SUSTAINABILITY STATEMENT

SUSTAINABILITY STATEMENT

ABOUT THIS SUSTAINABILITY STATEMENT ("STATEMENT")

Hektar REIT is dedicated to creating sustainable spaces where communities can thrive across our portfolio of premier shopping centres, a hotel and a school. This Statement details our performance across Environmental, Social, and Governance ("ESG") pillars, highlighting the core principles of our framework that guide our direction as a progressive, future-focused REIT.

REPORTING SCOPE & BOUNDARY

Unless otherwise indicated, this Sustainability Statement covers the performance metrics of all Hektar REIT properties:

- Subang Parade in Subang Jaya, Selangor
- Mahkota Parade in Melaka
- Central Square in Sungai Petani, Kedah
- Kulim Central in Kulim, Kedah
- Classic Hotel in Muar, Johor
- Wetex Parade in Muar, Johor
- Segamat Central in Segamat, Johor
- Kolej Yayasan Saad in Melaka (only relevant data as a leased asset over which Hektar REIT maintains no operational control)
- Hektar Asset Management Sdn Bhd ("HAMSB") in Dutamas, Kuala Lumpur

All social indicators include complete data from Hektar Asset Management Sdn Bhd, Hektar Property Services Sdn Bhd ("HPSSB") and Kolej Yayasan Saad. References to the "Company", the "Group", "we", and "our" refer to Hektar REIT as a whole unless stated otherwise.

REPORTING PERIOD

1 January 2025 – 31 December 2025

REPORTING FRAMEWORKS AND GUIDELINES

Our statement has been prepared in compliance with Bursa Malaysia's Sustainability Reporting Guide (3rd Edition).

To ensure best-practice reporting, it is also guided by:

- Global Reporting Initiative ("GRI")
- FTSE Russell ESG Indicators
- United Nations Sustainable Development Goals ("UN SDGs")
- Task Force on Climate-Related Financial Disclosures ("TCFD")

DATA VALIDATION AND LIMITATIONS

Hektar REIT is dedicated to delivering transparent and reliable sustainability reporting. While we have exercised best efforts to ensure accuracy through rigorous internal verification, we acknowledge that data maturity is an evolving process. This year, we refined our processes to address data gaps and have provided necessary restatements in the relevant sections of this Statement. We remain committed to strengthening our tracking processes to prepare for future independent assurance. This Statement has been reviewed and approved by the Board of Directors.

FORWARD LOOKING STATEMENTS

This Statement includes forward-looking assertions regarding Hektar REIT's sustainability future plans and strategies. While these statements reflect our best estimates and future expectations, they are inherently subject to risk and uncertainty. Hektar REIT cautions readers that these statements are predictions, not guarantees, and should be interpreted with due consideration of the evolving business landscape.

YOUR INQUIRIES AND FEEDBACK

Your support and feedback are important for the continuous advancement of our sustainability journey. Please direct any queries and comments to:

Hektar Asset Management Sdn Bhd
D1-U3-10, Solaris Dutamas, No. 1, Jalan Dutamas 1,
Sri Hartamas 50480 Kuala Lumpur
Tel : +6 03 6205 5570
Fax : +6 03 6205 5571
Email : sustainability@hektarasset.com

SUSTAINABILITY STATEMENT

AWARDS AND RECOGNITIONS

Hektar REIT's sustainability achievements and the accolades received reflect its strong commitment to sustainable and responsible growth. These recognitions motivate Hektar REIT to continue striving for excellence to further contribute to the growth and sustainability of the financial sector.

Hektar REIT was honoured with the prestigious RAM Blueprint Award at the 22nd RAM League Awards on 24 February 2025. The award recognises Hektar REIT's RM500 million Medium-Term Notes programme, with its inaugural RM215 million tranche rated AAA(fg) and fully guaranteed by the Credit Guarantee & Investment Facility, a trust fund of the Asian Development Bank.

This recognition marks a significant milestone in Malaysia's capital market. The RAM Blueprint Award celebrates issuers that demonstrate innovation and excellence through distinctive bond or sukuk transactions, reflecting Hektar REIT's forward-looking approach and commitment to strengthening the Malaysian bond and sukuk market.

RAM Blueprint Award at the 22nd RAM League Awards

MEMBERSHIPS AND ASSOCIATIONS

We stay aligned with emerging trends, industry best practices, and evolving legal and regulatory expectations through our active participation/memberships in the following professional and industry associations:

FTSE4Good Bursa Malaysia Index ("F4GBM")

Hektar REIT has been a constituent member of the F4GBM Index since 2020, a testament to our unwavering commitment to high ESG standards. As of December 2025, we achieved an ESG Rating of 3.3 out of 5.

This score not only earns us a 3-star ESG grading from FTSE Russell but also positions Hektar REIT well above the average score for Main Market PLCs, reflecting our leadership in sustainable real estate management.

FTSE4Good

FTSE Russell ESG Rating Score:

3.3 (out of 5)

United Nations Global Compact ("UNGC")

This year, Hektar REIT continued our membership with the UNGC as an active member, contributing to the advancement of its 10 principles across four key areas: Human Rights, Labour, Environment, and Anti-Corruption.

- Malaysian REIT Managers Association (MRMA)
- Capital Markets Services Representative's Licence (CMSRL)
- Institute of Corporate Directors of Malaysia (ICDM)
- Malaysian Institute of Corporate Governance (MICG)
- Board of Valuers, Appraisers, Estate Agents and Property Managers (BOVEAP)
- Institute of Industrial Engineers USA (IIE)
- Institute of Certified Sustainability Practitioners
- Global Reporting Initiative (GRI)
- Institute of Quality Malaysia (IQM)
- Malaysian Hotel Association (MAH)
- Malaysia Shopping Malls Association (PPK)
- Malaysia Retailers Association (MRA)
- Malaysia Retail Chain Association (MRCA)
- Bumiputra Retailers Organisation (BRO)
- Malaysian Association of Theme Park and Family Attractions (MAFTA)
- The Institute of Internal Auditors Malaysia
- Malaysian Institute of Accountants (MIA)

SHOWCASING OUR 2025 ACHIEVEMENTS

ADVANCE

Initiated Solar PV Project across 5 properties that will reduce electricity consumption by **up to 15%**

3.35%
Reduction in Scope 1 and Scope 2 GHG emissions intensity across all properties against 2024

18.42%
Reduction in water utilisation intensity against 2024

14,903kg
of waste has been recycled

Fabric
13,968kg

PET-1 bottles
730kg

Aluminium cans
205kg

CULTIVATE

0
Substantiated complaints regarding human rights violations

0
Substantiated cases of discrimination

100%
of procurement expenditure on local suppliers

5,053.5
Total training hours provided to employees

THRIVE

0
Substantiated incidents of privacy breaches or data loss

0
Confirmed cases of bribery, corruption or whistleblowing

RM574,336
Invested into community programmes impacting 87,900 beneficiaries throughout Malaysia

SUSTAINABILITY STATEMENT

LOOKING BACK, MOVING FORWARD

Since embarking on our sustainability journey in 2017, Hektar REIT has continued to advance toward our goals of sustainable growth and long-term value creation. As we move ahead, we remain focused on strengthening and integrating our sustainability initiatives across our operations to support continued progress and enduring success.

START

FY2017
Published inaugural Sustainability Statement, established governance, identified 7 materiality matters, and set 7 sustainability goals

FY2020
Achieved 3-star ESG rating from FTSE Russell, refined governance structure, reassessed materiality, and updated sustainability commitments

FY2021
Introduced Sustainability Framework with 3 focus areas, 11 material matters and aligned with UN SDGs

FY2023
Began Task Force on Climate-Related Financial Disclosures ("TCFD") framework, conducted independent assurance (training & utilities), implemented the Environmental & Social Management System ("ESMS") framework, and finalised 16 new materiality topics

FY2024
Launched new sustainability pillars (Advance, Cultivate, Thrive), established the long-term **Hektar REIT Forward Faster Sustainability Roadmap 2050**, strengthened climate disclosures, and aligned initiatives with 9 SDGs

EXPAND TO 2025-2050

From 2025-2030 Accelerating and Moving Faster

- Reduce 10% of Scope 1 and Scope 2 emissions by 2030
- Reduce 20% of electricity consumption by 2030
- Reduce 10% of water utilisation by 2030
- Reduce 15% of waste disposed to landfill by 2030
- Source 15% of energy consumption from renewable energy by 2030

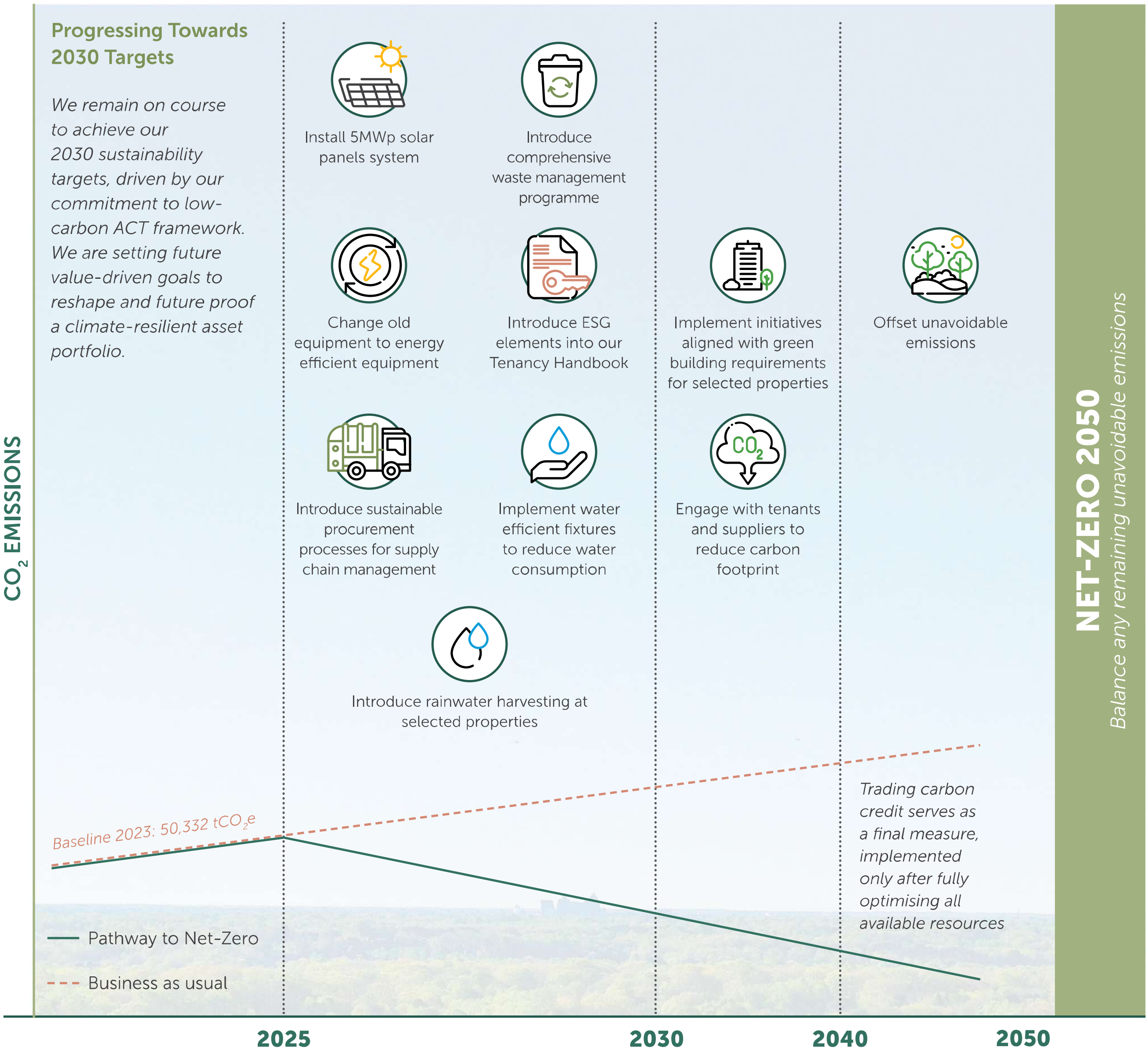
From 2030-2050 Scaling Systems-Wide Decarbonisation

- Reduce fossil-based material use by increasing usage of renewable energy
- Engage with tenants to further reduce Scope 3 emissions

FORWARD FASTER SUSTAINABILITY ROADMAP 2050

Our Sustainability Roadmap sets a clear and ambitious course, charting our journey to achieve Net-Zero emissions by 2050. Grounded in science-based targets and guided by global best practices, it reflects our steadfast commitment to decarbonisation, resilience, and long-term value creation.

At the core of this roadmap lies our Sustainability Framework, ACT (Advance, Cultivate, Thrive), which shapes our aspirations and drives meaningful impact. Both the ACT Framework and the Hektar REIT Forward Faster Sustainability Roadmap work hand-in-hand to outline a well-defined route towards decarbonisation, while embedding sustainability firmly within our business strategy.



Note:
Baseline 2023 has been restated

SUSTAINABILITY STATEMENT

ADVANCING SUSTAINABILITY AT HEKTAR REIT

The Overarching Sustainability Strategy

Grounded in our Vision, Mission, and Purpose, our Advance, Cultivate, and Thrive ("ACT") sustainability pillars integrate responsible practices across our operations. Aligned with the UN SDGs, this framework drives meaningful socioeconomic progress and long-term value for our stakeholders.

OUR VISION, MISSION AND PURPOSE

OUR VISION: To be the leading sustainable real estate investment trust, creating long-term value through responsible growth, environmental stewardship, and social impact, ensuring a resilient and future-proof portfolio.

OUR MISSION: We are committed to embedding sustainability across our operations and investments by:

- Advancing low-carbon, climate-resilient assets to future-proof our portfolio.
- Cultivating responsible business practices that drive positive social and environmental change.
- Thriving the business and build the environment through innovative, resource-efficient solutions that enhance stakeholder value

OUR PURPOSE:

Advance: Proactively reducing carbon emissions and enhancing asset-efficiency through strategic investments in renewable energy, green technologies, and sustainable construction practices.

Cultivate: Upholding corporate integrity, responsible governance, and stakeholder inclusivity to foster long-term trust and transparency.

Thrive: Driving innovation and resource management to create thriving, community-centric, and environmentally responsible spaces.

SUSTAINABILITY PILLARS AND FOCUS AREAS

Advance	Cultivate	Thrive
Risk Management Climate Resilience Responsible Investment Resource Efficiency	Business Ethics and Integrity Empowering Growth Safety and Health	Business Ethics and Integrity Community Well-being Safety and Health

RELATED POLICIES

Advance	Cultivate	Thrive
Climate Change Policy Water Stewardship Policy	Occupational Safety & Health ("OSH") Policy Environmental, Social, Health & Safety ("ESHS") Policy Safety, Health and Environment Policy Statement Sustainable Procurement Policy Human Rights Policy Code of Conduct and Ethics Policy	Event Stewardship Policy Sustainable Investment Principles Anti-Money Laundering ("AMLA") Policy Anti-Bribery and Anti-Corruption ("ABAC") Policy

MATERIAL MATTERS

Advance	Cultivate	Thrive
1. Energy and Climate Change 2. Water Management 3. Waste Management 4. Effluent Management 5. Green Office Practices 6. Eco-friendly Building Materials 7. High-quality Real Estate and Enhancement 8. Green Leases	1. Supply Chain Management 2. Human Rights, Diversity, Equity and Inclusion 3. Occupational Health and Safety 4. Labour Practices and Standards	1. Corporate Governance and Anti-Corruption 2. Data Privacy and Cybersecurity 3. Public Safety 4. Community Engagement and Contribution

CONTRIBUTION TO UN SDGS

STAKEHOLDER GROUPS

- Investor Community
- Government, Local Authorities and Regulator
- Tenants and Prospects
- Joint Management Bodies
- Property Managers/Employees
- Shoppers
- Suppliers
- Media
- Community/ NGOs

SUSTAINABILITY STATEMENT

Outlining Our Path Towards Sustainable Growth

Our sustainability policies formalise our commitment to responsible and sustainable practices. Designed to guide our strategies, decision-making processes, and daily operations, these policies enable us to integrate sustainability principles systematically across our REIT activities, striking a balance between strong performance and long-term sustainable growth.

Environmental Stewardship

Hektar REIT strives to minimise the environmental impact of our activities by reducing our energy consumption, promoting responsible waste management, and supporting initiatives that contribute to a sustainable environment. We will continue to monitor and improve the environmental performance of our assets and overall business practices.

Climate Change Policy:
Accelerates our transition to a low-carbon economy with a definitive target of Net-Zero emissions by 2050, driven by energy efficiency, renewable integration, and climate risk mitigation.

Water Stewardship Policy:
Ensures sustainable resource management and operational continuity by optimising consumption through efficient technologies, regulatory compliance, and robust backup storage measures.

Social Impact & Well-Being

We aim to create positive impacts on the communities in which we operate, committing to fostering inclusivity, improving the well-being of our stakeholders, and supporting social development initiatives. We will continue to engage with local communities and prioritise health, safety, and equal opportunities for everyone.

Occupational Safety & Health Policy:
Dedicated to safeguarding the well-being of our employees, visitors, and stakeholders.

Human Rights Policy:
Upholds fundamental human rights across our operations and supply chain by guaranteeing freedom of association, prohibiting forced labour, and ensuring a safe, inclusive workplace.

Economic Growth and Governance

We are dedicated to achieving sustainable financial growth by operating with transparency, integrity and ethical business practices, upholding robust governance structures and ensuring compliance with all relevant laws and regulations. Hektar REIT strives to enhance stakeholder value while maintaining the trust and confidence of our unitholders, investors, employees and other key stakeholders.

Sustainable Procurement Policy:
Prioritises suppliers who demonstrate environmental responsibility and ethical labour standards, integrating sustainability criteria alongside cost and quality evaluations.

Event Stewardship Policy:
Minimises the environmental footprint of our events by enforcing strict waste management hierarchies and prioritising responsible sourcing to drive positive social impact.

Anti-Money Laundering Policy:
Mandates strict compliance with Anti-Money Laundering and Anti-Terrorism Financing Act (AMLATFA) 2001 through rigorous customer due diligence and zero-tolerance protocols to safeguard against financial crimes.

Sustainable Investment

We aim to invest in properties and initiatives that align with our sustainability objectives, focusing on assets that are environmentally responsible, economically viable, and socially beneficial. Hektar REIT shall ensure that appropriate and adequate measures are planned for implementation to minimise and mitigate any potential and/or identified ESG risks for new acquisitions.

Sustainable Investment Principles:
Integrates robust ESG criteria - including climate resilience and ethical governance - into all acquisition and asset management decisions to build a Net-Zero aligned portfolio.

SUSTAINABILITY STATEMENT

Contributing to Global Progress

The United Nations Sustainable Development Goals ("SDGs") comprise 17 global priorities aimed at driving meaningful change toward a more sustainable and equitable world. Hektar REIT has adopted nine of those goals most relevant to our operations, ensuring that our initiatives as a REIT make a purposeful contribution to the 2030 Agenda for Sustainable Development.

SDG 4: Quality Education

Target 4.4: Increase the number of people with relevant skills for financial success

- Provided 5,053.5 total training hours this year through diverse training modules and continuous learning opportunities for our employees

SDG 5: Gender Equality

Target 5.5: Ensure full participation in leadership and decision-making

- 20% of the Board of Directors in 2025 comprised of women

SDG 7: Affordable and Clean Energy

Target 16.5: Double the improvement in energy efficiency

- Conducted energy audits and implemented energy efficiency measures such as LED upgrades, cooling coil replacements, and air-conditioning optimisation
- Solar panel installations across five properties are expected to be completed by Q1 2026, generating green energy equivalent to approximately 15% of each property's electricity consumption

SDG 8: Decent Work and Economic Growth

Target 8.5: Full employment and decent work with equal pay

- Adhered to equal pay principles and complied with the Employment Act 1955 and the Minimum Wages Order
- Provided compensation and benefits packages that exceed the minimum requirements under local labour laws

SDG 10: Reduced Inequalities

Target 11.7: Provide access to safe and inclusive public spaces

- By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status
- Institutionalise our Human Rights Policy to uphold our commitment to protecting human rights in line with the United Nations Universal Declaration of Human Rights

SDG 11: Sustainable Cities and Communities

Target 11.7: Provide access to safe and inclusive public spaces

- Enhanced accessibility with disability-friendly designs, including wheelchair access and dedicated facilities
- Strengthened security through upgraded surveillance, panic buttons, 24-hour security, and ladies-only parking
- Conducted regular fire drill and safety-device maintenance, and performed on-site inspections

SDG 13: Climate Action

Target 16.5: Strengthen resilience and adaptive capacity to climate-related disasters

- Established Climate Change Policy
- Enhanced climate-related disclosures by identifying climate-related risks and opportunities

SDG 12: Responsible Consumption and Production

Target 16.5: Substantially reduce waste generation

- Encouraged recycling by installing additional bins across shopping malls
- Collected 13,968kg of fabrics, 730kg of PET-1 bottles and 205kg of aluminium cans for recycling at Subang Parade

SDG 16: Peace, Justice and Strong Institutions

Target 16.5: Substantially reduce corruption and bribery

- Introduced an Anti-Money Laundering Policy alongside the Anti-Corruption and Anti-Bribery Policy
- Conducted regular anti-corruption training for employees and Board members
- Recorded zero confirmed cases of bribery or corruption in FY2025

SUSTAINABILITY STATEMENT

THE SUSTAINABILITY SCORECARD

We monitor our advancement towards our sustainability ambitions through a set of Key Performance Indicators ("KPIs") aligned with the Hektar REIT Forward Faster Sustainability Roadmap 2050. These KPIs serve as clear, measurable milestones that help us track our progress, stay accountable, and identify opportunities for continued improvement. The following section details our KPIs as well as our performance in FY2025 against the baseline.

2030 TARGETS	OUR PERFORMANCE IN FY2025
ADVANCING	Advancing low-carbon portfolios and strategically acquiring sustainable assets
Reduce 10% of Scope 1 and Scope 2 emissions by 2030 *Baseline: 4.743 kgCO_2e/ft²*	2.68% reduction
Reduce 20% of electricity consumption by 2030 *Baseline 2023: 8.37 kWh/ft²*	0.79% increase
Reduce 10% of water utilisation by 2030 *Baseline 2023: 0.026 m³/visitor*	14.15% reduction
Reduce 15% of waste disposed to landfill by 2030 *Baseline 2023: 1.485 kg/ft²*	3.30% reduction
CULTIVATING	Cultivating a responsible value chain and a committed, dignified workforce
Conduct annual sustainability assessments for all newly onboarded vendors and those with large active contracts	Completed sustainability assessments for 117 key vendors, prioritising new registrations and those with large active contracts
Provide at least 20 hours of Learning & Development for each employee	19.14 of training hours/employee
Maintain at least 30% women representation on the Board	20% of women representation on the Board of Directors
THRIVING	Thriving through investment in community, inclusivity, and transparency in excellence
Achieve zero-reported incidents of bribery and corruption	0 case reported
Commit to 1 annual company pledge to support community development initiatives	Hektar REIT committed to RM10,000 pledge with Dignity Malaysia
Maintain a FTSE4GOOD Bursa Malaysia ESG rating higher than 3.0	As of December 2025, Hektar REIT stands at 3.3 with 3-star rating

Not progressing | Progressing but not meeting interim target | Meeting interim targets, maintain performance towards 2030 targets

Note:
From FY2025 onwards, Hektar REIT adopted intensity-based environmental tracking using Gross Floor Area ("GFA") for emissions and electricity consumption, number of visitors for water utilisation, and Occupied Net Lettable Area (all malls) and Gross Floor Area (Classic Hotel) for waste disposed to landfill, replacing absolute reduction targets to better reflect operational efficiency across a growing portfolio. The FY2023 baseline was reassessed and recalibrated to ensure a transparent and reliable reference point for the Group's 2030 environmental targets, supporting stronger data governance and more consistent reporting

SUSTAINABILITY LEADERSHIP AT HEKTAR REIT

Our sustainability governance structure clearly outlines the roles and responsibilities at every level, ensuring accountability and ethical decision-making throughout the organisation. At the helm is the Board of Directors, which upholds ethical business conduct and oversees adherence to sustainability governance principles.

Supporting the Board is the Sustainability Steering Committee ("SSC"), which provides strategic direction, approves key sustainability initiatives, and monitors progress against established KPIs.

The SSC is further supported by the Sustainability Working Committee ("SWC"), which is responsible for developing and coordinating initiatives aligned with our strategic priorities. At the operational level, the Sustainability Department manages the execution of day-to-day sustainability actions, ensuring consistent and effective implementation across the REIT.

HAMSB BOARD OF DIRECTORS

Sustainability Steering Committee

Chairman – Chief Executive Officer of HAMSB

Deputy Chairman – Chief Operating Officer of HAMSB

Senior General Manager, Finance HAMSB	Chief Executive Officer of HPSSB	Senior Operating Officer of HPSSB

Sustainability Working Committee

Chairperson – Chief Executive Officer of HPSSB

- Senior General Manager, Group Leasing & Marketing
- All Centre Managers
- General Manager of Classic Hotel
- Sustainability Officer for Kolej Yayasan Saad
- All Heads of Department in HPSSB Corporate Office
- Sustainability Officer for HAMSB
- Sustainability Officer for HPSSB

Note:
- *HAMSB - Hektar Asset Management Sdn Bhd*
- *HPSSB - Hektar Property Services Sdn Bhd*

SUSTAINABILITY STATEMENT

RECOGNISING AND RESPONDING TO STAKEHOLDER EXPECTATIONS

Engaging meaningfully with our stakeholders is vital to building a resilient and forward-looking organisation. Our ability to create lasting value depends on our understanding of the needs and priorities of our diverse stakeholder groups. By actively seeking their views through a range of engagement channels, we ensure their insights inform our planning and guide our strategic decisions, helping us remain responsive, responsible, and well-aligned with their expectations.

STAKEHOLDER	AREA OF INTEREST	OUR RESPONSE	ENGAGEMENT METHOD
Investor Community	• Strong financial performance and consistent returns • Sustainable growth in net asset value • Prudent asset and capital management • Strategic outlook and growth prospects	• Deliver consistent returns through strong asset performance and dividends • Provide transparent and timely reporting on financial results • Ensure robust governance and risk management • Focus on strategic acquisitions and portfolio growth	**Ongoing** • Website updates • Attending inquiries via call, emails and walk-ins **Quarterly** • Financial results announcements and analyst briefing **Annually** • Annual reports • Annual general meetings **As needed** • Extraordinary general meetings • Roadshows, online and offline communications • Engagement dinners • Retail briefings
Government, Local Authorities and Regulators	• Compliance with relevant legislation, regulations, and policies • Tax contributions and economic development • Participation in MRMA (Malaysian REIT Manager Association) regulatory dialogues • Participate in scheduled inspections; audit and regulating reviews to ensure compliance • Conduct of internal and external audits to maintain transparency standards • Attending SC briefings and updates	• Adhere to all relevant laws and regulations • Building and maintaining rapport with local authorities • Contribute to local economies through taxes and job creation • Advocacy for REIT-friendly policies that protects investors and market stability • Collaboration with SC and Bursa to align industry practice with market expectations	**As needed** • Inspection • Audits • Meetings and consultation • Active participation • Community engagement with city councils and joint initiatives • SC briefings and updates • Supporting CSR initiatives • Stay informed of regulatory changes
Tenants and Prospects	• Consistent and high shopper traffic • Well-maintained properties with excellent management and service quality • Competitive rental rates that are value for money • Safety, security and well-being	• Drive traffic through marketing events • Ensure regular maintenance, sustainability integration, and efficient property management • Fair, flexible, and market-driven rental solutions • Uphold strict safety standards	**Ongoing** • Regular communication and engagement • Tenant circulars **Quarterly** • Tenant feedback meetings **As needed** • Support for critical tenants' corporate milestone events • Direct meetings and email exchanges • Tenant and shopper complaint form • Tenant briefings
Shoppers	• Quality and variety of retail offerings • Clean, safe, and enjoyable environments • Convenient with good accessibility and connectivity • Engaging promotions, events and overall customer experience	• Optimise tenants mix to enhance shopping experience • Provide conducive retail environments based on international best practices • Maintain high cleanliness and safety standards	**Ongoing** • Social media • Regular shopper events **Quarterly** • Focus group studies **As needed** • Shopper's survey • Feedback forms

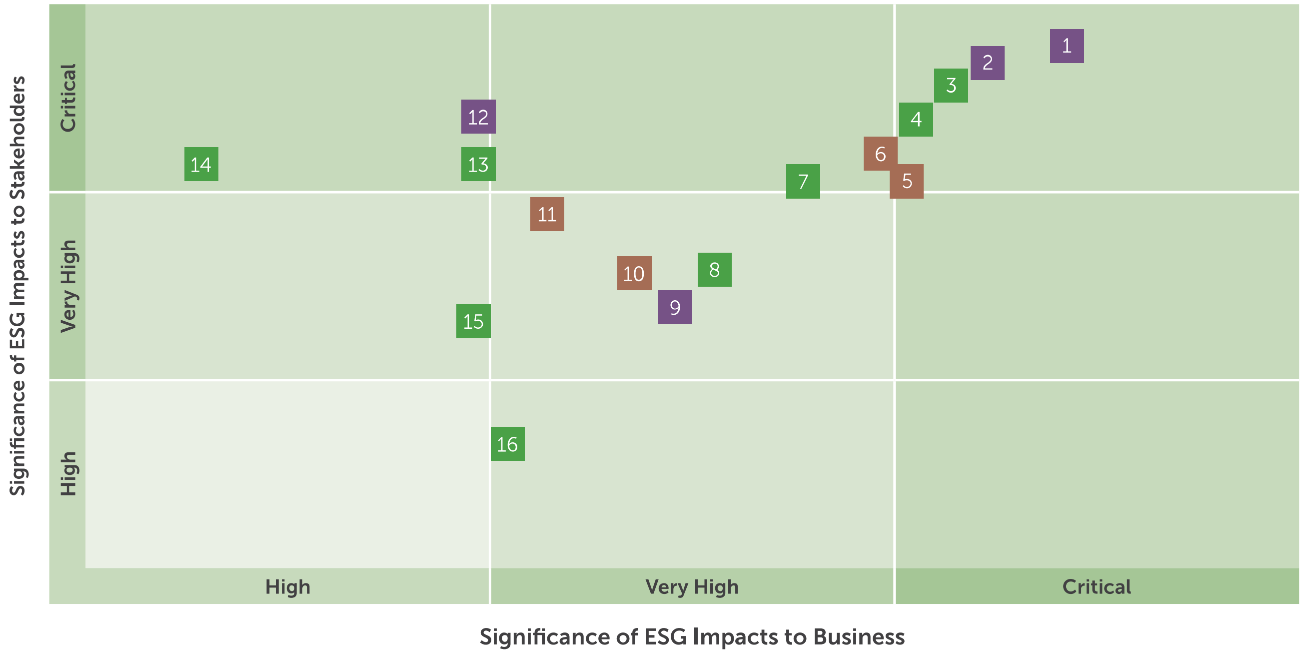
STAKEHOLDER	AREA OF INTEREST	OUR RESPONSE	ENGAGEMENT METHOD
Joint Management Bodies ("JMB")	• Efficient property operations and maintenance • Effective management of common areas and shared facilities in strata properties	• Fair and transparent collaboration for smooth operations • Maintain high standards for shared spaces • Focus on maintaining property quality and tenant happiness	**As needed** • JMB and MC Voting • Audited accounts and AGM minutes submission to the Commissioner of Buildings
Property Managers/ Employees	• Clear KPIs for property manager and centre management • Operational performance and tenant satisfaction • Training, development, and career growth opportunities • Working together to resolve tenant issues	• Provide resources for effective property management • Fair and equal employment opportunities • Invest in employees training, development and career progression • Safe and healthy working environment	**Weekly meetings** • Operations **On-going** • Internal communications **Monthly** • Employee engagement programmes • Workshops and trainings • Performance reviews **Annually** • Performance appraisal • Employee satisfaction survey • Annual operating plan • Strategic alignment meetings **As needed** • Town hall sessions • ESG day
Suppliers	• Fair procurement processes and payment terms • Long-term partnerships and business opportunities • Support of local suppliers	• Ensure fair contract terms and timely payment • Foster long-term supplier relationships • Ensure supplier compliance with health and safety standards	**Biannually** • Suppliers briefing and training programme **Annually** • Supplier screening and assessment **As needed** • Products and services quality feedback • Tender interview and request for proposal • Meetings and workshops
Community/Non-Governmental Organisations ("NGOs")	• Venue sponsors and donations • Social contributions and community engagement • Local economic development and employment opportunities	• Provide support in community development and activities • Create jobs and support local economic growth	**On-going** • Community engagement • Charity drives, sponsorships, donations and events • Collaborations and NGOs **Quarterly** • Festive and other get-together celebrations
Media	• Timely and transparent communication of updates • Business performance and achievements • ESG commitments and corporate reputation	• Provide regular and clear business updates • Share key performance and milestones • Highlight ESG efforts to strengthen reputation	**Quarterly** • Media and analyst briefings **As needed** • Media conferences and interviews • Media releases • Corporate website • Social media

SUSTAINABILITY STATEMENT

MATERIALITY ASSESSMENT

Understanding which sustainability matters genuinely shape our business is fundamental to driving real impact. At Hektar REIT, we pinpoint these priority areas through materiality assessments, helping us stay in step with what our stakeholders value most.

A comprehensive materiality assessment completed in FY2023 identified 16 material matters, followed by an update in FY2024 to align with the ACT Framework. While the next full assessment is scheduled for FY2026, an internal review conducted in FY2025 reaffirmed the relevance of these priorities and confirmed continued alignment with our strategy and market developments.



ADVANCING

3. Energy and Climate Change
4. Water Management
7. Waste Management
8. Effluent Management
13. High-quality Retail Estate and Enhancement
14. Green Office Practices
15. Green Leases
16. Eco-friendly Building Materials

UN SDGs

Key Stakeholder Groups

CULTIVATING

5. Human Rights, Diversity, Equity and Inclusion
6. Supply Chain Management
10. Occupational Health and Safety
11. Labour Practices and Standards

UN SDGs

Key Stakeholder Groups

THRIVING

1. Public Safety
2. Corporate Governance and Anti-Corruption
9. Data Privacy and Cybersecurity
12. Community Engagement and Contribution

UN SDGs

Key Stakeholder Groups

SETTING OUR TRAJECTORY TOWARDS NET-ZERO

As climate crises intensify, gaining a clear view of how our broader portfolio is affected has never been more important. By following established climate-related disclosure standards, we are better positioned to refine our transition strategy and provide stakeholders with a clearer and more detailed understanding of the climate-related risks and opportunities shaping the REIT.

Governance

As per our Sustainability Governance Structure outlined in the section **Sustainability Leadership at Hektar REIT**, HAMSB's Board provides oversight of climate-related risks and opportunities across our operations, ensuring they remain consistent with Hektar REIT's mission, vision, strategy and overall objectives. This work is supported by the SSC and led by HAMSB's Chief Executive Officer, who is responsible for evaluating and managing these climate-related risks and opportunities at a strategic level. The roles and responsibilities are outlined as below:

Oversight and Management of Climate-Related Risks and Opportunities	
Board's Oversight	**Management's Role**
Board of Directors – Strategic Oversight & Governance The Board ensures sustainability is integrated into the company's long-term strategy and risk management. Their key responsibilities include:	**Management – Execution & Implementation** Management is responsible for the operational execution of sustainability initiatives. Their key roles include:
Setting Sustainability Vision & Strategy • Approving the company's sustainability strategy, ensuring alignment with corporate goals and stakeholder expectations. • Defining long-term commitments, including Net-Zero targets and ESG priorities.	*Developing & Executing Sustainability Plans* • Translating the Board's sustainability vision into actionable policies, programmes, and initiatives. • Driving implementation of energy efficiency, waste management, carbon reduction, and social impact initiatives.
Governance & Accountability • Establishing a robust sustainability governance structure, including board committees (e.g., ESG or Risk Committee). • Holding senior management accountable for achieving sustainability objectives.	*Operational Risk Management & Compliance* • Ensuring day-to-day compliance with sustainability regulations and industry best practices. • Managing internal sustainability audits and certification process.
Risk Management & Compliance • Overseeing climate-related and ESG risks that could impact financial performance and business continuity. • Ensuring regulatory compliance with local and international sustainability frameworks (e.g., Bursa Malaysia, TCFD, ISSB, GRI, UNGC).	*Stakeholder & Employee Engagement* • Leading internal sustainability training, awareness, and capacity-building. • Engaging tenants, suppliers, and community partners on sustainability initiatives.
Stakeholder Engagement & Reporting • Approving ESG disclosures, sustainability reports, and investor communications. • Engaging with shareholders and regulators on ESG-related expectations.	*Data Collection & Reporting* • Monitoring and tracking sustainability performance metrics (e.g., carbon footprint, energy intensity, water usage). • Preparing sustainability disclosures, reports, and ESG performance dashboards for Board review.
Approving Major Sustainability Investments & Initiatives • Reviewing and approving high-value sustainability projects (e.g., solar panel investments, green financing, carbon reduction strategies). • Ensuring capital allocation supports long-term sustainable growth.	*Project Execution & Continuous Improvement* • Managing the rollout of sustainability projects, such as solar panel installations, green building certifications, and resource efficiency measures. • Identifying new sustainability opportunities, innovations, and technologies for adoption.
Monitoring & Performance Evaluation • Reviewing sustainability KPIs and ESG performance against targets. • Holding management accountable for sustainability-linked executive remuneration.	*Reporting to the Board* • Presenting regular updates on sustainability progress, challenges, and emerging risks. • Providing data-driven insights to support Board decision-making on ESG matters.

Strategy

Our climate-related risks fall into two categories: transition risks and physical risks. Transition risks arise from the move towards a low-carbon economy, driven by regulatory developments and changes in market expectations. Physical risks, on the other hand, result from the direct effects of climate change, including extreme weather events and rising temperatures, which can impact our assets and operations.

We have outlined the potential impacts and corresponding opportunities below. For more information on our climate strategy, refer to the "Forward Faster Sustainability Roadmap 2050".

Transition Risks and Opportunities	
Potential Impacts	**Opportunities**
Policy and Legal Effects of current and emerging regulations	
• Increased costs from more stringent environmental regulations and standards; non-compliance may lead to legal liabilities.	• Investing in smart building systems enhances our properties' building energy index and reduces costs associated with energy consumption. • Establishing robust emissions reporting systems ensures compliance and mitigates legal risks associated with climate regulations.
Technology Transitioning to lower-emission alternatives	
• Significant capital investments in solar panels and smart building solutions to enhance energy efficiency.	• Long-term cost savings from lower energy use and improved efficiency, enhancing asset resilience and supporting a low-carbon portfolio.
Market Changing market demand for sustainable and low-carbon assets	
• Properties that do not meet sustainability standards may face devaluation. • Increasing energy costs may prompt tenants to favour energy-efficient buildings. • Potential loss of tenants or difficulty in attracting new tenants.	• Upgrading to energy-efficient and sustainable properties can attract eco-conscious tenants. • Obtaining green building certifications can enhance property value and attract investors.
Reputation Changing consumer perceptions based on contribution to a low-carbon economy	
• Negative perceptions of the REIT's environmental impact may reduce consumer loyalty and foot traffic to retail properties.	• Proactively promoting sustainability initiatives can attract eco-conscious tenants and consumers. • Investing in sustainable practices and green certifications can enhance our reputation, fostering loyalty and trust among stakeholders.

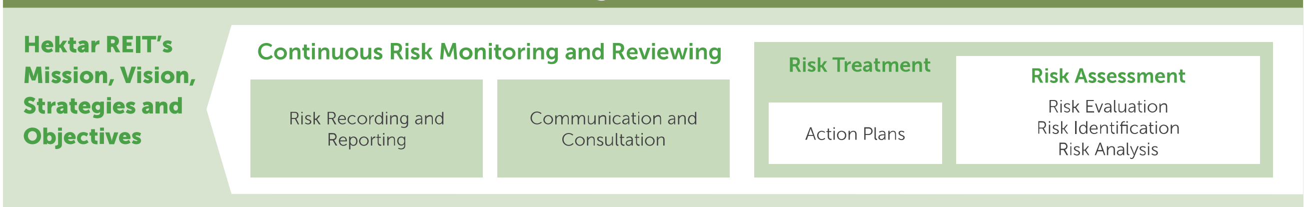
Physical Risks and Opportunities	
Potential Impacts	**Opportunities**
Acute Exposure to increasingly frequent and severe extreme weather events such as floods, storms and landslides	
• Potential damage to properties, leading to costly repairs and maintenance. • Early asset write-offs may occur for properties in high-risk areas.	• Retrofitting properties with climate-resilient features enhances asset value. • Implementing risk management strategies protects assets and reduces the risk of asset write-offs. • Diversifying investments in low-risk areas reduces exposure to extreme weather.
Chronic Exposure to prolonged climate shifts, including rising temperatures, changing precipitation patterns, and rising sea levels	
• Increasing operational costs during periods of higher energy demand for cooling. • Potential increase in insurance premiums.	• Adopting energy-efficient technologies, such as solar panels and Heating, Ventilation, and Air Conditioning ("HVAC") systems reduces operational costs. • Conducting regular insurance reviews to ensure adequate climate-related coverage and reduce financial risk. • Investing in resilient infrastructure and retrofits to reduce vulnerability to climate impacts, potentially lowering insurance costs.

Risk Management

The Manager carries out annual risk assessments to identify, assess, and document material risks, including relevant sustainability risks, key controls, and mitigation measures. Our Enterprise Risk Management ("ERM") Framework aligns with the ISO 31000:2018 Risk Management - Guidelines and sets out the policies and procedures required for effective risk management.

The Board holds ultimate responsibility for risk management and the implementation of the ERM Framework, and carries out oversight through the Audit and Risk Management Committee ("ARMC"). The Risk Officer prepares a half-yearly Risk Report to highlight significant risk exposures across Hektar REIT. Management reviews the consolidated material risks, along with their associated controls, before presenting them to the ARMC and the Board.

Risk Management Procedures



Climate-related risks are now fully integrated into our ERM framework. To strengthen our oversight, we have formally embedded climate change into our risk register, ensuring these exposures are evaluated alongside critical business priorities. Moving forward, we are expanding our assessment to encompass broader sustainability-related risks, ensuring full alignment with the International Financial Reporting Standards ("IFRS") Sustainability Disclosure Standards (IFRS S1 & S2).

SUSTAINABILITY STATEMENT

Metrics & Targets

We track and report our annual Scope 1, Scope 2, and limited Scope 3 GHG emissions, covering sources such as business travel and employee commute. All emissions are calculated according to the methodology outlined in the GHG Protocol Corporate Accounting and Reporting Standard to ensure accuracy and consistency in our reporting.

Metric	Unit	Description
GHG Emissions	tonnes of Carbon Dioxide equivalent ("tCO_2e")	Quantifies Scope 1, 2 and 3 (limited to business travels, employee commute and downstream leased assets) GHG emissions
Energy Usage	Gigajoules ("GJ")	Tracks total fuel and electricity consumption
Fuel Consumption	Litres ("L")	Measures the total amount of fuel used
Electricity Consumption	kilowatt-hours ("kWh")	Records the total electricity consumption
Waste	Tonnes	Measures total amount of waste generated
Water Usage	cubic metre ("m^3")	Measures total water consumption

In addition, a series of KPIs drawn from the Hektar REIT Forward Faster Sustainability Roadmap 2050 targets the reduction of GHG emissions, the improvement of energy and water efficiency, and the enhancement of waste management, with short-term objectives set for completion by FY2030.

Further details on our management approach and performance metrics are provided in the "Energy and Climate Change" section.

Following Malaysia's introduction of the National Sustainability Reporting Framework ("NSRF"), Hektar REIT is actively transitioning its reporting to align with the global IFRS S1 and S2 standards. This transition allows us to provide stakeholders with a transparent view of how climate-related risks translate into current and anticipated financial effects. Anchored by the core pillars of Governance, Strategy, Risk Management, and Metrics & Targets, we remain committed to contributing to national and global climate goals.

ADVANCING LOW-CARBON PORTFOLIO AND STRATEGICALLY ACQUIRING SUSTAINABLE ASSETS

Hektar REIT regards sustainability as a key driver of long-term resilience within an increasingly complex and evolving environmental landscape. We prioritise the integration of environmental initiatives across our built assets, seeking to advance national sustainability priorities while supporting our continued growth as a commercial real estate REIT.

Contribution to UN SDGs

7 AFFORDABLE AND CLEAN ENERGY
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION

Material Matters

- Energy and Climate Change
- Water Management
- Waste Management
- Effluent Management
- Green Office Practices
- Eco-friendly Building Materials
- High-quality Retail Estate and Enhancement
- Green Leases

Key Stakeholder Groups

- Investor Community
- Property Managers /Employees
- Media
- Government, Local Authorities and Regulators
- Joint Management Bodies
- Tenants and Prospects
- Community/ NGOs
- Shoppers

FY2025 Highlights

Initiated Solar PV Project across 5 properties that will reduce electricity consumption by **up to 15%**

3.35% Reduction in Scope 1 and Scope 2 GHG emissions intensity across all properties against 2024

18.42% Reduction in water utilisation intensity against 2024

14,903kg of waste has been recycled

Fabric **13,968kg**

PET-1 bottles **730kg**

Aluminium cans **205kg**

SUSTAINABILITY STATEMENT

ENERGY AND CLIMATE CHANGE

Climate change is reshaping the way assets are managed, and we recognise the responsibility this places on us as a property manager. Our approach focuses on strengthening the resilience of our portfolio while supporting the transition towards a lower-carbon future. By embedding sustainability into how we plan, operate, and invest, we aim to deliver enduring value for our stakeholders.

Net-Zero Ambition and Climate Action

We have set a long-term ambition to achieve net-zero carbon emissions across all properties by 2050, encompassing both operational and embodied carbon. Progress towards this goal will be driven by targeted actions, including:

Lowering operational emissions (Scope 1 and 2)
by 2030 through improved energy performance and closer collaboration with tenants, suppliers, and partners to adopt cleaner, more efficient solutions.

Influencing value-chain emissions (Scope 3)
by working with stakeholders to encourage responsible practices and accelerate the adoption of low-carbon alternatives by 2030.

Enhancing asset sustainability
by integrating energy-efficient technologies and sustainable design principles into new acquisitions and ongoing asset enhancement works.

Our Climate Action Priorities

Our approach to climate action centres on reducing emissions, strengthening asset resilience and embedding sustainability into investment and operational decisions. Through the following priority areas, we seek to lower our environmental impact while creating long-term value across our portfolio.

Energy efficiency and clean energy adoption

We are taking active steps to curb energy consumption across our properties by upgrading systems, retrofitting existing assets and progressively increasing the use of renewable energy. These efforts are designed to reduce emissions while delivering long-term operational efficiencies.

Responsible materials and construction practices

Where development or refurbishment is undertaken, we prioritise the use of responsibly sourced and environmentally considerate materials with lower embodied carbon. Our focus extends to minimising material waste and reducing overall resource intensity throughout the project lifecycle.

Embedding climate risk into decision-making

Climate-related risks are systematically evaluated across our portfolio and factored into strategic planning. By identifying and prioritising both adaptation and mitigation measures, we aim to enhance the resilience and long-term performance of our assets.

Partnerships for wider impact

Recognising that a significant portion of our carbon footprint lies beyond our direct operations, we work closely with tenants, suppliers and local communities to promote sustainable practices. Collaboration and shared responsibility are central to driving meaningful progress on climate action.

Sustainability-led investment strategy

Our investment decisions are guided by our Sustainable Investment Principles, with emphasis placed on assets that offer opportunities for sustainability improvements and energy optimisation. This approach supports value creation while aligning our portfolio with long-term environmental objectives.

Solar Photovoltaic ("PV") Installation Programme

As part of our commitment to climate-conscious operations, we are rolling out on-site PV systems across our retail portfolio, including Subang Parade, Mahkota Parade, Central Square, Kulim Central, and Segamat Central through a 20-year strategic partnership with Samaiden Group Berhad ("Samaiden"). Samaiden assumes full responsibility starting from the end-to-end solar design, installation, and maintenance of the systems for the 20 years tenure.

Scheduled for full commercial operation by the first half of 2026, this project is a core pillar of our ACT (Advance, Cultivate, Thrive) Framework and aligns with the United Nations Global Compact ("UNGC") principles. By integrating a Zero-Capex Model, we are advancing our sustainability credentials without upfront capital expenditure, allowing us to redirect resources toward other strategic priorities while securing immediate operational efficiencies.

This transition is designed to optimise the Triple Bottom Line by enhancing environmental impact, ensuring financial resilience, and delivering long-term benefits to our tenants, investors, and communities. By diversifying our energy mix with a total capacity of 5,012.08 kWp, we are directly supporting Malaysia's Renewable Energy Roadmap ("MyRER") and the national goal of Net-Zero emissions by 2050 while mitigating exposure to electricity price volatility.

Project Milestones at a Glance

RM41.3 million
total projected cumulative energy cost savings over the 20-year tenure (Approx. RM2.06 million annually)

Estimated avoidance of
98,640 tCO_2e
of Scope 2 carbon emissions over the project lifespan

The environmental impact equivalent to planting over 200 thousand trees per year
(205,500 trees per year)

Up to
15% potential reduction of annual operational electricity costs across participating assets

Hektar REIT and Samaiden Group at the signing ceremony for the solar panel project

Zainal Iskandar Bin Ismail, Executive Director & Chief Executive Officer of Hektar REIT, delivering his speech during the ceremony

Energy Efficiency Initiatives

In addition to our transition toward renewable energy adoption, Hektar REIT continues to implement operational initiatives to improve energy efficiency across our portfolio. These efforts focus on optimising equipment performance and reducing unnecessary electricity consumption while maintaining high operational standards. Key initiatives include:

Scheduling a **2-hour chiller shutdown** from 3am to 5am at Classic Hotel that saves approximately RM4K to RM5K per month

Installation of a **digital timer for the Water-Cooled Packaged Unit ("WCPU")** to reduce electricity consumption through scheduled operation at Wetex Parade

These comprehensive efforts encompassing both our green energy transition and our efficiency measures are directly linked to the Sustainability-Linked Financing (SLF) secured with CIMB Bank.

Sustainability-Linked Financing with CIMB Bank

This facility ties our interest rate margins to our electricity consumption performance across our retail malls and hotel assets. By meeting these energy reduction targets, Hektar REIT is eligible for a stepped-down interest rate

This effectively aligns our environmental stewardship with optimised financing costs. This financial incentive reinforces our commitment to advancing green energy adoption, improving operational efficiency, and delivering long-term value creation

In FY2025, Hektar REIT's total landlord energy consumption was 29,424,939 kWh of electricity, alongside 111.17 GJ of energy from diesel used for generator operations.

In response to energy audit recommendations, we have implemented targeted efficiency measures to optimise current consumption. Concurrently, larger-scale initiatives requiring significant capital investment are being evaluated for inclusion in our long-term energy strategy to ensure continued progress toward our sustainability goals.

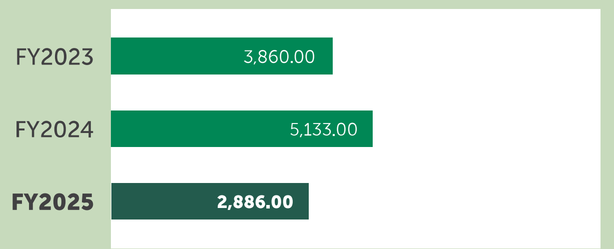
	FY2023	FY2024	FY2025
Total Building Energy Index ("BEI") (kWh/m^2/year)	146.04	146.06	**139.60**

Notes:
- *Data include all properties managed by Hektar REIT including leased asset Kolej Yayasan Saad in the FY2025 data following its acquisition in July 2024*
- *Data was calculated based on electricity consumption from Hektar's TNB bills against the Gross Floor Area. Gross Floor Area ("GFA") was used for all properties as declared in our Annual Report*

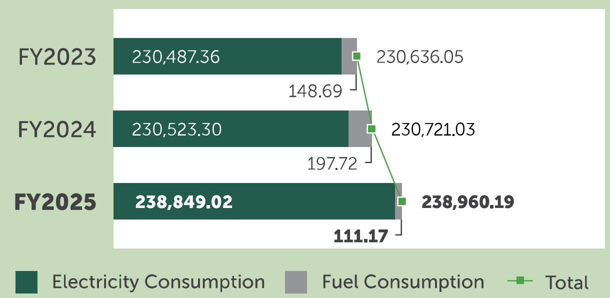
Total Building Electricity Consumption (kWh)

Notes:
- *Figures stated may not add up due to rounding of decimals*
- *Data for FY2023 and FY2024 have been restated*
- *Tenant electricity consumption is derived from tenants' own TNB meters or from Hektar REIT submeters where electricity is supplied by the Group and recharged to tenants*
- *Sole lots and leased asset (Kolej Yayasan Saad) electricity consumption is included within Tenant electricity consumption*

Fuel Consumption (L)



Total Energy Consumption (GJ)



Notes:
- *Figures stated may not add up due to rounding of decimals*
- *Data for FY2023 and FY2024 have been restated*
- *Electricity consumption under Total Energy Consumption includes both landlord and tenant consumption, with sole lots and the leased asset (Kolej Yayasan Saad) included within tenant electricity consumption*

Total GHG Emissions

Our total GHG emissions comprise direct Scope 1 emissions from fuel consumption, indirect Scope 2 emissions from landlord electricity consumption, and Scope 3 emissions, which encompass activities such as business travel, employee commutes and downstream leased assets (i.e: tenant, leased asset and sole lots electricity consumption).

In FY2025, there is a 2.05% reduction in total emissions, equivalent to 1,036.83 tCO_2e, compared to previous year.

	FY2023	FY2024	FY2025
Total GHG Emissions (tCO_2e)	50,332.05	50,580.17	**49,543.35**

Scope 1 and Scope 2 GHG Emissions

Our greenhouse gas emissions are mainly driven by electricity consumption across our buildings and fuel use for generator operations across our properties. We achieved an overall 3.35% intensity reduction in combined Scope 1 and 2 emissions against 2024. This positive outcome reflects the effectiveness of our Group-wide energy efficiency initiatives, which more than offset the emissions impact of portfolio expansion.

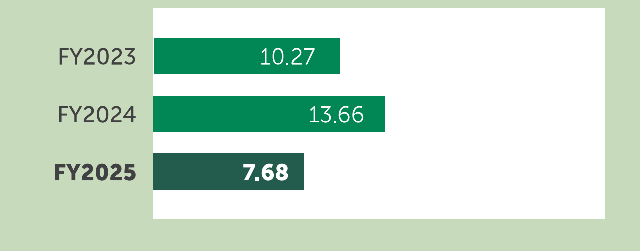
	FY2023	FY2024	FY2025
Total Scope 1 and Scope 2 GHG Emissions (tCO_2e)	22,382.27	22,538.09	**21,782.14**
Total Scope 1 and Scope 2 GHG Emissions Intensity $kgCO_2e/ft^2$	4.743	4.776	**4.616**

Note:
- *Data for GHG Emissions Intensity was calculated using the Gross Floor Area. Gross Floor Area ("GFA") was used for all properties as declared in our Annual Report*

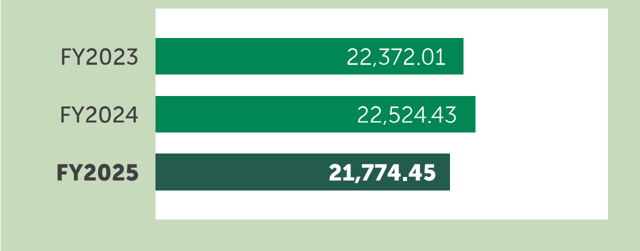
3.35%
Reduction in Scope 1 and Scope 2 GHG Emissions Intensity across all properties against 2024

Solar panel installation at Mahkota Parade

Scope 1 GHG Emissions (tCO_2e)



Scope 2 GHG Emissions (tCO_2e)



Notes:

- Figures stated may not add up due to rounding of decimals
- Data for FY2023 and FY2024 have been restated
- Scope 1 emissions result from the direct combustion of diesel for genset by centres. These were calculated using the UK Department for Environment, Food & Rural Affairs (DEFRA) guidelines with the following emission factors ($kgCO_2e/L$):
  - Diesel: FY2023 (2.66), FY2024 & FY2025 (2.66155)
  - Petrol: FY2023 (2.35), FY2024 (2.35372), FY2025 (2.33984)
- Scope 2 emissions stem from purchased grid electricity by landlord operations and were calculated using the Grid Emission Factor (GEF) from Malaysia's Energy Commission (Suruhanjaya Tenaga) with the following emission factors ($kgCO_2e/kWh$):
  - FY2023 & FY2024 (0.774)
  - FY2025 (0.74)

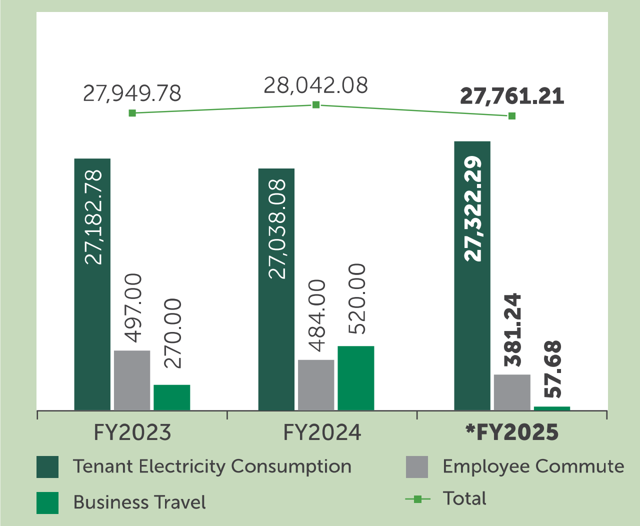
Scope 3 GHG Emissions

In FY2025, our Scope 3 emissions totalled 27,761.21 tCO_2e, comprising tenant, leased asset and sole lots electricity consumption, business travel, and employee commuting. Emissions from tenant, leased asset and sole lots electricity consumption were influenced by factors such as space usage, operating hours, and installed equipment.

For this reporting period, our business travel disclosures focused specifically on land-based travel to ensure consistent and accurate data tracking.

Additionally, we surveyed employees across Hektar REIT to better understand commuting patterns. These insights enable us to set more precise targets and take meaningful steps to reduce our overall environmental impact.

Scope 3 GHG Emissions (tCO_2e)



Notes:

- Figures stated may not add up due to rounding of decimals
- Data for Tenant Electricity Consumption FY2023 and FY2024 have been restated
- *FY2025 Scope 3 emissions were calculated based on a survey response rate of 37.88% (100 out of 264 employees) and prorated to represent the full employee population
- Tenant electricity consumption is derived from tenants' own TNB meters or from Hektar REIT submeters where electricity is supplied by the Group and recharged to tenants. Sole lots and leased asset (Kolej Yayasan Saad) electricity consumption is included within Tenant electricity consumption. These were calculated using the Grid Emission Factor (GEF) from Malaysia's Energy Commission (Suruhanjaya Tenaga) with the following emission factors ($kgCO_2e/kWh$):
  - FY2023 & FY2024 (0.774)
  - FY2025 (0.74)
- Emission for employee commute and business travel for FY2025 were calculated using the emission factor from UK Department for Environment, Food & Rural Affairs (DEFRA) 2025 guidelines with the following emission factors:
  - Car ($kg CO_2e$/vehicle-km): Diesel (0.17304), Petrol (0.16272), Hybrid (0.12825)
  - Motorcycle ($kg CO_2e$/vehicle-km: 0.11367
  - Train ($kg CO_2e$/passenger-km): 0.0286
  - Bus ($kg CO_2e$/passenger-km): 0.10385

WATER MANAGEMENT

While Hektar REIT's properties are not located in water-stressed areas, we recognise the growing importance of responsible water stewardship in addressing long-term scarcity risks and reducing environmental impact. We refer to our Water Stewardship Policy to guide us in our water management approach, focusing on managing risk, improving efficiency and strengthening operational resilience across the portfolio. We integrate responsible water management into daily operations while ensuring compliance with regulatory requirements and preparedness for water-related disruptions.

Water Stewardship Policy	
Regularly **assessing water-related risks and opportunities** with potential financial or strategic implications across the portfolio	Ensuring **backup water storage capacity** meets or exceeds regulatory minimums, with continuous monitoring of effluent discharge against environmental standards
Establishing and maintaining **standard operating procedures** for managing water shortages, supply disruptions and water-related incidents at all operational sites	Embedding **water-efficient technologies** across properties to optimise usage
Incorporating water efficiency requirements into tenant fit-out guidelines to encourage responsible consumption	Assessing the **feasibility of rainwater harvesting** and other non-potable water solutions at operational sites

Oversight of water stewardship lies with the Board of Directors, supported by the Sustainability Department, which coordinates implementation and tracks performance against targets. Each property is responsible for on-site execution, working closely with tenants to foster responsible water use. Key water management initiatives implemented over the past year include:

Water Management Initiatives

- Sub-metering by zone to **monitor water consumption** more accurately and **identify abnormal water readings or high-usage areas**.
- **Installation of water-efficient fixtures**, including low-flow faucets, sensor taps, and water-saving fittings.
- **Optimisation of cooling tower operations**, including efficient management of blowdown cycles to reduce water loss.
- **Regular inspection and maintenance of piping systems** by the in-house maintenance team to promptly detect and repair leaks.
- **Awareness campaigns** to promote **responsible water use** among tenants and employees.
- **Sustainable landscaping practices**, such as selecting low-water-demand plants, to minimise irrigation needs.

The following data outlines our water consumption patterns over the last three financial years. The breakdown by property illustrates the impact of our conservation efforts and the expansion of our portfolio.

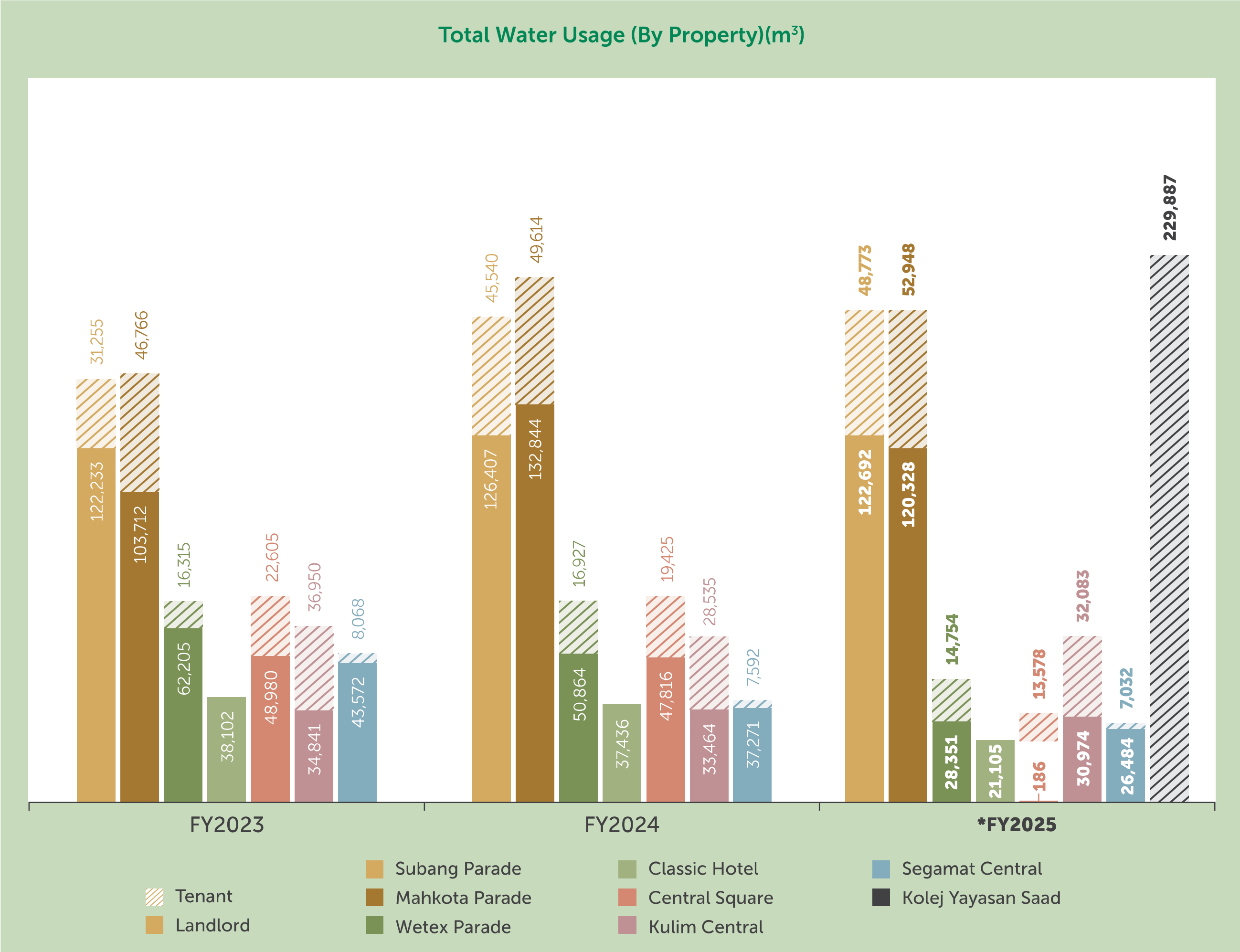
	FY2023	FY2024	*FY2025
Total Water Usage Intensity (m^3/visitor)	0.026	0.028	**0.023**

Notes:

* *Data was calculated using the number of visitors for the year. Number of visitors was used for all malls and number of guests was used for Classic Hotel*

* *Data does not include HAMSB Office (HQ) as there is no water bill*

SUSTAINABILITY STATEMENT



Notes:
- *Figures stated may not add up due to rounding of decimals*
- *Data for FY2023 and FY2024 have been restated*
- **Data include all properties except for HAMSB Office (HQ). FY2023 and FY2024 data does not include Kolej Yayasan Saad, starting FY2025 reporting boundary was expanded to include our leased asset, Kolej Yayasan Saad*
- *Data is inclusive of both tenant and landlord water consumption, based on water bills*
- *Tenant water consumption is derived from tenants' own water submeters where water is supplied by the Group and recharged to tenants*

WASTE AND EFFLUENT MANAGEMENT

Hektar REIT adopts a proactive approach to waste management, guided by our ESHS Policy. Our goal is to minimise the environmental impact of day-to-day operations through structured and responsible waste handling practices. The Property Manager is responsible for implementing Waste Management SOPs across all operational areas, including tenant activities, food and beverage outlets, and refurbishment works.

Where waste generation cannot be eliminated, we seek to minimise its impact through sustainable, legally compliant methods. Our approach is aligned with the waste management principles — prevention, reduction, reuse, recycling, recovery and, as a last resort, disposal — and complies with the Solid Waste and Public Cleansing Management Act 2007.

Key Waste Management Practices

Property-Level Waste Plans

Each property operates under a structured Waste Management Plan, ensuring all environmental documentation meets regulatory standards and internal benchmarks.

Green Office Practices

We have accelerated the adoption of digital solutions, reducing paper dependency and optimising workflows.

Tenant Compliance

We embed waste management obligations directly into Tenancy Agreements. Compliance is verified through periodic site inspections.

Regulated Disposal

We partner with licensed contractors to ensure that all waste collection and disposal processes adhere to environmental regulations and safety protocols.

Waste Segregation

Properties and tenants are provided with temporary storage facilities for domestic, scheduled and non-hazardous waste.

Recycling Bins and Awareness Campaigns

Some of our properties have recycling bins installed with awareness campaigns to improve waste management and sustainability performance.

Recycling Consumables

We provide conveniently located recycling bins in our guest rooms at Classic Hotel to encourage our guests to join us in reducing waste by recycling shampoo and water bottles during their visit.

Fabric Collection for Recycling

In collaboration with Kloth Cares, we continue to host fabric recycling bins in our basement car parks. This initiative facilitates the responsible disposal of textiles, and has successfully collected 13,968kg of fabric to date.

Plastic Bottles & Aluminium Cans Collection for Recycling

We continue to host the KLEAN machines on the Lower Ground Floor, allowing users to exchange plastic bottles and aluminum cans for reward points via the KLEAN app. To date, we have successfully collected 935.43kg of Polyethylene Terephthalate (PET) and aluminum cans.

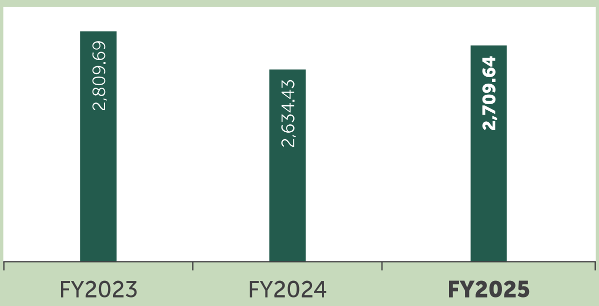
In FY2025, our total waste disposed to landfill intensity shows a slight increase compared to FY2024. While the waste diverted through initiatives such as Kloth Cares and KLEAN does not contribute to this specific increase, given that the recyclables were collected from the public rather than generated by the properties, these efforts nevertheless reinforce our commitment to responsible waste management and circular economy practices.

Nonetheless, these initiatives play a meaningful role in reducing broader community waste and promoting sustainable disposal practices.

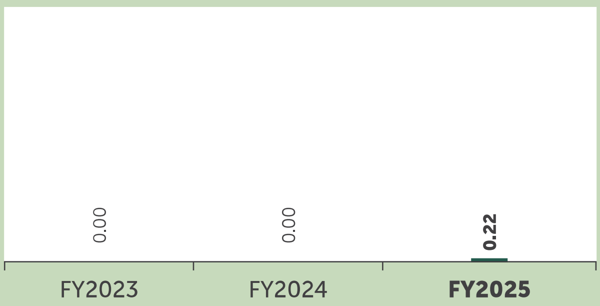
	FY2023	FY2024	**FY2025**
Total Waste Disposed to Landfill Intensity (kg/ft^2)	1.485	1.431	**1.436**

Note:
- *Data was calculated using Occupied Net Lettable Area for all malls and Gross Floor Area for Classic Hotel. Total Occupied Net Leasable Area and Gross Floor Area are as declared in our Annual Report*

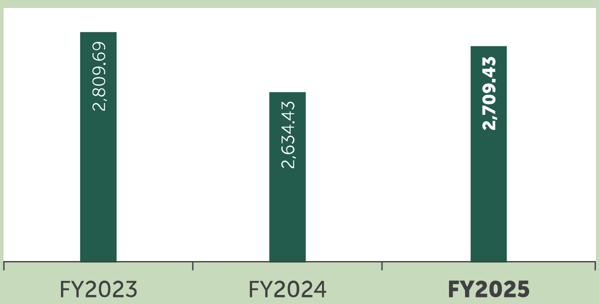
Total Weight of Waste Generated (Tonnes)



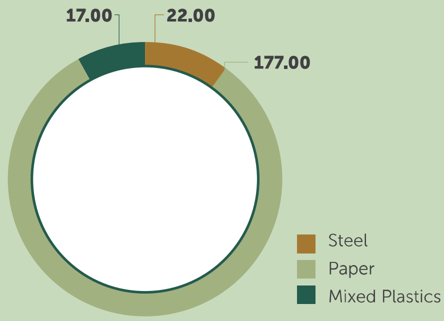
Total Weight of Waste Diverted from Disposal (Tonnes)



Total Weight of Waste Directed to Disposal (Tonnes)



Total Weight of Waste Recycled (kg)



Notes:
- *Figures stated may not add up due to rounding of decimals*
- *Data for FY2023 and FY2024 have been restated*
- *Data does not include HAMSB Office (HQ) and our leased asset, Kolej Yayasan Saad as their waste is collected by the local municipal/building management which quantity cannot be traced*
- *Waste disposed to landfill is based on the weight declared and claimed by the waste management company that handles our centres waste disposal. The weight is based on the weighbridge measurement at the landfill they dispose at*

We believe that a greener planet starts at the office. We encourage our employees to join our waste reduction efforts by adopting some green office practices, including double-sided printing to reduce paper usage and use of reusable cups and kitchenware.

To strengthen effluent control and environmental protection, a wastewater management SOP was implemented and is overseen by the Property Manager, ensuring effective and compliant effluent discharge management across our portfolio. Some ongoing practices are:

Regular Inspections
Daily and weekly checks on sewage treatment plants

Maintenance Activities
Grease traps and discharge pipes cleaning, as well as conducting monthly water discharge tests as part of Planned Preventive Maintenance

HIGH-QUALITY RETAIL ESTATE AND ENHANCEMENT

At Hektar REIT, sustainability is integral to the way we design and operate our retail spaces, shaping every aspect of the customer experience. Our upgrades prioritise energy efficiency, passive design features, and the use of eco-conscious, responsibly sourced materials, creating spaces that are both environmentally responsible and adaptable to the changing needs of tenants and visitors.

Tenant Satisfaction Survey

We conducted Tenant Satisfaction Surveys across all properties to gather feedback across seven key areas:

- Condition and Appearance of the Shopping Centre
- Cleanliness in Common Areas and Responsiveness
- Reliability and Speed of Maintenance
- Security Management
- Car Park Conditions
- Leasing Support and Services
- Marketing Efforts and Services

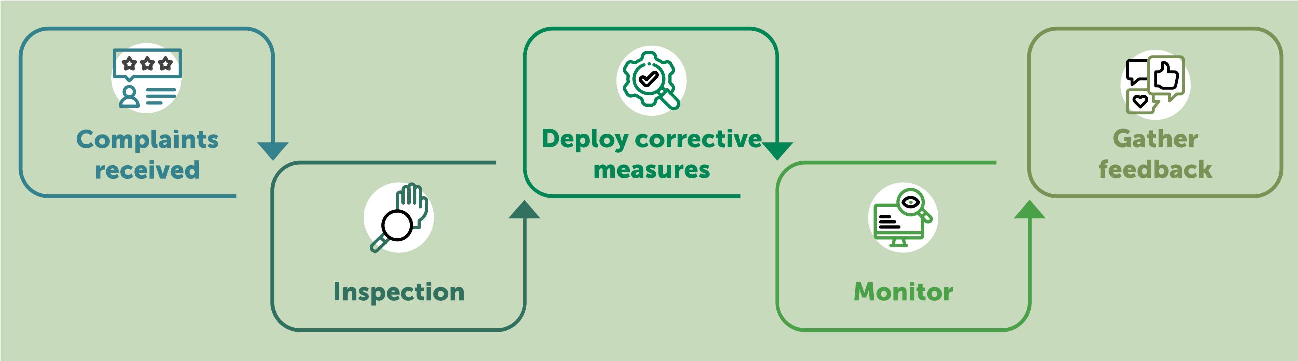
Tenant Satisfaction Score (Rating):-

The survey results reflect tenant satisfaction score across properties, highlighting positive performance while identifying opportunities for continued improvement in tenant engagement and service excellence.

Note: *Data is not applicable for Kolej Yayasan Saad, HAMSB Office (HQ) and Classic Hotel*

Processes to remediate negative impacts

To address any negative impacts highlighted through tenant and customer feedback, the Group has established clear grievance management processes:



All tenant and customer feedback is promptly acknowledged and addressed, with department heads and managers coordinating appropriate measures to maintain a safe, comfortable, and well-managed environment.

Each case is carefully monitored to ensure effective resolution, while insights gathered through feedback forms, emails, and on-site observations drive ongoing improvements across all properties.

In FY2025,

16
Tenant grievances have been resolved

13
Public grievances have been resolved

ECO-FRIENDLY BUILDING MATERIALS

We prioritise the use of environmentally responsible materials across our refurbishments and maintenance works. By shifting away from conventional options, we actively reduce the environmental "weight" of our physical assets. Here is how Mahkota Parade put this into practice over the past year:

Compliance with Recognised Standards and Certifications

Eco-friendly materials used in the project comply with recognised sustainability standards, including:

- **Sustainable Forestry:** FSC (Forest Stewardship Council) certification for all timber and plywood products to ensure responsible forest management.
- **Indoor Environmental Quality:** Low-VOC and Green Label-certified paints, in accordance with Malaysian Standards (MS) and ISO environmental requirements.
- **Circular Materiality:** Verification of recycled content for steel and plastic composites, supported by supplier-provided certification.
- **Green Building Framework:** Selection of materials, such as cool-roof systems and insulation, that align with **Green Building Index ("GBI")** recommendations to enhance asset efficiency.

Types of Eco-Friendly Materials Used

Mahkota Parade adopts various eco-friendly building materials:

- **Recycled Steel:** Utilised in structural refurbishments to minimise reliance on virgin materials and promote circularity.
- **Low-VOC Paints:** Deployed in common areas and offices to enhance indoor air quality and occupant well-being.
- **Sustainably Sourced Timber:** FSC-certified timber and plywood used for carpentry and hoardings, ensuring responsible forest management.
- **Low-Carbon Concrete & RCA:** Incorporating Recycled Concrete Aggregates in pavement and non-load-bearing works to reduce carbon intensity and construction waste.
- **Recycled Plastic Composites:** Repurposed plastics used for durable outdoor fittings, landscaping, and partitions.
- **Cool Roof Coatings:** High-reflectivity coatings applied to roof surfaces to lower heat absorption and optimise HVAC energy efficiency.

Environmental Benefits

The use of eco-friendly materials delivers the following environmental benefits:

Lower Carbon Footprint

- Using recycled steel and low-carbon concrete that cuts emissions right at the source.
- Cool-roof coatings keep our buildings naturally cooler, saving electricity on air conditioning.

Lower Embodied Energy

- Materials such as recycled concrete aggregates (RCA), recycled plastic composites, and bamboo require less energy to produce than conventional materials.
- FSC-certified timber stores carbon and avoids emissions from unsustainable logging practices.

Reduced Resource Depletion

- Recycled materials reduce reliance on virgin resources such as ore, sand, and timber.
- Sustainably sourced timber supports responsible forest management.
- Low-VOC paints reduce chemical pollutants and improve indoor air quality, benefiting both occupants and the environment.

CULTIVATING A RESPONSIBLE VALUE CHAIN AND A COMMITTED, DIGNIFIED WORKFORCE

"Cultivate" speaks to Hektar REIT's broader purpose: creating an environment where people are valued, protected, and empowered. Our approach centres on shaping a socially responsible ecosystem, one where human rights are upheld, respect is non-negotiable, and long-term positive impact is intentionally built. We prioritise rigorous health and safety practices throughout our operations and work hand-in-hand with our suppliers to advance sustainable progress across the entire value chain.

Contribution to UN SDGs

Material Matters

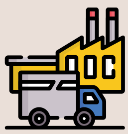
- Supply Chain Management
- Human Rights, Diversity, Equity and Inclusion
- Labour Practices and Standards
- Occupational Health and Safety

Key Stakeholder Groups

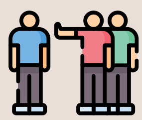
- Investor Community
- Government, Local Authorities and Regulators
- Tenants and Prospects
- Property Managers /Employees
- Joint Management Bodies
- Suppliers
- Community/ NGOs
- Media

FY2025 Highlights

100%
of procurement expenditure on local suppliers



0
Substantiated cases of discrimination



0
Substantiated complaints regarding human rights violations

5,053.5
Total training hours provided to employees

SUPPLY CHAIN MANAGEMENT

Suppliers form an essential extension of Hektar REIT's business, supporting the day-to-day functions that keep our properties operating efficiently. We approach procurement as a partnership, one that progresses our sustainability ambitions and supports long-term, shared advancement.

The Manager works with a diverse range of suppliers, from facilities managers and maintenance contractors to professional consultants and financial institutions. Their involvement is guided by our Sustainable Procurement Policy, which sets clear expectations around sustainability performance and ethical conduct:

Supplier Selection and Evaluation

Suppliers are assessed on sustainability performance alongside commercial metrics (price, quality, service). The selection process prioritises suppliers that demonstrate:

Environmental Stewardship	Social Responsibility	Compliance to Hektar REIT's Sustainability Standards
• Minimise the environmental footprint of goods and services throughout their lifecycle. • Address key environmental issues, including climate change, energy efficiency, etc. • Use of goods and services with recognised eco-label certifications, where possible. • Consider take-back or return programmes to ensure responsible end-of-life handling.	• Ensure a safe, inclusive and fair work environment that respects freedom of association, collective bargaining, and prohibits forced labour, child labour, and discrimination. • Adherence to labour regulations, including Malaysia's Employment Act 1955, with zero-tolerance for violations. • Offer goods and services certified with social labels, supporting social compliance.	Comply with Hektar REIT's sustainability standards, including: • Declaration of any hazardous materials requiring special handling or disposal. • Adherence to all applicable environmental and social laws, with regular evaluation for compliance.

Supplier Management Process

Our Supplier Relationship Management sets out the SOPs that guide a systematic process for onboarding, assessing, and managing our suppliers.

01: Registration
All new suppliers must complete a registration form, submit supporting documents, and undergo verification by the Group Procurement Department.

02: Approval
Applications are evaluated for approval based on regulatory compliance, quality and reliability, cost-efficiency, specialisation, product suitability, and after-sales service.

03: Record Maintenance
Supplier records are regularly reviewed and updated by the Group Procurement Department. Inactive suppliers are archived after five years and reassessed before reactivation.

04: Evaluation
Annual evaluations are conducted for suppliers with contracts over RM100,000 or those recommended for renewal, focusing on compliance, quality, timeliness, and service reliability. Suppliers scoring 50% or lower are blacklisted for three years.

We actively empower our employees and supply chain partners through consistent training programmes and transparent communication, ensuring a shared alignment with our sustainable procurement standards. This commitment to capacity building is strengthened by our documentation practices, where we maintain records from supplier certifications to detailed audit reports to safeguard accountability.

Supplier Screening and Assessment

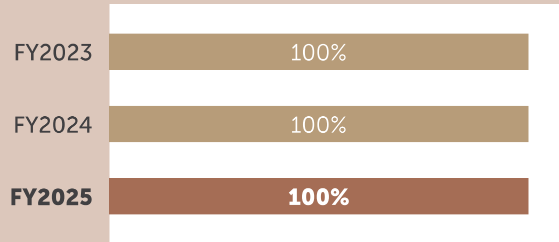
Guided by our Sustainable Procurement Policy and Process, Hektar REIT applies a risk-based approach to assessing its supply chain.

In FY2025, our malls began conducting sustainability due diligence for new vendor onboarding and high-value contracts, ensuring that key partnerships are aligned with our environmental and social expectations from the outset. In parallel, we prioritise local suppliers to strengthen local businesses and generate broader socioeconomic value within the communities we serve.

This commitment was fully realised in FY2025, with 100% of procurement spend directed towards suppliers within the local market.

	FY2023	FY2024	**FY2025**
Number of new suppliers that were screened using environmental criteria/ impacts	0	0	**10**
Number of new suppliers that were screened using social criteria/impacts	0	0	**10**

Proportion of Spending on Local Supplier



HUMAN RIGHTS, DIVERSITY, EQUITY AND INCLUSION

Hektar REIT values workforce diversity as a wellspring of unique talents and perspectives that fuel innovation. We foster an inclusive work environment where all employees are provided equal opportunities, regardless of race, age or gender.

Human Rights Policy

The Manager is committed to safeguarding human rights throughout every aspect of our operations. Our Human Rights Policy is grounded in the principles of the Employment Act 1955, the Children & Young Persons (Employment) Act 1966, other relevant legislation, and recognised international standards including all amendments. It applies to all directors, employees, and business associates (vendors, contractors, and third-party service providers) and other relevant stakeholders.

- United Nations Guiding Principles on Business and Human Rights
- Universal Declaration of Human Rights
- International Labour Organisation's Declaration of Fundamental Principles and Rights at Work

Our Human Rights Policy outlines our commitment to:

Diversity and Equal Opportunity	All employees will have equal access to career development opportunities appropriate to their experience and abilities. We maintain a zero-tolerance policy toward discrimination, harassment, or ridicule based on gender, age, race, sexual orientation, or disability.
Respecting Freedom of Association	All employees can exercise their right to associate freely without the threat of reprisal. We maintain compliance with all applicable local labour regulations.
Workplace Security	We maintain a workplace free from all forms of physical, psychological, or verbal abuse, as well as any threat of harassment. We implement preventative measures and ensure that any reports, particularly regarding sexual harassment, are addressed with immediate fairness, strict confidentiality, and professional discretion.
Conducive Working Environment	We are dedicated in cultivating a professional ecosystem that promotes productivity, workplace harmony, work-life balance and employee well-being.
Safety and Health	We provide a safe, secure and healthy environment that safeguards the well-being of our workforce. By integrating the requirements of the Occupational Safety and Health Act 1994 and relevant environmental legislation into our daily operations, we empower our employees to maintain workplace safety and regulatory compliance.
Forced Labour	We do not condone or be a party to any work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself/herself voluntarily. This commitment extends beyond our direct operations as we conduct due diligence across our supply chain to uphold these ethical standards.
Child Labour	We adhere to the minimum age provisions of United Nations Convention on the Rights of the Child and the relevant standards under the International Labour Organisation. We are committed to ensure that no child labour is utilised directly within our business operations.

SUSTAINABILITY STATEMENT

Fair Wages and Benefits	All employees shall receive fair wages and benefits in strict compliance with the Minimum Wages Order and the Employment Act 1955.
Human Trafficking and Exploitation	We do not condone any act of human trafficking and sexual exploitation. We believe everyone shall be treated fairly and with dignity.

Human Rights Due Diligence

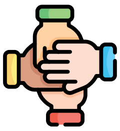
Some of our principles and approaches to human rights include:

- Identify, prevent & mitigate and account for human rights impacts
- Proactively integrate human rights considerations into decision-making processes
- Assess actual and potential adverse human rights impacts
- Mitigate adverse impacts and, where necessary, support or cooperate in remediation
- Adopt a holistic approach to promote responsible and inclusive outcomes
- Monitor and evaluate the effectiveness of actions taken

0
substantiated complaints of human rights violations were recorded for three consecutive years

0
substantiated cases of discrimination in FY2025

Efforts to Promote Human Rights, Diversity, Equity and Inclusion

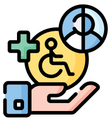


Religious & Cultural Inclusivity

We cultivate an environment that honours diverse cultural and religious traditions by providing dedicated prayer rooms, ensuring our workforce can practice their faith with dignity and ease.

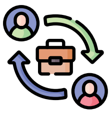
Support for Working Mothers

To promote gender equity and support maternal health, we provide private, designated breastfeeding rooms, offering nursing mothers a comfortable and secure space within the office.



Accessibility & Inclusive Hiring

We actively dismantle barriers to employment through inclusive hiring practices and the implementation of disability-friendly facilities, ensuring equitable access to opportunities for all individuals.



Meritocracy & Career Longevity

Our commitment to professional growth is age-agnostic. We ensure that training, promotions, and performance appraisals are based strictly on merit and potential to support lifelong career advancement.

Freedom of Association & Collective Bargaining

We uphold our employees' rights to freely associate and participate in collective bargaining, ensuring that discussions around wages, working conditions, and benefits are fair, transparent, and aligned with both national regulations and international labour standards.

We also provide structured grievance mechanisms for employees to raise concerns about workplace conditions, employment terms, or other labour matters, offering a safe and confidential process. Each concern is addressed promptly, fairly, and in accordance with our ethical labour policies.

Grievance Channel

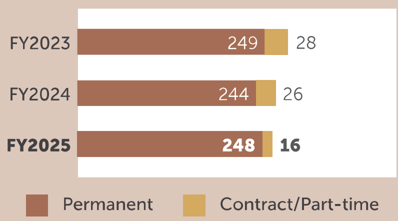
We provide a secure and confidential grievance channel that empowers both our employees and external stakeholders, including local communities, to report concerns or violations without fear of reprisal. This reporting structure is supported by an established remediation process designed to address and resolve any adverse impacts stemming from our business activities promptly and effectively.

Workforce Diversity

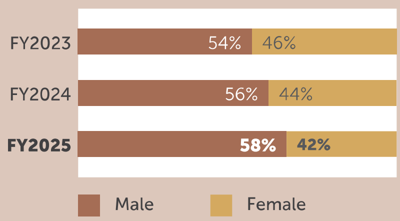
The following section highlights workforce diversity at Hektar REIT, covering total employees, employment categories, and the gender and age profiles of our Manager and Property Management teams.

Total Workforce

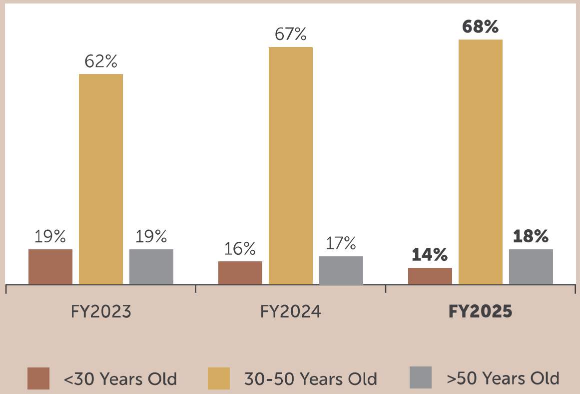
Types of Employment



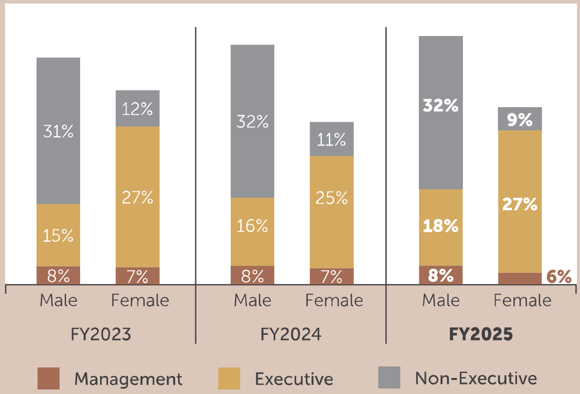
Gender Diversity



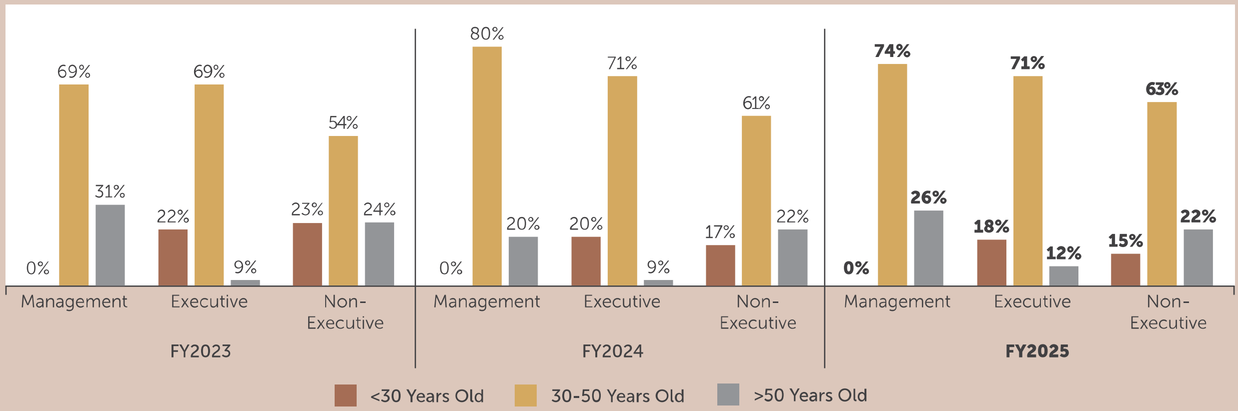
Age Diversity



Gender Diversity by Employee Category



Age Diversity by Employee Category



Notes:
- *Figures stated may not add up due to rounding of decimals*
- *As of FY2025, none of our employees are persons with disabilities*

LABOUR PRACTICES AND STANDARDS

Hektar REIT recognises that the productivity and engagement of our employees are fundamental to the organisation's growth and long-term success.

By prioritising employee welfare and cultivating a supportive work environment, we empower our workforce to perform at its best and contribute to sustainable business outcomes.

0
Confirmed instances of non-compliance with labour standards throughout FY2025

The Manager is committed to providing fair and equitable compensation in full compliance with the Employment Act 1955 and the Minimum Wages Order 2022, including all provisions relating to working hours and overtime. In addition to meeting statutory requirements, we progressively align employee remuneration with living wage standards. Complementing monetary pay, we also recognise and reward our employees through:

Compensation & Benefits

Leave Benefits
- Hajj Leave
- Birthday Leave
- Study & Examination Leave
- Annual Leave
- Parental Leave

Wellness and Medical Insurance
- Comprehensive medical coverage, including hospitalisation, surgical, personal accident and term life insurance
- Flexi-wellness for other wellness benefits (e.g., dental, optical, mental health support)

Fringe Benefits
- Mobile Phone Allowance
- Car Allowance
- Petrol and Tolls Subsidy
- Loyalty Rewards

Membership Subscription
- Professional Membership
- Sports and Recreational Membership

Employee Engagement, Recognition and Celebrations

Recognition and Rewards

We actively cultivate a high-performance culture by acknowledging individual and team excellence through structured rewards and long service awards that honour long-term dedication.

Corporate Celebrations

We foster social cohesion and high morale by celebrating diverse cultural festivals, personal birthdays, and organisational/professional milestones, strengthening the bonds within our workforce.

SUSTAINABILITY STATEMENT

Hektar REIT organises employee engagement activities to not only strengthen our people's connections and encourage healthy lifestyles, but also to foster a sense of community. Some of activities include:

Gym Sessions in July 2025

Ping Pong Games in August 2025

Serving Team Spirit through Pickleball

Hektarians swapped their desks for the pickleball court for an evening of friendly competition, laughter, and a little exercise, followed by a light dinner. The event brought the team together, strengthening bonds, promoting wellness, and celebrating teamwork beyond the usual workday.

International Women's Day

In celebration of International Women's Day, Hektar REIT recognised the incredible women across the organisation who drive impact every day. Roses and chocolates were shared as a token of appreciation, reflecting our commitment to gender equality, inclusivity, and creating opportunities that empower women to grow, lead, and thrive—strengthening both our workplace and the wider community in line with our ESG principles.

Buka Puasa with Rumah Anak Yatim At-Taqwa

Hektarians came together for the Buka Puasa Event with Rumah Anak Yatim At-Taqwa on 20 March 2025. The evening was dedicated to sharing the blessings of Ramadan, where we provided a festive Iftar spread and distributed RM1,100 in Duit Raya to the 55 orphans. This initiative underscores our commitment to supporting the underprivileged and fostering community ties during the holy month.

Pickleball

Women's Day

HAMSB CEO and COO giving duit raya to the orphans

Team Building and Annual Dinner

Hektar REIT Team Building & Annual Dinner 2025 brought our teams together for two meaningful days of connection, collaboration, and celebration at Lexis Hibiscus, Port Dickson. Designed to support the well-being of the workforce and strengthen teamwork, the event offered a space for learning, laughter, and shared experiences beyond the workplace.

The highlight of the evening saw Hektarians embracing the "Movie" theme, dressed to the nines; turning the annual dinner into a vibrant celebration of creativity and camaraderie. Together, the event reinforced our appreciation for every individual's contribution and our shared commitment to building a supportive, high-performing workplace culture.

Team Building & Annual Dinner 2025

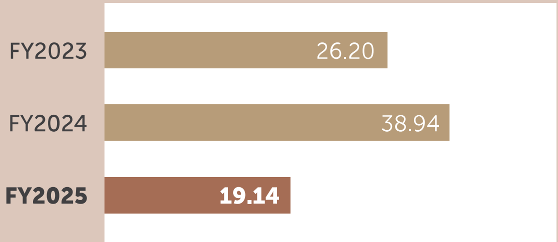
Employee Training

The continuous development of our people is the cornerstone of our operational excellence. In FY2025, we recorded 5,053.5 total training hours, representing our foundational commitment to workforce development. While this figure is a decrease from the previous years, we remain dedicated to maintaining a consistent learning environment for our employees. By focusing on a diverse mix of technical and business-related skills, we ensure our workforce remains agile and equipped to drive our sustainability and business goals forward.

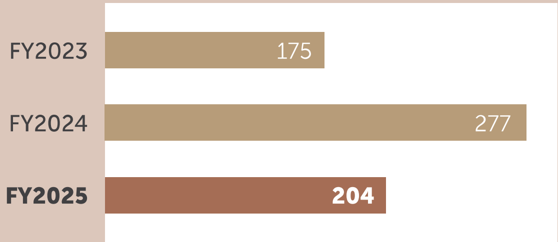
Total Hours of Training by Employee Category

Indicators	FY2023	FY2024	FY2025
Management	1,755.00	3,035.00	**1,120.00**
Executive	3,235.00	5,996.00	**2,802.50**
Non-Executive	2,268.00	1,482.00	**1,131.00**
TOTAL	7,258.00	10,513.00	**5,053.50**

Average Training Hours Per Employee



Total Number of Training Sessions



SUSTAINABILITY STATEMENT

In FY2025, Hektar REIT prioritised the development of employee capabilities to enhance:

Operational Efficiency

Leadership and Strategic Capability

Organisational Resilience

Structured training programmes were conducted to strengthen operational and technical expertise, performance management and business continuity preparedness, supporting Hektar REIT's long-term sustainability and operational standards.

Operational and Technical Training

To equip employees with practical and technical knowledge to improve operational efficiency, stakeholder engagement, and risk management.

Key Programmes/Events:

- Symphony Digest: AI Powered Investing Strategies with Python
- Excel Academy of Real Estate: 13 Practical Case Studies for Property Management JMB/MC
- Excel Academy of Real Estate: Commercial Tenancies in Practice

Performance Management

Enhance leadership, strategic thinking, and organisational performance through structured management and evaluation programmes.

Key Programmes/Events:

- ICDM: Mandatory Accreditation Programme Part II: Leading for Impact
- MAICSA: A Strategic Approach to Board Evaluation
- Malaysian HR Forum: Training Need Analysis Workshop

Business Continuity

Strengthen organisational preparedness and resilience to ensure continuity of operations during disruptions or market challenges.

Key Programmes/Events:

- RAM Rating Services Berhad: RAM Credit Seminar 2025
- SIDC: Investment Management & Corporate Finance Programme
- SIDC: Financial Statement Analysis and Asset Valuation Programme

Sustainability Stewardship

Improve organisational readiness, robustness, and alignment in sustainability stewardship in line with updated regulatory requirements.

Key Programmes/Events:

- Getting Ready for National Sustainability Reporting Framework – Compliance of IFRS S1 & S2 Standards

Note: Key leaders from the Finance, Risk Assurance, and Strategy departments participated in this online training session to prepare for global sustainability reporting disclosures mandated by the National Sustainability Reporting Framework ("NSRF")

Employee Satisfaction

Employee Satisfaction Surveys are usually conducted by an independent consultant to gather anonymous feedback on job satisfaction, workplace culture, leadership, and employee benefits. Although this exercise was not carried out in the current reporting period, we are aiming for continuous practice in the upcoming years. This impartial approach provides insights into employee sentiment, enabling us to identify improvement areas and implement targeted initiatives that continuously enhance our workplace experience and align with employee expectations.

Employee Appraisal

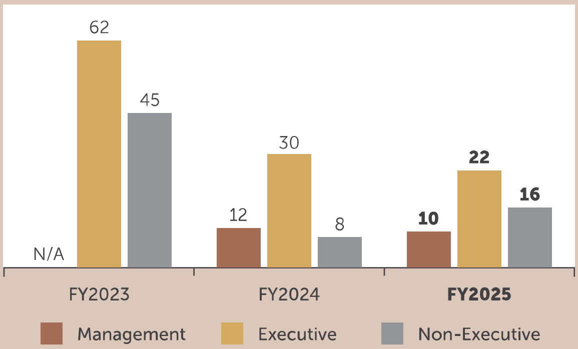
Annual performance appraisals ensure that all employees are assessed fairly based on merit, while receiving meaningful support for their professional development. During the reporting period, we achieved a 88.26% completion rate for both performance evaluations and career development reviews.

88.26%
Completion Rate of Employee Appraisal in FY2025

Employee New Hires and Turnover

The following infographics provide a visual overview of our recruitment and employee turnover data.

Employee Turnover By Employee Category

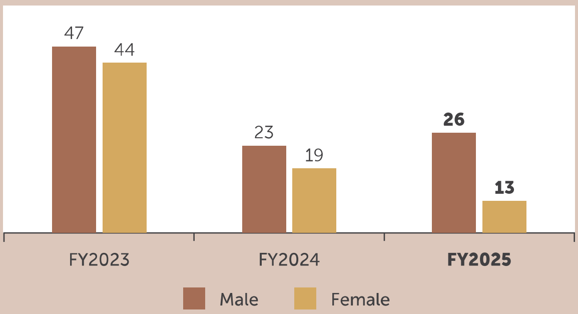


17.98%
Turnover Rate

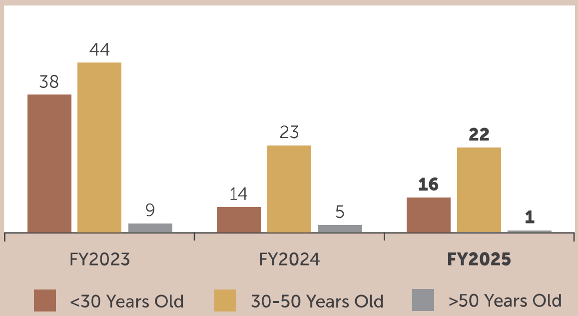
Employee Turnover by Gender and Age Group

Financial Year	Gender		Age		
	Male	Female	<30	30-50	>50
FY2023	63	44	28	57	22
FY2024	26	24	12	28	10
FY2025	**26**	**22**	**18**	**22**	**8**

Employee New Hires by Gender



Employee New Hires by Age Group



OCCUPATIONAL HEALTH AND SAFETY

At Hektar REIT, safety comes first. Our Occupational Safety & Health Policy is dedicated to safeguarding the well-being of our employees, visitors, and stakeholders. By fostering a proactive safety culture and ensuring strict compliance with all regulations, we work to prevent accidents and maintain a healthy environment across all our operations.

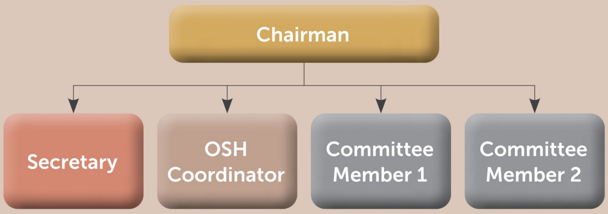
Aspects of Safety and Health in Workplace

- Hazard Identification
- Risk Management
- Safety Procedures
- Emergency Preparedness
- Employee Awareness Training

To uphold the highest standards of protection for our people and stakeholders, we deploy dedicated Safety and Health Committees alongside Emergency Response Teams. While their operational scopes differ, they are united by a singular mandate: ensuring a secure and safe environment for every stakeholder.

Safety and Health Committee

Our Safety and Health Committees act as the primary stewards of workplace integrity. Their responsibilities encompass the end-to-end lifecycle of safety management from the design of safe work systems and policy optimisation to quarterly inspections and annual emergency preparedness. By investigating concerns and providing direct recommendations to management, these committees ensure that our safety protocols are not just documented, but actively lived and continuously improved.



ROLE	KEY RESPONSIBILITIES
Chairman	Provides strategic leadership and oversight for the committee, ensuring the organisation complies with safety regulations and reporting progress to senior management.
Secretary	Manages the administrative functions of the committee, including scheduling meetings, distributing agendas and minutes, and maintaining all official safety documentation.
OSH Coordinator	Manages the practical implementation of safety standards by conducting risk assessments, investigating incidents, overseeing inspections, and fostering a proactive safety culture among employees.

Emergency Response Team ("ERT")

Our ERTs, on the other hand, serve as the frontline of our operational resilience strategy. Our ERTs are mandated to maintain order and safety during critical incidents. By integrating systematic protocols with rapid-response fire fighting and first-aid capabilities, we ensure a 'Duty of Care' that extends from our employees to our visitors and assets. In case of an emergency, the floor manager is immediately alerted for immediate guidance and next steps on the course of action.

Floor Manager

- Evaluation Controller
- Search & Rescue
- Floor Warden
- First Aider
- Fire Fighting

Health and Safety Management System

With a firm commitment to achieving a 'Zero Harm' environment, we strongly encourage our contractors, suppliers, and tenants to uphold these standards, ensuring the safety and well-being of everyone on our premises.

Our health and safety protocols encompass all aspects of workplace safety and health as stated below:

Coverage of Health and Safety Protocols

- Emergency preparedness
- Incident reporting and investigation
- Public health management for common areas
- Safety performance monitoring
- Safety training and awareness campaigns
- Safety risk assessments
- First aid and personal protective equipment ("PPE")
- Quarterly Safety and Health Workplace Inspection
- Hazard assessments

Our Quality Management System ("QMS") is fully integrated within the overall management framework. In FY2025, a total of 13 SOPs and 6 manuals were implemented, covering critical areas such as HIRARC (Hazard Identification, Risk Assessment & Risk Control), incident reporting, workplace inspections, hazardous chemical handling, first aid, working at height, use of PPE, statutory compliance, confined space operations, and emergency response planning.

This year we continue to implement operational measures that solidify health and safety across the organisation, ensuring that both employees and contractors fully adhere to the ESHS Policy.

- Conduct Occupational Safety, Health and Environment training for all new employees
- Review asset performance and safety standards on a quarterly basis
- Conduct safety briefings for contractors prior to work commencement

SUSTAINABILITY STATEMENT

Employee Safety and Training Programmes

We work closely with authorities, industry organisations, and local communities to deliver safety awareness initiatives that reinforce health and safety across our operations. These programmes are mandatory for all new employees and are conducted yearly for the entire workforce to ensure ongoing compliance and safety excellence.

In FY2025, Hektar REIT prioritised employee safety and emergency preparedness through structured OSH training programmes. These initiatives equip employees with life-saving skills, emergency response knowledge, and safe work practices, reinforcing a culture of safety and operational resilience across all operations.

190
Employees Trained on Health and Safety Standards

Regulatory and Basic Training

Focused on compliance with laws and regulations as well as meeting health and safety competency requirements to ensure safe and ethical operations

Key Programmes/Events:
- Motivational Interviewing for Healthcare Providers
- Authorised Entrant and Standby Person for Confined Space
- Working at Height Training

Emergency Preparedness Awareness Training

Building emergency readiness and fire safety competency for employees

Key Programmes/Events:
- Seminar Organisasi Keselamatan Kebakaran
- Kursus Asas Kebakaran
- Penubuhan Pasukan ERT
- First Aid, CPR & Automated External Defibrillator ("AED") Training



On 6 November 2025, 21 of HAMSB employees underwent First Aid, CPR, and AED training, equipping them with the life-saving skills necessary to respond effectively to medical emergencies

Data Verification and Assessment

In FY2025, the Group engaged independent external parties to conduct assessments across our operations, ensuring compliance with health, safety, and well-being standards. These reviews confirm that our facilities meet regulatory requirements and uphold safe, healthy, and hygienic environments for employees, tenants, and visitors.

Fire Safety Audit

Conducted by : Fire Department (Bomba)

Focus area : Fire prevention, emergency preparedness, ERT readiness

Food Safety & Cleanliness Audit

Conducted by : Ministry of Health Malaysia (KKM)

Focus area : Hygiene standards, food handling, cleanliness

Workplace Safety & OSH Assessment

Conducted by : Jabatan Keselamatan dan Kesihatan Pekerjaan (JKKP/DOSH)

Focus area : Occupational safety compliance

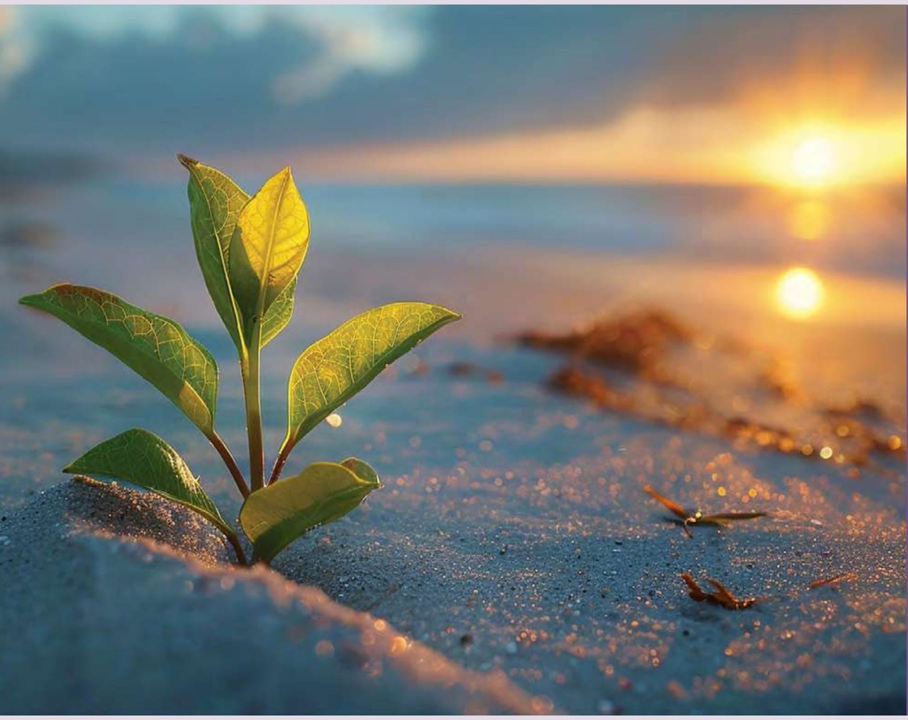
Health and Safety Performance

Driven by our proactive safety culture, here is our FY2025 Safety Performance at a glance:

Health and Safety Performance			
Indicator	FY2023	FY2024	FY2025
*Total Work Hours	515,920	503,280	**479,621**
No. of Work-related Fatalities	0	0	**0**
Lost Time Incident Rate ("LTIR")	0.0	1.6	**0.0**

Notes:
- *Figures stated may not add up due to rounding of decimals*
- **Data for FY2023 and FY2024 have been restated*
- *Health and Safety Performance data includes our employees and contractors*
- *LTIR is calculated as per Bursa Sustainability Reporting Guideline, per 200,000 hours worked per year*

THRIVING THROUGH INVESTMENT IN COMMUNITY INCLUSIVITY AND TRANSPARENCY IN EXCELLENCE



For Hektar REIT, 'Thriving' is not simply the outcome of sound investments and financial success; it is the result of responsible conduct, thoughtful engagement, and a commitment to lifting the communities we serve. Through transparent governance and a genuine commitment to social advancement, we strive to create value that resonates well beyond our balance sheet, enriching the lives of all our stakeholders.

Contribution to UN SDGs

8 DECENT WORK AND ECONOMIC GROWTH
11 SUSTAINABLE CITIES AND COMMUNITIES
16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Material Matters

- Corporate Governance and Anti-Corruption
- Data Privacy and Cybersecurity
- Public Safety
- Community Engagement and Contribution

Key Stakeholder Groups

- Investor Community
- Government, Local Authorities and Regulators
- Tenants and Prospects
- Shoppers
- Property Managers/ Employees
- Joint Management Bodies
- Community/ NGOs
- Media

FY2025 Highlights

0
Substantiated incidents of privacy breaches or data loss

0
Confirmed cases of bribery, corruption or whistleblowing

RM574,336
Invested into community programmes impacting 87,900 beneficiaries throughout Malaysia

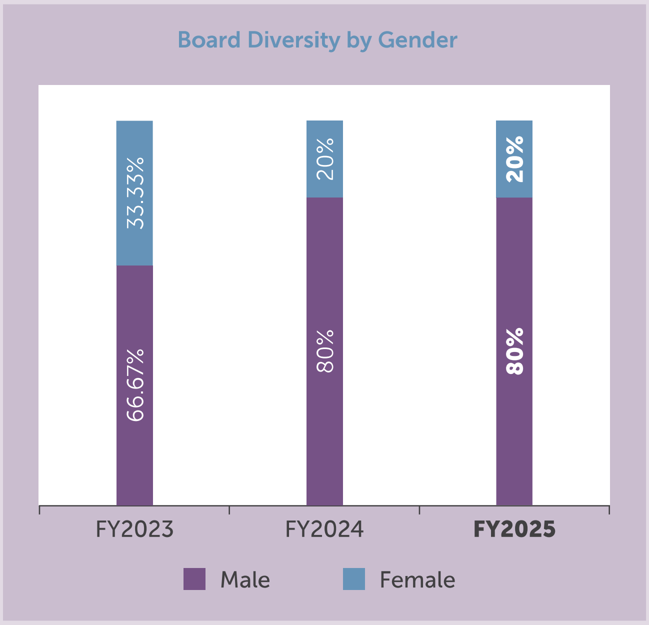
CORPORATE GOVERNANCE AND ANTI-CORRUPTION

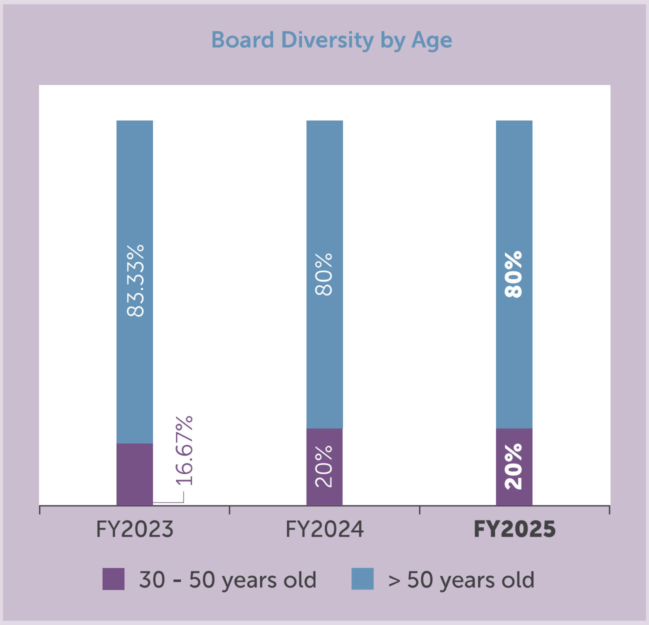
As firm advocates of ethical corporate governance, we uphold rigorous standards of integrity across all our operations. This commitment ensures that we fulfill our duties as a REIT Manager while safeguarding the interests of our tenants and stakeholders. To reinforce accountability throughout the organisation, we have established a comprehensive governance framework *(detailed in the Sustainability Leadership section)*. Our Board of Directors, SSC and SWC are guided by a suite of policies that define responsible conduct; these are reviewed regularly to ensure they remain robust and responsive to the evolving business landscape:

Board Charter	Code of Conduct and Ethics	Fit and Proper Policy
Defines the principal roles, functions, and responsibilities of the Board and its various Committees (Audit, Nomination, and Executive Committees).	Establishes the standards of behaviour and professional ethics expected of all employees of the Manager.	Ensures that Directors and Senior Management possess the necessary character, experience, integrity, and competence to lead the organisation.

Board Diversity

During the financial year under review, the Board comprised four male directors and one female director, representing 20% female participation. We remain committed to reviewing our composition to ensure a balanced mix of skills and gender diversity, in order to best support our strategic objectives.





Anti-Bribery and Anti-Corruption

We maintain a robust Anti-Bribery and Anti-Corruption ("ABAC") framework in full compliance with the Malaysian Anti-Corruption Commission ("MACC") (Amendment) Act 2018. The Board oversees the Manager's adherence to the framework and reinforces our zero-tolerance stance towards all forms of bribery, fraud, and corruption. Below are the policies that were introduced to strengthen our framework and practices:

Anti-Bribery and Anti-Corruption Policy

Establishes a zero-tolerance approach to bribery and corruption, strictly prohibiting any form of inducement or gratification to influence business decisions and ensuring commercial integrity across all operations.

Link: ABAC Policy.

Anti-Money Laundering Policy

Ensures strict compliance with the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 by mandating rigorous customer due diligence and risk assessments to prevent the use of Hektar REIT for financial crimes or illicit funding activities.

Link: AMLA Policy.

Whistleblowing Policy

Provides a secure and confidential channel for stakeholders to report misconduct or unethical behaviour in good faith, offering protection against retaliation to ensure transparency and accountability.

Link: Whistleblowing Policy.

The ABAC Policy is communicated to all employees, suppliers, and third parties, with employees required to formally acknowledge their commitment to upholding it. Anti-bribery clauses are also integrated into leasing applications, vendor and supplier onboarding documents, as well as agreements with intermediaries, contractors, and agents.

Our Whistleblowing Policy clearly sets out the procedures for reporting instances and/or concerns of fraud, corruption, bribery, financial misappropriation, or serious mismanagement.

Whistleblowing Procedures

Reports can be submitted via a Whistle-Blowing Form to whistleblowing@hektarreit.com or as a hard copy in a sealed envelope addressed to the designated recipient.

→ The Audit Committee reviews submitted reports and takes appropriate corrective actions to protect the Group's interests.

We are committed to protecting the confidentiality of whistleblowers and the information provided to the fullest extent permitted by law and practical considerations. Our managers receive comprehensive training to respond effectively to reports of unethical behaviour, bullying, or harassment, fostering a respectful and ethically-sound workplace for all.

0
Whistleblowing cases reported in FY2025

Employee Anti-Corruption Training

All employees and Board members are required to undergo anti-corruption training. We conduct training once a year that serve as both a comprehensive session for new hires and a refresher for existing personnel, ensuring our zero-tolerance stance remains a top-of-mind priority. Participation rates for the past three years are summarised below:

Percentage of Employees Who Received Anti-Corruption Training			
Employee Category	**FY2023**	**FY2024**	***FY2025**
Management	88%	60%	**91%**
Executive	78%	72%	**85%**
Non-Executive	92%	62%	**24%**

Note:
* *Data only cover HAMSB Office (HQ) and properties under HPSSB*

We believe everyone in the company has a role to play in preventing corruption. To strengthen current participation rates, we are refining our training delivery and communication strategies to ensure that we achieve more comprehensive coverage across every level of the organisation in the coming year.

Corruption Risk Assessment and Corruption Incidents

Anti-Corruption Performance			
Indicators	**FY2023**	**FY2024**	**FY2025**
Percentage of operations that underwent corruption risk assessments	100%	100%	**100%**
Number of confirmed corruption incidents	1	0	**0**

Note:
Data only cover properties under HPSSB

Beyond establishing policies, we actively reinforce our governance practices through continuous monitoring, regular SOP reviews, and comprehensive training. These ongoing initiatives ensure that ethical principles and compliance standards remain central to our daily operations and decision-making:

0
Substantiated non-compliance with laws or regulations relevant to our business operations in FY2025

Training and Awareness

- A talk was organised in collaboration with MACC Selangor for employees, focusing on Section 17A requirements and emerging trends.
- Quarterly induction programmes were conducted for new joiners, receiving ethics and compliance training.
- Employees participated in in-house ABAC training and awareness sessions facilitated by SPRM.

Regular Review and Monitoring

- Weekly internal staff meetings are conducted at Kolej Yayasan Saad to consistently reinforce ethical behaviour, professionalism, and compliance with internal policies.

Policy Implementation

- Update of the ABAC Policy.
- Implementation of the AMLA/TF/PT Policy.
- Implementation of the Code of Conduct and Ethics for Employees.
- Implementation of the Code of Conduct and Ethics for Directors.

Sustainable Investment Principles

To operationalise our commitment to 'Thriving', we apply our Sustainable Investment Policy as a strategic filter for every acquisition and asset enhancement. This ensures we invest in assets that are climate-resilient, socially responsible, and aligned with our Net-Zero 2050 trajectory. We rigorously screen all opportunities against three key focus areas:

Environmental

- Climate Change
- Resources
- Waste & Recycling
- Biodiversity

Social

- Human Rights & Labour
- Community Impact
- Health & Safety

Governance

- Ethical Governance
- Data Security
- ESG Certifications

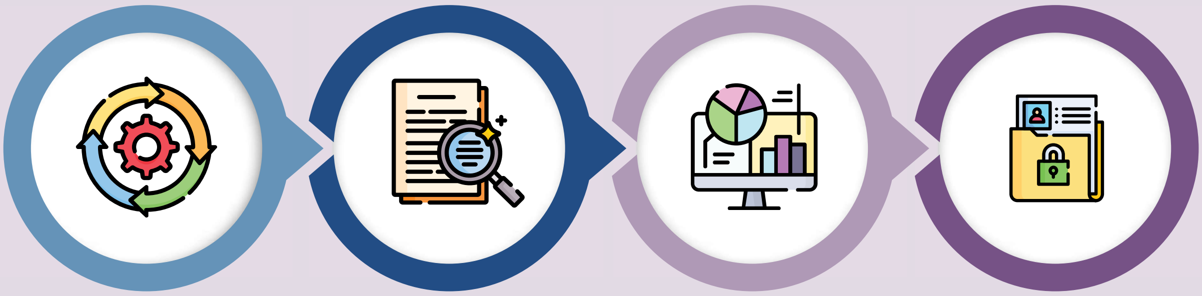
DATA PRIVACY AND CYBERSECURITY

As digitalisation accelerates, Hektar REIT faces growing exposure to cybersecurity risks. Implementing comprehensive cybersecurity measures is therefore critical to safeguarding tenant information, operational data, and the integrity of our REIT activities in an increasingly digital environment.

Some of the efforts and initiatives that we have implemented to safeguard our data and our stakeholders' data:

1 The Group has implemented robust IT security protocols that contain SOPs to safeguard sensitive information in order to ensure data confidentiality, and promote consistent security practices across all operations. Tailored IT guidelines were also developed specifically for the HR and Marketing team.

To strengthen operational efficiency, data security, and responsible information management, Hektar REIT has adopted IFCA LEASE365, an integrated digital platform supporting modern retail property and HR-related operations. The system:



Streamlines workflows

Enhances transparency

Enables more informed, data-driven decision-making across the portfolio

Reinforce robust data governance and security standards

IFCA LEASE365 provides real-time visibility across operational, leasing, and performance data, supporting proactive risk management and efficient portfolio oversight. Key solutions implemented include the Lease365 Mobile App: Tenant and Lease App, together with IFCA FI365 Financial Accounting and Procurement Management modules.

Lease365 Tenant App

provides round-the-clock access to rental details, billing statements, utility data, and service requests, streamlining payments, sales reporting, and day-to-day communication.

Lease365 Lease App

equips property teams with real-time visibility into occupancy, revenue, inspections, and approvals, enabling issues to be addressed promptly and standards to be applied consistently.

Together, these applications form a secure, integrated digital ecosystem that improves operational efficiency, enhances data accuracy, and strengthens engagement throughout the retail property lifecycle.

BI365 Management Dashboard

provides real-time, consolidated insights into property and portfolio performance, enabling timely monitoring and supporting more informed, data-driven decision-making.

IFCA FI365 - Financial Accounting

strengthens financial governance and operational efficiency by embedding automation, discipline, and real-time visibility across core financial processes. Key financial functions enabled include:

- Centralised purchasing
- End-to-end payables management
- Asset lifecycle tracking
- Financial consolidation and reporting
- Cash and liquidity management

Procurement Management

through a centralised model that allows greater discipline, consistency, and value to purchasing decisions by consolidating below within a single system.

- Requisitions
- Supplier sourcing
- Contract awards
- Order management

IFCA Solutions also offers Green Reporting, giving users the flexibility to generate reports on their own schedule or as needed, saving time and effort. All business documents and content are kept in one central place, making it easier for everyone to find, access, and share the information they need, streamlining work while keeping things simple and connected. Collectively, these tools improve operational efficiency, strengthen internal controls, and ensure the secure handling of data, aligning with Hektar REIT's commitment to strong governance and responsible digital transformation.

2

Wetex Parade has rolled out a new IT Ticketing System using Spiceworks, providing a more structured and efficient platform for submitting, tracking, and resolving IT-related requests.

This initiative aims to improve response times, transparency, and overall user experience.

3

Data protection is a collective responsibility. To uphold this, our employees undergo regular Personal Data Protection Act ("PDPA") training, ensuring they have the necessary data protection skills and practices to safeguard the personal information entrusted to us.

In the event of a cybersecurity incident, the Manager follows the structured Incident Response SOP to quickly detect, contain, and resolve the issue. Each incident is then thoroughly documented and analysed to fortify future response capabilities and improve overall cybersecurity resilience.

0

Substantiated complaints over the past three years regarding breaches of customer security or loss of customer data

PUBLIC SAFETY

Shopping malls are vibrant hubs of activity, attracting large numbers of visitors daily. With this high footfall comes an inherent responsibility to maintain a safe and secure environment for shoppers, tenants, and staff. Ensuring robust safety and security measures is fundamental not only to protecting people and property but also to creating a welcoming and enjoyable experience for all.

To this end, the Property Manager has introduced a range of initiatives designed to strengthening security across our premises.

Surveillance Capabilities

Our properties are equipped with security access control systems and upgraded closed-circuit television ("CCTV") cameras to enhance monitoring capabilities.

Regular Maintenance

All security devices at our premises undergo regular maintenance to ensure optimal functionality.

Routine Safety Inspections

Semi-annual safety inspections are conducted by the Property Manager, covering emergency preparedness, evacuation plans, public safety hazards, lighting, security devices, and maintenance area accessibility. Corrective actions are taken for any identified non-compliance.

Panic Buttons & Ladies-Only Parking Spaces

Panic buttons are strategically installed in car parks for rapid emergency responses, complemented by ladies-only parking spaces to enhance security for female visitors.

Security Personnel

Our security team conducts 24-hour surveillance, hourly patrols, and positions guards at key locations to ensure prompt response to incidents.

Customer Satisfaction Survey

This commitment to safety is part of our broader strategy to enhance the shopper experience. We monitor customer satisfaction through surveys conducted during customer visits, post-event interviews, focus groups, and structured surveys. Feedback typically covers:

- Events
- Customer Service
- Shop Variety
- Property Condition
- Cleanliness
- Facilities

Beyond these robust safety and security measures, we also invested in a comprehensive health and safety programme for our employees across various departments.

Our employees attended health and safety training that includes Basic Occupational First Aid, CPR, AED training, ERT training, and Working at Height training, with a focus on preventing fatalities and workplace incidents.

To further strengthen on-site emergency preparedness, certified First Aiders and AED machines have been made available within the premises. In addition, we continue to enhance accessibility and inclusivity through the installation of 46 disability-friendly facilities across our malls to better support persons with disabilities.

Our 2025 fire drills were successfully conducted across all our malls to ensure emergency readiness. Notably, Mahkota Parade achieved 100% participation, with 340 tenants and workers reaching the assembly area within a swift five-minute window.

We conducted detailed post-mortems after these exercises to continuously refine our emergency evacuation protocols and ensure maximum readiness.

Employees participating in the health and safety training

COMMUNITY ENGAGEMENT AND CONTRIBUTION

Hektar REIT leverages its portfolio of malls as platforms to support and engage with local communities, extending the impact of traditional philanthropic efforts. By utilising our spaces to host and facilitate meaningful initiatives in partnership with various organisations, we strengthen community ties while reinforcing our commitment to responsible and sustainable operations.

Our community investment programmes are strategically directed towards initiatives that enhance welfare, improve well-being, and support the resilience of local communities. By integrating business objectives with social investment, Hektar REIT generates outcomes that are mutually beneficial for both the communities we serve and our stakeholders.

In FY2025, the Manager invested a total of RM574,336 in community programmes:

	FY2023	FY2024	FY2025
Total amount invested in CSR programmes	RM372,527	RM250,032	**RM574,336**
Total number of beneficiaries	N/A	N/A	**87,900**

We want our community work to truly matter. That is why our CSR initiatives follow the United Nations Sustainable Development Goals ("UN SDGs"), a global framework for a better world. We focus our efforts on the following specific goals where we can make the biggest social and environmental impact:

- **Goal 1: No Poverty**
- **Goal 2: Zero Hunger**
- **Goal 3: Good Health and Well-being**
- **Goal 4: Quality Education**
- **Goal 12: Responsible Consumption and Production**

Through programmes delivered mainly at Hektar REIT's properties, the Group supports local communities while simultaneously promoting its business and increasing footfall during special occasions or festive seasons. By integrating social impact with commercial objectives, we ensure our CSR initiatives create meaningful and sustainable value.

Hektar REIT also undertakes targeted, high-impact initiatives that respond to immediate community needs. The Kechara Soup Kitchen CSR Event exemplifies this commitment, supporting vulnerable communities through responsible food distribution while also reducing food waste.

Kechara Soup Kitchen CSR Event

Hektar REIT joined forces with Kechara Soup Kitchen to bring immediate relief to underserved urban communities in Kuala Lumpur on 20 December 2025, reinforcing its commitment to inclusive and impact-driven CSR. A contribution of RM6,150 funded the distribution of 365 food packs across three locations: Medan Tuanku (170), Pudu (135), and Imbi (60), while also supporting 10% of operational costs to ensure efficient coordination and delivery.

The initiative mobilised 25 Hektar REIT volunteers, translating resources into immediate on-the-ground impact. Beyond addressing short-term food insecurity, the programme aligns with key ESG priorities, supporting SDG 1 (No Poverty), SDG 2 (Zero Hunger), and SDG 12 (Responsible Consumption and Production) through responsible food distribution and waste reduction, keeping Hektar REIT's commitment to sustainable community engagement.

Hektarians distributing food packs throughout the event

365 food packs distributed

25 Hektar REIT volunteers

RM6,150 funds

SUSTAINABILITY STATEMENT

While we have standout individual projects, all our CSR work can be organised into four main categories. This structure allows us to see where we are making a real difference across our entire portfolio:

- Education & Sports
- Environmental
- Health
- Unity & Culture

Education & Sports

These CSR initiatives focus on equipping individuals and communities with practical life skills, encouraging innovation and nurturing cultural and artistic expression, while promoting active and healthy lifestyles through sports-related activities.

Sponsorship Support to Dignity for Children Foundation Malaysia

Hektar REIT partnered with Dignity for Children Foundation Malaysia to support access to quality education, holistic development and sports participation for children from marginalised backgrounds. The sponsorship reflects the Group's ongoing commitment to meaningful community impact, in line with its ACT Framework (Advance, Cultivate, Thrive) and the pledge made during Hektar REIT ESG Day 2024.

Through this collaboration, Hektar REIT contributes directly to improving educational outcomes and promoting active lifestyles.

RM10,000
Total contribution

RM4,000
Sports Programme Support

RM6,000
Sponsor-a-Child Programme

A 12-month sponsorship supporting a child's education, meals, basic welfare, healthcare and learning needs, with periodic progress updates and visitation opportunities.

Funding for sports-related activities, including Dignity's Annual Sports Day 2025, promoting physical well-being, teamwork and confidence-building among students.

The initiative supports both individual academic development and wider student engagement through structured sports programmes, reinforcing the importance of learning beyond the classroom while nurturing confidence and teamwork.

Financial Literacy

Hektar REIT promoted financial literacy at Wetex Parade by hosting government-linked service counters, giving the community direct access to information on education funding, retirement planning, and skills development. These engagements improved service accessibility and encouraged meaningful community interaction.

KWSP Service Counter (22 January 2025)	PTPK Service Counter (17–18 May 2025)	PTPTN Service Counter (Monthly)
Offered practical guidance on retirement savings, contributions, and withdrawals under Malaysia's government-backed system.	Raised awareness of skills development funding, supporting upskilling and lifelong learning participation.	Provided convenient access to education financing, helping students and families understand study funding options.

Skills Development & Innovation

Hektar REIT fostered skills development and innovation by connecting students with real-world TVET and STEM opportunities, Several key programmes were carried out at Central Square, using the mall as a community hub in engaging the wider community through hands-on showcases, competitions, and career-focused programmes. These initiatives promoted practical learning, creativity, and future-ready skills.

Program Minggu TVET	Cabaran Young Robotic 2025	IKM Furniture Showcase
Two-days event with technical projects, live demonstrations, and career exhibitions, empowering 200 students and attracting 16,000 visitors.	STEM robotics competition engaging 100 students and 2,500 visitors, fostering creativity, teamwork, and problem-solving.	Students presented sustainable furniture prototypes with design thinking and technical skills, involving 10 students and 2 lecturers and drawing 18,000 visitors.

Arts & Cultural Development

Hektar REIT promotes arts and cultural development by providing students and youth with platforms to showcase their creativity, talent, and heritage, while fostering confidence, teamwork, and community engagement. Programmes and platforms such as:

Pertandingan Choral Speaking Generasi MADANI	Pertandingan Tarian Sekolah
at Wetex Parade engaged 200 students and attracted 17,086 visitors, encouraging public speaking and mastery of the Malay language.	at Kulim Central, Street Dance Competition at Wetex Parade also highlighted the traditional and contemporary performing arts.

Dandanan Rambut Hair Show	Pertandingan Bicara Berirama
at Mahkota Parade, where college students demonstrated creativity, technical skill, and professionalism.	at Central Square nurtured expressive performance, confidence, and teamwork among primary and secondary students.

Sports

Hektar REIT encourages healthy lifestyles, teamwork, and youth engagement through a diverse range of sports initiatives that combine physical activity with community participation. Events such as the:

Battle For The Board – 5th Chess Tournament	Kejohanan Karate Do	3-on-3 Street Basketball and 3-on-3 Futsal Competitions
at Kulim Central promoted strategic thinking and intellectual engagement.	at Central Square highlighted martial arts skills, discipline, and fitness, engaging 50 participants and attracting 9,053 visitors.	at Wetex Parade, organised with Parlimen Bakri to promote active lifestyles and sportsmanship among youth.

BMX Challenge 2025	Pertandingan Mobile Legend Jiwa Madani
Central Square managed to engaged 200 participants and attracted 19,085 visitors to build excitement around extreme sports.	at Central Square drawing 80 participants and 10,252 visitors, shone the light on digital sports.

Environmental

These CSR initiatives focus on fostering greater awareness on sustainability and encouraging responsible practices within our communities. Through targeted programmes and engagements, we support efforts that promote environmental stewardship and long-term ecological well-being.

Beach Cleaning Activity with MY Clean Beach

Hektar REIT demonstrated its dedication to environmental stewardship through a beach cleaning initiative carried out in partnership with MY Clean Beach at Pantai Jeram, Selangor.

Held on 13 December 2025, the initiative brought together 50 participants who worked collaboratively to collect, segregate, and responsibly dispose of waste. A total of 498.5 kg of waste was removed from the beach, comprising general waste, plastic, glass, metal, and large discarded items.

The exercise not only delivered tangible environmental outcomes but also reinforced responsible waste management practices through hands-on engagement, aligning with SDG 13 (Climate Action) and SDG 14 (Life Below Water) by promoting proper waste segregation, collective environmental responsibility, and the protection of coastal and marine ecosystems.

50
participants

498.5 kg
of waste removed

Hektarians successfully collected a total of 498.5 kg waste

Earth Hour 2025 (Central Square)

Central Square participated in the Earth Hour 2025, promoting energy conservation and climate awareness. The symbolic one-hour lights-off initiative engaged mall tenants and shoppers, highlighting the impact of collective action and encouraging mindful electricity use. The event reinforced Central Square's dedication to green practices and responsible environmental stewardship, fostering a shared sense of responsibility towards a more sustainable future.

Health

These CSR efforts are centred on raising awareness, encouraging preventive care and supporting community well-being. Through campaigns and activities related to health education, early detection and community participation, Hektar REIT seeks to promote healthier lifestyles and greater public awareness on key health issues.

Race Against Cancer – Charity Run at Subang Parade

Hektar REIT supported cancer awareness and healthy living through the Race Against Cancer charity run held at Subang Parade, in collaboration with Cancer Research Malaysia. The initiative aimed to encourage preventive health awareness while fostering community participation through physical activity, reinforcing the importance of early awareness and collective action in addressing cancer-related challenges.

The charity run on 25 May 2025 brought together participants of various backgrounds to promote active lifestyles in support of cancer research and advocacy efforts. The event was attended by Mr Andy Khoo, CEO of Cancer Research Malaysia, Mr Victor Hoo, CEO of CVI Global, and Mr Ryan Sua, representative for YB Wong Chen, reflecting strong cross-sector support for the cause.

Blood Donation Campaigns

Hektar REIT strengthened community compassion and social responsibility through a series of blood donation campaigns across its malls, supporting a safe and sufficient national blood supply. Some notable achievements and collaborations include:

Segamat Central	Wetex Parade
monthly drives from January to August collected 227 bags of blood over six campaigns.	partnered with Hospital Pakar Sultanah Fatimah Muar and Parlimen Bakri to raise awareness and boost footfall for blood donation campaigns.
Mahkota Parade	**Kulim Central**
collaborated with St John, Universiti Malaya, Yayasan Masyarakat Lestari Malaysia, and Nephcare Dialysis Centre and Blood Bank Melaka to reach diverse donor groups.	a campaign with Proton Kulim reinforced corporate–community engagement and encouraged wider public participation.

SUSTAINABILITY STATEMENT

Health Awareness

Hektar REIT advanced preventive care and healthier lifestyles through a series of health awareness initiatives across its malls, in collaboration with healthcare institutions and public health authorities.

Sambutan Bulan Malaysia Sihat Sejahtera Kedah

at Central Square engaged 500 participants and attracted 12,754 visitors with health screenings, wellness talks, and fitness activities.

World Heart Day 2025

in partnership with Pantai Hospital Sungai Petani, offered free heart-health screenings and consultations, reaching 250 participants and drawing 10,337 visitors.

World Thalassaemia Day and Autism Awareness Day

at Wetex Parade, conducted with Hospital Pakar Sultanah Fatimah Muar to raise awareness of thalassaemia and autism, encouraging inclusivity and community understanding.

Malaysian Rubella and Measles Surveillance and Immunisation Programme

at Kulim Central supported national immunisation efforts and educated visitors on disease prevention, further promoting public health and preventive care within the community.

Unity & Culture

These are CSR activities that celebrate Malaysia's diversity by bringing communities together through shared cultural experiences and festive celebrations.

Merdeka & Hari Malaysia

Pertandingan Mewarna & Busana Merdeka (Central Square)

Pertandingan Mewarna & Busana Merdeka at Central Square engaged around 120 children in a patriotic art and costume contest, attracting a footfall of 10,252 visitors and encouraging creativity, heritage appreciation, and community learning.

120
children participated

10,252
visitors estimated

Keretapi Sarong Sungai Petani 2025

Hektar REIT celebrated Malaysia's multicultural heritage and traditional craftsmanship through engaging community events that promoted cultural appreciation, learning, and unity. Keretapi Sarong Sungai Petani 2025 at Jalan Patani, Sungai Petani, marked Malaysia Day with a showcase of traditional sarong attire, cultural performances, local product booths, games, and live music, attracting approximately 7,000 participants and generating 7.4 million social media impressions. The event fostered community bonding, cultural pride, and awareness of Malaysia's rich diversity.

7,000
participants

7.4 million
social media impressions

Heritage & Culture

Bengkel Wau Bulan at Central Square offered a hands-on heritage craft workshop where students and families learned to create traditional wau bulan kites under the guidance of local artisans. Approximately 60 participants engaged in the activity, which drew a total footfall of 9,439 visitors, helping to preserve traditional knowledge, encouraging creativity, and inspiring appreciation for Malaysia's craftsmanship across generations.

Ramadhan & Hari Raya Malaysia

Hektar REIT engaged underprivileged groups, local residents, and shoppers across its malls during Ramadhan and Hari Raya Aidilfitri. CSR Ramadhan with MBMB at Mahkota Parade reached approximately 300 participants from welfare homes, providing essential goods and financial support, while Majlis Buka Puasa with PKAYIM at Wetex Parade contributed RM1,000 in cash and catered meals worth RM2,450, reinforcing the spirit of giving. The Raya - Bubur Lambuk Giveaway distributed 200 bowls to shoppers and residents, and the Raya Open House with Underprivileged Kids engaged 30 children and 10 guardians from Rumah Amal Bakti Kulim, creating meaningful festive interactions.

At Central Square, Manisnya Raya – a CSR Initiative supported 30 underprivileged (asnaf) children from Kuala Muda district with cash gifts and festive essentials, with attendance from local officials, reflecting strong community engagement. The celebrations concluded with Manisnya Raya-Raya Performance, featuring 25 performers presenting kompang ensembles, traditional dances, and gamelan music, drawing a total footfall of 313,395 visitors.

Chinese New Year

Hektar REIT marked Chinese New Year with community-focused initiatives that fostered festive joy, cultural appreciation, and social responsibility. CNY Free Hair Cut at Kulim Central, organised with Pusat Jagaan Warga Emas (Kulim), provided grooming services to 30 participants, creating goodwill and festive cheer, while the GAO Feng Lion Dance Competition at Mahkota Parade attracted approximately 1,000 visitors, uniting people of all races through traditional lion dance performances and promoting cultural understanding.

Further celebrations included the CNY Lion Dance Championship at Kulim Central, held with Persatuan Buddhist Kulim, which drew 200–300 participants and large crowds, enhancing the festive atmosphere with dynamic performances. The CNY Care for the Community CSR initiative at Central Square brought joy to underprivileged families and senior citizens, featuring home repainting, a Lau Sang celebration, and the distribution of food baskets and Ang Pow, reinforcing community care and festive warmth.

Deepavali

The Cahaya Kita performance at Central Square brought the spirit of Deepavali to life, showcasing Malaysia's rich cultural heritage through traditional Indian dance, live music, and festive cultural displays. The initiative highlighted inclusivity and fostered appreciation for local traditions while engaging the wider community.

Approximately 10 performers took part in the event, which drew a total footfall of 24,301 visitors, creating a vibrant atmosphere that promoted cultural harmony, inclusivity, and community connection.

BURSA CSI PERFORMANCE TABLE

Hektar REIT
BMLR Transition Period

Date & Time: 2026-03-25_13:42:02
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Supply Chain Management	Proportion of spending on local suppliers	%	100	—	No assurance	Hektar REIT has maintained 100% local supplier engagement since FY2023
Corporate Governance and Anti-Corruption	Percentage of employees that received training on anti-corruption by employee category - Management	%	91	—	No assurance	Data include operations of all properties except for our leased asset
Corporate Governance and Anti-Corruption	Percentage of employees that received training on anti-corruption by employee category - Executive	%	85	—	No assurance	Data include operations of all properties except for our leased asset
Corporate Governance and Anti-Corruption	Percentage of employees that received training on anti-corruption by employee category - Non-executive	%	24	—	No assurance	Data include operations of all properties except for our leased asset
Corporate Governance and Anti-Corruption	Percentage of operations that underwent corruption risk management	%	100	—	No assurance	Data include operations of all properties except for our leased asset
Corporate Governance and Anti-Corruption	Number of confirmed corruption incidents	number	0	Zero-reported incidents of bribery and corruption.	No assurance	Aligned with UNSDG 16 (Peace, Justice and Strong Institutions)
Data Privacy and Cybersecurity	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	number	0	—	No assurance	Aligned with UNSDG 16 (Peace, Justice and Strong Institutions)
Water Management	Total water usage - Landlord	m3	350,120	—	No assurance	Data include all properties except for HAMSB Office (HQ) as there is no water bill
Water Management	Total water usage - Tenant	m3	399,055	—	No assurance	Tenant water consumption is derived from tenants' own water submeters/account
Water Management	Total water usage - Overall	m3	749,175	—	No assurance	Data is inclusive of both tenant and landlord water consumption

This report was generated on the Bursa Malaysia CSI Platform on 2026-03-25_13:42:02

Page 1 of 8

Hektar REIT

BMLR Transition Period

Date & Time: 2026-03-25_13:42:02

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Water Management	Total Water Consumption Intensity	m3/visitor	0.023	10% reduction in water utilisation by 2030 (Baseline 2023: 0.026 m3/visitor)	No assurance	Data was calculated using the number of visitors for the year for all malls and number of guests for Classic Hotel
Energy and Climate Change	Total energy consumption	GJ	238,960.19	—	No assurance	Data include total electricity for all assets and fuel usage by Hektar REIT
Energy and Climate Change	Electricity consumption - Landlord (Hektar)	kWh	29,424.939	—	No assurance	Data include all electricity usage under Hektar REIT's operational control
Energy and Climate Change	Electricity consumption - Tenant (Purchased Electricity from Hektar + Sole Lot + Leased Asset)	kWh	36,922,010	—	No assurance	Tenant electricity consumption is derived from tenants' own TNB meters, Hektar REIT submeters to tenants and leased asset, Kolej Yayasan Saad.
Energy and Climate Change	Electricity consumption - Hektar TNB Bill	kWh	39,798,926	—	No assurance	Data from TNB bills under Hektar REIT's account.
Energy and Climate Change	Total Electricity consumption for all Properties (Hektar + all tenants + leased assets)	kWh	66,346,949	—	No assurance	Total electricity consumption for Landlord and All Tenants
Energy and Climate Change	Building Energy Index (BEI)	kWh/m2/year	139.60	—	No assurance	Data was calculated based on total electricity consumption from against the GFA for all properties
Energy and Climate Change	Total Electricity Consumption Intensity	kWh/ft2	8.43	20% reduction in electricity consumption by 2030 (Baseline 2023: 8.37 kWh/ft²).	No assurance	Data was calculated based on electricity consumption from Hektar's TNB bills against the GFA
Emissions Management	Scope 1 GHG Emissions	tCO2e	7.68	—	No assurance	Scope 1 emissions result from the direct combustion of diesel for at malls/hotel

This report was generated on the Bursa Malaysia CSI Platform on 2026-03-25_13:42:02

SUSTAINABILITY STATEMENT

Hektar REIT
BMLR Transition Period

Date & Time: 2026-03-25_13:42:02
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Emissions Management	Scope 2 GHG Emissions	tCO2e	21,774.45	—	No assurance	Scope 2 emissions from purchased grid electricity by landlord operations
Emissions Management	Scope 3: Tenant Energy Consumption	tCO2e	27,322.29	—	No assurance	Tenant electricity consumption for all tenants and leased asset
Emissions Management	Scope 3: Employees Commute	tCO2e	381.24	—	No assurance	Employees commute were calculated based on a survey
Emissions Management	Scope 3: Business Travel	tCO2e	57.68	—	No assurance	Business travel focused on land-based travel only
Emissions Management	Total Scope 1 and Scope 2 GHG Emissions Intensity	kgCO2e/ft²	4.616	10% reduction in Scope 1 and Scope 2 emissions by 2030 (Baseline 2023: 4.743 $kgCO_2e/ft^2$)	No assurance	Data was calculated based on total of Scope 1 and Scope 2 against the GFA
Waste and Effluent Management	Total weight of waste generated	tonnes	2709.64	—	No assurance	Data include all properties except for Kolej Yayasan Saad and HAMSB Office (HQ)
Waste and Effluent Management	Total weight of waste diverted from disposal	tonnes	0.22	—	No assurance	Data does not include waste collected through Kloth Cares and KLEAN
Waste and Effluent Management	Total weight of waste directed to disposal	tonnes	2,709.43	—	No assurance	Waste disposed to landfill is based on the weight declared and claimed by the waste management company
Waste and Effluent Management	Total weight of waste recycled by type of waste - Steel	kg	22.00	—	No assurance	Data does not include waste collected through Kloth Cares and KLEAN
Waste and Effluent Management	Total weight of waste recycled by type of waste - Paper	kg	177.00	—	No assurance	Data does not include waste collected through Kloth Cares and KLEAN
Waste and Effluent Management	Total weight of waste recycled by type of waste - Mixed Plastics	kg	17.00	—	No assurance	Data does not include waste collected through Kloth Cares and KLEAN

This report was generated on the Bursa Malaysia CSI Platform on 2026-03-25_13:42:02

Page 3 of 8

Hektar REIT
BMLR Transition Period

Date & Time: 2026-03-25_13:42:02
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Waste and Effluent Management	Total amount of recycled waste	kg	216.00	—	No assurance	Data does not include waste collected through Kloth Cares and KLEAN
Waste and Effluent Management	Total Waste Directed to Disposal Intensity	kg/ft²	1.436	15% reduction of waste disposed to landfill by 2030 (Baseline 2023: 1.485 kg/ft²)	No assurance	Data was calculated based on total weight of waste directed to disposal against the Occupied Net Lettable Area for all malls and Gross Floor Area for Classic Hotel.
Labour Practices and Standards	Substantiated complaints regarding human rights violation	Number	0	—	No assurance	Data include all properties except for our leased asset
Talent Management	Total hours of training by employee category - Management	Hours	1,120.0	At least 20 hours of Learning & Development for each employee	No assurance	Aligned with UNSDG 4 (Quality Education)
Talent Management	Total hours of training by employee category - Executive	Hours	2,802.5	At least 20 hours of Learning & Development for each employee	No assurance	Aligned with UNSDG 4 (Quality Education)
Talent Management	Total hours of training by employee category - Non-executive	Hours	1,131.0	At least 20 hours of Learning & Development for each employee	No assurance	Aligned with UNSDG 4 (Quality Education)
Occupational Health and Safety	Number of fatalities	Number	0	—	No assurance	Data include employees from all properties except for our leased asset
Occupational Health and Safety	Lost time incident rate (LTIR)	Rate	0.000	—	No assurance	LTIR is calculated as per Bursa Sustainability Reporting Guideline
Occupational Health and Safety	Employees trained on health and safety standards	Number	190	—	No assurance	Data include all properties managed by Hektar REIT including our leased asset
Community Engagement and Contribution	Total amount invested in CSR programmes	RM	574,336.25	—	No assurance	Data include all properties managed by Hektar REIT including our leased asset

This report was generated on the Bursa Malaysia CSI Platform on 2026-03-25_13:42:02

SUSTAINABILITY STATEMENT

Hektar REIT
BMLR Transition Period

Date & Time: 2026-03-25_13:42:02
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Community Engagement and Contribution	Total number of beneficiaries	Number	87,900	—	No assurance	Data include all properties managed by Hektar REIT including our leased asset
Human Rights, Diversity, Equity and Inclusion - Board Members	Board Diversity by Gender and Age - Gender Male	%	80.00	—	No assurance	
Human Rights, Diversity, Equity and Inclusion - Board Members	Board Diversity by Gender and Age - Gender Female	%	20.00	30% women representation on the Board	No assurance	Aligned with UNSDG 5 (Gender Equality)
Human Rights, Diversity, Equity and Inclusion - Board Members	Board Diversity by Gender and Age - Age Group <30 years old	%	0.00	—	No assurance	
Human Rights, Diversity, Equity and Inclusion - Board Members	Board Diversity by Gender and Age - Age Group 30 - 50 years old	%	20.00	—	No assurance	
Human Rights, Diversity, Equity and Inclusion - Board Members	Board Diversity by Gender and Age - Age Group >50 years old	%	80.00	—	No assurance	
Human Rights, Diversity, Equity and Inclusion - Board Members	Total Board Members	Number	5	—	No assurance	
Human Rights, Diversity, Equity and Inclusion - Employees	Total Workforce	Number	264	—	No assurance	Data include employees from all properties except for our leased asset
Human Rights, Diversity, Equity and Inclusion - Employees	Gender Diversity - Management Male	%	7.58	—	No assurance	Data include employees from all properties except for our leased asset
Human Rights, Diversity, Equity and Inclusion - Employees	Gender Diversity - Management Female	%	5.68	—	No assurance	Data include employees from all properties except for our leased asset
Human Rights, Diversity, Equity and Inclusion - Employees	Gender Diversity - Executive Male	%	18.18	—	No assurance	Data include employees from all properties except for our leased asset

This report was generated on the Bursa Malaysia CSI Platform on 2026-03-25_13:42:02

Page 5 of 8

Hektar REIT

BMLR Transition Period

Date & Time: 2026-03-25_13:42:02

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Human Rights, Diversity, Equity and Inclusion - Employees	Gender Diversity - Executive Female	%	27.27	—	No assurance	Data include employees from all properties except for our leased asset
Human Rights, Diversity, Equity and Inclusion - Employees	Gender Diversity - Non-Executive Male	%	31.82	—	No assurance	Data include employees from all properties except for our leased asset
Human Rights, Diversity, Equity and Inclusion - Employees	Gender Diversity - Non-Executive Female	%	9.47	—	No assurance	Data include employees from all properties except for our leased asset
Human Rights, Diversity, Equity and Inclusion - Employees	Age Diversity - Management <30 years old	%	0.00	—	No assurance	Data include employees from all properties except for our leased asset
Human Rights, Diversity, Equity and Inclusion - Employees	Age Diversity - Management 30 - 50 years old	%	74.29	—	No assurance	Data include employees from all properties except for our leased asset
Human Rights, Diversity, Equity and Inclusion - Employees	Age Diversity - Management >50 years old	%	25.71	—	No assurance	Data include employees from all properties except for our leased asset
Human Rights, Diversity, Equity and Inclusion - Employees	Age Diversity - Executive <30 years old	%	17.50	—	No assurance	Data include employees from all properties except for our leased asset
Human Rights, Diversity, Equity and Inclusion - Employees	Age Diversity - Executive 30 - 50 years old	%	70.83	—	No assurance	Data include employees from all properties except for our leased asset
Human Rights, Diversity, Equity and Inclusion - Employees	Age Diversity - Executive >50 years old	%	11.67	—	No assurance	Data include employees from all properties except for our leased asset
Human Rights, Diversity, Equity and Inclusion - Employees	Age Diversity - Non-Executive <30 years old	%	14.68	—	No assurance	Data include employees from all properties except for our leased asset
Human Rights, Diversity, Equity and Inclusion - Employees	Age Diversity - Non-Executive 30 - 50 years old	%	63.30	—	No assurance	Data include employees from all properties except for our leased asset

This report was generated on the Bursa Malaysia CSI Platform on 2026-03-25_13:42:02

Hektar REIT
BMLR Transition Period

Date & Time: 2026-03-25_13:42:02
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Human Rights, Diversity, Equity and Inclusion - Employees	Age Diversity - Non-Executive >50 years old	%	22.02	—	No assurance	Data include employees from all properties except for our leased asset
Human Rights, Diversity, Equity and Inclusion - Employees	New Employee Hires by Gender and Age Group - Gender Male	Number	26	—	No assurance	Data include employees from all properties except for our leased asset
Human Rights, Diversity, Equity and Inclusion - Employees	New Employee Hires by Gender and Age Group - Gender Female	Number	13	—	No assurance	Data include employees from all properties except for our leased asset
Human Rights, Diversity, Equity and Inclusion - Employees	New Employee Hires by Gender and Age Group - Age Group <30 years old	Number	16	—	No assurance	Data include employees from all properties except for our leased asset
Human Rights, Diversity, Equity and Inclusion - Employees	New Employee Hires by Gender and Age Group - Age Group 30-50 years old	Number	22	—	No assurance	Data include employees from all properties except for our leased asset
Human Rights, Diversity, Equity and Inclusion - Employees	New Employee Hires by Gender and Age Group - Age Group >50 years old	Number	1	—	No assurance	Data include employees from all properties except for our leased asset
Human Rights, Diversity, Equity and Inclusion - Employees	Employee Turnover by Gender, Age Group and Employee Category - Gender Male	Number	26	—	No assurance	Data include employees from all properties except for our leased asset
Human Rights, Diversity, Equity and Inclusion - Employees	Employee Turnover by Gender, Age Group and Employee Category - Gender Female	Number	22	—	No assurance	Data include employees from all properties except for our leased asset
Human Rights, Diversity, Equity and Inclusion - Employees	Employee Turnover by Gender, Age Group and Employee Category - Age Group <30 years old	Number	18	—	No assurance	Data include employees from all properties except for our leased asset
Human Rights, Diversity, Equity and Inclusion - Employees	Employee Turnover by Gender, Age Group and Employee Category - Age Group 30-50 years old	Number	22	—	No assurance	Data include employees from all properties except for our leased asset

This report was generated on the Bursa Malaysia CSI Platform on 2026-03-25_13:42:02

Page 7 of 8

Hektar REIT
BMLR Transition Period

Date & Time: 2026-03-25_13:42:02
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Human Rights, Diversity, Equity and Inclusion - Employees	Employee Turnover by Gender, Age Group and Employee Category - Age Group >50 years old	Number	8	—	No assurance	Data include employees from all properties except for our leased asset
Human Rights, Diversity, Equity and Inclusion - Employees	Employee Turnover by Gender, Age Group and Employee Category - Management	Number	10	—	No assurance	Data include employees from all properties except for our leased asset
Human Rights, Diversity, Equity and Inclusion - Employees	Employee Turnover by Gender, Age Group and Employee Category - Executive	Number	22	—	No assurance	Data include employees from all properties except for our leased asset
Human Rights, Diversity, Equity and Inclusion - Employees	Employee Turnover by Gender, Age Group and Employee Category - Non-Executive	Number	16	—	No assurance	Data include employees from all properties except for our leased asset
Human Rights, Diversity, Equity and Inclusion - Employees	Percentage of Employee Turnover	%	17.98	—	No assurance	Data include employees from all properties except for our leased asset
Human Rights, Diversity, Equity and Inclusion - Employees	Employee that are on Contracts or Temporary Staff	%	6.06	—	No assurance	Data include employees from all properties except for our leased asset

This report was generated on the Bursa Malaysia CSI Platform on 2026-03-25_13:42:02

Page 8 of 8

SUSTAINABILITY STATEMENT

GRI CONTENT INDEX

Statement of use	Hektar REIT has reported the information cited in this GRI content index for the period 1 January to 31 December 2025 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE		LOCATION
GRI 2: General Disclosures 2021	2-1	Organisational details	41
	2-2	Entities included in the organisation's sustainability reporting	41
	2-3	Reporting period, frequency and contact point	41
	2-5	External assurance	Information unavailable. Steps are being taken to include the information in the next Report.
	2-6	Activities, value chain and other business relationships	46
	2-7	Employees	80, 85
	2-8	Workers who are not employees	80
	2-9	Governance structure and composition	51,55
	2-10	Nomination and selection of the highest governance body	51,55
	2-11	Chair of the highest governance body	51,55
	2-12	Role of the highest governance body in overseeing the management of impacts	51,55
	2-13	Delegation of responsibility for managing impacts	51,55
	2-14	Role of the highest governance body in sustainability reporting	51,55
	2-16	Communication of critical concerns	55
	2-17	Collective knowledge of the highest governance body	55
	2-18	Evaluation of the performance of the highest governance body	55
	2-19	Remuneration policies	138-147
	2-20	Process to determine remuneration	138-147
	2-22	Statement on sustainable development strategy	44-58
	2-23	Policy commitments	46, 75-78, 86-87, 91-94
	2-24	Embedding policy commitments	46, 75-78, 86-87, 91-94
	2-25	Processes to remediate negative impacts	72
	2-26	Mechanisms for seeking advice and raising concerns	41, 92
	2-27	Compliance with laws and regulations	72, 77-78, 81, 88, 92-93
	2-28	Membership associations	42
	2-29	Approach to stakeholder engagement	52-53
	2-30	Collective bargaining agreements	75, 79

GRI STANDARD	DISCLOSURE		LOCATION
GRI 3: Material Topics 2021	3-1	Process to determine material topics	54
	3-2	List of material topics	54
	3-3	Management of material topics	59-103
GRI 201: Economic Performance 2016	201-2	Financial implications and other risks and opportunities due to climate change	56-57
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	76
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	93
	205-2	Communication and training about anti-corruption policies and procedures	93
	205-3	Confirmed incidents of corruption and actions taken	93
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	63
	302-2	Energy consumption outside of the organisation	65
	302-3	Energy intensity	50, 62
	302-4	Reduction of energy consumption	50, 61-63
	302-5	Reductions in energy requirements of products and services	50, 61-63
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	67
	303-2	Management of water discharge-related impacts	69, 71
	303-3	Water withdrawal	69, 71
	303-4	Water discharge	69, 71
	303-5	Water consumption	67-68
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	64-65
	305-2	Energy indirect (Scope 2) GHG emissions	64-65
	305-3	Other indirect (Scope 3) GHG emissions	65
	305-4	GHG emissions intensity	50, 64
	305-5	Reduction of GHG emissions	64-65
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	69-71
	306-2	Management of significant waste-related impacts	69-71
	306-3	Waste generated	70
	306-4	Waste diverted from disposal	70
	306-5	Waste directed to disposal	70

SUSTAINABILITY STATEMENT

GRI STANDARD	DISCLOSURE		LOCATION
GRI 308: Supplier "Environmental Assessment 2016"	308-1	New suppliers that were screened using environmental criteria	76
	308-2	Negative environmental impacts in the supply chain and actions taken	75-76
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	85
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	81
	401-3	Parental leave	81
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	87
	403-2	Hazard identification, risk assessment, and incident investigation	86
	403-3	Occupational health services	87
	403-4	Worker participation, consultation, and communication on occupational health and safety	88
	403-5	Worker training on occupational health and safety	88
	403-6	Promotion of worker health	88
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	86-89
	403-8	Workers covered by an occupational health and safety management system	87
	403-9	Work-related injuries	89
	403-10	Work-related ill health	89
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	83
	404-2	Programmes for upgrading employee skills and transition assistance programs	83-84
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	80, 91
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	76-78
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	77, 79
GRI 408: Child Labour 2016	408-1	Operations and suppliers at significant risk for incidents of child labour	76-78

GRI STANDARD	DISCLOSURE		LOCATION
GRI 409: Forced or Compulsory Labour 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	76-78
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programmes	97-103
	413-2	Operations with significant actual and potential negative impacts on local communities	97-103
GRI 414: Supplier "Social Assessment 2016"	414-1	New suppliers that were screened using social criteria	76
	414-2	Negative social impacts in the supply chain and actions taken	75-76
GRI 417: Marketing and Labelling 2016	417-2	Incidents of non-compliance concerning product and service information and labelling	Not applicable to Hektar REIT operations
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	95