, fossil fuels like coal, oil, and gas have been the backbone of economic advancement. They power heavy machinery for mining and industrial agriculture, drive manufacturing processes in factories, and propel transportation modes such as trucks, ships, cars, and planes. Additionally, they provide electricity and cooling for our buildings and fuel our businesses, playing an integral role in improving the quality of life for our people.

However, this reliance on fossil fuels has taken its toll on our climate. The trend towards urbanization and our dependence on built environments further exacerbate this issue. In fact, the sector in which we operate, and where we can exert significant influence, stands as one of the largest contributors to global greenhouse gas emissions, with the built environment alone accounting for approximately 40% of worldwide carbon emissions.

Recognizing our responsibility in mitigating this challenge, we have pledged to achieve net zero emissions by implementing ambitious reduction targets aligned with climate science. This entails collaborating with our global partners to curtail emissions throughout our entire value chain, encompassing Scope 1, 2, and 3 emissions.

To realize this commitment, we are actively developing a global and local strategic framework and roadmap aimed at fostering alignment within our business towards the shared goal of environmental restoration. We are demonstrating our commitment to meaningful action in reducing our carbon footprint and fostering sustainability.

Our Scopes of Emissions Reported for 2023

Scope 1

Scope 1 emissions are mainly attributed to fugitive emissions from fire suppressants and refrigerants used in our corporate offices. Our baseline will be established in 2024, when we commence data collection for the maintenance and disposal of fire extinguishers and refrigerant top-ups. This will be measured by unit capacity (kg) and pressure (PSI) respectively, and these units will be used consistently in this report. In the upcoming year, we will implement strategies to decarbonize our Scope 1 emissions in line with our net-zero strategy. Our emission factor is sourced from the Department for Environment, Food and Rural Affairs (DEFRA), UK, 2023.

Scope 2

Scope 2 emissions (purchase of electricity) are applicable to our business operations as our offices consume electrical energy provided from the grid by Tenaga Nasional Berhad (TNB) for peninsula Malaysia and Sabah Electricity for Sabah state. The energy is measured in kWh, and this unit will be used consistently in this report. Location-based methods will be used for Scope 2 emissions' calculation purposes, and emission factors used for 2023 are based on Malaysia Energy Information Hub (MEIH), Energy Commission.

Scope 3

Scope 3 emissions pertain to waste generated in our operations, business travel, and employee commuting. Our emission factor is sourced from the Department for Environment, Food and Rural Affairs (DEFRA), UK, 2023.



Waste Generated in Operations

The waste generated in our operations encompasses both general and recycled waste for business purposes. In this reporting period, we only reported waste generated from our headquarters in Kuala Lumpur. We calculate the emissions by measuring the weight of waste collected in kilograms (kg).



Business Travel

Business travel involves emissions from both air and ground transportation associated with our business activities. We calculate these emissions using employee business travel claim records collected annually.



Employee Commuting

Employee commuting entails the emissions from our employees' daily travel to and from work. The data for emissions calculations are collected through an annual employee survey.

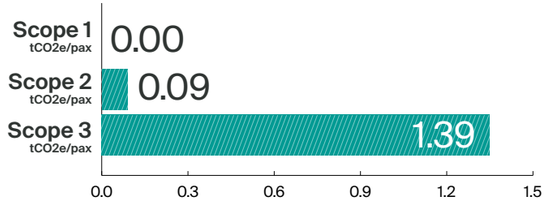


Understanding our Impact

To progress towards achieving net zero emissions, it is imperative that we understand our current carbon footprint. This involves identifying the areas within our business that generate greenhouse gas (GHG) emissions and pinpointing the significant sources of carbon emissions across our value chain.

These identified hotspots will be the focal points of our initiatives. We have assessed our emissions primarily based on data from 2023, which typically reveals that the majority of emissions originate from Scope 3 sources.

GHG Emission Intensity in Metric Tons of Carbon Dioxide Equivalent (MT CO2e) in 2023



Total emission intensity per employee = 1.48 MT CO2e/pax

Percentage of emissions in 2023 by scopes



GHG Emission in Metric Tons of Carbon Dioxide Equivalent (MT CO2e)

2023 - GHG Emission Categories	
Scope 1	
Fugitive emissions	0.002
Scope 2	
Purchase of electricity	61.26
Scope 3	
Waste directed to disposal	0.26
Business travel	166.54
Employee commuting	799.37
TOTAL	**1027.43**

Measuring Our Progress

It is imperative for us to establish complementary goals and targets to facilitate the systematic measurement of progress within our key areas of focus. Our approach entails a commitment to leveraging data-driven methodologies, utilizing recognized key performance indicators (KPIs) and metrics to effectively gauge our ESG achievements.

Our total emissions in 2023 compared to the baseline year of 2019.

	2019 Baseline	2023	2023 % Change
GHG Emission (MT CO2e)			
Scope 1	0.002	0.002	0%
Scope 2	89.25	61.26	-31%

GREEN AND HEALTHY BUILDINGS

Prioritizing Colleagues' Health and Wellbeing

We are dedicated to fostering work environments that actively contribute to the promotion of good health and wellbeing. Our goal is to standardize discussions surrounding mental health and wellbeing, ensuring that all our colleagues feel at ease addressing the challenges they encounter and have access to the necessary support and accommodations.

Acknowledging the prevalent stigma associated with health and wellbeing topics, we have taken deliberate measures to provide comprehensive support to our colleagues, addressing issues such as mental health, neurodiversity and financial welfare. In addition, we have undertaken significant renovations in many of our offices. Through the modernization of our workspace designs, we seek to optimize their functionality, thereby promoting healthier and more dynamic work practices.

For instance, our new office in Kuala Lumpur features various enhancements, including a moss feature wall and a green 'boulevard' at the entrance, aimed at improving indoor air quality and mental energy. It is designed as an agile workspace with sit-stand tables, versatile seating, and flexible meeting spaces. In addition, we have thoughtfully integrated a dedicated nursing room, affirming our commitment to supporting the diverse needs of our people and fostering an inclusive environment for all.

Recognizing the importance of flexibility to our workforce, we are implementing dynamic working arrangements to facilitate a better balance between personal, family, and work commitments. This entails allowing our employees to work flexibly away from the office on an as-needed basis, contingent upon the nature of their job and work requirements.

In 2023, we have observed a tangible effect resulting from our comprehensive array of resources, activities, training, and well-being initiatives aimed at supporting our workforce, with our well-being score reflected close to 70% in our most recent pulse survey.







Electricity Consumption

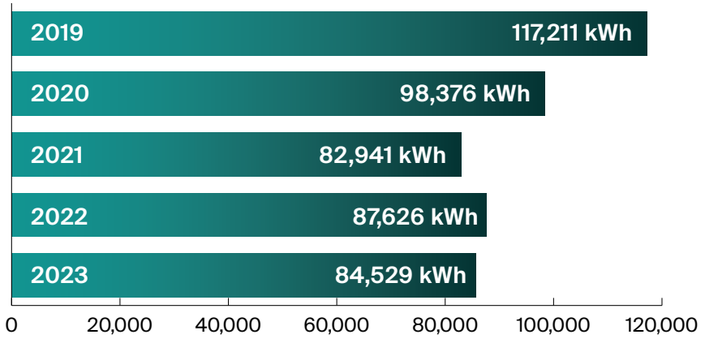
In terms of a 5-year overview of electricity consumption across all corporate offices in Malaysia, as depicted in the graph, there is a marked 4% decrease in the reporting year 2023 in comparison to 2022, while there is a notable 28% reduction when contrasted with the baseline year of 2019.

The reductions observed in electricity consumption for the years 2020 and 2021 can be primarily attributed to the COVID-19 pandemic, during which a significant portion of our workforce transitioned to remote work arrangements, resulting in decreased electricity usage within the corporate offices. In 2022, as COVID-19 restrictions eased, employees began returning to the office, which is reflected in the data presented in the table illustrating total electricity consumption from 2019 to 2023 across our corporate offices.

Total Annual Energy Consumption by Corporate Offices (kWh)

Office Location	2019	2020	2021	2022	2023
Headquarters Kuala Lumpur	89,539	73,688	60,676	61,586	54,125
Branch Pulau Pinang	3,845	6,516	6,954	9,012	11,713
Branch Johor Bharu	15,243	11,386	7,863	8,976	10,238
Branch Kota Kinabalu	8,584	6,786	7,448	8,052	8,453
Total Energy Consumption (kWh)	**117,211**	**98,376**	**82,941**	**87,626**	**84,529**

Total Annual Energy Consumption by Year



Summary of Energy Consumption for 2023

4 % less than 2022

28 % less than 2019





Space Energy Intensity (SEI)

Electricity consumption in our business operations has displayed an upward trajectory from 2022 onwards, primarily due to the expansion of our business operations, resulting in a nationwide increase in office space. Specifically, our branch offices in Penang and Johor have undergone expansions of 83% and 49%, respectively, in terms of office size, in response to the growing number of employees.
It is important to note that hybrid working arrangements continue to be in place across all of our corporate offices in Malaysia, with the extent of remote work being contingent upon the roles and responsibilities of individual employees.

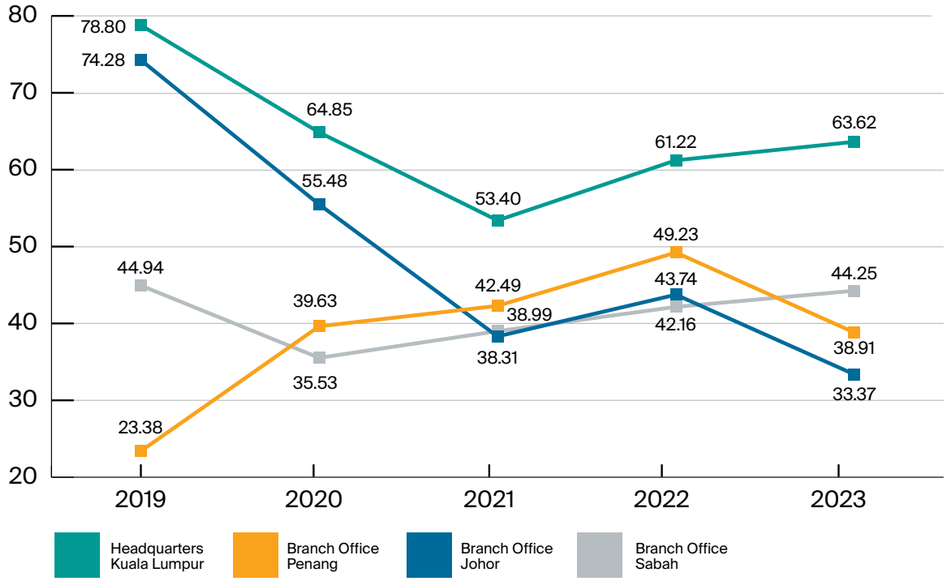
To gain a comprehensive understanding of energy use in our corporate offices in Malaysia, we calculate and closely monitor the Space Energy Intensity (SEI) for each location.

In 2023, our headquarters in Kuala Lumpur recorded the highest SEI at 63.62 kWh/m^2/year. However, this SEI is 19% lower than the baseline set in 2019.

The branch offices in Penang were refurbished in the third quarter of 2022, and the Johor office was relocated to a new space in January 2023. Both offices have shown a reduction in energy intensity by 21% and 24% respectively in 2023 compared to 2022, indicating significant improvements in energy efficiency following these projects.

It is important to note that the SEI calculation is based on the energy consumption of plug loads, lighting loads, and split-unit air conditioning units. Due to data limitations, the energy share from the centralized air conditioning system was not included in the calculation.

Space Energy Intensity - SEI (kWh/m2/year) by Corporate Offices



Indoor Air Quality

The Indoor Air Quality (IAQ) assessment at Knight Frank headquarters has been successfully executed on September 2023, achieving all specified project objectives. We are pleased to report that the assessment has provided valuable insights into the IAQ, confirming our adherence to the Industry Code of Practice on Indoor Air Quality 2010.

These comprehensive assessments, designed to safeguard physical health, play an indispensable role in recognizing and mitigating potential indoor air contaminants. We took this proactive approach to significantly prevent the risk of respiratory complications and allergies, nurturing a healthier workforce.

In summary, the IAQ at Knight Frank is deemed acceptable, presenting only a low health risk. We are committed to maintaining this standard to safeguard the health, productivity, and prevention of Sick Building Syndrome (SBS)-related illnesses among our occupants. At Knight Frank, our people's well-being is of utmost importance, and their health will consistently be our top priority.





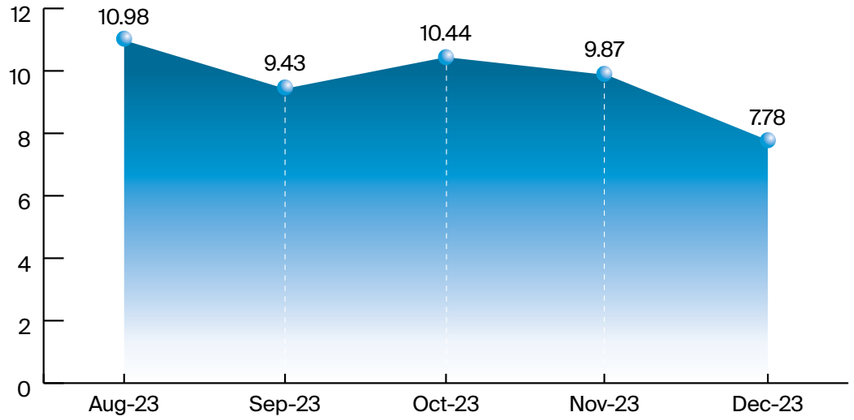
WATER MANAGEMENT

In August 2023, we initiated water conservation efforts at our headquarters by assessing our water usage and consumption patterns. This involved implementing a monitoring system with submeters to establish our baseline water intensity by 2024. Collecting data on our water-related activities enables us to comprehensively understand our impact on water resources. Currently, water consumption at our headquarters averages 9.7 m^3 per month, indicating a relatively low environmental impact.

Although our environmental impact from water is relatively low, we are committed to finding innovative methods to further conserve and reduce water consumption across all our operations. We will invest in more efficient fixtures and fittings and implement new water-saving initiatives. Additionally, we will continue educating our employees and service providers about the importance of effective water management, engaging with all our branch offices in Malaysia.

By empowering individuals with knowledge about how they can contribute to positive change, we aim to make a meaningful difference in water conservation efforts.

Water Consumption (m^3) for HQ



Total water consumption	Average
48.5 m^3	9.7 m3/month

WASTE MANAGEMENT

Knight Frank has undertaken a mission to minimize waste generation within our organization to underscore our commitment to environmental sustainability, community well-being, and ethical business practices. Managing waste impacts are of utmost importance to us. We have implemented efficient waste management practices, emphasizing waste prevention, re-use, recycling, and recovery. Our ultimate aim is to minimize waste disposal in landfills and explore innovative avenues for waste valorization and resource recovery. These efforts align with our commitment to reducing environmental impact while maximizing resource efficiency.

In September 2023, we launched our recycling initiatives at our headquarters in Kuala Lumpur by procuring recycling bins for installation and began monitoring data, with plans to extend these practices to our branch offices in 2024. Our operations encompass a range of waste types, from general waste to recyclable materials like plastics, glass, cans, and paper from our headquarters.

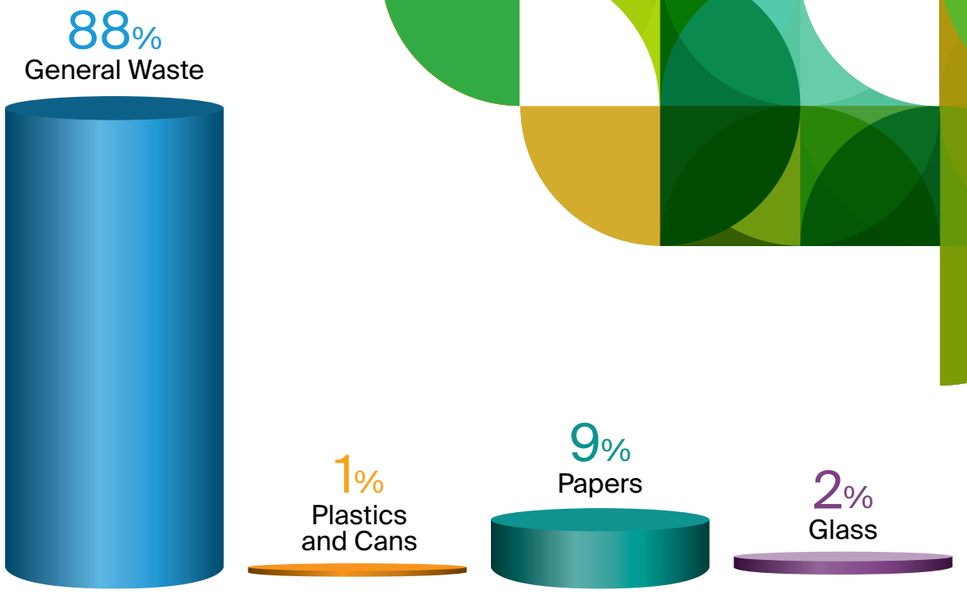


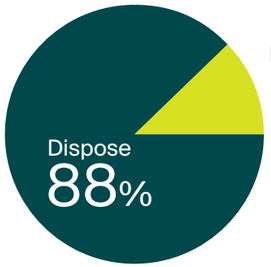
By the conclusion of the same year, our aggregate recycling rate saw a commendable increase, reaching 12%. Predominantly, paper constituted the most recycled material within our operations, closely followed by glass and plastic. A substantial portion of our business activities necessitating persistent paper usage for operational efficacy.

Embracing sustainability, we have proactively adopted a practice to print paper documents only when deemed necessary, complemented by the integration of e-signatures for applicable forms whenever feasible.

As a result of our proactive waste management initiatives, we successfully diverted 68 kilograms of waste from landfills, thereby achieving a substantial reduction in our carbon footprint, emitting less than 0.3 metric tons of CO2 equivalent.

Moving forward, we will persist in seeking out innovative approaches for enhancing waste management and broadening the reach of current initiatives that contribute positively to our environment and communities. Additionally, we acknowledge the significance of educating our communities on the importance of waste reduction and improved waste management practices. We are committed to sustaining these educational efforts across all our stakeholder groups.





Recycled
12%

Total waste generated
575 kg
Ave. 143 kg/month

Recycling rate in 2023
12%

Total waste recycled
68 kg
Ave. 17 kg/month

RESOURCE CONSUMPTION

Knight Frank approach to sustainable resource consumption involves a commitment to achieving more with less by decoupling economic growth from environmental degradation, enhancing resource efficiency, and promoting sustainable procurement.

Recognizing the global trend of escalating resource consumption surpassing the Earth's capacity, resulting in escalating waste and pollution and widening socioeconomic disparities, Knight Frank underscores the pressing need to address these issues.

By embracing sustainable resource consumption, Knight Frank aims to play a significant role in facilitating the transition to low-carbon and green economies. This endeavor necessitates fostering collaboration among various stakeholders across all operations to optimize resource usage, minimize raw material consumption, and adopt sustainable procurement practices.

To address this challenge, we have proactively implemented measures within our organization. These include embracing e-signatures, and promoting a culture of reuse and recycling through initiatives such as newsletters and social media sharing. Additionally, we prioritize procuring sustainable products, including those with green labels and FSC certifications, to reduce waste generation and encourage responsible resource consumption.

Recognizing the interconnected nature of sustainability, we are extending our efforts beyond our organization. Starting in 2024, we will work with our supply chain to champion minimal packaging, utilize recycled materials, and advance circular economy principles. By doing so, we aim to create a ripple effect of positive change across the broader business ecosystem.

ACTIONABLE INITIATIVES IN 2023



Switch to an **automatic grind and brew coffee** coffee machine to replace a capsule-type coffee machine, reducing waste by eliminating single-use plastic capsules.



Collaborate with caterers to use biodegradable or reusable utensils during company events to reduce plastic waste and promote more environmentally friendly alternatives.



Procure energy efficient and eco-friendly products such as electrical appliances and fittings to reduce environmental impact and resource depletion.



Prioritize local suppliers, contractors, and service providers to reduce transportation-related energy use and emissions.



Procuring sustainable and reusable corporate merchandise to reduce the environmental impact of promotional items and promote sustainable resource consumption.



Procure FSC-certified papers and tissue rolls to support sustainable forestry practices and help preserve forests.

CREATING AN INCLUSIVE WORKSPACE

Creating an Inclusive Workplace

At the core of Knight Frank, our people are integral to the success of our company and deeply influence our approach to corporate responsibility. The diversity of perspectives, backgrounds, and life experiences within our workforce is a catalyst for achieving outstanding results. This extends to benefiting our employees, partners, clients, and the communities in which we are actively engaged.

In this section, we provide insights into our workforce and initiatives aimed at cultivating an environment that fosters the flourishing of all individuals. This encompasses essential programs designed to attract, engage, and nurture world-class talent, as well as strategies and achievements geared towards fortifying our inclusive culture, enhancing workforce diversity, and driving economic impact within the marketplace. Additionally, we detail our efforts to ensure the safety and well-being of our employees, along with our commitment to contribute our time, skills, and financial resources to support community initiatives.

Our endeavours in addressing social issues align closely with four United Nations Sustainable Development Goals: Good Health and Wellbeing, Gender Equality, Decent Work and Economic Growth, and Reduced Inequalities.

So, what does empowering our people look like? We summarise it in four ways:

- **Striving for greater diversity, equity and inclusion**
- **Creating an environment of belonging and trust**
- **Prioritising colleagues' health and wellbeing**
- **Strengthening our people's ESG skills**



“It’s crucial to treat everyone fairly and equally, without discrimination. When we empower people and treat them with respect, regardless of their gender, race, education level, or background, we build inclusive and thriving communities. This not only improves society but also drives innovation, productivity, and overall success.”

Chua Gaik Ching
Director, Valuation & Advisory
Knight Frank’s Asia Pacific Exceptional Women 2023

DIVERSITY, EQUITY AND INCLUSION

We want to create a diverse, inclusive and equitable culture at Knight Frank where everyone feels valued and supported. We want to build a culture where our people feel safe to express themselves without fear of judgement or discrimination.

Our objective is to establish a culture of diversity, inclusion, and equity within Knight Frank, fostering an environment where every individual is recognized and supported. We aspire to cultivate a culture in which our team members feel secure expressing themselves without apprehension of judgment or discrimination. This entails ensuring that each employee is afforded equal opportunities for personal and professional growth, irrespective of factors such as age, race, gender, sexual orientation, or other distinguishing characteristics. The emphasis lies in creating a workplace culture that both respects and celebrates the unique qualities and differences of individuals, while maintaining a consistent and equitable treatment for all.

The cornerstone of our business resides in our Knight Frank colleagues across the globe, whose diversity of thought, cultures, and experiences forms the foundation of our global partnership. In reciprocation, we are unwaveringly dedicated to fostering a supportive and trusting environment, coupled with substantial investments in their professional development, with the overarching goal of enabling them to forge truly exceptional careers.

Essentially, our aim is to empower our team members to excel in their work, fostering an environment where they feel included, supported, and confident that their ideas are not only heard but celebrated.

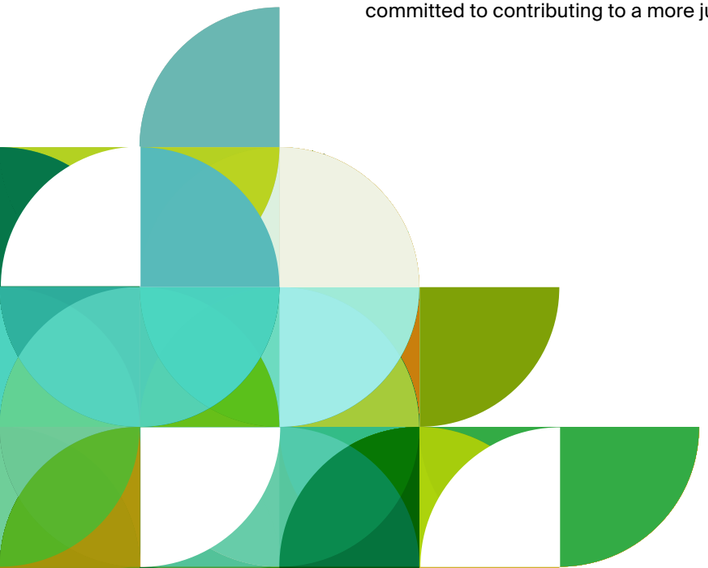
Our People

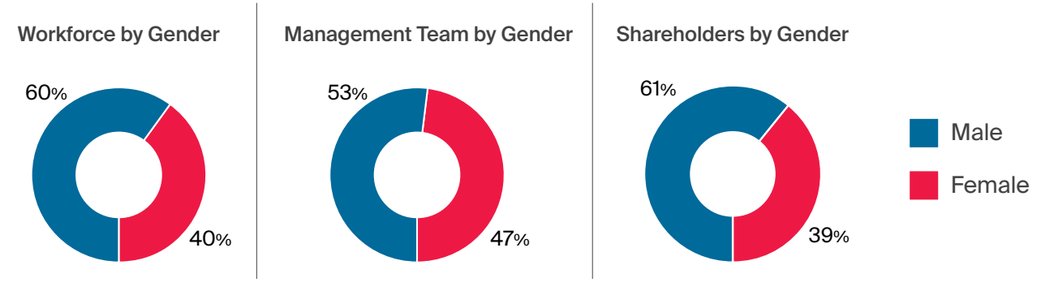
Our workforce plays an indispensable role in driving our company's success and achieving our organizational objectives. By the end of 2023, Knight Frank had 697 permanent staff members across key regions in Malaysia, following the hiring of 266 new employees during FY2023.

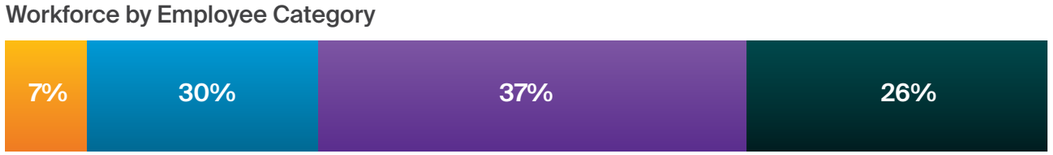
In our pursuit of sustainability and responsible corporate governance, we are committed to fostering a diverse, equitable, and inclusive workplace culture. We recognize that diversity is not only a moral imperative but also a strategic advantage, driving innovation, creativity, and better decision-making. To this end, we prioritize initiatives aimed at promoting equal opportunities for all employees, regardless of their backgrounds, identities, or abilities.

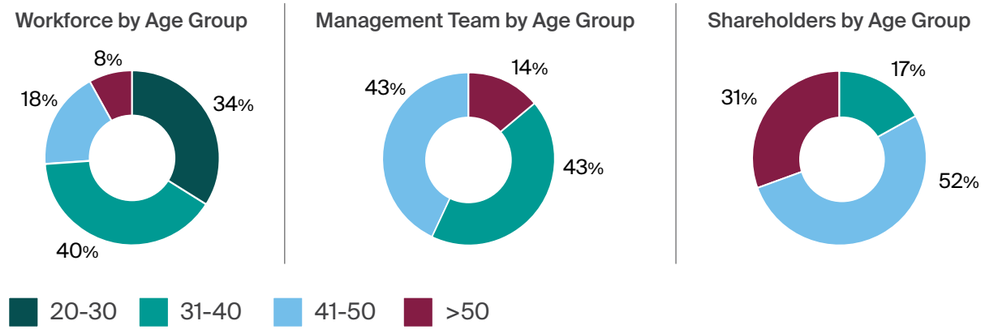
Our efforts encompass robust recruitment strategies, inclusive policies and practices, and ongoing training and development programs designed to cultivate a culture of belonging and empowerment. We track and report on key metrics related to workforce diversity, including representation at all levels of the organization, and regularly review our progress to identify areas for improvement.

By fostering an environment where every individual feels valued, respected, and empowered to reach their full potential, we are not only enhancing our business performance but also committed to contributing to a more just and equitable society.









Note:
Management Team include *Associate Director, Director, CFO, Executive Director, Senior Executive Director, Managing Director, Group Managing Director, Group Executive Chairman, Advisor.*
Middle Management include *Assistant Manager, Manager, Senior Manager.*
Junior Management include *Administrator, Officer, Assistant, Analyst, Executive, Specialist, GTP, PMGT.*
Technical include *Technician, Senior Technician, Engineer, Senior Engineer, Chargeman, Wireman, Handyman.*

Pay Ratio

A comprehensive gender pay gap analysis at Knight Frank is integral to our commitment to transparency and equality. This analysis not only helps us identify impediments to achieving gender parity but also provides insights into broader workforce dynamics.

In 2023, our mean gender pay gap between male and female employees stands at 6%, reflecting a positive trend in reducing the compensation disparity between men and women.

The ratio of basic salary and remuneration for male to female employees stands at 1.07:1 This disclosure underscores our commitment to transparency and equity in compensation practices, enabling stakeholders to assess the distribution of total remuneration across gender and employee categories.

Additionally, we are committed to ensuring internal equity in our employees compensation. In 2023, the ratio of the highest-paid individual's earnings to the median employee pay was 12.24:1. In determining the median employee pay, we analyzed the annual base salary of all active employees, excluding the highest-paid individual, without making any adjustments or estimates.

While acknowledging incremental progress, we recognize that achieving substantive change requires sustained effort and vigilance. Our unwavering commitment is directed towards cultivating an inclusive workplace conducive to the growth and development of all individuals. We are actively implementing tangible measures to attract, nurture, and retain diverse talent, ensuring fairness and equity in all aspects of our business.

Through these enhanced reporting measures and our proactive approach to addressing gender parity and compensation fairness, we aim to build trust with stakeholders, drive meaningful improvements in workplace inclusivity, and advance our journey towards a more equitable and inclusive workplace at Knight Frank.



"We want to create a diverse, inclusive and equitable culture at Knight Frank where everyone feels valued and supported. We want to build a culture where our people feel safe to express themselves without fear of judgement or discrimination."

Wan Norhayati Jufri
Head, People and Culture

‘Value the individual’ is one of our four global values and is integral to the way in which we think about diversity, equity and inclusion at Knight Frank. We see it as four key areas:

- We recognise the strength in difference
- We aim to be responsive to the needs of others
- We communicate in a transparent, honest and authentic way
- And we value everyone’s contribution, and celebrate their success

DECENT WORK

Employee Engagement

Since the establishment of our organization in 2002, we instituted the Social & Sports Club (SSC) with the purpose of orchestrating a diverse array of physical and psychological events encompassing a wide range of well-being activities. These fitness and mental health wellbeing activities include Zumba, Bowling, Yoga, Pound, Futsal, and more.

During 2023, we conducted various sessions in both online and in-person formats. All employees are encouraged to participate in KF SSC through a collaborative contribution model, fostering a sense of ownership and partnership between the company and its employees. This ensures that every employee has the opportunity to actively contribute to the success and sustainability of our SSC initiatives.



Sports and Social Club Activities 2023:

- Raya Open House
- Yoga session
- Zumba session
- Futsal tournament
- Badminton session
- MasterChef challenge
- Pound exercise
- Bowling tournament
- Fun Run
- Movie night
- Annual Dinner
- E-Games
- Father of the Year

















Employee Experience and Satisfaction

Knight Frank remains steadfast in its commitment to cultivating a dynamic and inclusive work environment that empowers all employees to reach their full potential and thrive. In the year 2024, we conducted our first Pulse Survey for the year 2023, inviting all employees working in our corporate offices in Malaysia to confidentially provide feedback on their workplace experience and satisfaction. The 2023 survey achieved a commendable response rate of nearly 50%, with an overall satisfaction rate of 92%.

The survey findings revealed that the employee experience and satisfaction category garnered the most notable responses, with a positive rate of 84% overall. Subsequently, the survey revealed consecutive significant positive responses in the following domains: Professional Development, Diversity, Equity, And Inclusion (DEI), Productivity, and Workplace Safety, Health and Wellbeing.

In the coming year, our commitment to annual employee engagement measurement will persist, with a continued focus on aligning survey data and insights with our ongoing efforts to enhance the overall employee experience.



Performance Management

At Knight Frank, we are continuously enhancing our performance culture. Our comprehensive formal and informal “Employee Appraisal or Evaluation Exercise” process recently concluded with year-end reviews, offering all employees the opportunity to assess their own performance and professional development.

Managers played a crucial role in this process by assigning each employee a performance rating and engaging in year-end review conversations with their respective teams. These discussions not only acknowledged individual contributions but also provided valuable developmental feedback. It’s noteworthy that our year-end performance review completion rates remained robust, with all employees undergoing a comprehensive review.

As we continue to refine our performance management approach, we will empower our employees with the confidence, skills, and tools necessary to articulate their career aspirations, offer constructive feedback upwards, and seek out growth opportunities.



Grievance Mechanism

Knight Frank actively promotes a culture of transparency, encouraging all employees to promptly report any concerns pertaining to potential violations of our company's core values, policies, or legal standards.

Employees are authorized to bring forward grievances and complaints to the Head of People and Culture within a two-week window from the occurrence of the event, or at any time through the “Speak Up” portal. Our Head of People and Culture will designate a member of the department to facilitate discussions and offer resolutions for these matters.

In instances where grievances and complaints are of a substantial nature, the Head of People & Culture retains the discretion to escalate the matter for consideration by the Group Managing Director.

Furthermore, our townhall sessions provide a vital platform for employees to voice their concerns with full anonymity. We have implemented a dedicated portal for submitting complaints confidentially. During these sessions, our Managing Director will openly address all issues raised. Each submission is treated with the highest level of confidentiality and undergoes a comprehensive investigation to ensure that all concerns are thoroughly examined and appropriately resolved. This transparent and inclusive approach ensures that every employee’s voice is heard and valued.

Knight Frank upholds a stringent commitment of zero tolerance towards actions or behaviours that violate the laws of Malaysia and our company policies. Engaging in such activities is categorically forbidden, and employees discovered participating in them will be subject to disciplinary actions, potentially resulting in termination of their employment.

We Investigate All Complaints and Reports

All reported concerns regarding misconduct are centrally overseen by our Head of People and Culture, who reports directly to the Group Managing Director.

Subsequently, these reports are presented to our Management Committee. This hierarchical structure is put in place to guarantee that all cases of harassment are promptly escalated, meticulously tracked, and investigated in an impartial and appropriate manner.

In line with our grievance mechanism and investigative procedures, individuals from the People and Culture departments are assigned to cases based on the complexity of the allegations and their individual expertise. This thorough process is meticulously designed to ensure that employees who report misconduct or participate in investigations are treated with the utmost dignity and respect while also being safeguarded from any form of retaliation.

In the reporting period of 2023, we are gratified to report that there were no incidents of discrimination.

At Knight Frank, we maintain zero tolerance for workplace harassment. Our dedication lies in cultivating an environment completely devoid of any form of harassment. We are resolute in our commitment to ensuring that every individual, regardless of their position or background, is accorded dignity and respect.

Balancing Employee Well-being and Professional Success

Knight Frank extends comprehensive well-being benefits and support to all our employees, with an emphasis on inclusivity and fairness.

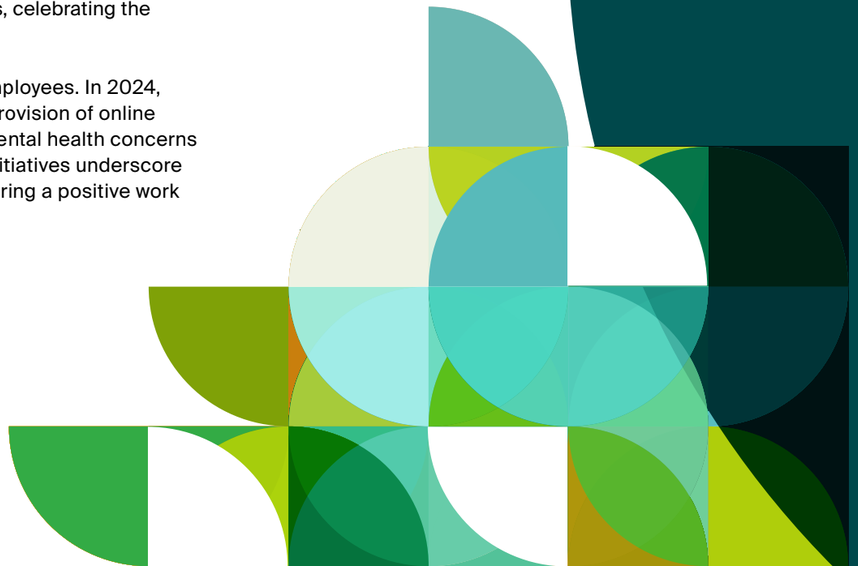
Moreover, at Knight Frank, we prioritize equity in employee benefits. We are proud to maintain a policy where there are no differences in benefits among our employees. All staff members are employed on a permanent basis, ensuring that everyone has access to an array of benefits. These include examination leave, marriage leave, festive leave, annual salary reviews, and mid-year salary reviews at the discretion of the Company, as well as comprehensive medical and healthcare coverage and insurance packages.

Among these packages is the Group Term Life Plan, which provides coverage in the event of death, regardless of the cause or whether it is work-related. Additionally, the Group Personal Accident Plan offers benefits in the event of accidental death or temporary partial/total disablement, whether work-related or not.

We conduct annual reviews of our coverage areas, ensuring that our benefits continue to meet the needs of our diverse workforce. Feedback from our employees guides our continuous improvement efforts, aligning our benefits with industry standards.

Additionally, Knight Frank offers a range of amenities to enhance the convenience and well- being of all our employees, including the provision of work equipment and office essentials. We also organize diverse events throughout the year, such as sports and team-building programs, company trips and dinners, and festive events, celebrating the rich diversity of our workforce.

At Knight Frank, ongoing mental health programs are offered to all employees. In 2024, we aim to release additional mental health support procedures with provision of online therapy, couple therapy, psychological assessments for a variety of mental health concerns such as depression, anxiety, stress, burnout and many more. These initiatives underscore our commitment to the holistic well-being of our employees and fostering a positive work environment.







Aloe Mind

To foster a harmonious blend of physical and psychological well-being, we have partnered with a third-party mental health service provider, Aloe Mind, by enrolling in sessions meticulously crafted to assist participants in attaining a more sustainable work-life balance.

These sessions involved collaboration with mental health professionals, allowing our employees to gain valuable insights into managing challenging situations, both personally and within their teams. Additionally, participants were provided with access to discounted mental health services should they choose to seek assistance and support when needed.



Parental Leave

Knight Frank acknowledges and supports the joy of our employees as they welcome additions to their families. In accordance with the Employment Act 1955 (Amendment of First Schedule) Order 2022, we offer maternity leave of up to 98 days.

In 2023, there were 6% or 38 in the number of employees who availed parental leave. Furthermore, we are pleased to report that our retention rates for employees who took advantage of parental leave stood at 100%.

Turnover Rates

Turnover rates encompass both voluntary and involuntary terminations. Voluntary termination refers to employee-initiated departures from the company, which may result from career transitions, pursuit of further education, or personal circumstances. Involuntary termination, on the other hand, pertains to company-initiated separations due to reasons such as contract loss. In 2023, Knight Frank recorded an average turnover rate of 24%.

Parental Leave Breakdown 2023

4%
Knight Frank Malaysia

6%
Knight Frank Property Management

100%
Employees returned to work after parental leave ended

Employees returned to work after parental leave ended that were still employed 12 months after their return to work

Turnover Rate 2023

10.63%
Knight Frank Malaysia

29.80%
Knight Frank Property Management

Turnover rate =employees who leave the organization voluntarily or due to dismissal, retirement, or death in service (GRI 401)

For FY2023, all departures from Knight Frank are voluntary; there are no instances of involuntary termination.

DEVELOPING TALENT



Training and Development

Investing in the professional development of our employees is a top priority as we strive to attract, nurture, and retain top talent within our organization. Our primary focus is to ensure that all employees have access to a diverse array of learning programs and resources designed to enhance their skills, improve their performance in current roles, and prepare them for future responsibilities.

During the reporting period, our employees collectively dedicated 10,640 hours to training, averaging 15.27 hours per employee. On average, female employees completed 19.32 hours of training, while male employees averaged 12.53 hours. Our total investment in training amounted to RM416,581.40, underscoring our commitment to fostering a skilled and capable workforce.

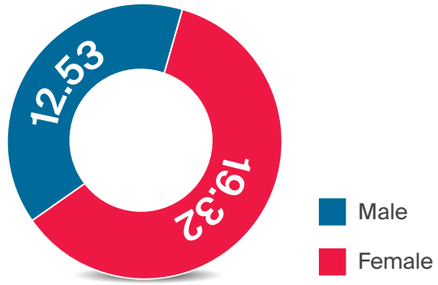
Our strategic approach to skills acquisition not only enhances Knight Frank human capital but also fosters a sense of satisfaction among employees, leading to improved performance and overall success. We ensure our people are equipped to meet evolving challenges and strategic targets through careful planning of skills acquisition.

Additionally, we prioritize supporting employee transitions into new roles within the organization, recognizing the importance of internal mobility and career progression. This support is facilitated through one-on-one career coaching sessions, internal job postings, mentoring, and flexible work arrangements aimed at promoting employment development and career mobility. This holistic approach to employee development aligns with our sustainability strategy, contributing to a resilient and thriving organization.

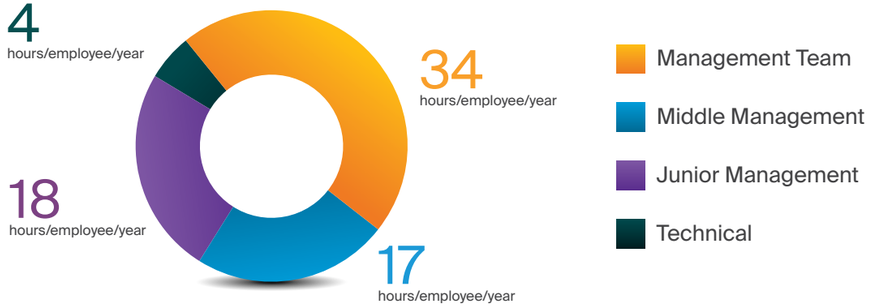
Average training hours per employee:

15.27 Hours

Average training hours by gender:



Average training hours by employee category





>RM400,000
spent for learning and development

>10,000 Hours
hours spent on learning and development

Graduate Trainee Program (GTP)

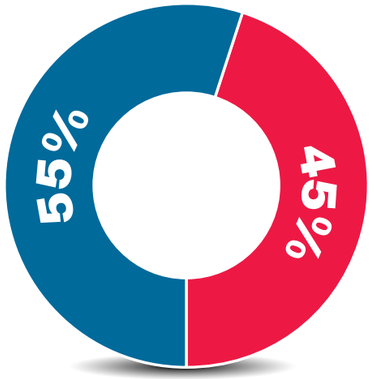
The Knight Frank Graduate Training Program (GTP) and Property Management Training Program (PMGT) stand as pivotal pillars, serving as catalysts for talent development and industry sustainability. In the year 2023, our two-year programs welcomed a cohort of 29 aspiring professionals, comprising 22 GTPs and 7 PMGTs, each dedicated to shaping future leaders. With an average investment of 1,936 hours per participant, we ensure a comprehensive and immersive learning experience that fosters personal and professional growth.

Under the tutelage of seasoned experts, our trainees actively engage in practical experiences, contributing to a myriad of projects spanning Real Estate, Property Management, and related fields. PMGT participants undergo three strategic rotations, immersing themselves in Investment Properties such as Office & Facility Management, Retail, and Strata Properties. Meanwhile, GTP participants delve into the intricate dynamics of property consultancy, navigating through four rotations encompassing market research, property valuation, office strategy and solutions and client engagement. Furthermore, we facilitate their journey towards professional accreditation as Registered Valuers, Estate Agents & Property Managers.

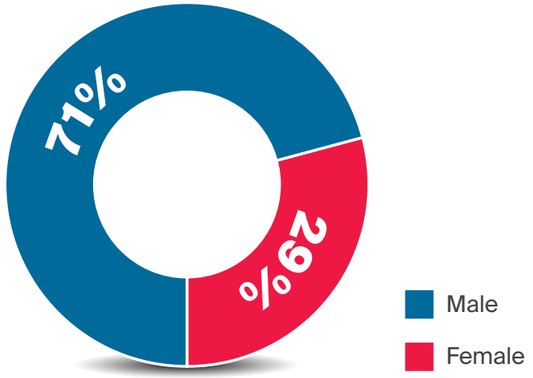
Throughout the program, our comprehensive training modules empower trainees with the skills and insights necessary to thrive in the dynamic real estate sector, fostering a culture of continuous learning and innovation. Additionally, the prospect of permanent employment serves as a testament to Knight Frank's unwavering commitment to nurturing long-term career growth and fostering a culture of excellence.

At Knight Frank, our pledge is to guide each candidate in discovering where their unique strengths and passions intersect most effectively within our organization, ensuring a fulfilling and impactful career journey for all.

GTP Breakdown
Gender



PMGT Breakdown
Gender



OCCUPATIONAL HEALTH AND SAFETY

Our Expectation

Knight Frank recognizes its role in managing safety, health, and wellbeing issues. As providers of professional services, we take pride in the part we play in improving our social commitments and strive to protect our employees' and non-employees' safety, health, and wellbeing.

We expect all of our employees, contractors, and service providers who do business with us in any of our corporate offices or managed buildings to adhere to our safety and health standards and requirements. We are also expecting our employees, contractors, and service providers to work safely in our offices and managed buildings, protect other people's safety, and comply with the relevant laws and legislation.

Knight Frank Group is committed to its safety and health responsibilities in accordance with the Occupational Safety and Health Act 1994 and its associated legislation. We provide and maintain, as far as is reasonably practicable, a safe and healthy environment for all our employees, guests, visitors, contractors, and all others that might be affected by our business operations.

Our Commitment

Knight Frank is committed to its safety and health responsibilities in accordance with the Occupational Safety and Health Act 1994 and its associated legislation. We provide and maintain, as far as is reasonably practicable, a safe and healthy environment for all our employees, guests, visitors, contractors, and all others that might be affected by our business operations.

We are also committed to operating incident- and injury-free, wherever we are. We strive to proactively work with all stakeholders to make this vision a reality.





Safety and Health Management

Our Occupational Safety and Health (OSH) risk management extends from the unwavering commitment and resource allocation by our leadership down to every employee's responsibility and active participation in maintaining a safe and healthy work environment.

The process of managing risk through assessment is systematic and routine, involving the evaluation of tasks, jobs, procedures, and workplaces to identify occupational safety and environmental hazards. Subsequently, appropriate controls are selected and actions are implemented to minimize the risk of harm. Moreover, whenever there are significant changes in key personnel, organizational structure, site conditions, or the available hierarchy of control, risk assessments are conducted on an as-needed basis to ensure continued safety and well-being.

Our systematic approach to OSH implementation follows a hierarchy of controls, encompassing measures such as elimination, substitution, engineering controls, administrative controls, and the use of personal protective equipment (PPE).

Safety and Health Committee (SHC)

As part of our ongoing dedication to safety and health, we have established a Safety and Health Committee (SHC) comprised of a chairperson, a safety and health officer (SHO) serving as secretary, and employer and employee representatives from various departments within our organization. Initiated in October 2023, we conducted quarterly meetings to ensure regular communication and updates on workplace safety and health matters are provided to the committee. The SHC Committee, holds responsibility for various tasks within the realm of OSH, but chief amongst them is to:

- Review the effectiveness of safety and health programs
- Review trends in incidents or accidents occurring at the workplace and be involved in incident investigations
- Report any unsafe or unhealthy conditions or practices at the workplace to the employer along with recommendations for corrective actions
- Review safety and health policies at the workplace and make recommendations to the employer for any revision to such policies

OSH Performance

Since the inception of our Safety and Health Committee (SHC) in 2023, we have remained steadfast in our commitment to reporting injury and work-related health data in 2024, with an unwavering pledge to achieve a state of ‘Zero Incidents and Zero Lost Time Injuries (LTIs)’. Our resolve to maintain these rates at zero hinges on our multifaceted approach, which hinges upon employee engagement strategies, encompassing training, competency development, knowledge sharing, and effective communication, alongside a resolute leadership commitment to safety. This approach is complemented by rigorous audits and inspections conducted in accordance with OSH legal mandates.

HSE Targets



In the year 2023, we are pleased to report that there were no instances of work-related injuries or work-related ill-health within our organization. We are committed to sustaining this commendable status and are actively advancing initiatives to enhance the overall health and well-being of our workforce.

Efficiently managing these, as well as other significant risks, necessitates a persistent focus on high-risk activities and heightened situational awareness, even in settings traditionally considered lower-risk, such as office environments. We diligently employ these pivotal metrics to drive continual performance enhancement, with a primary focus on the root causes of high-severity injuries and the drivers of high-frequency, albeit lower-severity incidents.



“Prioritizing workplace safety is integral to our organization’s commitment to sustainability and responsible business practices. By fostering a culture of safety, we not only fulfill legal requirements but also demonstrate our dedication to the well-being of our employees, partners, and communities. Our proactive approach to safety reflects our values and ensures that everyone can work and thrive in a secure environment, empowering us to achieve our business goals ethically and sustainably.”

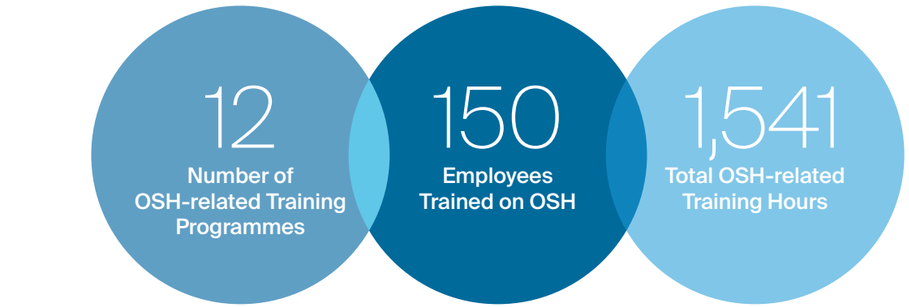
Md. Razali Rajimin
Associate Director, Knight Frank Property Management
Chairperson, Group Safety and Health Committee

Safety and Health Trainings & Communications

Knight Frank management have established robust processes to ensure safety and health, training and competencies within our operational settings. These processes are designed to equip individuals with the requisite qualifications, abilities, education, training, knowledge, skills, and experience necessary to effectively provide services and engage in activities.

Our training program is meticulously designed to cater to the distinct requirements of our workforce, with particular emphasis on individuals occupying safety-sensitive roles, while extending its reach to encompass the entire employee population. The training curriculum is curated, guided by comprehensive risk assessments, and covers essential subjects including emergency response training, HIRARC training, building and fire safety, weekly occupational safety and health awareness newsletter, and fundamental safety practices.

During the year 2023, we effectively administered 12 safety-related training sessions for our dedicated workforce. To ensure comprehension, employees confirm their understanding through their feedback form and have the opportunity to provide insights in the comments section at the conclusion of the program, thereby facilitating the communication of safety and well-being commendations or concerns to our Occupational Safety and Health (OSH) leadership.







HUMAN RIGHTS AND HUMAN SLAVERY

At Knight Frank, our core values encompass the principles of Respect, Diversity, and Inclusion. These values serve as a foundational framework for guiding the behaviour and expectations of our employees, as well as conveying the character of individuals our clients can anticipate when collaborating with us.

Knight Frank acknowledges that certain divisions, such as property and facilities management, pose higher risks for modern slavery due to extensive supply chains. To mitigate these risks, Knight Frank has implemented robust policies or procedures in place such as tender process policy, suppliers endorsing the Anti- Money Laundering due diligence form and Anti-Bribery and Corruption Policy, among others. The organization conducts thorough due diligence during supplier onboarding, expecting suppliers to align with anti-slavery commitments. We are dedicated to sustaining this standard and conducting our business ethically and responsibly.

We are firmly committed and benchmarked against the Universal Declaration of Human Rights (UDHR) to integrate human rights practices into our global corporate culture.

Click here to read more of our Modern Slavery Statement



Harassment-Free Workplace Program & Policies

Knight Frank is dedicated to providing an inclusive and harassment-free work environment. Our workplace unequivocally disallows racism, workplace harassment, racially motivated violence, or any form of discriminatory conduct. Tolerance and equality lie at the core of Knight Frank Malaysia's values.

Aligned with our ESG policy, we are resolutely committed to fostering an environment of fairness and equality. We actively embrace and value diversity across all dimensions, including gender, ethnicity, and cultural background, ensuring a positive workplace devoid of discrimination and harassment.

A significant impetus for our efforts is that 40% of our workforce comprises women, underscoring our dedication to gender equality. Our comprehensive employee handbook clearly articulates our steadfast stance against sexual harassment, embedding these principles deeply within our employment regulations.

Our employee handbook explicitly outline the procedure for reporting violations of employment regulations, the investigative process, recommended disciplinary actions for infractions, and our unwavering commitment to transparency in our response. This advanced practice is anticipated to yield consistent standards for disciplinary measures. Additionally, we emphatically prohibit all forms of discrimination and retaliation.



Fostering a Culture of Inclusivity and Respect

We strongly emphasize the importance of promptly reporting any instances of misconduct. To ensure transparency and accountability, we routinely inform all employees about the various channels through which they can report concerns. These channels include direct communication with their supervisors, reaching out to our People and Culture department, or submitting an anonymous report to our Group Compliance Officer. Additionally, our "Speak Up" portal is available to enable employees to report instances of harassment and other forms of misconduct.

Recognizing the emotional challenges that can accompany reporting such incidents, we are committed to providing support. We understand that individuals who come forward may experience feelings of isolation, and for this reason, we offer the "Aloe Mind" portal – our third-party mental health services provider on our employee intranet homepage. Our Employee Handbook serves as a resource to guide employees through Knight Frank process for investigating any harassment or sexual misconduct, and it connects them to valuable information and support resources.



STRENGTH-ENING OUR COMMUNI-TIES



“Corporate social responsibility is not only about giving back to society but also creating sustainable platform for them to grow and flourish. By aligning our business objectives with community needs, together we build stronger, connected and sustainable communities.”

Yuen May Chee
Director, Knight Frank Property Management
President of Sports and Social Club 2023

SUPPORTING COMMUNITIES

At Knight Frank, both our organization and our dedicated employees are actively engaged in investing in and providing support to the communities in which we reside and operate across Malaysia. Through direct contributions made by the company and our employees, which also include voluntary service, we exert a meaningful and positive influence on the well-being of individuals, communities, and the environment. These efforts are a manifestation of our unwavering commitment to our company values. Our initiatives encompass a range of philanthropic activities, including aiding those facing everyday challenges such as hunger, single mothers, and those who are less fortunate.

In the year 2023, our corporate philanthropic strategy was strategically focused on three primary objectives that align with our company's overarching ESG priorities:

- Identifying and partnering with charity-based organizations, taking a needs-based approach, by actively working to improve the communities surrounding our offices in KL, Penang, Sabah, and Johor.
- Engaging with local networking and fundraising initiatives by dedicating resources to enhance educational and career opportunities for diverse communities within the commercial real estate industry, in alignment with our commitment to Diversity, Equity, and Inclusion (DEI).
- Encouraging our people to volunteer on a skilled and unskilled basis by focusing on combating climate change as an integral component of our environmental sustainability initiatives.



Identifying and partnering with charity-based organisations taking a needs based approach

Engaging with local networking and fundraising initiatives

Encouraging our people to volunteer on a skilled and unskilled basis

COMMUNITY ENGAGEMENT DRIVEN BY IMPACT

Social Impact Strategy

Our social impact initiatives are meticulously strategized and executed to harmonize with and bolster our sustainability objectives. Our community engagement endeavours are anchored in the domains of environmental stewardship, education, and the overall well-being of the communities we serve. To realize the objectives of our community programs, we actively cultivate collaborations and partnerships with various non-governmental organizations (NGOs) and local government agencies. These partnerships enable us to implement enduring and influential initiatives. Our employees are strongly encouraged to participate in volunteer activities that drive social impact.

Our commitment is centred on the establishment of robust, resilient, and empowered communities through our dedicated community engagement initiatives. These endeavours are designed to elevate living standards, improve livelihoods, foster equitable growth, and promote environmental awareness. Employing a structured and systematic approach, we formulate a community engagement strategy that aligns with our business objectives and values, addressing the specific needs and aspirations of the communities in our vicinity. Our Social Impact programs concentrate on education, community well-being and development, and environmental stewardship. The overarching goal is to facilitate sustainable livelihoods and empower communities with the requisite skills for a just real-estate services, ensuring a fair and inclusive process that leaves no one behind.

Pillars	Environmental Stewardship	Education	Community well-being
Objectives	Enhance environmental quality by executing educational and recycling programs, as part of our broader effort.	Promote and instil responsible waste management and sustainability principles, and educational and career opportunities for diverse communities within the commercial real estate industry as part of our Campus Tour and other educational programs.	Enhance community well-being in our operational areas through community initiatives and implementation of community relief programs and our dedicated community giving initiatives.

Identification Process for Social Impact Activation	
Identify stakeholders and communities' interests.	Undertake a comprehensive evaluation before initiating community programs. Attend to community concerns to guarantee alignment with stakeholder needs, United Nations' Sustainable Development Goals (SDGs), and Knight Frank's material topics.
Identify Stakeholder Expectations	Establish consistent communication with local communities and authorities to discern stakeholder expectations regarding the engagement of Knight Frank material topics.
Define Programme Outcomes	Identify and define anticipated program outcomes.
Engagement with communities	Establish platforms or communication channels that facilitate communities in expressing their concerns.
State-specific community initiative	State offices conduct community engagements encompassing socioeconomic empowerment, fostering entrepreneurship skills, and more.

OUR CONTRIBUTION

Campus Events

Knight Frank's conducts sharing sessions and campus visits periodically throughout the year, across different regions, encompassing activities such as walk-in interviews, career talks, knowledge-sharing sessions, student awards, and presentations by our esteemed GTP Alumni. This program is designed to empower students with an interest in the real estate sector, offering them career opportunities to become part of our organization. In the year 2023, we established successful collaborations with four universities to augment educational outcomes.



UNIVERSITI MALAYA

University of Reading MALAYSIA

UTM UNIVERSITI TEKNOLOGI MALAYSIA

UTAR UNIVERSITI TUNKU ABDUL RAHMAN



UTAR
UNIVERSITI TUNKU ABDUL RAHMAN

We were delighted to host the University Tunku Abdul Rahman students at our HQ, which include sharing session on the fields of Property Management, Research & Consultancy, Valuation & Advisory, and Transactions. We hope that the participants gained valuable insights into the dynamic real estate industry.

Corporate Social Responsibility (CSR) Events

Knight Frank's CSR represents a corporate initiative designed to actively involve our employees by encouraging their active participation through contributions of their time, expertise, and financial resources to various nonprofit organizations. We extend our engagement efforts across all regions, utilizing the Sports and Social Club chapters and our networking with local nonprofit organizations to identify opportunities for philanthropic endeavours. These initiatives are a reflection of Knight Frank's core values, with a particular emphasis on wholeheartedly supporting our employees, reciprocating with the communities that support us, and demonstrating our commitment to sustainable business practices.

Knight Frank places a strong emphasis on transparency in our approach to community giving, whether it involves physical or virtual volunteering opportunities. This approach enhances flexibility and inclusivity in our efforts to give back, fostering a culture of shared responsibility and social impact. We established strategic partnerships marked by an unwavering commitment to providing substantial support to numerous nonprofit organizations with various needs and backgrounds. In 2023, Knight Frank allocated RM40,000 for our social impact initiatives. This collaborative endeavour underscores our steadfast dedication to promoting prosperity within the realms of business, individuals, and communities.



Our Community Engagement Program:

Kuala Lumpur
Kuala Lumpur State Aquatics Team
Pertubuhan Pemulihan Dalam Komuniti Selayang
Pusat Pembelajaran Komuniti Chow Kit (Prelove donation)
Re:New project (collab. With Rotary Club of Pudu)
UOB Global Heartbeat Run/Walk
15th Mah Sing Foundation Fundraising Charity Night

Penang
Persatuan Kebajikan Anak-Anak OKU Taman Island Penang

Johor
Persatuan Kebajikan Darul Hanan Johor Bahru

Sabah
Sabah Kidney Society (SKS)













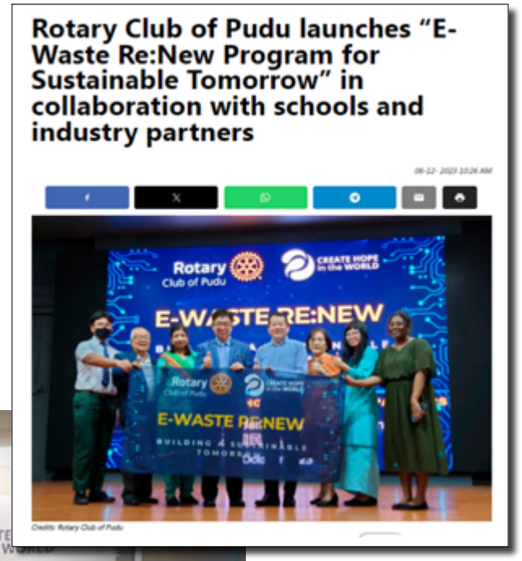


“Knight Frank was delighted to sponsor the Kuala Lumpur State Aquatics team consisting of 32 up and coming swimmers and divers at a recent 4-day Ipoh interstate competition.

Congratulations to all the swimmers and divers and we look forward to watching you achieve more outstanding results at the upcoming tournaments.”

“The program spanned for three weeks, commencing on Oct 13 and concluded on Nov 3. It was organised in collaboration with TM Enviro Industries, Knight Frank Malaysia, and secondary schools’ Interact Clubs sponsored by the Rotary Club of Pudu.”

To read the full news click here





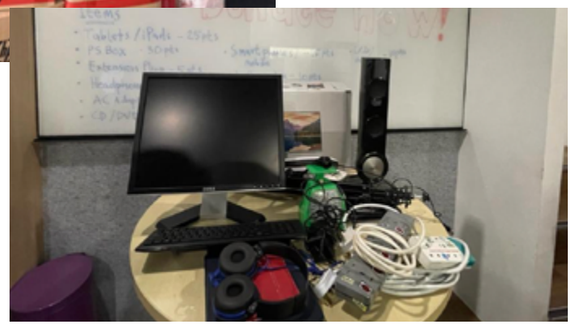
Taking local action to support our communities

Communities worldwide face a diverse range of challenges, spanning from poverty, unemployment, and unequal opportunities to issues of discrimination, pollution, and crime. Recognizing this diversity, we entrust our local teams with the responsibility to determine impactful actions tailored to address these challenges effectively.

Our colleagues actively engage in volunteering days, participating in social and environmental causes that resonate with them personally. This involvement fosters connections with our local communities and facilitates the development of valuable skills such as communication, teamwork, and creativity. These experiences contribute to our collective ability to collaborate more effectively. Importantly, participation in such initiatives instils a sense of fulfilment and positive impact.



Volunteer Pre-loved Donation 2023



Volunteer E-waste Recycling Collection



Paid Time Off to Vote

KFM actively promotes civic engagement and encourages our employees to exercise their right to participate in general and state elections by casting their votes for their preferred candidates. Our longstanding employee policy has, for many years, provided reasonable paid time off to facilitate this democratic participation.

LEADING WITH INTEGRITY AND TRUST

ECONOMIC PERFORMANCE AND INNOVATION

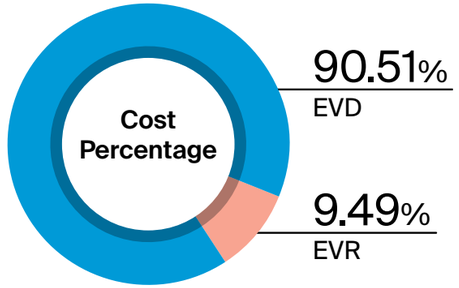
Economic Performance

At Knight Frank, we recognize the importance of transparency and accountability in reporting our economic performance. As such, we provide stakeholders with comprehensive information on our financial activities by disclosing our direct economic value generated and distributed (EVG&D) for the reporting period 1st January to 31st December 2023.

During the reporting period, our Knight Frank entities in Malaysia generated an average increase of 15% compared to FY 2022. Of the total economic value generated, 48% came from Knight Frank Malaysia Sdn. Bhd., while 52% was contributed by Knight Frank Property Management Sdn. Bhd., highlighting the significant economic impact of our core business activities. The economic value distributed for Knight Frank entities amounted to 90.51%, encompassing operating costs, employee wages and benefits, payments to providers of capital, tax contributions, and investments in community initiatives. Our economic value retained, calculated as the difference between the generated and distributed value, was 9.49%.

We believe that by providing stakeholders with clear and detailed information on our economic activities, we can foster trust, enhance decision-making, and drive sustainable business practices.

Percentage Of Direct Economic Value Generated and Distributed



Innovation

Using our voice to advocate for change

We aspire to contribute to shaping the future of the real estate sector with the goal of making a positive impact and addressing the needs of the people and communities we serve. One avenue through which we can achieve this is by sharing our expertise and knowledge in ESG matters. This is particularly crucial as there is ongoing debate and a lack of clear guidance on how to address necessary changes within our industry.

To actively contribute to this transformation, we are committed to participating in industry organizations and being part of a collective effort to drive change in areas aligned with our expertise. This involves endorsing specific ESG commitments and principles that we can incorporate into our decision-making processes. Additionally, we seek to contribute constructive challenges and practical solutions to the broader discourse surrounding these issues.

Knight Frank actively referencing to various external standards and guidelines, which encompass:

- Greenhouse Gas (GHG) Protocol
- Global Reporting Initiative (GRI)
- Science Based Targets Initiatives (SBTi)
- Task Force for Climate-Related Financial Disclosure (TCFD)
- United Nations Global Compact
- United Nation Sustainable Development Goals
- United Nations Guiding Principles on Business and Human Rights



Knight Frank and PropertyGuru announce collaboration

The collaboration between Knight Frank and PropertyGuru represents a significant innovation aimed at enhancing the mass property appraisal process, particularly to better serve financial institutions in Malaysia. Through the introduction of AMASe (Advanced Mass Appraisal Solutions ‘electronically’), underpinned by PropertyGuru’s proprietary technology, Knight Frank is demonstrating a commitment to integrating cutting-edge technology into its operations.

This initiative aligns with Knight Frank ESG principles by promoting greater efficiency and transparency in property valuation. By leveraging advanced technology, Knight Frank aims to streamline workflows, reduce turnaround times, and improve productivity, ultimately benefiting stakeholders and supporting responsible and sustainable business practices in the real estate sector. This partnership underscores a strategic effort to drive innovation and deliver enhanced value to clients while embracing digital transformation for more effective and responsible decision-making.

We aim to refer to professional bodies that align with our values, inspire others, and proactively address the ESG challenges prevalent in our sector. By referencing in this manner, we can collectively promote sustainable and inclusive outcomes. This ensures that we amplify global issues, share best practices, and provide the necessary guidance to advance our industry.



eConnexion by Knight Frank

eConnexion is a cutting-edge mobile app by Knight Frank, designed to enhance the user experience by integrating a range of services into a single, convenient platform. By connecting to the eConnexion ecosystem, users can enjoy a host of privileges and benefits, from engaging shopping experiences to finding their next property and meeting their residential needs—all accessible at their fingertips. Additionally, eConnexion offers exclusive promotions to its subscribers, elevating the digital experience and unlocking a world of possibilities.

Take a digital ride into our malls or connect with our trusted professionals for all your household needs with eConnexion - a platform created for the Knight Frank community.

Click here to download now and experience the difference!

IN-APP PROMOTIONS
All The Best Deals in the Palm of Your Hand

HOME SERVICES
Make Life Easier with a Wide Range of Home Services

MALLS
Shop at any of Our Malls & Be Rewarded

LISTINGS
Property Hunting at the Tip of Your Fingers





RESPONSIBLE SUPPLY CHAIN

Supplier Assessment

Knight Frank diligently implements a comprehensive due diligence procedure to assess the social, ethical, and environmental ramifications when procuring suppliers across various regional sectors. Conducted monthly through audit reports, this process requires suppliers to commit to our Request for Proposal (RFP) requirements, which include ESG criteria. Internally, our procurement team are briefed to ensure ESG considerations are included in the RFPs. Our screening process, based on our KPI and Business Partner Integrity Pact, encompasses labor relations, scope adherence, anti-bribery, health and safety, and environmental compliance, ensuring sustainable and diversified sourcing from compliant suppliers with valid work permits.

In 2023, Knight Frank registered 100% local suppliers. In our Property Management division, 100% of the products and services procured on behalf of clients were sourced from local suppliers, demonstrating our commitment to supporting local businesses and fostering community growth.

Moving forward, Knight Frank is committed to launching an enhanced supplier development program in 2024 with the following objectives:

1. Assess the readiness of our suppliers in terms of ESG.
2. Engage with our suppliers to support their ESG journey.
3. Evaluate suppliers' ESG performance for long-term business collaboration.

Knight Frank is dedicated to diligently implementing a thorough ESG readiness assessment for our suppliers in 2024 to evaluate the significant and potential social, ethical, and environmental impacts of our suppliers in Malaysia. This assessment will be conducted for our current active suppliers based on an extensive set of ESG criteria. These criteria include modern slavery and human trafficking, human rights and labor relations, adherence to a code of conduct, prevention of bribery and corruption, environmental policies, energy and climate considerations, health and safety measures, and compliance with environmental regulations affecting our supply chains or business operations.



BUSINESS ETHICS, INTEGRITY & COMPLIANCE

Fostering a culture of compliance and integrity

Knight Frank is unwavering in its commitment to ensuring strict adherence to all relevant laws and promoting fair competition among businesses. Our policy revolves around upholding the tenets of the Competition Act 1998, which serves to cultivate open, dynamic markets while bolstering productivity, innovation, and customer value.

In 2023, Knight Frank proudly upheld a strong compliance record, remaining free from significant fines or sanctions for legal noncompliance in Malaysia which is reflected in our audited financial report. Our commitment to conducting business with the utmost integrity is unwavering, and our Global Competition Law Compliance Policy plays a pivotal role in guiding our ethical business practices.

This policy is diligently communicated to all employees through the Global Life platform. It is our practice to review this policy at least annually, aligning with our other Group policies. However, should business or legislative changes necessitate more frequent reviews, we remain adaptable in our approach.

Anti-Bribery Communication

At Knight Frank, we prioritize effective communication on anti-corruption policies and procedures as reflected in the Global Anti Bribery and Corruption Policy to ensure widespread understanding and compliance across our organization and with our business partners. For employees, this process will be conducted during the onboarding activity, so all employees are required to acknowledge that the policy has been communicated.

One instrumental method through which we uphold these standards is by mandating supplier and new onboarders' endorsement of the Anti-Bribery and Corruption Policy and Anti-Money Laundering due diligence form, reinforcing our stringent anti-corruption measures at every level of operation.

Our Risk Management Committee plays a pivotal role in safeguarding our organization against a myriad of potential threats, ranging from legal disputes to violent complaints, and overarching company risks. With a keen focus on preemptive measures and strategic planning, the committee diligently identifies, assesses, and mitigates risks to ensure the sustained integrity and resilience of our operations.

Furthermore, there were no public legal cases regarding corruption brought against our organization or its employees during this period. We are committed to maintaining a zero-tolerance approach to corruption and ethical misconduct, and these outcomes reflect our dedication to fostering a culture of integrity and compliance.

Moving forward, we remain dedicated to enhancing communication and training efforts to strengthen our anti-corruption measures and foster a culture of integrity throughout our organization and partner network. We are committed to enhancing our data collection and reporting processes to provide more accurate insights into our anti-corruption initiatives in future reporting periods.

Conflicts of interest

Knight Frank has established comprehensive guidelines to ensure transparency, integrity, and ethical conduct in all business interactions, as communicated through our Business Transactions Code of Conduct. Our people are committed to maintaining professional conduct with clients and within the organization, thereby upholding the principles of accountability and trust. Potential conflicts of interest between staff and clients must be disclosed in writing, while conflicts between clients are communicated to all parties involved, ensuring transparency and informed decision-making. Financial integrity is maintained by quoting fees based on adequate information and keeping client funds in separate bank accounts.

Furthermore, we mandate full disclosure of employment status to clients and prohibits staff from self-dealing in properties managed on behalf of clients, reinforcing impartiality and ethical governance. Personal transactions involving company-related properties require disclosure and consent, preventing potential conflicts and upholding stakeholder trust. Accurate publicity and strict confidentiality of client and internal information safeguard our integrity and reputation. Lastly, our people are required to comply with local laws and regulations, ensuring that all practices are legally compliant and ethically sound. These measures collectively reflect KF's dedication to promoting a transparent, ethical, and conflict-free business environment.





Whistleblowing

Knight Frank upholds the highest standards of integrity and accountability, fostering an environment where employees, customers, and suppliers are encouraged to report significant concerns. We recognize the need for confidentiality in handling most concerns while assuring individuals that reporting issues like bribery, fraud, or corruption will not result in retaliation, discrimination, or disadvantage.

This policy encourages individuals to report concerns internally rather than overlooking them or going public. Management is responsible for thorough investigations and will not tolerate inaction on reported issues. It primarily addresses ethical concerns related to bribery, fraud, and corruption. It assures individuals that they can report concerns without fear as long as they follow our policies.

All concerns will be handled confidentially, with efforts made to protect individuals' identities. Our 24/7 "Freephone" hotline is staffed independently from Knight Frank. The "EthicsPoint" hotline is run by an impartial organization, allowing staff to report anonymously if they prefer confidentiality. Information received will be relayed to Knight Frank's UK-based Human Resources and Risk department, with actions taken to protect the reporting individual. Depending on the issue, concerns may be investigated internally, referred to authorities, or examined by external auditors.

This policy is accessible via the Global Life portal for all employees, and inquiries can be directed to the Best Practice team. It undergoes at least annual review in line with other Group Policies, and more frequent updates may occur due to business or legislative requirements, as determined by the Best Practice team.

Should any instances of concern come to your attention, we encourage you to utilize our ethics hotline at 1 800 81 9814 (Malaysia) or through our reporting portal at https://knightfrank.ethicspoint.com

Political Contributions

Knight Frank strictly forbids the utilization of company funds for contributions to political candidates, parties, or campaigns, and we do not maintain a political action committee. This longstanding stance is maintained to prevent any inadvertent and unwarranted influence on employees, ensuring alignment with their personal beliefs. This approach also serves to mitigate potential conflicts of interest when pursuing government contract work.

Knight Frank refrains from making political contributions, does not pressure our employees to engage in such contributions, and explicitly does not reimburse employees who opt to make such contributions.



Privacy Policy

Knight Frank has implemented a robust Privacy Policy Statement. This policy outlines comprehensive guidelines for classifying, handling, and protecting information assets, ensuring that personal identifiable information (PII) and other sensitive data receive the highest level of protection.

The policy addresses potential risks, including financial and reputational damage, regulatory compliance issues, and unauthorized data access. By safeguarding against identity theft and other forms of fraud, it ensures robust protection. Oversight is provided by a dedicated Data Protection Officer to guarantee accountability and effective implementation.

Information owners are tasked with collecting, processing, and safeguarding personal data in compliance with legal and regulatory standards. They ensure secure data sharing within the Knight Frank Group and with select third parties under stringent safeguards. Data subject rights, including access, rectification, erasure, restriction, and portability, are efficiently managed to uphold privacy.

Knight Frank's commitment to transparency and ethical governance is reflected in its requirement for full disclosure of information handling practices to clients, reinforcing stakeholder trust. The policy includes regular reviews and updates to maintain its relevance and effectiveness.

We have implemented enhanced protection and security measures to prevent any breaches of customer privacy, as well as to safeguard against data leaks, thefts or losses. This demonstrates our unwavering commitment to the security and privacy of your data. Through these efforts, we strive to foster a secure, ethical, and transparent business environment.

This dedication to data protection not only complies with regulatory requirements but also strengthens Knight Frank's reputation as a trusted advisor in the real estate industry, highlighting our commitment to high standards of customer privacy and data integrity.

Click here to read more: https://www.knightfrank.ie/privacy-policy



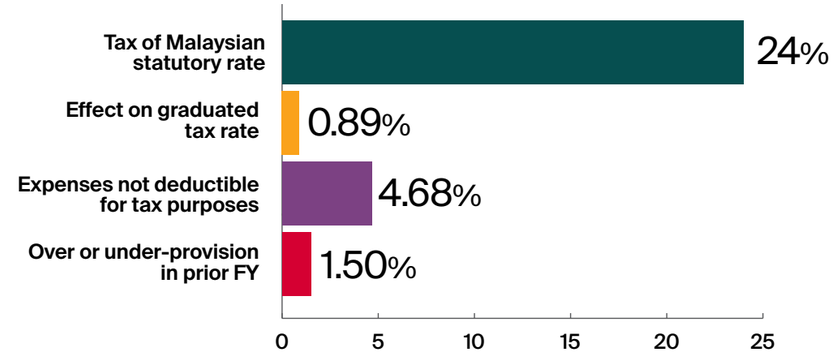
Tax Compliance

At Knight Frank, our approach to tax underscores our commitment to responsible corporate governance and sustainable business practices. Our tax compliance efforts are proactive and diligent, emphasizing adherence to local tax laws.

The responsibility for overseeing tax compliance lies with our Chief Financial Officer (CFO), who ensures that tax considerations are seamlessly integrated within our operational processes and corporate culture. Our tax disclosures are subjected to rigorous assurance processes conducted by Tam & Associates PLT, providing stakeholders with independent validation of our tax reporting and transparency efforts.

This integrated approach highlights our dedication to ethical tax practices and transparency. By embedding these principles into our core operations, we demonstrate our unwavering commitment to maintaining high standards of accountability and integrity in all our business dealings.

In terms of specific tax figures, the breakdown is as follows:



- The total corporate income tax liability at Malaysia's statutory rate amounts to 24% of the total taxable income.
- Progressive taxation, through graduated tax rates, ensures fair tax distribution by taxing higher incomes more, contributing about 0.89% of total revenue.
- Expenses not deductible for tax purposes account for 4.68% of total expenses under Malaysian tax laws.
- An adjustment of 1.50% was made during the current reporting period to correct over or under-provisions in tax recorded in prior financial years.

This detailed breakdown ensures transparency and clarity in our tax reporting, aligning with our commitment to responsible tax management and sustainable business practices.

Independent Verification & Assurance Statement

SIRIM QAS INTERNATIONAL SDN BHD
INDEPENDENT ASSURANCE STATEMENT

To Board of Directors, Stakeholders, and Interested Parties,

SIRIM QAS International Sdn. Bhd. was engaged by Knight Frank Malaysia Sdn. Bhd. (hereafter referred to as Knight Frank) to perform an independent verification and provide assurance of Knight Frank Sustainability Report 2023. The main objective of the verification process is to provide assurance to Knight Frank and its stakeholders on the accuracy and reliability of the information as presented in this statement. The verification by SIRIM QAS International applied to sustainable performance information (subject matter) within the assurance scope which is included in Knight Frank Sustainability Report 2023.

The management of Knight Frank was responsible for the preparation of the Sustainability Report. The objective and impartiality of this statement is assured as no member of the verification team and no other employee of SIRIM QAS International was involved in the preparation of any part of the Knight Frank's Sustainability Report, and the Annual Report 2023.

The assurance engagement was designed to provide limited assurance in accordance with the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information, and BURSA Sustainability Reporting Guide, irrespective of the organization's ability to achieve its objectives, targets or expectations on their subject matter and sustainability-related issues. The assurance process involves verification of 15 material matters as presented in the Sustainability Report within topics as follows i.e., Restoring the Natural Environment, Creating an Inclusive Workplace, Strengthening our Communities, and Leading with Integrity and Trust. Details are provided in Appendix 1.

The verification was carried out by SIRIM QAS International in June 2024, with the following methodologies:

- Reviewing and verifying the traceability, consistency and accuracy of information collected from various sources; internal and external documentation which are made available during the conduct of assessment.
- Verification of data presented in the Sustainability Report includes a detailed check of the sampled data.
- Interviewing key personnel responsible for collating information and writing various parts of the report to substantiate the veracity of the claims.

The verification process was subjected to the following limitations:

- The scope of work did not involve verification of other information reported in Knight Frank Annual Report 2023.
- The corporate office at Menara South Point, Mid Valley City was visited as part of this assurance engagement. The verification process did not include physical inspections of any of Knight Frank's operations and assets. And,
- The verification team did not verify any contractor or third-party data.

Conclusion

SIRIM QAS International, a Conformity Assessment Body in Malaysia, is accredited to both ISO/IEC 17021-1:2015 and ISO/IEC 17065:2012 covering all our operational activities. The appointed assessors performing the assurance engagement were selected appropriately based on our internal qualifications, training and experience. The verification process is reviewed by management to ensure that the approach and assurance are strictly followed and operated transparently. During the verification process, issues were raised, and clarifications were sought from the management of Knight Frank relating to the accuracy of some of the information contained in the report. In response to the findings raised, the Sustainability Report was subsequently reviewed and revised by Knight Frank. It is confirmed that changes that have been incorporated into the final version of the report have satisfactorily addressed all issues. Based on the scope of the assessment process and evidence obtained, nothing has come to our attention that causes us to believe that Knight Frank has not complied, in all material respects, with the referred assurance standard and guide. The following represents SIRIM QAS International's opinion:

- The level of data accuracy included in Knight Frank Sustainability Report 2023 is fairly stated;
- The level of disclosure of the specific sustainability performance information presented in the report was found to be properly prepared;
- The personnel responsible were able to demonstrate the origin(s) and interpretation of data contained in the report;
- The Sustainability Report offers a reasonable and balanced presentation of Knight Frank's sustainability performance.

List of Assessors.

1)	Ms. Aernida Abdul Kadir	:	Team Leader
2)	Ms. Kamini Sooriamoorthy	:	Team Member
3)	Ms. Farhanah Ahmad Shah	:	Team Member
4)	Ms. Hazwani Yob	:	Team Member

Statement Prepared by:

AERNIDA BINTI ABDUL KADIR
Team Leader
Management System Certification Department
SIRIM QAS International Sdn. Bhd.
Date: 24 June 2024

Statement Approved by:

Ts. MD ADHA BIN RAHMAT
Senior General Manager
Management System Certification Department
SIRIM QAS International Sdn. Bhd
Date: 28 June 2024

Note 1: This Independent Assurance Statement has been issued based on the content verified prior to the approval date. SIRIM QAS International Sdn Bhd does not express an opinion on, nor guarantee the integrity and/or accuracy of the information provided with the view that the conclusion was conducted post verification assessment, hence not verified. SIRIM QAS International shall not be responsible for any changes or additions made after the referred date (21 June 2024).

Appendix 1 The material matters covered in this assessment is tabulated below:	CLASSIFICATION OF DATA			
	HIGH	MEDIUM	LOW	UN SUBSTANTIATED
Restoring the Natural Environment				
Climate Action and Nature				
Water Management				
Waste Management				
Green and Healthy Buildings				
Resource Consumption				
Creating an Inclusive Workplace				
Health, Safety and Wellbeing				
Diversity, Equity and Inclusion				
Developing Talent				
Human Rights and Human Slavery				
Decent Work				
Strengthening our Communities				
Supporting Communities				
Leading with Integrity and Trust				
Economic Performance and Innovation				
Responsible Supply Chain				
Compliance				
Business Ethics and Integrity				

Note 1:
This Independent Assurance Statement has been issued based on the content verified prior to the approval date. SIRIM QAS International Sdn Bhd shall not be responsible for any changes or additions made after the referred date (21 June 2024).
Note 2:
The assurance involves activity aims to obtain sufficient appropriate evidence to express a conclusion designed to enhance the degree of confidence of the intended users other than the responsible party, about the subject matter information. It comprises of activities carried out to assess the quality and credibility of the qualitative and quantitative information reported by the organization. This assurance is different from activities used to assess or validate the organization's performance, such as compliance assessments or the issuing of certifications against specific standards.
Note 3:
Definition of HIGH, MEDIUM, LOW and UNSUBSTANTIATED Classification of Data in this Appendix 1.
HIGH: The data and information reviewed has been confirmed with the direct owners. The source of the data origin was provided during the conduct of the assessment.
MEDIUM: Data and information have been confirmed with the direct owners. However, the source of the data has been based on secondary data, where the data origin is not accessible by the verifiers during the conduct of the assessment.
LOW: Data and information reviewed has been based on information endorsed by the data owners. Verifiers did not have access to the source of the data origin. It has been identified as one of the limitations during the conduct of the assessment.
UNSUBSTANTIATED: The sources of data and information disclosed were not made available during the assessment review period due to reasons like confidentiality, unattainable data source and unavailable data owner. It has been identified as one of the limitations during the conduct of the assessment.

GRI Content Index

Statement of use	Knight Frank Malaysia has reported the information cited in this GRI content indes for the period 1st January 2023 to 31st December 2023 with reference to the GRI Standards.

GRI Standard	Disclosure		Section	Omission
GRI 1: Foundation 2021				
	1	Foundation	GRI Content Index	
General Disclosures				
GRI 2: General Disclosures 2021	2-1	Organizational details	About This Report	
	2-2	Entities included in the organization's sustainability reporting	About This Report	
	2-3	Reporting period, frequency and contact point	About This Report	
	2-4	Restatements of information		n/a
	2-5	External assurance	Independent Verification & Assurance Statement	
	2-6	Activities, value chain and other business relationships	Stakeholder Engagements	
	2-7	Employees	Diversity, Equity And Inclusion	
	2-8	Workers who are not employees	Diversity, Equity And Inclusion	
	2-9	Governance structure and composition	A clear governance structure to build trust and confidence	
	2-10	Nomination and selection of the highest governance body	Nomination and selection of the highest governance body	
	2-11	Chair of the highest governance body	A clear governance structure to build trust and confidence	
	2-12	Role of the highest governance body in overseeing the management of impact	A clear governance structure to build trust and confidence	
	2-13	Delegation of responsibility for managing impacts	A clear governance structure to build trust and confidence	
	2-14	Role of the highest governance body in sustainability reporting	Message From Our Leadership	
	2-15	Conflicts of interest	Conflicts of interest	
	2-16	Communication of critical concerns	Whistleblowing	
	2-17	Collective knowledge of the highest governance body	Message From Our Leadership	
	2-18	Evaluation of the performance of the highest governance body	A clear governance structure to build trust and confidence	

GRI Content Index

Statement of use	Knight Frank Malaysia has reported the information cited in this GRI content indes for the period 1st January 2023 to 31st December 2023 with reference to the GRI Standards.			
GRI Standard	**Disclosure**		**Section**	**Omission**
GRI 2: General Disclosures 2021	2-19	Remuneration policies		n/a
	2-20	Process to determine remuneration		n/a
	2-21	Annual total compensation ratio	Pay Ratio	
	2-22	Statement on sustainable development strategy	Message From Our Leadership	
	2-23	Policy commitments	Our policies to support our ESG ambition	
	2-24	Embedding policy commitments	Restoring the Natural environment, Climate Action and Nature, Human Rights And Human Slavery, Harassment-Free Workplace Program & Policies, Fostering a culture of compliance and integrity, Anti-Bribery Communication, Whistleblowing, Privacy Policy	
	2-25	Processes to remediate negative impacts	Grievance Mechanism	
	2-26	Mechanisms for seeking advice and raising concerns	We Investigate All Complaints and Reports	
	2-27	Compliance with laws and regulations	Fostering a culture of compliance and integrity	
	2-28	Membership association	Memberships & Associations	
	2-29	Approach to stakeholder engagement	Understanding our Material Issues	
	2-30	Collective bargaining agreement		n/a
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Understanding our Material Issues	
	3-2	List of material topics	Understanding our Material Issues	
	3-3	Management Of Material Topics	Supporting The United Nations Sustainable Development Goals, Our Contribution In Supporting UNSDGs	
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Economic Performance	
	201-2	Financial implications and other risks and opportunities due to climate change		n/a
	201-3	Defined benefit plan obligations and other retirement plans	Balancing Employee Well-being and Professional Success	
	201-4	Financial assistance received from government		n/a

GRI Content Index

Statement of use	Knight Frank Malaysia has reported the information cited in this GRI content indes for the period 1st January 2023 to 31st December 2023 with reference to the GRI Standards.			
GRI Standard	**Disclosure**		**Section**	**Omission**
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Balancing Employee Well-being and Professional Success	
	202-2	Proportion of senior management hired from the local community		
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	Innovation	
	203-2	Significant indirect economic impacts	Indoor Air Quality, Resource Consumption	
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	Responsible Supply Chain	
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption		n/a
	205-2	Communication and training about anti-corruption policies and procedures	Anti-BriberyCommunication	
	205-3	Confirmed incidents of corruption and actions taken	Anti-BriberyCommunication	
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Business Ethics, Integrity & Compliance	
GRI 207: Tax 2019	207-1	Approach to tax	Tax	
	207-2	Tax governance, control, and risk management	Tax	
	207-3	Stakeholder engagement and management of concerns related to tax	Tax	
	207-4	Country-by-country reporting	Tax	
GRI 301: Materials 2016	301-1	Materials used by weight or volume		n/a
	301-2	Recycled input materials used		n/a
	301-3	Reclaimed products and their packaging materials		n/a
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Electricity Consumption	
	302-2	Energy consumption outside of the organization		n/a
	302-3	Energy intensity	Understanding our impact	

GRI Content Index

Statement of use	Knight Frank Malaysia has reported the information cited in this GRI content indes for the period 1st January 2023 to 31st December 2023 with reference to the GRI Standards.			
GRI Standard	**Disclosure**		**Section**	**Omission**
	302-4	Reduction of energy consumption	Electricity Consumption	
	302-5	Reductions in energy requirements of products and services		
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource		
	303-2	Management of water discharge-related impacts		n/a
	303-3	Water withdrawal		n/a
	303-4	Water discharge		n/a
	303-5	Water consumption	Water Management	
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		n/a
	304-2	Significant impacts of activities, products and services on biodiversity		n/a
	304-3	Habitats protected or restored		n/a
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations		n/a
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Understanding our Impact	
	305-2	Energy indirect (Scope 2) GHG emissions	Understanding our Impact	
	305-3	Other indirect (Scope 3) GHG emissions	Understanding our Impact	
	305-4	GHG emissions intensity	Understanding our Impact	
	305-5	Reduction of GHG emissions	Measuring Our Progress	
	305-6	Emissions of ozone-depleting substances (ODS)		n/a
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		n/a

GRI Content Index

Statement of use	Knight Frank Malaysia has reported the information cited in this GRI content indes for the period 1st January 2023 to 31st December 2023 with reference to the GRI Standards.			
GRI Standard	**Disclosure**		**Section**	**Omission**
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	Waste Management	
	306-2	Management of significant waste-related impacts	Waste Management	
	306-3	Waste generated	Waste Management	
	306-4	Waste diverted from disposal	Waste Management	
	306-5	Waste directed to disposal	Waste Management	
GRI 308: Supplier Environnemental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	Responsible Supply Chain	
	308-2	Negative environmental impacts in the supply chain and actions taken	Responsible Supply Chain	
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Our People, Turnover Rates	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Balancing Employee Well-being and Professional Success	
	401-3	Parental leave	Parental Leave	
GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes		n/a
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	Safety and Health Committee (SHC)	
GRI 403: Occupational Health and Safety 2018	403-2	Hazard identification, risk assessment, and incident investigation	Hazard Identification, Risk Assessment and Risk Control (HIRARC)	
	403-3	Occupational health services	Health and Safety Trainings & Communications	
	403-4	Worker participation, consultation, and communication on occupational health and safety	Hazard Identification, Risk Assessment and Risk Control (HIRARC)	
	403-5	Worker training on occupational health and safety	Health and Safety Trainings & Communications	
	403-6	Promotion of worker health	Prioritizing Colleagues' Health and Wellbeing, Indoor Air Quality, Employee Engagement, Health and Safety Trainings & Communications	

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GRI Standard	**Disclosure**		**Section**	**Omission**
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Hazard Identification, Risk Assessment and Risk Control (HIRARC)	
	403-8	Workers covered by an occupational health and safety management system	Occupational Health and Safety	
	403-9	Work-related injuries	OSH Performance	
	403-10	Work-related ill health	OSH Performance	
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Training and Development	
	404-2	Programs for upgrading employee skills and transition assistance programs	Training and Development	
	404-3	Percentage of employees receiving regular performance and career development reviews	Performance Management	
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Our People	
	405-2	Ratio of basic salary and remuneration of women to men	Pay Ratio	
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken		n/a
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		n/a
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	Responsible Supply Chain	
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Responsible Supply Chain	
GRI 410: Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures		n/a
GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples		n/a

GRI Content Index

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GRI Standard	**Disclosure**		**Section**	**Omission**
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	Supporting Communities	
	413-2	Operations with significant actual and potential negative impacts on local communities	Social Impact Strategy	
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	Responsible Supply Chain	
	414-2	Negative social impacts in the supply chain and actions taken	Responsible Supply Chain	
GRI 415: Public Policy 2016	415-1	Political contributions	Political Contribution	
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	Hazard Identification, Risk Assessment and Risk Control (HIRARC)	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	OSH Performance	
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling		n/a
	417-2	Incidents of non-compliance concerning product and service information and labeling		n/a
	417-3	Incidents of non-compliance concerning marketing communications		n/a
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Privacy Policy	

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