

# 06

## SUSTAINABILITY STATEMENT



|     |                                      |
|-----|--------------------------------------|
| 71  | About this Report                    |
| 72  | Stakeholder Engagement Report        |
| 75  | Materiality Assessment               |
| 79  | Sustainability Strategy              |
| 84  | Sustainability Targets & Performance |
| 86  | Risk Management                      |
| 88  | Climate Change & Decarbonisation     |
| 95  | Governance                           |
| 101 | Economic                             |
| 107 | Value for Employees and Community    |
| 123 | Environmental                        |
| 128 | Membership and Awards                |
| 128 | Continuous Improvement               |
| 129 | Appendices                           |



# SUSTAINABILITY STATEMENT

## ABOUT THIS REPORT

### BASIS OF PREPARATION

JLG REIT Managers Sdn Bhd (“the Manager”) is pleased to present the Sustainability Statement (“SS2025”) of Al-`Aqar Healthcare REIT (“Al-`Aqar” or “the REIT”) for the financial period between 1 January and 31 December 2025 (“FY2025”).

The SS2025 provides a comprehensive overview of Al-`Aqar’s sustainability initiatives, performance, and disclosures in accordance Paragraph 29, Part A of Bursa Malaysia MMLR and Practice Note 9.

The REIT has applied the reporting principles of relevance, completeness, consistency and comparability as outlined in Bursa Malaysia’s Sustainability Reporting Guide (3<sup>rd</sup> Edition) and the National Sustainability Reporting Framework (“NSRF”). Reference has also been made to the following:

- International Financial Reporting Standards (“IFRS”) S1 and S2
- Sustainability Accounting Standards Board (“SASB”)
- FTSE4Good Bursa Malaysia Index (“FTSE”)
- Global Reporting Initiative (“GRI”) Standards
- United Nations Sustainable Development Goals (“UN SDGs”)

Unless otherwise stated, the information presented within this SS2025 covers all assets under the management of Al-`Aqar. The scope of reporting is limited to areas where the REIT has direct operational control as an asset manager. Any sustainability-related policies, initiatives, or performance data that fall under the operational control of tenants are excluded from this SS2025. If needed, tenant-related information shall be included for illustrative purposes, but this shall be clearly identified as third-party disclosures.

Where available, the SS2025 shall present three-year performance data in relation to Al-`Aqar’s value chain. This includes suppliers, business partners, contractors, vendors, and other service providers.

For the purposes of this report, the term “local” refers to regions where the REIT operates.

### Reporting Boundary Clarification

The REIT adopts an operational control approach in defining its reporting boundary. While the majority of environmental data is tenant-controlled, the REIT has progressively

expanded its data collection scope through tenant engagement initiatives. Any exclusions and limitations are disclosed within the relevant sections of this report.

### ASSURANCE AND DATA ACCURACY

The Board of Directors (“Board”) and Senior Management have reviewed the disclosures to ensure that they fairly represent Al-`Aqar’s sustainability performance and initiatives during the reporting period. All data presented has been compiled through established internal processes, with verification conducted by the relevant departments and data owners.

As an added level of validation, selected sustainability indicators have undergone limited independent assurance in accordance with ISAE 3000 (Revised). The scope of assurance covers key environmental and governance indicators, including GHG emissions (Scope 1 and Scope 2) and selected KPI disclosures.

The assurance was conducted by an independent third-party assurance provider. The assurance statement, including scope, methodology and conclusions, is presented in the Assurance Statement section. Details of the assurance can be found in the Assurance Statement of this SS2025.

### DISTRIBUTION AND FEEDBACK

Any inquiries, suggestions, and feedback on the SS2025 can be provided through the contacts provided below:

#### Roziyah Abu Bakar

Head of Corporate Services

#### Email

roziyah.bakar@jlandgroup.com.my



The REIT’s report can be accessed via:  
<https://alaqar.com.my/investor.php>

# SUSTAINABILITY STATEMENT

## STAKEHOLDER ENGAGEMENT REPORT

AL-`Aqar considers the inputs of stakeholders as central to shaping its operations and sustainability strategy. By engaging continuously and providing channels for communication, the REIT gains a diverse array of perspectives that allow us to improve the operations while identifying key areas of concern that need the utmost attention. This commitment allows it to ensure that the voices of all the stakeholders are heard, building strong and long-lasting relationships that is essential to the long-term sustainability of the operations.

The REIT has identified several key stakeholders and outlined the engagement method and frequency below. These platforms act as the primary method for gathering feedback, monitoring, assessing, and addressing the evolving needs of the diverse stakeholders, allowing the REIT to adapt the operations accordingly and ensuring the robust, long-term continuity of the operations.

### Engagement frequency legend:

● 3 years   
 ● Annually   
 ● Biannually   
 ● Quarterly   
 ● Monthly   
 ● Ongoing   
 ● When required

#### Stakeholders



### INVESTORS

Investors supply the financial capital essential for growth. Investor confidence affects the REIT's valuation, trading activity, dividend distributions, access to capital access, portfolio management, and overall market standing.

#### Engagement Platform

- Annual General Meeting
- REIT website
- Yearly and quarterly financial reports
- Investor relations presentations
- Investment

#### Areas of Concern

- Financial performance
- Governance practices
- Investor relations
- Environmental issues
- Asset security

#### Response

- Annual audits
- Uphold strong governance practices

#### Stakeholders



### REGULATORY AGENCIES AND STATUTORY BODIES

Regulatory agencies and statutory bodies play a crucial role for the REIT by ensuring compliance, preserving customer trust and contributing to financial market stability. Their oversight is vital for AL-`Aqar's credibility and success.

#### Engagement Platform

- Quarterly compliance reports submitted to the Board
- Announcements, notifications & regular updates
- Compliance reviews and audits

#### Areas of Concern

- Adherence to regulations
- Employment practices
- Openness and information sharing

#### Response

- Adheres to current laws and regulations

# SUSTAINABILITY STATEMENT

## STAKEHOLDER ENGAGEMENT REPORT (CONT'D)

Stakeholders



### EMPLOYEES

Employees are central to the REIT's operations, playing a crucial role in managing, maintaining, and enhancing its properties. Their efforts significantly contribute to operational efficiency and the overall success of Al-`Aqar's operations.

| Engagement Platform  | Areas of Concern   | Response  |
|--|--|---|
| <ul style="list-style-type: none"> <li>• Performance and career growth plans</li> <li>• Townhall sessions</li> <li>• Salary package reviews</li> <li>• Balancing work and personal life</li> </ul> | <ul style="list-style-type: none"> <li>• Employees' performance and growth</li> <li>• Business strategies, goals and achievements</li> <li>• Employees well-being</li> <li>• Employees benefits</li> </ul> | <ul style="list-style-type: none"> <li>• Provides career advancement and skill development opportunities, along with attractive benefits, to attract and retain top talent</li> </ul> |

Stakeholders



### PROPERTY, SERVICES, MAINTENANCE MANAGERS

Property, service, and maintenance managers are critical in overseeing the efficient operation, upkeep, and value enhancement of assets. Their contributions are vital to the overall success and performance of the investment fund.

| Engagement Platform   | Areas of Concern   | Response  |
|---|--|---|
| <ul style="list-style-type: none"> <li>• Monthly reporting</li> <li>• Monthly meetings</li> </ul> | <ul style="list-style-type: none"> <li>• Maintenance overview</li> </ul> | <ul style="list-style-type: none"> <li>• Senior management consistently engages in discussions with all managers to address improvement opportunities</li> <li>• Maintenance managers submit monthly updates to REIT</li> </ul> |

Stakeholders



### TENANTS

Tenants are essential to the REIT by generating rental income, which ensures the financial performance and continuous growth of the real estate investment fund.

| Engagement Platform  | Areas of Concern  | Response   |
|--|---|--|
| <ul style="list-style-type: none"> <li>• Tenant satisfactory survey</li> <li>• Monthly reports</li> <li>• Quarterly meeting</li> </ul> | <ul style="list-style-type: none"> <li>• Lease contracts</li> <li>• Keeping leased premises in good repair and condition</li> </ul> | <ul style="list-style-type: none"> <li>• Tenants are engaged through performance evaluations conducted by the property or maintenance manager</li> <li>• The maintenance manager holds formal sessions with tenants to address their queries and concerns</li> </ul> |

# SUSTAINABILITY STATEMENT

## STAKEHOLDER ENGAGEMENT REPORT (CONT'D)

### Stakeholders



### SERVICE PROVIDERS AND SUPPLIERS

Service providers and suppliers ensure the smooth operation of property management, maintenance, and other essential services, supporting the overall health and sustainability of the business.

#### Engagement Platform

- Assessment and performance reviews
- Adherence to the MACC Act
- Procurement Guidelines
- Adherence to Personal Data Protection Act ("PDPA")

#### Areas of Concern

- Tenant Procurement Procedures
- Business Practices

#### Response

- A representative from the Manager participates in supplier interviews to ensure compliance with the Manager's ESG-related policies and regulations

### Stakeholders



### CUSTOMERS AND COMMUNITIES

The presence and engagement of customers and communities are vital, as they enhance the vibrancy and success of the properties, leading to positive economic and social impacts in the areas served by the REIT.

#### Engagement Platform

- Complaint handling
- Social media such as Facebook and Instagram
- E-mail communication
- Community activities
- Foodbank/volunteer work

#### Areas of Concern

- Corporate Social Responsibility ("CSR")
- Community Growth
- Environmental Effects

#### Response

- Participates in local community initiatives and charitable projects
- Implements environmentally sustainable practices, such as adopting energy-efficient technologies

### KEY OUTCOMES FROM STAKEHOLDER ENGAGEMENT (FY2025)

Based on stakeholder engagements conducted during the financial year, the following key themes were identified:

Increased demand for climate-related disclosures and transparency

Expectations for enhanced tenant engagement on ESG matters

Focus on regulatory compliance and governance practices

These inputs have directly influenced the REIT's prioritisation of climate risk management, ESG data governance improvements and enhancement of sustainability disclosures.

# SUSTAINABILITY STATEMENT

## MATERIALITY ASSESSMENT

The REIT conducts periodic materiality assessments to identify and prioritise the most relevant ESG concerns to both the REIT's operations and all identified stakeholders. This allows for the effective allocation of resources, mitigating any potential negative impacts while continuing operations and offering the highest value to stakeholders, including the protection of the environment, maintaining good governance practices, and ensuring the well-being of communities.

The REIT's materiality matters are determined through:

1

### Materiality Identification:

Material topics were identified based on stakeholder inputs regular engagement, sustainability indicators provided by ESG frameworks and regulatory requirements, operating and financially material concerns for the REIT, and benchmark with industry peers.

2

### Refinement and Categorisation of Material Topics:

The identification process resulted in 13 identified topics, which are further divided by each ESG pillar under Economic, Environment, Social, and Governance focuses.

3

### Assessment and Prioritisation:

Identified material topics are further refined and prioritised through a materiality assessment survey, involving the participation of internal and external stakeholders. This survey allowed participants to rate the significance of each material topic, allowing the REIT to obtain various perspectives and align its value creation with the needs of all stakeholders involved with the REIT.

4

### Materiality Matrix Formulation:

As various stakeholders have an array of impacts on Al-`Aqar's operations, each stakeholder group were assigned weightages which are then averaged to obtain a normalised materiality priority score. These scores are then plotted on the REIT's materiality matrix that guides it in resource allocation and strategy decision making.

5

### Validation:

The results of the surveys, assessments, and the finalised materiality matrix are presented to the Board of Directors for validation, which are conducted on an annual basis to ensure the REIT's directives and priorities remain relevant to all involved stakeholders.

The materiality matrix follows the topics from FY2023 as the identified issues remain relevant to both the REIT's internal and external stakeholders. The REIT's materiality matrix plots material topics based on the significance to stakeholders and the impact on the REIT's business.

## PRIORITY MATERIAL MATTERS

The following material matters were identified as high priority:

01

Corporate Governance and Anti-Corruption

02

Economic Performance

03

Regulatory Compliance and Risk Management

04

Tenant and Customer Satisfaction

05

Data Privacy and Cybersecurity

06

Occupational Health and Safety

# SUSTAINABILITY STATEMENT

## MATERIALITY ASSESSMENT (CONT'D)

Each material matter is linked to specific KPIs, targets and risk management measures, ensuring alignment between strategy, performance and disclosures.



### Robust Corporate Governance

- 01 Corporate Governance and Anti-Corruption
- 03 Regulatory Compliance and Risk Management
- 05 Data Privacy and Cybersecurity

### Sustainability Trust Fund

- 02 Economic Performance
- 11 Supply Chain Management

### Strong Social Relationships

- 04 Tenant and Customer Satisfaction
- 06 Occupational Health and Safety
- 07 Labour Practices and Standards
- 08 Diversity and Inclusion
- 10 Community Enrichment

### Environmental Stewardship

- 09 Energy, Emissions and Climate Resilience
- 12 Waste Management
- 13 Water Consumption

# SUSTAINABILITY STATEMENT

## MATERIALITY ASSESSMENT (CONT'D)

### MATERIAL MATTER ALIGNMENT

The REIT mapped all identified material matters with its stakeholders, ensuring all identified concerns are aligned and relevant to the REIT's stakeholders and global sustainability targets outlined by the UN SDGs.

| Robust Corporate Governance  |                                     |
|--|-------------------------------------|
| <p><b>Material Matter</b></p> <p><b>01 Corporate Governance and Anti-Corruption</b><br/>Embracing the values, principles, standards, and norms that are critical for keeping the business sustainable and preventing corruption, bribery, and any unethical behaviour</p>  | <p><b>Relevant Stakeholders</b></p> |
| <p><b>Material Matter</b></p> <p><b>03 Regulatory Compliance and Risk Management</b><br/>Ensuring long-term sustainable growth through the effective management of operational, financial, and compliance risks, while complying with the relevant laws, regulations, guidelines, and specifications that relate to Al-`Aqar's business activities</p> | <p><b>Relevant Stakeholders</b></p> |
| <p><b>Material Matter</b></p> <p><b>05 Data Privacy and Cybersecurity</b><br/>Protecting the data privacy and cybersecurity of customers' personal and financial data, while taking an active approach to risk mitigation, positioning the REIT as a trustworthy entity in digital transactions and communications</p>                                 | <p><b>Relevant Stakeholders</b></p> |
| Sustainability Trust Fund  |                                     |
| <p><b>Material Matter</b></p> <p><b>02 Economic Performance</b><br/>Effectively managing broader economic impacts of infrastructure investments and associated services, alongside enhancing financial performance, to ensure the beneficial value creation to the stakeholders</p>  | <p><b>Relevant Stakeholders</b></p> |
| <p><b>Material Matter</b></p> <p><b>11 Supply Chain Management</b><br/>Ensuring suppliers' products and services fulfil the Manager's requirements and standards while optimising supply chain activities to provide the best value for customers and tenants</p>  | <p><b>Relevant Stakeholders</b></p> |

# SUSTAINABILITY STATEMENT

## MATERIALITY ASSESSMENT (CONT'D)

### Strong Social Relationships

| Material Matter  | Relevant Stakeholders |
|--|-----------------------|
| <p><b>04 Tenant and Customer Satisfaction</b><br/>                     Providing consistent high-quality properties that prioritise comfort and safety, ensuring the best experience for tenants and customers</p>           |                       |
| <p><b>06 Occupational Health and Safety</b><br/>                     Proactively deploying measures that prevent workplace accidents and injuries, providing a safe and supportive working environment</p>                   |                       |
| <p><b>07 Labour Practices and Standards</b><br/>                     Providing benefits, training, and development opportunities for employees while protecting the rights of the workforce, suppliers, and stakeholders</p> |                       |
| <p><b>08 Diversity and Inclusion</b><br/>                     Creating an inclusive workplace with a culture that celebrates diversity, ensuring all employees are treated with dignity and respect</p>                      |                       |
| <p><b>10 Community Enrichment</b><br/>                     Cultivating strong relationships with local communities that facilitates mutual development and supports their wellbeing through regular engagements</p>          |                       |

### Environmental Stewardship

| Material Matter  | Relevant Stakeholders |
|--|-----------------------|
| <p><b>09 Energy Emissions and Climate Resilience</b><br/>                     Implementing initiatives that minimise energy consumption, reduce greenhouse gas emissions, and strengthen the climate resilience of AL-`Aqar's properties</p> |                       |
| <p><b>12 Water Consumption</b><br/>                     Reducing water consumption through water use optimisation measures</p>   |                       |
| <p><b>13 Waste Management</b><br/>                     Employing measures that reduce resource consumption and minimise waste generation, while increasing allocations to recycling</p>  |                       |

# SUSTAINABILITY STATEMENT

## SUSTAINABILITY STRATEGY

### SUSTAINABILITY APPROACH

As Malaysia’s first and only Islamic healthcare-focused REIT and recognised as the world’s first listed Islamic healthcare REIT, Al-`Aqar occupies a distinctive position in advancing ethical and Shariah-compliant investment in the healthcare real estate sector.

To support this role, the REIT continues to implement initiatives to reduce its environmental footprint, uphold transparency, accountability, and integrity across its operations, and safeguard the wellbeing of employees and the communities that have contributed to Al-`Aqar’s growth.

In alignment with evolving global and national sustainability reporting expectations, the REIT has progressed towards compliance with the International Sustainability Standards Board (ISSB) IFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2: Climate-related Disclosures. These standards form the baseline of Malaysia’s National Sustainability Reporting Framework (NSRF), which has been developed to enhance the quality, comparability, and decision-usefulness of sustainability disclosures across the Malaysian capital market.

Central to the REIT’s ongoing sustainability journey is the development of a comprehensive ESG framework, aligned with the United Nations Sustainable Development Goals (UN SDGs), which strategically guides the REIT’s sustainable practices and long-term value creation.



**Vision** Leader in sustainable real estate solutions with core competencies to own, build, operate and monetise across the value chain

**Mission** We Create Value and Build Opportunities to Thrive for a Smarter and More Sustainable Future

Massive Transformative Purpose: Enhancing Human Experience

#### Building Trust by Strengthening Governance Practices

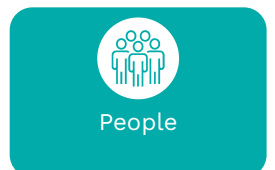
- Supply Chain Management
- Anti-corruption, Ethics and Transparency
- Governance, Risk and Regulatory Compliance
- Data Privacy and Security
- Innovation and Research & Development
- Economic Performance

#### Driving Energy Transition and Low-Carbon Within the Real Estate Industry

- Climate Change
- Biodiversity and Conservation
- Environmental Footprint
- Product Lifecycle Management

#### Enriching the Wellbeing of Employee and Communities

- Customer Satisfaction
- Health and Safety
- Human Rights and Labour Practices
- Diversity, Equity and Inclusion
- Community Development



# SUSTAINABILITY STATEMENT

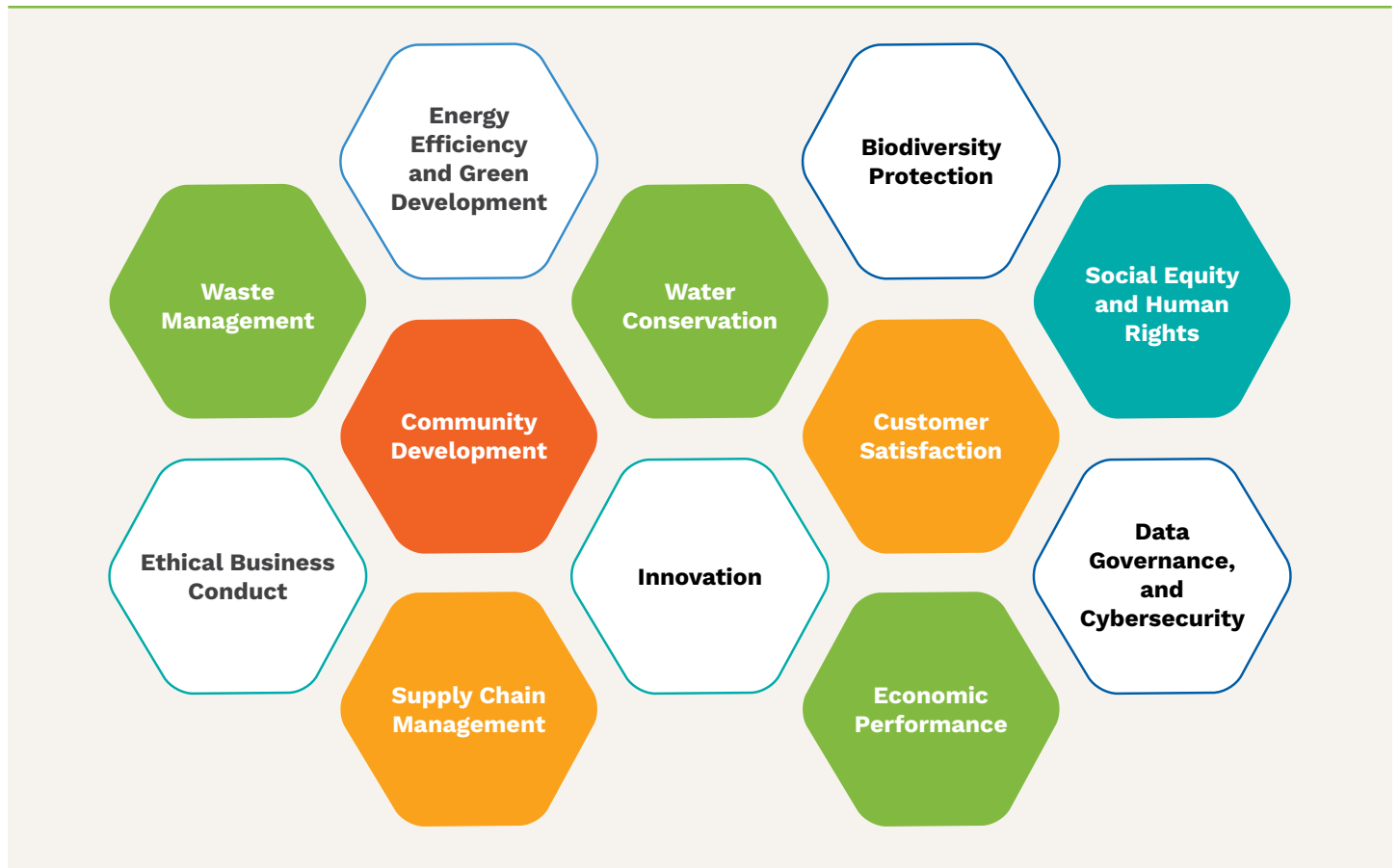
## SUSTAINABILITY STRATEGY (CONT'D)

### SUSTAINABILITY POLICY AND FRAMEWORK

The Sustainability Policy and Framework emphasise transparency, accountability, and the integration of Environmental, Social, and Governance (“ESG”) principles across all aspects of the REIT’s operations. Sustainability is embedded into decision-making processes, reflecting the aspiration to lead in delivering sustainable real estate solutions.

The REIT’s approach focuses on strengthening governance practices, advancing a low-carbon energy transition, and enhancing the wellbeing of employees and the communities in which it operates. Through this approach, the REIT seeks to balance business growth with responsible environmental and social outcomes.

To support these efforts, the REIT has established both short- and long-term goals across a wide range of sustainability areas. These include energy efficiency, green development, water conservation, waste management, biodiversity protection, social equity, human rights, community development, customer satisfaction, ethical business conduct, supply chain management, innovation, economic performance, data governance, and cybersecurity.



Oversight of sustainability matters is provided by the Board, which evaluates ESG targets, monitors performance, and provides strategic direction on sustainability-related initiatives. A structured governance framework involving the Board of Directors, the Board Sustainability Committee, the Management Committee, the Management Sustainability Committee, and the ESG Team ensures effective monitoring, decision-making and implementation of ESG initiatives across the organisation.

Overall, the Sustainability Framework reflects AL-`Aqar’s commitment to achieving Net-Zero carbon targets by 2050, promoting green practices, fostering innovation, and supporting community development while maintaining ethical and sustainable business operations.

# SUSTAINABILITY STATEMENT

## SUSTAINABILITY STRATEGY (CONT'D)

### SUSTAINABILITY POLICY AND FRAMEWORK (CONT'D)






| Initiative Categories |   | <span style="border: 1px solid blue; display: inline-block; width: 10px; height: 10px;"></span> Governance | <span style="border: 1px solid pink; display: inline-block; width: 10px; height: 10px;"></span> Social | <span style="border: 1px solid green; display: inline-block; width: 10px; height: 10px;"></span> Environmental |   |   |
|-----------------------|---|--|--|--|---|---|
| <b>Short Term</b>     | Access ESG-related risks and opportunities                                  | Establish anti-bribery framework   | Establish Supplier Assessment Framework & Green Procurement Policy                                     | Conduct Health and Safety Training with 90-100% participation  | Forge partnerships with community support groups  | Formulate a decarbonisation strategy and roadmap                            |
|                       | Set up Diversity, Equality, and Inclusiveness ("DEI") Policy                | Implement 30% green mobility solutions in new developments   | Sources at least 90% of procurement needs from local suppliers   | Develop Strategic partnerships to address needs of customers   | Adopt green leases for all lease renewals starting from 2025                              | Conduct preliminary Life Cycle Assessment ("LCA") exercise for supply chain |
| <b>Medium Term</b>    | Align disclosures with global standards and highlight key achievements      | Risk assessment exercise on Data Governance and cybersecurity  | Conduct cyber security awareness and training for all staff  | Implement 50% rooftop solar and 50% of fiberisation of new developments  | Establish and streamline digital platforms  |   |
|                       | Establish implement a Green Financing Framework                             | Establish ESG parameters and conduct performance evaluations   | Establish clear policies for data governance   | Green building certification for newly developed and owned buildings   | Conduct compliance review on a quarterly basis  |   |
|                       | Establish plan on community development strategy                            | Incorporate Social Return on Investment as part of community strategy                                      | Engage internal staff in community engagement programmes   | Conduct employee engagement surveys with 90 - 100% participation rate  | Engage suppliers quarterly on sustainability standards                                    |   |
|                       | Achieve 30% of women in leadership roles                                    | Establish human rights policy which includes confidential reporting system                                 | Training on the topic of human rights and labour policy  |  | Minimum L&D hours per employee annually on key matters                                    |   |
| <b>Long Term</b>      | Reduce overall water consumption from municipal water supply by 10% by 2028 | Net Zero by 2050   | Achieve 30% of women participation in the Board by 2030  |  | Develop and implement emergency preparedness and response plans, with drills year on year |   |
|                       |   |  |  |  | Ensure 100% of reported human rights/labour compliants reported are investigated          |   |

# SUSTAINABILITY STATEMENT

## SUSTAINABILITY STRATEGY (CONT'D)

### GLOBAL SUSTAINABILITY ALIGNMENT

While the REIT strives to be the leader in REIT sustainability in Malaysia, it proactively works towards implementing ESG concepts beyond national boundaries, offering value internationally. To achieve this, the REIT aligns its practices with the UN SDG agenda for sustainable development by 2030, allowing the REIT to provide the most significant impact in fostering peace, prosperity, and an equitable future for everyone. While the initiatives have the most significant impact in advancing the targets of the five UN SDGs below, the sustainability initiatives go beyond the recommendations of the UN SDGs, creating a positive impact in all its activities.

| UN SDG  | Target Description   | The REIT Initiatives   |
|---|--|--|
|  <p><b>UN SDG 8:</b><br/>Decent Work and Economic Growth</p>           | <p><b>Target 8.7:</b> Measures to eradicate forced labour, modern slavery and child labour</p> <p><b>Target 8.8:</b> Protection of labour rights and promotion of safe working environment</p> | <p>Ensured compliance with labour-related regulations</p>  |
|  <p><b>UN SDG 9:</b><br/>Industry, Innovation and Infrastructure</p> | <p><b>Target 9.4:</b> Upgrade infrastructure with greater adoption of clean and environmentally sound technologies</p>   | <p>Conducted energy audits, LED retrofit pilots, establish baseline energy and carbon performance</p>  |
|  <p><b>UN SDG 11:</b><br/>Sustainable Cities and Communities</p>     | <p><b>Target 11.6:</b> Reduce the adverse per capita environmental impact of cities by paying attention to municipal and waste management</p>  | <p>Installed two AI-based recycling machines at Damansara Specialist Hospital (DSH) and KPJ Tawakkal Specialist Hospital</p>   |
|  <p><b>UN SDG 13:</b><br/>Climate Action</p>                         | <p><b>Target 13.1:</b> Integration of climate change measures into policies, strategies and planning</p>   | <p>Proactively evaluated energy efficiency improvements to minimise its carbon footprint</p> <p>Disclosed Scope 1, Scope 2 and limited Scope 3 GHG emissions</p> <p>Enhanced climate-related disclosures by evaluating climate-related risk and opportunities over short-, medium and long-term</p> <ul style="list-style-type: none"> <li>- In progress in obtaining green building index for the building</li> </ul> |
|  <p><b>UN SDG 16:</b><br/>Peace, Justice and Strong Institutions</p> | <p><b>Target 16.5:</b> Reduce all forms of corruption and bribery</p>  | <p>Established Code of Conduct and Business Ethics, Anti-Bribery and Anti-Corruption Policy, and Whistleblowing Policy</p> <p>Quarterly review of risks in accordance with the Enterprise-Wide Risk Management (ERM) Policy and Framework</p>  |

# SUSTAINABILITY STATEMENT

## SUSTAINABILITY STRATEGY (CONT'D)

### SUSTAINABILITY MILESTONES



# SUSTAINABILITY STATEMENT

## SUSTAINABILITY STRATEGY (CONT'D)

### INTEGRATION WITH BUSINESS STRATEGY

The Manager is responsible for integrating climate risk management into investment evaluations, asset enhancement initiatives, property operations, and tenant engagement activities. Through a structured governance and reporting mechanism, the Manager ensures that climate-related matters are escalated to the Board, BARC and BSC for oversight and decision-making.

#### Climate Risk Management Framework




| Climate Risk Management Framework                 |   |
|---|---|
| <b>Through this Policy, the Manager seeks to:</b> | Integrate climate-related risk identification and management within the overall ERM framework                                   |
|   | Strengthen the resilience and adaptability of the REIT assets against climate impacts   |
|   | Enhance energy efficiency, resource management, and operational sustainability  |
|   | Support Malaysia's and the region's transition toward a low-carbon and sustainable economy                                      |
|   | Promote transparency, accountability, and stakeholder confidence through clear disclosure and continuous performance monitoring |

## SUSTAINABILITY TARGETS & PERFORMANCE

As part of its commitment to adopt sustainability throughout every facet of the REIT's operations, the REIT has developed sustainability KPIs that not only drive its strategic ESG directives but also provide transparency and accountability to ensure all sustainability goals remain a priority.

### KPI METHODOLOGY AND TARGET SETTING






All KPIs are developed based on identified material matters and aligned with the REIT's strategic priorities. Where applicable, targets are time-bound and benchmarked against historical performance and industry practices.

| Material Matters  | KPIs   | FY2024 Performance | FY2025 Performance | UN SDG   |
|---|--|--------------------|--------------------|--|
|  <b>Robust Corporate Governance</b> | <b>Corporate Governance and Anti-Corruption</b><br>Achieve zero reported incidents of anti-bribery and anti-corruption annually. | Achieved           | <b>Achieved</b>    | <br> |
|   | Ensure 50% of operations are assessed for anti-corruption risk by FY2025.  | Achieved           | <b>Achieved</b>    |  |
|   | Provide training and regular communication on the ABAC Policy for 100% of JRM employees by FY2025.                               | Achieved           | <b>Achieved</b>    |  |
| <b>Regulatory Compliance and Risk Management</b>  | Conduct comprehensive ESG risk assessment throughout the organisation and formulate a risk response.                             | Achieved           | <b>Achieved</b>    |  |
| <b>Data Privacy and Cybersecurity</b>   | Achieve zero breaches in data privacy and cybersecurity annually.  | Achieved           | <b>Achieved</b>    |  |

# SUSTAINABILITY STATEMENT

## SUSTAINABILITY TARGETS & PERFORMANCE (CONT'D)

### KPI METHODOLOGY AND TARGET SETTING (CONT'D)

| Material Matters                                | KPIs   | FY2024 Performance   | FY2025 Performance  | UN SDG   |
|---|--|--|---|--|
| <b>Sustainability Trust Fund</b>                |  |  |   |  |
| <b>Supply Chain Management</b>                  | Achieve 100% of procurement budget on local suppliers.   | Achieved   | <b>87% achieved</b>   | <br> |
|   | 100% of vendors meet the ESG assessment criteria.  | 30%  | <b>Achieved</b>   |  |
| <b>Environmental Stewardship</b>                |  |  |   |  |
| <b>Energy, Emissions and Climate Resilience</b> | At least 3 properties with green building certification.   | 0  | <b>2 properties</b>   |   |
|   | Adopt Green leases for all lease renewals and implement adoption of green leases by new tenants by FY2026.                               | 0  | <b>2 hospitals</b>  |  |
| <b>Waste Management</b>                         | At least 1 initiative conducted a year.  | Achieved.<br>Installation of Klean Machine at 2 hospitals              | <b>Achieved.<br/>Installation of Klean Machine at 1 hospital</b>                        |   |
| <b>Strong Social Relationships</b>              |  |  |   |  |
| <b>Occupational Health and Safety</b>           | Maintain zero fatalities and Lost Time Injury Rate of less than 3.00 annually.   | Achieved   | <b>Achieved</b>   |   |
|   | Provide OHS-related training/briefings to 100% of JRM employees by FY2026.   | 8% of total employees received training on health and safety standards | <b>Achieved.<br/>100% of employees received training on health and safety standards</b> |  |
| <b>Tenant and Customer Satisfaction</b>         | Achieve a minimum score of more than 80% in the tenant satisfaction survey.  | Achieved at 86%  | <b>Achieved at 80.38%</b>   |  |
| <b>Labour Practices and Standards</b>           | Achieve substantiated zero complaints on human rights violations, including forced labour, child labour, discrimination, and harassment. | Zero complaints registered on human rights violations.                 | <b>Achieved</b>   |  |
|   | Train 100% employees on labour and human rights matters.   | N/A  |   |  |

Note: N/A refers to a KPI newly introduced in 2025, no prior data is available.

The REIT will progressively enhance its KPI framework to include intensity-based metrics and science-based climate targets in alignment with IFRS S2 and industry best practices.

# SUSTAINABILITY STATEMENT

## RISK MANAGEMENT

As part of its commitment to robust risk management, the takes proactive measures to identify and mitigate ESG-related risks, including environmental, social, labour, occupational health and safety (“OHS”), tax, and data protection. Risk assessments are guided by the Enterprise Risk Management (“ERM”) framework and conducted on a quarterly basis to ensure existing risk mitigation measures remain relevant. Identified risks are integrated into the REIT’s risk register, ensuring ESG-related concerns are addressed in the REIT’s risk management approach. This ensures that all risks and potential issues are managed before they impact operations or stakeholders, strengthening its brand image, operational productivity, and financial performance.

The REIT’s risk management is overseen by the BARC and supported by the ERMC. The BARC and ERMC identifies risk parameters, appetite, profiles, and prepares mitigation measures and action plans in response of identified risks. These initiatives are cascaded to Risk Owners who manages day-to-day risks at the operational level, ensuring mitigation measures are implemented and risks are controlled effectively. The roles involved in the REIT’s risk management is detailed below:



The Manager also evaluates ESG risks through a structured risk management process that is integrated into the REIT’s ERM framework. This process considers both current and emerging risks across environmental, social and governance dimensions, including climate-related and transition risks, operational and compliance risks, workforce and community-related risks, as well as governance and ethical risks.

Key ESG risk areas are identified, assessed and monitored based on their potential impact and likelihood. Mitigation measures, controls and action plans are implemented to manage these risks effectively, with oversight provided by management and the Board of Directors of the Manager. The evaluation of ESG risks informs strategic decision-making, sustainability priorities and disclosure practices, in line with Bursa Malaysia’s Sustainability Reporting Guide and the IFRS Sustainability Disclosure Standards.




# SUSTAINABILITY STATEMENT

## RISK MANAGEMENT (CONT'D)

| Risk Management            | Description   |
|----------------------------|---|
| <b>Risk Identification</b> | ▶ The REIT employs a structured risk assessment approach integrated into daily operations alongside other risks via its ERM Framework.  |
| <b>Risk Assessment</b>     | ▶ Key risks are assessed based on their likelihood of occurrence and potential impact on the business, particularly in the event of adverse climate-related incidents.<br>An Audit and Risk Management Committee has been established to review and update risks on a quarterly basis, with input from each department.   |
| <b>Risk Management</b>     | ▶ To manage identified risks, the REIT has implemented the following measures: <ul style="list-style-type: none"> <li>• <b>Enterprise Risk Management Framework:</b> The ERMC continuously monitors, evaluates and manages significant risks. Corrective actions are implemented as necessary, and their effectiveness is regularly reviewed.</li> <li>• <b>Internal Controls:</b> The REIT implements action plans with specific timeframes for mitigation when necessary.</li> <li>• <b>Internal and External Audits:</b> The BARC regularly examines the internal control process and the results of the risk management.</li> </ul> |

The table below summarises the principal ESG risk areas relevant to Al-`Aqar.

### RISK PRIORITISATION

| ESG Pillar  | Risk Area   |
|---|---|
| <br><b>Environmental</b> | <ul style="list-style-type: none"> <li>• Climate &amp; Transition Risk</li> <li>• Energy Inefficiency</li> <li>• Poor Environmental Due Diligence</li> </ul>  |
| <br><b>Social</b>        | <ul style="list-style-type: none"> <li>• Tenant Health &amp; Wellbeing</li> <li>• Community Relations</li> <li>• Workforce Diversity &amp; Inclusion</li> <li>• Health &amp; Safety Compliance</li> <li>• Breach of Human Rights/Child Labour</li> </ul>  |
| <br><b>Governance</b>    | <ul style="list-style-type: none"> <li>• ESG Governance Weakness</li> <li>• Inadequate ESG Reporting</li> <li>• Conflict of Interest/Recurrent Related Party Transactions ("RRPT")</li> <li>• Greenwashing</li> <li>• Data Privacy &amp; Cybersecurity</li> <li>• Corruption &amp; Bribery Risk</li> <li>• Fit and Proper Risk</li> </ul> |

Identified ESG risks are prioritised based on likelihood and impact. High-priority risks are escalated to the BARC and monitored on a quarterly basis. The approach to climate risk management ensures that climate risk remains a central concern in the REIT's operations, and its integration into the ERM and linkage with KPIs further enforces resilience and transparency on climate-related concerns. By developing robust climate risk management, the REIT enhances its climate resilience and provides customers and stakeholders with the safest and most resilient properties.

# SUSTAINABILITY STATEMENT

## CLIMATE CHANGE & DECARBONISATION

### CLIMATE GOVERNANCE

| Risk Area  | Risk Rating | Risk Tolerance Level |
|--|-------------|----------------------|
| ESG Governance Weakness is a risk if ESG considerations are not adequately integrated into Board and management decision-making processes. | ●           | ●                    |

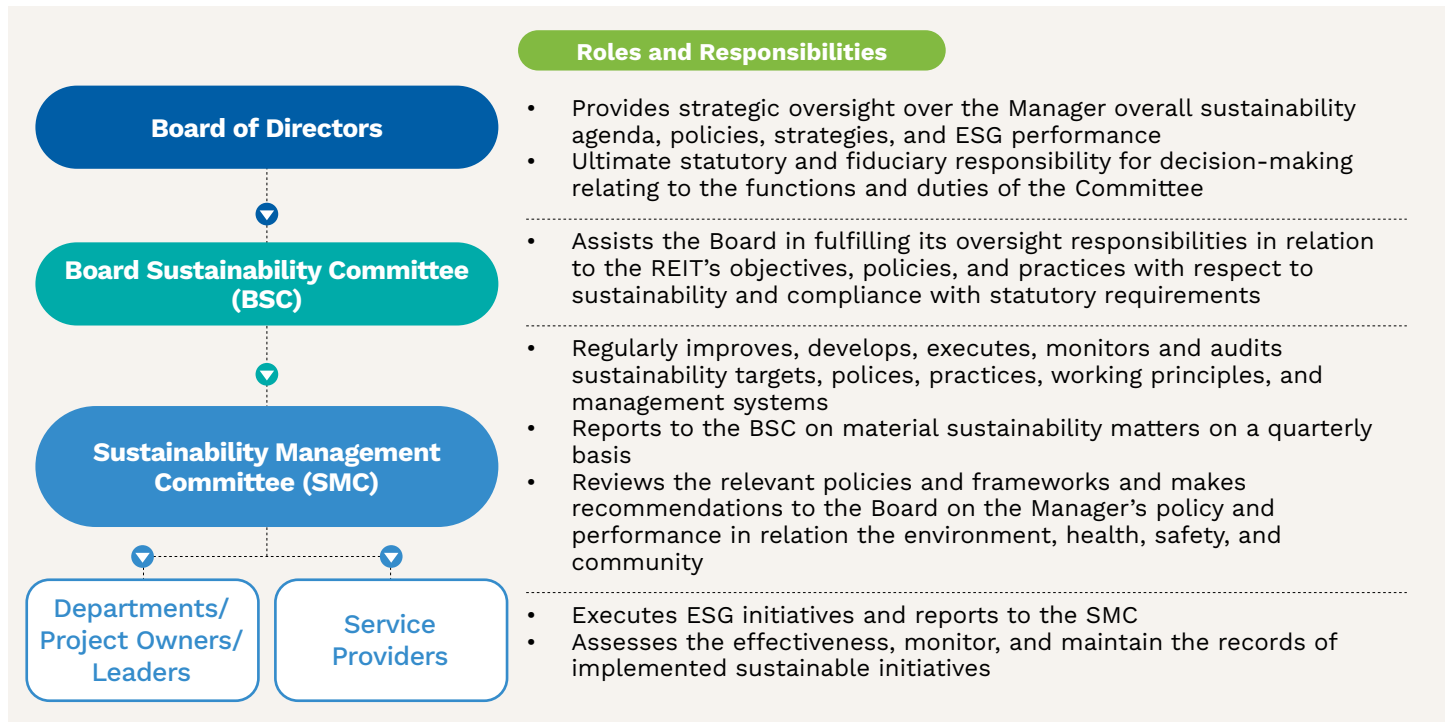
Effective governance of climate-related risks and opportunities is a key priority for the Board, reflecting its commitment to long-term resilience and value creation. Through strategic oversight, the Board ensures that climate considerations are embedded in decision-making, while management actively assesses and addresses climate-related challenges to protect and enhance its assets.

The REIT adopts a top-down approach to managing sustainability-related initiatives and concerns. Board maintains oversight of the REIT’s sustainability agenda, ensuring that all sustainability and climate-related initiatives, risks, and opportunities align with overarching targets.

The management, including the Sustainability Management Committee (“SMC”), advises the Board on climate initiatives

and strategies while monitoring and overseeing their implementation in daily operations. The SMC is also tasked with consolidating performance data and benchmarking progress against KPIs and targets, developing climate strategies that are unique to each operational site, periodically reporting findings to the Board and suggesting implementations to ensure continuous alignment with climate objectives, and acting as a bridge of communication between the Board and the operational level.

Under the management, operation-level personnel, including the departments, project owners, leaders, and service providers, are responsible for implementing climate initiatives from the management and Board levels, collecting progress and data on risks and potential issues to provide management with the data necessary to devise and adapt climate strategies.



Through this strong top-down governance approach, the REIT is well-equipped to manage climate-related risks while seizing related opportunities, enhancing both operational resilience and long-term sustainability outcomes. In the future, the REIT is planning on conducting annual climate training for the Board members to ensure the REIT’s strategic direction and oversight controls remain flexible to evolving climate change developments. The approach ultimately positions the REIT to be prepared in mitigating all climate risks, enhancing the climate resilience and the long-term operational sustainability.

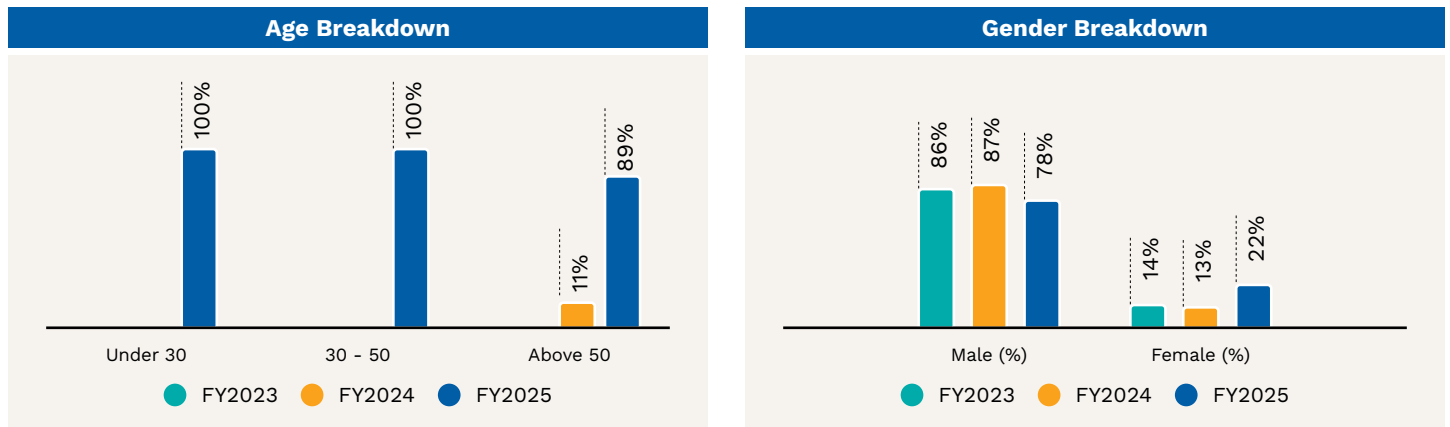
# SUSTAINABILITY STATEMENT

## CLIMATE CHANGE & DECARBONISATION (CONT'D)

### CLIMATE GOVERNANCE (CONT'D)

#### Board Composition and Competency

The Board is structured to ensure an appropriate balance of skills, experience, independence and diversity, providing effective leadership and robust governance oversight. The mix of executive, non-executive and independent directors support objective decision-making, accountability and alignment with long-term value creation for stakeholders.



The Board collectively possesses experience in sustainability-related areas including risk management, governance and regulatory compliance. The REIT plans to enhance Board competency through periodic ESG and climate-related training programmes. To date, 82% of the Manager’s Directors have completed the required Mandatory Accreditation Programme Part II: Leading for Impact (MAP II), which focuses on sustainability leadership, governance oversight and long-term value creation.

### CLIMATE RISKS AND OPPORTUNITIES

| Risk Area  | Risk Rating | Risk Tolerance Level |
|--|-------------|----------------------|
| Climate and transition risk is a risk that includes uncertainties related to exposure to carbon pricing mechanisms, evolving green regulations, and changing tenant and stakeholder expectations | ●           | ●                    |

# SUSTAINABILITY STATEMENT

## CLIMATE CHANGE & DECARBONISATION (CONT'D)

### CLIMATE RISKS AND OPPORTUNITIES (CONT'D)

The REIT's sustainability strategy is designed to integrate climate-related and broader ESG considerations into its core business operations, in line with IFRS Sustainability Disclosure Standards S1 and S2. AL-`Aqar's strategic planning adopts a structured time horizon framework to ensure clear prioritisation and measurable outcomes: short-term (0–2 years), medium-term (3–5 years) and long-term (beyond 5 years).

The REIT identified several physical and transition risks that impact its operations, financial performance, and the wellbeing of the employees and stakeholders. Based on the identified risks, the REIT developed mitigation measures to counter them and while also identifying opportunities that can be capitalised on to strengthen its position.

| Transition Risks  | Potential Impact   | Opportunities  | Time Frame            |
|---|--|--|-----------------------|
| <b>Policy and Legal</b>   |  |  |                       |
| Potential carbon tax and pricing implementations  | <ul style="list-style-type: none"> <li>Higher operating costs to maintain compliance due to more stringent environmental regulations and standards</li> </ul>  | In addition to complying with potential upcoming regulations, the REIT taps into a new market and stay abreast of regulatory development                       | Medium to long term   |
| <b>Technology</b>   |  |  |                       |
| Barriers in the implementation of new technologies and low-carbon processes             | <ul style="list-style-type: none"> <li>Higher capital expenditures for new technologies, including solar panels and smart building solutions, that optimise energy consumption and decarbonises the portfolio</li> <li>Additional costs to adapt existing processes to align with emerging standards</li> </ul>  | Investments in low-carbon and energy-efficient technologies reduces its GHG footprint and positions the REIT to be a leader in sustainable property management | Short to medium terms |
| <b>Market</b>   |  |  |                       |
| Evolving market conditions and customer demand  | <ul style="list-style-type: none"> <li>Rising costs contributing to lower revenue</li> <li>External economic events such as recessions that lower property values and rental income, increase vacancies and unproductive properties, and other financial challenges</li> </ul>   | Showcasing AL-`Aqar's sustainability commitment and implementations to differentiate the REIT from competitors and attract environmentally aware clients       | Short term            |
| <b>Reputation</b>   |  |  |                       |
| Reputational damage as a polluting or lagging organisation in portfolio decarbonisation | <ul style="list-style-type: none"> <li>Climate-resilient and sustainable properties remain a top priority for investors and tenants. Failing to meet these expectations could result in dissatisfaction and reputational harm</li> <li>Infrastructure failure or disruptions caused by climate events reduce the brand perception and reliability of the portfolio, potentially leading to dissatisfaction and loss of market share, tenants, and investors</li> </ul> | Developing low-carbon and climate-resilient implementations prevents impacts from occurring and strengthens the image as a responsible and reliable REIT       | Long term             |

# SUSTAINABILITY STATEMENT

## CLIMATE CHANGE & DECARBONISATION (CONT'D)

### CLIMATE RISKS AND OPPORTUNITIES (CONT'D)

| Physical Risks  | Potential Impact   | Time Frame | Mitigation Strategies  |
|---|--|------------|--|
| <b>Acute</b>  |  |            |  |
| Extreme, short-term climate events such as heat waves, floods, and landslides   | <ul style="list-style-type: none"> <li>• Extreme weather events can cause damage to the buildings or the assets</li> <li>• Pose potential safety risks</li> </ul>  | Short term | <ul style="list-style-type: none"> <li>• Conduct risk assessments</li> <li>• Develop emergency response plans</li> <li>• Invest in climate-resilient infrastructure</li> </ul>       |
| <b>Chronic</b>  |  |            |  |
| Gradual but significant long-term climate change, such as extreme weather fluctuations, rising global temperatures, and increased precipitation | <ul style="list-style-type: none"> <li>• Negatively impact infrastructure, such as increased wear-and-tear and fluctuations in resource availability</li> <li>• Deteriorate the health of employees, including an increased likelihood of exhaustion, dehydration</li> </ul> | Long term  | <ul style="list-style-type: none"> <li>• Adopt sustainable practices</li> <li>• Invest in energy-efficient technologies</li> <li>• Build climate-resilient infrastructure</li> </ul> |

### CLIMATE SCENARIO ANALYSIS

The REIT is progressively assessing the resilience of its portfolio under different climate scenarios, including a 1.5°C and 2°C transition pathway. This assessment considers potential impacts on asset valuation, operational costs and regulatory exposure.

Further enhancements to scenario analysis disclosures will be undertaken in subsequent reporting cycles.

### FINANCIAL IMPLICATIONS

The REIT recognises that climate-related risks, both transitional and physical, can materially affect financial performance, operational costs, and asset valuation. Transition risks arise from regulatory, technological, market, and reputational changes, while physical risks stem from acute and chronic climate events.

Notably, the climate-related risks may result in:

- Increased capital expenditure for asset upgrades
- Higher operational costs due to energy transition
- Potential asset impairment from physical risks

The REIT continues to evaluate these financial implications as part of its comprehensive risk management framework, ensuring that both transitional and physical climate-related risks are assessed in alignment with IFRS standards.

# SUSTAINABILITY STATEMENT

## CLIMATE CHANGE & DECARBONISATION (CONT'D)

### DECARBONISATION ROADMAP

To further strengthen its decarbonisation measures, AL-`Aqar developed a decarbonisation roadmap that guides and aligns the REIT's operations towards achieving net zero carbon by 2050.

| Decarbonisation Roadmap            |   |
|------------------------------------|---|
| <b>Short term<br/>(FY2025-26)</b>  | <ul style="list-style-type: none"> <li>Conduct energy audits, LED retrofit pilots, establish baseline energy and carbon performance</li> <li>Conduct solar photovoltaic ("PV") feasibility study</li> <li>Calculate Scope 1, 2, and partial Scope 3 emissions annually</li> <li>Develop a more comprehensive decarbonisation roadmap</li> </ul> |
| <b>Medium term<br/>(FY2027-28)</b> | <ul style="list-style-type: none"> <li>Implement building management systems ("BMS"), chiller upgrades, and energy analytics platform</li> <li>Investigate and develop more robust emission reduction initiatives</li> <li>Expand solar panel utilisation to properties in the REIT's portfolio</li> </ul>                                      |
| <b>Long term<br/>(FY2029-30)</b>   | <ul style="list-style-type: none"> <li>Green building certifications</li> <li>Adopt carbon offset implementations</li> <li>Set internal carbon pricing</li> <li>Conduct energy and GHG verification</li> <li>Acquire renewable energy certification ("REC") and review</li> </ul>   |

### ENERGY AND EMISSIONS

Although AL-`Aqar's operations do not directly consume electricity from buildings, and associated emissions are borne by the tenants themselves, the REIT remains committed to driving environmental sustainability across its portfolio. Through proactive measures such as approving and supporting rooftop solar PV projects and other energy efficiency initiatives, the REIT plays a key role in enabling tenants to reduce their carbon footprint and promoting greener operations. These efforts demonstrate the REIT's dedication to fostering a low-carbon transition, enhancing climate resilience, and contributing to broader ESG progress while creating long-term value for stakeholders and the communities served by the REIT.

#### Energy and Emission Metrics

| Risk Area   | Risk Rating | Residual Risk/ Risk Tolerance Level |
|---|-------------|-------------------------------------|
| Energy inefficiency is a risk because inefficient HVAC, lighting, or envelope can lead to high energy use | ●           | ●                                   |

# SUSTAINABILITY STATEMENT

## CLIMATE CHANGE & DECARBONISATION (CONT'D)

### ENERGY AND EMISSIONS (CONT'D)

Recognising that energy consumption is the primary contributor to GHG emissions, the REIT proactively engages with tenants to encourage energy efficiency, including upgrading building assets such as elevator and genset. In parallel, the REIT is supportive and welcome collaborations with tenants for ESG initiatives.

The REIT has achieved Green Building Certification under MyCREST for Kedah Medical Centre, KPJ Sentosa, KPJ Tawakkal and KPJ Klang. Meanwhile, Ampang Puteri Specialist (new building) is also awaiting approval for its GBI Certification. It has also approved the installation of EV charging infrastructure, solar photovoltaic systems, and elevator upgrades to enhance energy efficiency. In addition, smart meters have been deployed across the properties to enable more effective energy monitoring and management.

Collectively, these initiatives demonstrate a comprehensive and forward-looking approach to strengthening energy performance and climate resilience across the portfolio.

AL-`Aqar's GHG tracking and disclosures are guided by the GHG Protocol, dividing its GHG emissions into Scope 1, 2, and 3 emissions. This covers emissions from CO<sub>2</sub>, N<sub>2</sub>O, and CH<sub>4</sub>, converted into units of metric tons of carbon dioxide-equivalents ("t CO<sub>2</sub>e"). Emissions are calculated by multiplying activity data with emission factors sourced from the Department for Environment, Food & Rural Affairs ("DEFRA") and Suruhanjaya Tenaga for emissions related to electricity purchased from the national grid. In FY2025, the REIT's GHG calculations and disclosures now include emissions from KPJ, under Scope 3: leased assets.

All monitored and reported emissions under the REIT are shown below:

|                    |  |
|--------------------|--|
| <b>Scope<br/>1</b> | <p>Direct emissions as a result of AL-`Aqar's operations:</p> <ul style="list-style-type: none"> <li>Fuel combustion for company-owned vehicles</li> </ul>   |
| <b>Scope<br/>2</b> | <p>Indirect emissions from purchased electricity</p> <ul style="list-style-type: none"> <li>Electricity used in the headquarters</li> </ul>  |
| <b>Scope<br/>3</b> | <p>Other indirect emissions from the following sources:</p> <ul style="list-style-type: none"> <li>Downstream leased assets, from:           <ul style="list-style-type: none"> <li>KPJ Ipoh Specialist Hospital, KPJ Penang Specialist Hospital, KPJ IC Penang, Kedah Medical Centre, Taiping Medical Centre, KPJ Ampang Puteri Specialist Hospital, KPJ Tawakkal KL Specialist Hospital, Tawakkal Health Centre, KPJ Seremban Specialist Hospital, KPJ Kajang Specialist Hospital, KPJ Sentosa KL Specialist Hospital, KPJ Damansara Specialist Hospital, KPJ Selangor Specialist Hospital, KPJ Klang Specialist Hospital, KPJ Johor Specialist Hospital, KPJ Kluang Utama Specialist Hospital, KPJ Puteri Specialist Hospital, KPJ Batu Pahat Specialist Hospital, KPJ Pasir Gudang Specialist Hospital, Kuantan Wellness Centre and KPJ Perdana Specialist Hospital</li> </ul> </li> </ul> |

Property managers are mandated to report on electricity consumption, with the REIT utilising the gathered data to further implement targeted energy-saving initiatives that enhance operational efficiency. In FY2025, the REIT recorded total 281.59 GJ or 78.22 MWh energy consumption and tenant energy consumption was 455,280.88 GJ or 126,466.91 MWh.

# SUSTAINABILITY STATEMENT

## CLIMATE CHANGE & DECARBONISATION (CONT'D)

### ENERGY AND EMISSIONS (CONT'D)

| Headquarter Offices Energy Consumption | FY2025        |
|--|---------------|
| Gigajoules (GJ)                        | <b>281.59</b> |
| Megawatt hour (MWh)                    | <b>78.22</b>  |

Note: Data collection begins in 2025.

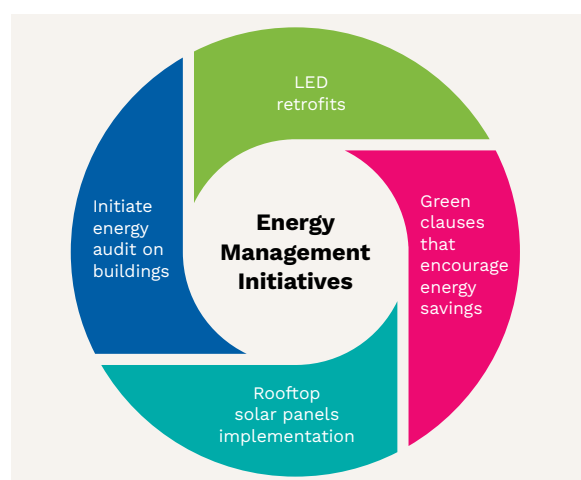
| Tenant Energy Consumption | FY2023     | FY2024     | FY2025            |
|---------------------------|------------|------------|-------------------|
| Gigajoules (GJ)           | 421,228.62 | 436,007.88 | <b>455,280.88</b> |
| Megawatt hour (MWh)       | 117,007.95 | 121,113.30 | <b>126,466.91</b> |

Note: KPJ Pasir Gudang Specialist Hospital is excluded from the 2024 data and commenced reporting in 2025.

| Indicator  | Measurement Unit | FY2023    | FY2024    | FY2025           |
|--|------------------|-----------|-----------|------------------|
| Scope 1 emissions in tonnes of CO <sub>2</sub> e   | Metric Tonnes    |           |           |                  |
| - Diesel   |                  | 19.85     | 6.22      | -                |
| - Petrol   |                  | -         | 20.87     | <b>4.30</b>      |
| Scope 2 emissions in tonnes of CO <sub>2</sub> e   | Metric Tonnes    |           |           |                  |
| - Electricity (JRMSB-JB&PJ)  |                  | 23.94     | 25.60     | <b>59.29</b>     |
| Scope 3 emissions in tonnes of CO <sub>2</sub> e (at least for the categories of business travel and employee commuting) | Metric Tonnes    |           |           |                  |
| - Water (Leased Building)  |                  | 184.73    | 196.36    | <b>286.01</b>    |
| - Electricity (Leased Building)  |                  | 91,266.20 | 91,803.88 | <b>97717.58</b>  |
| - Business Travel & Employee Commuting   |                  | 4.40      | 37.20     | <b>59.93</b>     |
| - Waste (Recycle & Non-Recycle)  |                  | -         | -         | <b>0.31</b>      |
| <b>Total</b>   |                  | 91,499.12 | 92,090.13 | <b>98,127.52</b> |

### Intensity Metrics

To improve comparability and performance tracking, the REIT will progressively disclose Energy intensity (kWh/m<sup>2</sup>), Emissions intensity (t CO<sub>2</sub>e/m<sup>2</sup>) and Water intensity (m<sup>3</sup>/m<sup>2</sup>). These metrics will be introduced as data availability improves, particularly through enhanced tenant collaboration.



The REIT has established a strong foundation for environmental performance management through the completion of energy audits, the initiation of LED retrofits, the incorporation of green clauses that encourage energy savings the disclosure of Scope 1, Scope 2 and Scope 3 emissions and the implementation of rooftop solar panels. In the longer term, the REIT will progressively integrate decarbonisation pathways, explore the use of offsets and internal carbon pricing, and align its climate transition strategy with emerging regulatory expectations and market standards.

# SUSTAINABILITY STATEMENT



## GOVERNANCE

### Materiality Matters

- 01 Corporate Governance and Anti-Corruption
- 03 Regulatory Compliance and Risk Management
- 05 Data Privacy and Cybersecurity

### UN SDG Alignment



#### SDG 8: Decent Work and Economic Growth

Promoting sustained economic growth, productive employment and decent work for all



#### SDG 16: Peace, Justice, and Strong Institutions

Promote peaceful and inclusive societies, providing access to justice for all, and building effective, accountable and inclusive institutions at all levels

Al-`Aqar is committed to ensuring the highest level of professionalism and ethics in governance, upholding principles of transparency, accountability, and integrity. This approach ensures that all operations remain free of non-compliance and unethical risks, such as corruption and regulatory violations, that are closely monitored and controlled with great care.

While this approach ensures the REIT remains compliant with the relevant regulations, it also provides the stakeholders with transparency, fostering an open culture among the people the REIT considers important. Through fostering a culture of trust with the stakeholders, it ensures the REIT's long-term operations continue unhindered while fortifying the risk management.

Through good governance practices, it creates a robust foundation that advances all other sustainability initiatives, contributing towards the achievement of strategic long-term business objectives while delivering value to the stakeholders.



### Key Stakeholders




# SUSTAINABILITY STATEMENT


## CORPORATE GOVERNANCE AND ETHICS

The REIT developed internal Standard Operating Procedures (“SOPs”) that guide its operations and streamlines the REIT’s management and business activities. Further reinforcing the corporate governance is the Manager’s Code of Conduct and Business Ethics (“the Code”), which details the expected behaviour and disciplinary measures for employees, while also integrating the Whistleblowing Policy and the Anti-Bribery and Anti-Corruption (“ABAC”) Policy to strengthen the REIT’s governance controls and further mitigate risks.


In further ensuring proper alignment with ethical standards and good behaviour, the REIT has established numerous sustainability policies as shown below. These policies are described in greater detail in their respective sections of the SS2025.




**Anti-Bribery and Anti-Corruption (“ABAC”) Policy**



**Whistleblowing Policy**



**No-Gift, No-Entertainment Policy**




**Personal Data Protection (“PDP”) Policy**

### Anti-corruption

| Risk Area   | Risk Rating | Risk Tolerance Level |
|---|-------------|----------------------|
| Corruption and bribery risk arise due to procurement, leasing, and regulatory approval processes involve interactions with external parties and decision-making related to commercial terms and approvals, which may create exposure to improper influence. | ●           | ●                    |

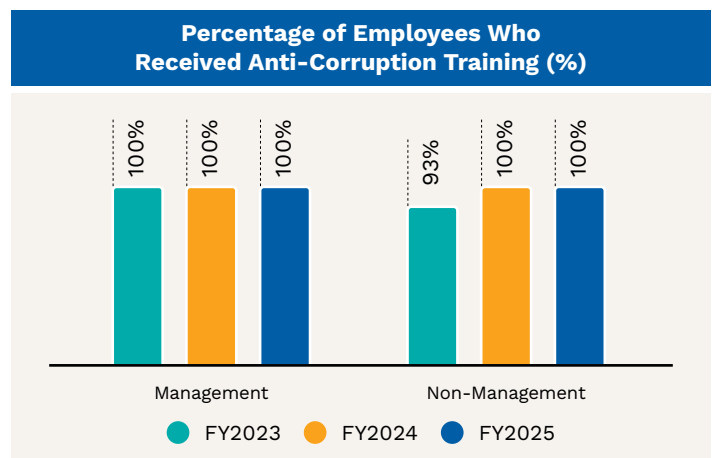
The REIT enforces a zero-tolerance approach towards acts of corruption, bribery, and other unethical behaviour. The REIT’s Anti-Corruption Policy was approved and overseen by Board to enforce anti-corruption measures, which is aligned with the Malaysian Anti-Corruption Act 2009.



**Anti Bribery and Anti-Corruption (“ABAC”) Policy**

- Outlines procedures against money laundering and the management of gifts, entertainment and hospitality expenses
- Reinforced by the REIT’s No-Gift, No-Entertainment Policy
- Communicated to employees through briefing and training
- Communicated to external parties through the publication in the corporate website

Anti-corruption measures and procedures are cascaded through regular refreshers, briefing and training sessions, ensuring that the employees understand the most recent developments in anti-corruption protocols and reinforcing the REIT’s stance against acts of corruption. In FY2025, the anti-corruption communication and training have been undertaken by 100% of employees.



# SUSTAINABILITY STATEMENT

## CORPORATE GOVERNANCE AND ETHICS (CONT'D)

### Anti-corruption (Cont'd)

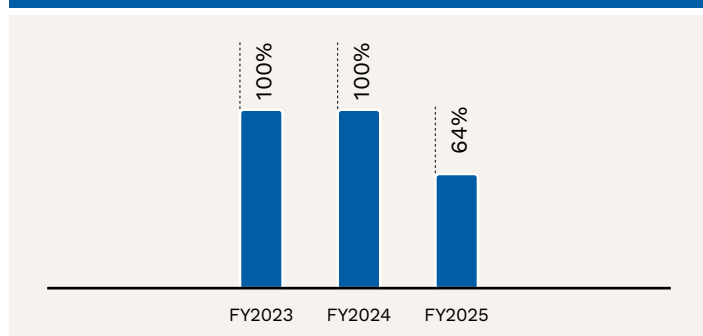
Additionally, the REIT conducts regular risk assessments and maintaining due diligence procedures through regular evaluation. This assessment covers 15 corruption risks as outlined below with medium and high risks are included into the REIT’s integrity risk register, fortifying the overall risk management.

#### Operations in Al-`Aqar have been Assessed Against 15 Corruption Risks

|  |                                 |  |
|--|---------------------------------|--|
| <b>Fraud</b>                                 | <b>Bribery and Kickbacks</b>    | <b>Conflicts of Interest</b>                           |
| <b>Collusion</b>                             | <b>Environmental Corruption</b> | <b>Government Interaction</b>                          |
| <b>Embezzlement</b>                          | <b>Facilitation Payments</b>    | <b>Country of Operation</b>                            |
| <b>Recruitment</b>                           | <b>Cyber Corruption</b>         | <b>Money Laundering</b>                                |
| <b>Gifts, Entertainment, and Hospitality</b> | <b>Procurement Practices</b>    | <b>Charitable and political donations, sponsorship</b> |

The compiled risk register is then presented to the BARC and the Board of Investment Committee (“BIC”) for further evaluation and assessment, ensuring that the highest governing bodies maintain oversight over the REIT’s corruption risks. The REIT is proud to declare that the REIT has assessed 100% of operations for corruption risks for three consecutive years, marking a milestone in the sustainability journey.

#### Percentage of operations assessed for corruption-related risks



| The REIT   | FY2023 | FY2024 | FY2025 |
|--|--------|--------|--------|
| Political contribution made (RM)                                   | 0      | 0      | 0      |
| Staff disciplined or dismissed for anti-corruption policy breaches | 0      | 0      | 0      |
| Fines, penalties, or settlements related to corruption (RM)        | 0      | 0      | 0      |
| Confirmed incidents of corruption and action taken                 | 0      | 0      | 0      |

Externally, the REIT requires the suppliers and business partners to acknowledge and sign a pledge against acts of corruption, holding the associates accountable for any unethical behaviour.

|  | FY2023 | FY2024 | FY2025 |
|--|--------|--------|--------|
| Confirmed incidents of corruption and action taken | 0      | 0      | 0      |


The REIT’s measures remain effective, resulting in 0 reported cases of bribery or corruption, showcasing the commitment to minimising corruption risks internally and among the associates. While the results remain positive for several consecutive years, the REIT remains dedicated to improving the controls and procedures to ensure that corruption risks within the operations are minimised and eliminated.

# SUSTAINABILITY STATEMENT

## CORPORATE GOVERNANCE AND ETHICS (CONT'D)

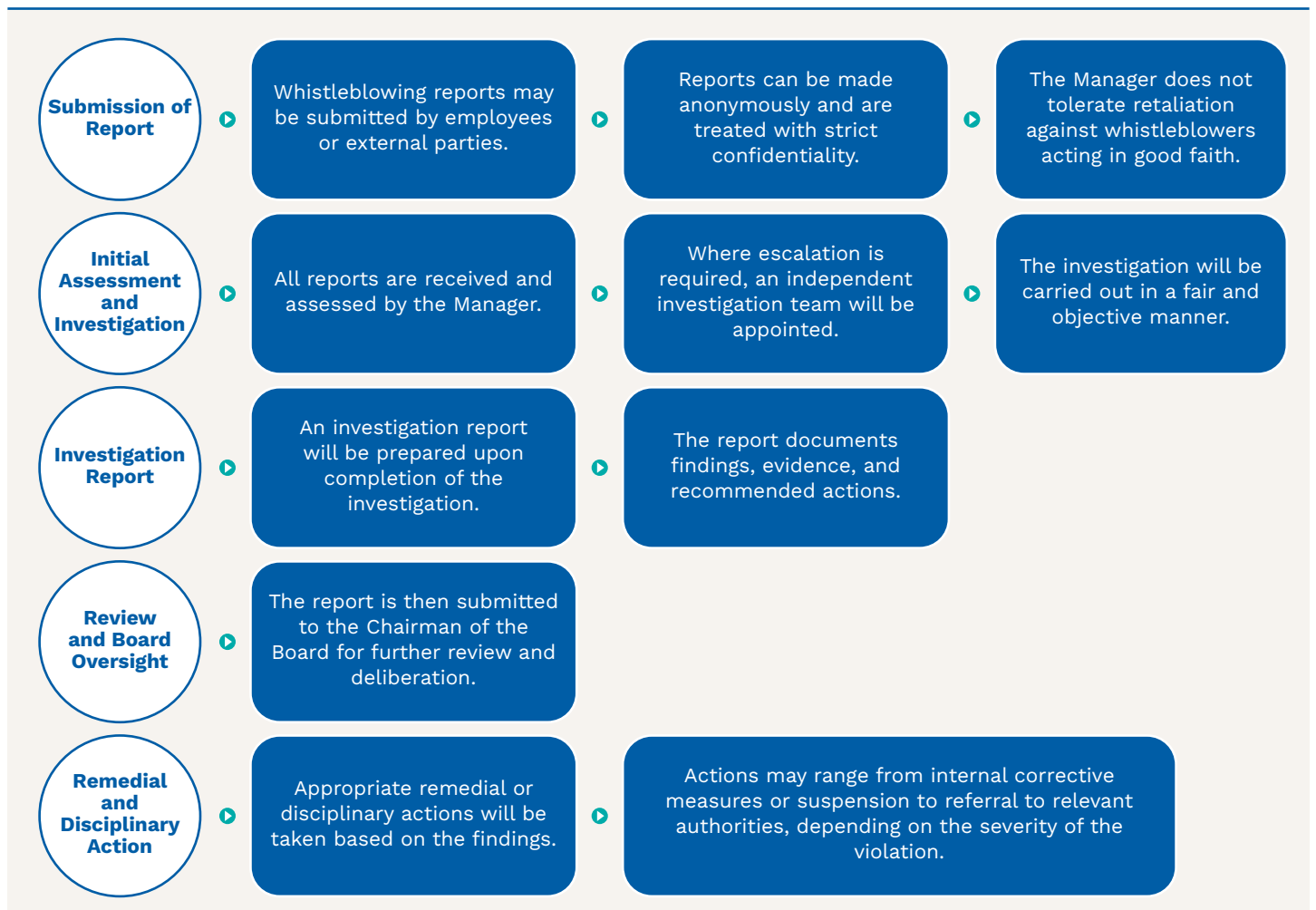
### Whistleblowing

In addition to anti-corruption protocols, the REIT has developed the Whistleblowing Policy which outlines procedures and channels to report of acts that violate the REIT's principles, the Code, and other relevant laws. This includes acts of fraud, bribe, blackmail, embezzlement, and any potential conflicts of interests between two or more parties. This Policy aligns with the Whistleblower Protection Act 2010. In FY2025, the REIT received zero whistleblowing reports.



**Whistleblowing  
Policy**

- Provides a secure mechanism for reporting non-compliance and misconduct within the REIT
- Functions as a grievance mechanism for reporting acts of harassment, bullying, and rights violations
- Outlines procedures and protections for whistleblowers to prevent retaliation, while ensuring anonymous reporting and strict confidentiality of the whistleblower's identity and information disclosed



# SUSTAINABILITY STATEMENT

## CORPORATE GOVERNANCE AND ETHICS (CONT'D)

### Whistleblowing (Cont'd)

The whistleblowing process will generally take several weeks to a few months, depending on the nature, complexity, and severity of the case. Individuals that wish to file a whistleblowing report can utilise the following channels:



**Email:** [jlgrm.integrity@jlandgroup.com.my](mailto:jlgrm.integrity@jlandgroup.com.my)

or,

**by writing or visiting the location at:**  
 The Chairman of BARC/Chairman of the Board  
 JLG REIT Managers Sdn Bhd  
 Unit 1-19-02, Level 19, Block 1,  
 V SQUARE, Jalan Utara,  
 46200 Petaling Jaya,  
 Selangor.

## REGULATORY COMPLIANCE

| Risk Area  | Risk Rating | Risk Tolerance Level |
|--|-------------|----------------------|
| Failure to adopt IFRS S1 (General Sustainability-related Disclosures) and IFRS S2 (Climate-related Disclosures) can be a risk, leading to non-compliance with Bursa Malaysia/SC disclosure requirements. | ●           | ●                    |

The REIT recognises that a harmonious relationship between the REIT and regulatory bodies is necessary to ensure smooth operations with minimal disruptions and negative impacts. Non-compliance with stipulated laws will lead to financial losses, reputational damage, and stoppage of operations due to reasons including revocation of permits and licenses. Thus, the REIT takes actions to maintain compliance and align with regulations to the highest priority, including but not limited to the following laws, regulations, and guidelines:

|   |  |   |
|---|--|---|
| <b>Bursa Malaysia MMLR</b>  | <b>Guidelines on Listed REITs</b>                      | <b>EPF Act 1991</b>   |
| <b>Guidelines on Islamic Capital Market Products and Services</b> | <b>Malaysian Code on Corporate Governance (“MCCG”)</b> | <b>Guidelines on Corporate Governance for Capital Market Intermediaries</b> |

The REIT’s regulatory compliance strategies are overseen by the Manager, which includes the preparing compliance reports, providing regular regulatory and compliance-related training, acquiring legal advice, and performing periodic audits. The REIT conducts additional monitoring sessions for departments, contractors, and consultants, alongside conducting regulatory awareness sessions to ensure the Board is kept abreast of all legal and secretarial updates. All internal communications related to regulatory compliance are done through meetings and briefings.

Operationally, the REIT ensures compliance is cascaded throughout its operations through regular communication of legal obligations to tenants, such as the Uniform By-Laws 1984 and the Fire Services Act 1988, and the continuous

monitoring of the activities to identify potential risks or breaches. The REIT also requests insurance cover notes for property protection in addition to the utilisation of a manual notification planner for license renewal, supervised by the Building Manager. Communication is done through Annual General Meetings, analyst briefings, and accessible online through the REIT’s corporate websites and annual reports.

These approaches allow the REIT and the Board to stay updated of legal developments and risks, allowing the REIT to proactively manage compliance concerns before any cases arise. Throughout FY2025, the REIT faced 0 cases of regulatory non-compliance and imposed fines.

# SUSTAINABILITY STATEMENT

## REGULATORY COMPLIANCE (CONT'D)

| Regulatory Compliance  | FY2023 | FY2024 | FY2025 |
|--|--------|--------|--------|
| Incidents of non-compliance with regulations resulting in a fine or penalty; | 0      | 0      | 0      |
| Incidents of non-compliance with regulations resulting in a warning;         | 0      | 0      | 0      |
| Total monetary value of significant fines                                    | 0      | 0      | 0      |
| Total number of non-monetary sanctions;                                      | 0      | 0      | 0      |
| Cases brought through dispute resolution mechanisms.                         | 0      | 0      | 0      |

## DATA PRIVACY AND CYBERSECURITY


| Risk Area  | Risk Rating | Risk Tolerance Level |
|--|-------------|----------------------|
| Data privacy & cybersecurity risk is a risk due to the potential loss, unauthorised access, or breach of personal and confidential data. | ●           | ●                    |

The REIT considers matters related to data privacy and cybersecurity a key concern. Recognising that data breaches may lead to leakage of confidential data, including information key to the REIT's operations and those of the customer's private information, the REIT implements numerous measures and safeguards to ensure all data and the REIT's digital wellbeing remains protected. To solidify the commitment, the REIT has developed the Personal Data Protection ("PDP") Policy, which is aligned with the Personal Data Protection Act 2010 and outlines the approach to data management and protection, and is aligned with data protection regulations.


Among the approaches to data protection, the REIT utilises a User Access Rights Matrix restrict access to sensitive information to authorised personnel, thereby reducing the risk of data leakage and data privacy breaches.

In cases of a security or privacy breach, the REIT will deploy the Cyber Security Procedures alongside the Data Recovery Procedures which details established protocols on handling data breach events and protocols for data recovery. Through these initiatives, the REIT did not undergo any instances of data breaches or losses of customer data, showcasing the resilience of the data privacy and cybersecurity controls.


**Digital Transformation Strategy**




**Installed backup software and data protection software**



**Utilised VPNs to protect network connections**



**Usage of Microsoft 365 cloud storage to protect the data**



**Implemented IT disaster recovery plan, drills, and data recovery tests**

As of 2025, there is zero substantiated complaints concerning breaches of customer privacy and losses of customer data.

|  | FY2023 | FY2024 | FY2025 |
|--|--------|--------|--------|
| Number of Substantiated complaints concerning breaches of customer privacy and losses of customer data | 0      | 0      | 0      |

# SUSTAINABILITY STATEMENT



## ECONOMIC

### Materiality Matters

- 02 Economic Performance
- 11 Supply Chain Management

### UN SDG Alignment



#### SDG 8: Decent Work and Economic Growth

Promoting sustained economic growth, productive employment and decent work for all



#### SDG 9: Industry, Innovation, and Infrastructure

Build resilient infrastructure, promote sustainable industrialisation and foster innovation

Among the developments towards advancing sustainability, Al-`Aqar recognises that economic impacts have the potential to shape the wellbeing of not only the REIT, but also its employees, the communities, and other players contributing to the local economy.

While the REIT considers strong financial performance and long-term returns important for the continued business, the REIT recognises that such benefits are also extended to other stakeholders.

Creating sustainable economic value allows the REIT to achieve greater cost savings, improve market outlook and the brand reputation, while strengthening relationships with the stakeholders by implementing mutually beneficial initiatives. This approach also strengthens the REIT's long-term resilience to evolving market demand and economic conditions, ensuring it stays abreast of all developments and demands, and creating value that is aligned to the best interest of all the stakeholders.



### Key Stakeholders



# SUSTAINABILITY STATEMENT

## ECONOMIC PERFORMANCE

The REIT recognises robust financial performance as a core aspect to ensure unitholders continue to receive returns while providing the REIT with the necessary capital to expand its properties and portfolios. By deploying robust cost controls and optimising resource allocation, it ensures that the REIT's finances remain strong, securing the long-term financial stability and desirability of the real estate portfolio.

### Direct Economic Impacts

As part of Al-`Aqar's commitment to improve the economic value generated to its stakeholders, the REIT strives to continuously improve the economic performance. In addition to advancing the capital to expand the portfolio and properties, a robust economic performance allows the REIT to implement more sustainable initiatives that benefits the operations through measures such as investments in renewable energy while creating community events and generating value that benefit the investors, among other notable benefits.

| Group Economic Performance (RM'000)  | FY2024  | FY2025         |
|--|---------|----------------|
| Economic value generated (revenue)   | 117,852 | <b>120,489</b> |
| Property Expenses  | 16,309  | <b>15,590</b>  |
| Fund Expenses<br>(Islamic financing, directors fees, audit fees and other related expenses.) | 39,916  | <b>42,584</b>  |
| Taxes credit   | 200     | -              |
| Profit for the year (profit after tax)   | 58,275  | <b>55,717</b>  |

The REIT's approach to maximising economic performance is centred around the optimised and efficient budget allocation of the properties. This ensures that all of the capital is allocated to investments and properties with the highest possible returns. The priorities also consider a balance between minimising risks and economic uncertainties, such as variability in market dynamics, while maximising portfolios with the highest potential for revenue generation. The REIT's thorough examination and budget allocation allows it to create long-lasting economic value and financial stability for all the stakeholders and investors.

### Indirect Economic Impacts

The REIT's daily activities provide indirect economic benefits that benefits local communities, economies, and more external stakeholders. Among these benefits, the commitment to prioritising local suppliers ensures that money is circulated in developing areas, stimulating regional economic growth and the national economic wellbeing. The prioritisation of local talents also provides job vacancies that reduces national unemployment.

In addition to the advancement of the local economy, the investments in commercial properties contribute to further job creation for other companies which further propagates local economies. Over time, commercial hubs become more developed, leading to further economic advancement of regions that supports residential development and regional activity, creating a positive feedback loop that improves the livelihoods of local communities.

# SUSTAINABILITY STATEMENT

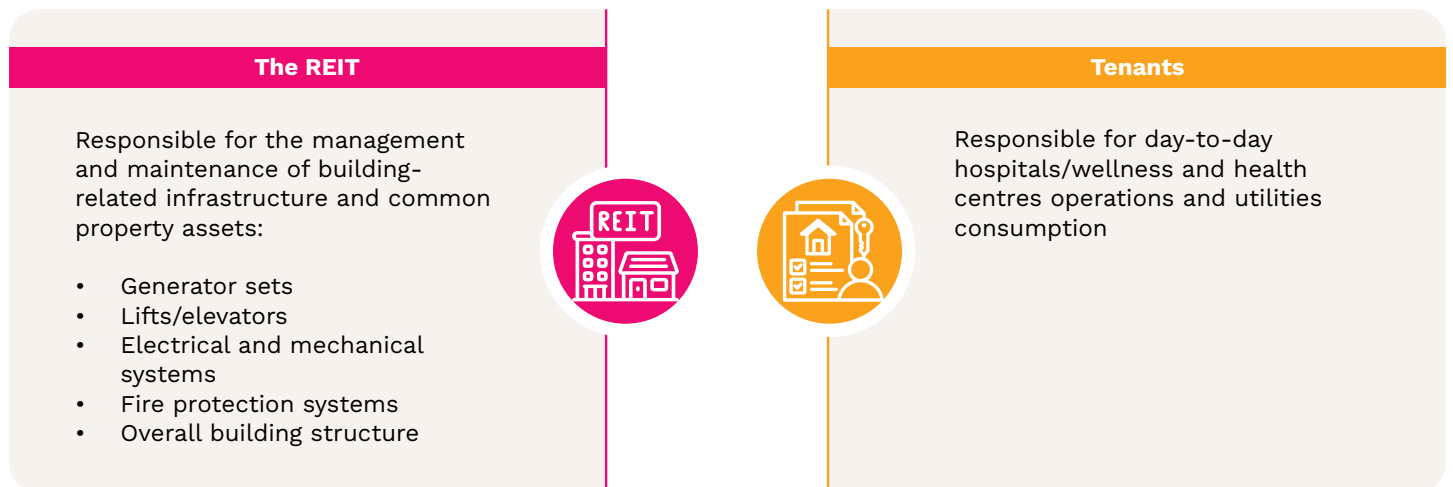
## TENANT PARTNERSHIP

Strong and collaborative tenant partnerships are fundamental to the long-term sustainability and performance of the REIT. The assets support essential medical services, making effective coordination with tenants critical to operational continuity, safety and service quality. The REIT adopts a partnership-based approach that balances clear delineation of responsibilities with active engagement and collaboration to meet evolving healthcare and sustainability needs.

Through clearly defined operational controls and ongoing tenant engagement, the REIT aims to maintain high standards of asset performance, support quality healthcare delivery and create long-term, mutually beneficial relationships with the tenants.

### Division of Operational Control

As the owner of healthcare real estate assets, Al-`Aqar is responsible for the management and maintenance of building-related infrastructure and common property assets within its portfolio. This includes, among others, core building systems and facilities such as generator sets elevators, electrical and mechanical systems, fire protection systems and overall building structure. These assets are managed to ensure operational reliability, safety and compliance with applicable regulatory and contractual requirements.



Tenants are responsible for the operation and maintenance of equipment and systems directly related to healthcare delivery and tenant-specific operations, including medical equipment, clinical machinery, specialised water filtration systems and other hospital-specific facilities, in accordance with regulatory requirements and clinical standards. The REIT works closely with tenants to ensure coordination of maintenance activities and compliance with safety and operational standards.

# SUSTAINABILITY STATEMENT

## TENANT PARTNERSHIP (CONT'D)

### Tenant Engagement and Satisfaction

The REIT recognises that tenant and customer satisfaction is critical to delivering quality healthcare services and ensuring the long-term sustainability of the assets. The properties support essential healthcare operations, and the REIT is committed to providing safe, reliable, and well-maintained facilities that meet the evolving needs of healthcare operators, patients, and visitors.

In addition, sustainability considerations are encouraged through tenant engagement initiatives, including the incorporation of sustainability-related clauses within tenancy agreements, where appropriate. These provisions support responsible resource use, compliance with environmental and safety standards and collaborative efforts to enhance the sustainability performance of the properties.

**The REIT welcomes feedback and organises regular engagement with the tenants through structured communication channels, including periodic meetings, site visits, and formal feedback mechanisms.**

**These engagements allow the REIT to better understand tenant needs, operational challenges, and opportunities for improvement.**

**Feedback and surveys received are reviewed by management and used to guide service enhancements, maintenance planning, and capital expenditure decisions.**

**High-quality property management is central to tenant and customer satisfaction. The REIT focuses on proactive maintenance, safety and security, and compliance with relevant healthcare and building regulations.**

Preventive maintenance programmes are implemented to ensure building systems remain reliable and efficient, supporting uninterrupted healthcare operations. The property management teams are readily accessible to address tenant queries and concerns, ensuring timely resolution of issues and minimal disruption to healthcare services.

During FY2025, a tenant satisfaction survey recorded a score of 80.38% and the portfolio achieved a 100% occupancy rate. This is underpinned by the essential nature of healthcare services, the long-term tenancy arrangements with healthcare operators, and the strategic location and suitability of the assets for healthcare delivery.

These outcomes demonstrate the commitment to maintaining high standards of property management and fostering long-term, mutually beneficial relationships with tenants, which are critical to the sustainability and resilience of the healthcare-focused portfolio.

Tenant/customer satisfaction survey exceeds

**80.38%**  
in FY2025

**100%**  
occupancy rate in  
FY2025

# SUSTAINABILITY STATEMENT

## SUSTAINABLE SUPPLY CHAIN

| Risk Area   | Risk Rating | Risk Tolerance Level |
|---|-------------|----------------------|
| <p>Poor Environmental Due Diligence is a risk as inadequate ESG and environmental assessments during acquisitions may result in exposure to issues such as flood risks, land contamination, or other environmental constraints.</p> | ●           | ●                    |

A sustainable supply chain is essential to the long-term resilience and value creation of the REIT. As a healthcare-focused REIT, AL-`Aqar recognises that the ESG performance of the vendors and business partners directly influences operational continuity, regulatory compliance, and reputational integrity. Accordingly, the REIT integrates ESG considerations into supplier engagement and oversight to manage risks and support responsible, long-term partnerships across the value chain.

Beyond its own operations, the REIT recognises that sustainable supply chains enhance risk resilience by reducing exposure to supply disruptions and reputational risks arising from non-compliant or unethical practices.

Over the last years, the REIT conducted Environmental, Climate, and Social Risk Assessment Survey for Vendors on the adherence to environmental regulations, climate resilience strategies, sustainability practices, labour law compliance, and human rights protections. Besides, vendors are required to declare their compliance with, and commitment to continue complying with, the ESG requirements established by the REIT, including all applicable laws, regulations, and guidelines in Malaysia.

The compliance declaration covers the following areas:



**Environmental Compliance**

- To comply with all applicable environmental laws and regulations relating to waste management, emissions, hazardous materials handling and environmental permitting.
- To minimise pollution, carbon emissions, energy usage, water consumption and waste generation.
- To implement reasonable mitigation measures for climate-related risks, in line with good industry practice.



**Social Compliance**

- To uphold human rights and fair labour practices including prohibition of forced labour, child labour, discrimination and harassment.
- To provide wages, working hours, as well as a safe and healthy working environment in accordance with Malaysian labour laws and the Occupational Safety and Health Act.
- To respect freedom of association, collective bargaining and lawful employee representation.



**Governance Compliance**

- To operate with integrity, transparency, and in compliance with all applicable anti-corruption and anti-bribery laws in Malaysia.
- To not offer, solicit or accept bribes, kickbacks, facilitation payments or improper gifts.

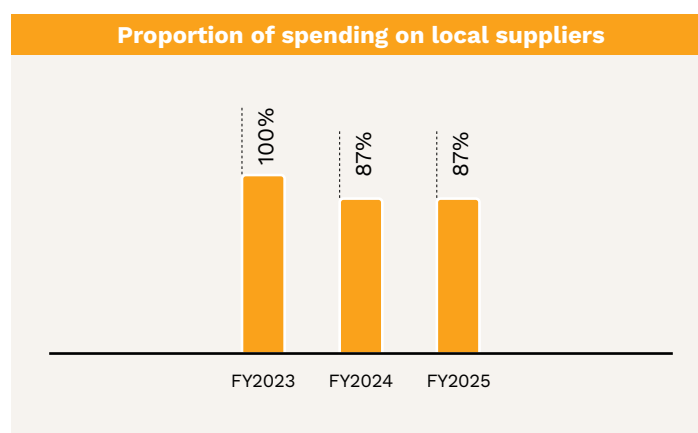
# SUSTAINABILITY STATEMENT

## SUSTAINABLE SUPPLY CHAIN (CONT'D)

| Indicator   | FY2023 | FY2024 | FY2025 |
|---|--------|--------|--------|
| Percentage of new suppliers that were screened using environmental criteria   | 50%    | 40%    | 100%   |
| Percentage of suppliers assessed for environmental impacts (new & existing)   | 61%    | 53%    | 48%    |
| Percentage of the REIT's total property portfolio certified to a recognised building management standard for property (GBI & MyCrest) | -      | -      | 17%    |

This year, there were zero case reported on violations to the law or the supplier assessment criteria.

In line with the commitment to advancing the wellbeing of the local communities around the REIT, it prioritises local procurement when selecting vendors. This helps create regional demand that contributes to job creation in areas where the REIT operates. While local procurement benefits communities and regional economies, the REIT also benefits from reduced logistical routes, which lead to a lower environmental and GHG footprint, as well as shorter transportation times and fewer delays. In FY2025, the REIT sourced 87% of the materials from local suppliers, showcasing the commitment to supporting local businesses.



In conclusion, Al-`Aqar's structured approach to supplier ESG screening, compliance declarations, and local procurement reflects the commitment to responsible supply chain management. The continued emphasis on local sourcing further supports community wellbeing, strengthens supply chain resilience, and contributes to lower environmental and greenhouse gas impacts. By embedding environmental, social, and governance considerations into vendor selection and ongoing assessments, the REIT reduces exposure to regulatory, operational, and reputational risks while promoting ethical business conduct.

# SUSTAINABILITY STATEMENT



## VALUE FOR EMPLOYEES AND COMMUNITY

### Materiality Matters

- 04 Tenant and Customer Satisfaction
- 06 Occupational Health and Safety
- 07 Labour Practices and Standards
- 08 Diversity and Inclusion
- 10 Community Enrichment

### UN SDG Alignment



#### SDG 8: Decent Work and Economic Growth

Promoting sustained economic growth, productive employment and decent work for all

Al-`Aqar is committed to upholding fundamental human and labour rights across its operations. Its employment policies and practices are guided by applicable labour laws and regulations, and are designed to promote fair treatment, equal opportunity and a respectful working environment.

The REIT prohibits all forms of discrimination, harassment and forced or child labour, and support freedom of association and the right to collective bargaining in accordance with local legal requirements. Employment decisions relating to recruitment, remuneration, performance evaluation and career progression are based on merit, skills and experience.

These practices reflect the commitment to ethical employment standards and provide a foundation for a safe, inclusive and productive workplace.



### Key Stakeholders



# SUSTAINABILITY STATEMENT

## OCCUPATIONAL SAFETY AND HEALTH

| Risk Area   | Risk Rating | Risk Tolerance Level |
|---|-------------|----------------------|
| Occupational safety and health risks where inadequate controls or inconsistent safety practices could lead to workplace incidents, regulatory non-compliance, operational disruptions, and reputational damage. | ●           | ●                    |

Occupational Safety and Health (“OSH”) is a fundamental priority for the healthcare-focused REIT, as the REIT recognises the responsibility to provide a safe and healthy working environment for employees, contractors, tenants, patients, and visitors across the portfolio. Given the critical nature of healthcare operations, maintaining high OSH standards is essential to supporting uninterrupted services and protecting all building occupants.

The REIT’s OSH practices are guided by applicable Malaysian laws and regulations, including the Occupational Safety and Health Act 1994, as well as relevant industry standards and best practices.

The REIT implements structured OSH policies and procedures to identify, assess, and manage workplace safety and health risks. Roles and responsibilities for OSH are clearly defined, with oversight provided by management and implementation carried out by trained personnel and appointed service providers.

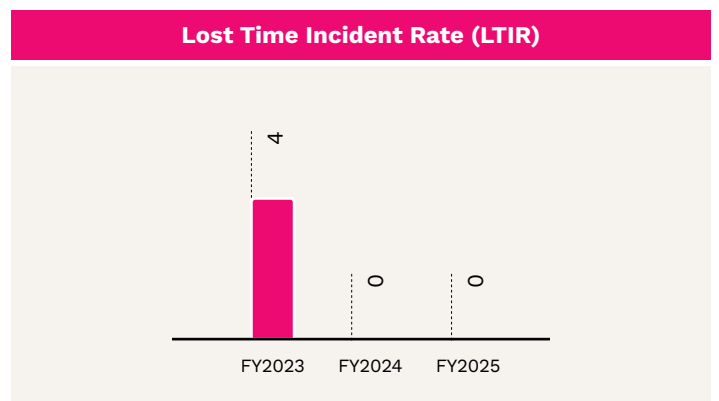
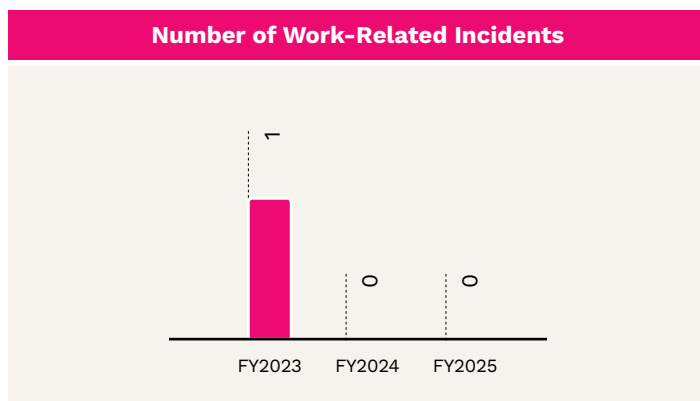
Risk assessments are conducted regularly to identify potential hazards related to building operations, maintenance activities, and contractor works. Preventive and corrective measures are implemented to mitigate identified risks and ensure a safe working environment.

Furthermore, to promote a strong safety culture, the REIT emphasises continuous OSH training and awareness. Employees and on-site personnel receive relevant safety briefings and training, including emergency response procedures, fire safety, and safe work practices. Contractors engaged at the properties are required to comply with the OSH requirements and adhere to established safety guidelines.

### Safety performance

The properties are equipped with essential safety features, including fire detection and suppression systems, emergency exits, and signage in compliance with regulatory requirements. Emergency response plans are established and periodically reviewed to ensure preparedness for incidents such as fires, medical emergencies, or other unforeseen events.

Regular inspections and drills are conducted where applicable to test readiness and improve response effectiveness, in collaboration with tenants and relevant authorities.



# SUSTAINABILITY STATEMENT

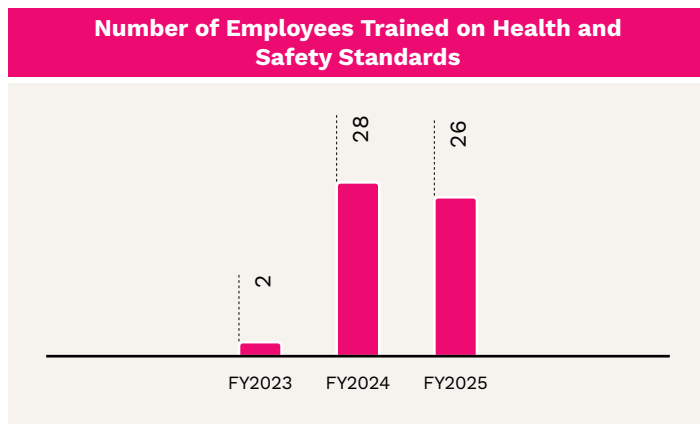
## OCCUPATIONAL SAFETY AND HEALTH (CONT'D)

### Safety performance (Cont'd)

The REIT maintains procedures for reporting, investigating, and addressing safety incidents and near misses. Lessons learned from incidents are used to strengthen controls, improve procedures, and prevent recurrence. The REIT’s focus on continuous improvement supports the ongoing enhancement of OSH performance across the portfolio.

By prioritising occupational safety and health, the REIT safeguards the wellbeing of the employees, tenants, and building users while supporting reliable healthcare operations. The REIT’s commitment to strong OSH governance, risk management, and continuous improvement reinforces the role as a responsible healthcare REIT and contributes to the long-term sustainability of the assets.

### Safety Training



The REIT continues to prioritise employee safety, health, and well-being through targeted training programmes that strengthen awareness of workplace hazards, personal safety, and risk management. These initiatives equip employees with the knowledge and skills needed to maintain a safe working environment while promoting a culture of prevention, responsibility, and well-being across the organisation. In addition to occupational safety training, the REIT also conducts health awareness and cybersecurity programmes to address broader risks that may affect employee welfare and operational resilience.

| Training Programme   | Focus Area                           | Relevance to Safety & Health  |
|--|--------------------------------------|---|
| <b>Introduction to DOSH, OSH Management at the Workplace, Workplace Hazards, Industrial Hygiene, OSH Committee</b> | Occupational Safety & Health (“OSH”) | Builds employee awareness on workplace hazards, industrial hygiene practices, and OSH governance to strengthen workplace safety management. |
| <b>Training – Tumbuk Rusuk</b>   | Personal Safety                      | Provides employees with basic self-defence skills and awareness to enhance personal safety and confidence in emergency situations.          |
| <b>Cancer Awareness</b>  | Employee Health & Well-being         | Promotes health awareness among employees and encourages early detection and preventive health practices.                                   |

# SUSTAINABILITY STATEMENT

## OCCUPATIONAL SAFETY AND HEALTH (CONT'D)

### Tenant Health & Well-being

The REIT recognises that tenant health and wellbeing are directly influenced by the quality of the built environment, including air quality, lighting and overall safety conditions. Inadequate management of these factors may affect tenant satisfaction and occupancy outcomes. To address this, the REIT integrates routine maintenance practices, indoor air quality (“IAQ”) testing and tenancy surveys into its operational processes. Performance is monitored through quarterly IAQ reports, helpdesk and complaint data analysis, as well as occupancy and churn trends, enabling the REIT to identify issues early and maintain a safe, comfortable and well-managed environment for tenants.

## LABOUR PRACTICES, DIVERSITY & INCLUSION

| Risk Area   | Risk Rating | Risk Tolerance Level |
|---|-------------|----------------------|
| Limited workforce diversity and inclusion could weaken decision-making, reduce talent attraction and retention, and increase governance and reputational exposure as stakeholder expectations rise. | ●           | ●                    |

The REIT acknowledges that a fair, inclusive and well-governed workforce is fundamental to sustainable performance and long-term value creation. The employment practices are guided by applicable labour laws, ethical standards and internal policies that promote fairness, transparency and respect for human rights across the organisation. Through inclusive workplace practices and strong labour standards, the REIT seeks to attract, retain and develop talent while fostering a safe and respectful working environment.

### Workforce Management

Understanding the composition of the workforce enables the REIT to promote effective workforce planning, support diversity and inclusion, and ensure alignment with its business and sustainability objectives. The REIT monitors employee demographics and employment characteristics to enhance transparency, identify trends, and inform human capital management decisions.

The employee breakdown presented below provides an overview of the workforce by key categories such as gender, age group, management level, and employment type, supporting responsible workforce management and continuous improvement.

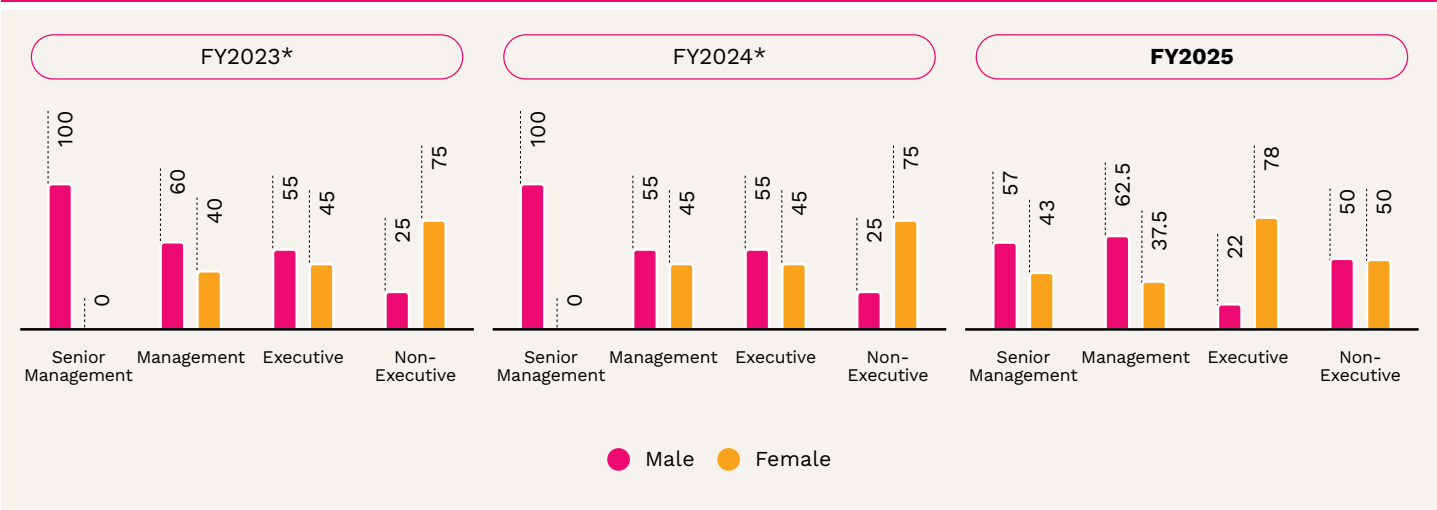
# SUSTAINABILITY STATEMENT

## LABOUR PRACTICES, DIVERSITY & INCLUSION (CONT'D)

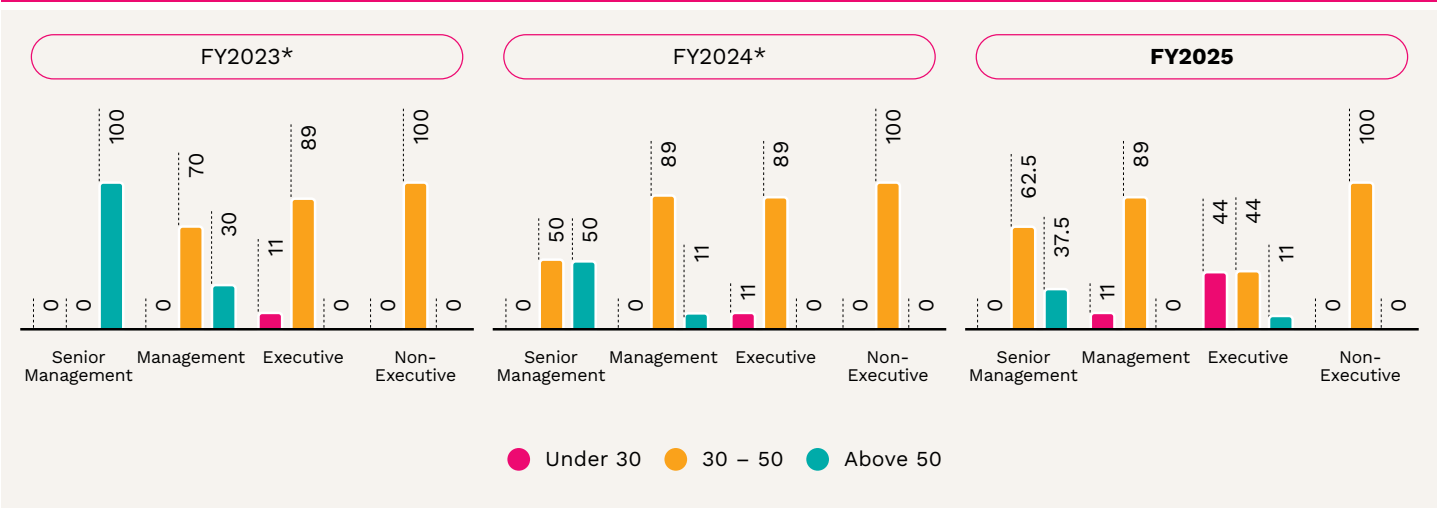
### Workforce Management (Cont'd)



### Gender Breakdown by Employee Category (%)



### Age Breakdown by Employee Category (%)



\*Figures for 2023 and 2024 have been revised due to internal reclassification of job categories.

# SUSTAINABILITY STATEMENT

## LABOUR PRACTICES, DIVERSITY & INCLUSION (CONT'D)

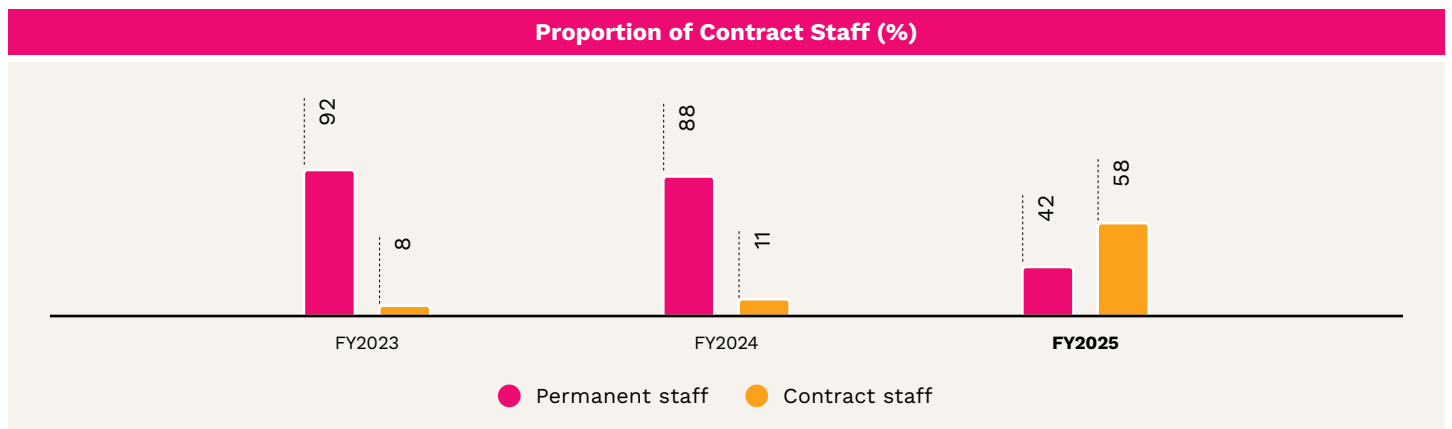
### Workforce Composition

AL-`Aqar maintains a lean yet specialised workforce structure that supports effective asset management, governance oversight, and long-term value creation for unitholders and stakeholders. The workforce profile reflects the REIT's commitment to ensuring that the right mix of leadership experience, professional expertise, and operational capabilities is in place to support the management of its healthcare property portfolio.

Across the organisation, employees are distributed across senior management, management, executive, and non-executive roles, forming a structured talent pipeline that supports strategic decision-making as well as day-to-day operational functions. While the overall workforce size remains stable across the reporting period, the composition demonstrates the REIT's continued efforts to strengthen organisational capacity while maintaining an efficient operational structure.

Gender representation across the workforce reflects the REIT's gradual progress towards a more balanced and inclusive leadership environment. Notably, female representation has increased within senior management and executive roles in FY2025, indicating a broader leadership base and supporting more diverse perspectives in strategic and operational decision-making. Such diversity contributes to stronger governance practices and enhances the REIT's ability to navigate a dynamic healthcare real estate landscape.

The age distribution across employee categories further highlights AL-`Aqar's approach to balancing experience with emerging talent. Senior leadership continues to benefit from experienced professionals who bring deep institutional knowledge and industry expertise, while the management and executive levels increasingly incorporate mid-career and younger professionals who contribute fresh perspectives and specialised skills. This generational mix strengthens succession planning and supports organisational continuity, ensuring that the REIT maintains the capabilities required to manage its operations effectively over the long term.



Permanent employees accounted for 92% of the workforce in FY2023 and 88.5% in FY2024, indicating a strong base of long-term employees who support institutional knowledge, operational continuity, and organisational stability. In FY2025, the proportion of permanent staff was 39%, while contract staff increased to 61%, reflecting a shift towards greater workforce flexibility to meet specific operational or project-based requirements.

This workforce structure enables the REIT to maintain core capabilities through permanent employees while leveraging contract personnel to support specialised functions, operational demands, and changing business priorities.

# SUSTAINABILITY STATEMENT

## LABOUR PRACTICES, DIVERSITY & INCLUSION (CONT'D)

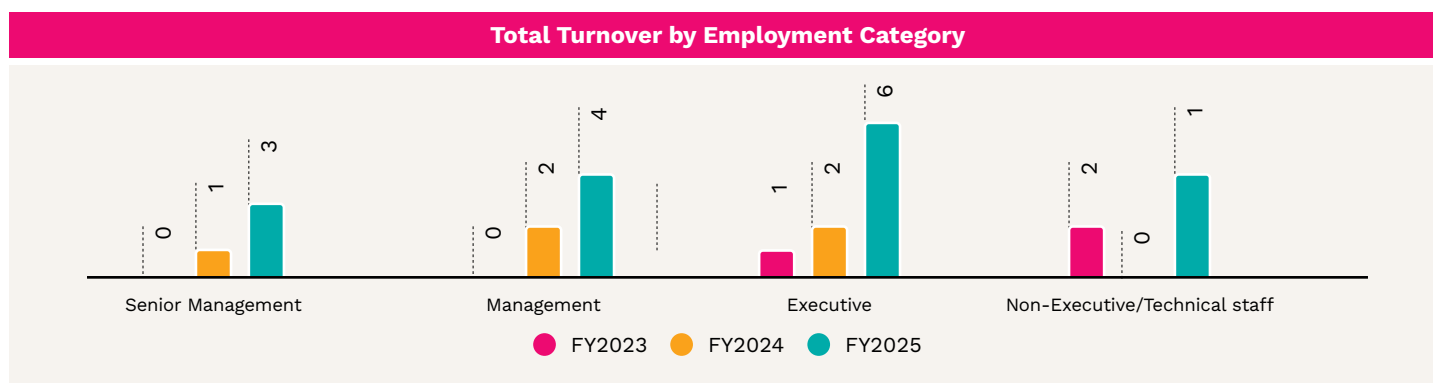
### Hiring and Attrition

Al-`Aqar prioritises diversity and inclusion as fundamental to building a resilient organisation and supporting the effective management of healthcare assets. The REIT recognises that a diverse workforce, supported by an inclusive culture, enhances decision-making, strengthens risk management and contributes to long-term sustainable value creation

The REIT’s approach to diversity and inclusion is guided by fair employment practices, merit-based recruitment, and equal opportunity principles. It is committed to providing a respectful and inclusive workplace, free from discrimination and harassment, where employees are valued based on their skills, experience and performance, subject to job requirements and nature of work. These principles are applied consistently across all levels of the organisation and supported by policies covering recruitment, remuneration, performance management, and employee development.

The increase in employee turnover rate in 2025 was primarily attributable to manpower rationalisation and organisational restructuring initiatives. This included five employees exiting under a Mutual Separation Scheme (MSS), while four employees were redeployed to a shared services entity within JLG Group.

Accordingly, the spike reflects strategic workforce realignment rather than underlying issues related to employee retention or engagement.



|                          |               |          |               |          |               |           |
|--------------------------|---------------|----------|---------------|----------|---------------|-----------|
| <b>Turnover (number)</b> | <b>FY2023</b> | <b>3</b> | <b>FY2024</b> | <b>5</b> | <b>FY2025</b> | <b>14</b> |
|--------------------------|---------------|----------|---------------|----------|---------------|-----------|

## HUMAN AND LABOUR RIGHTS

### Labour Practices and Human Rights

The REIT remains committed to upholding responsible labour practices and protecting fundamental human rights across its operations. It recognises that a respectful, safe, and equitable workplace is essential to sustaining strong social relationships with employees, tenants, contractors, and service providers operating within its properties. Accordingly, labour and human rights considerations are embedded within the REIT’s operational policies and governance practices.

Al-`Aqar strictly adheres to applicable labour laws and employment regulations, including compliance with minimum wage requirements and the prohibition of forced labour, modern slavery, and child labour. These standards are applied throughout its managed operations to ensure that all individuals working within the REIT are treated with dignity and fairness. It also maintains a zero-tolerance stance towards workplace discrimination, harassment, and other forms of unfair treatment.

# SUSTAINABILITY STATEMENT

## LABOUR PRACTICES, DIVERSITY & INCLUSION (CONT'D)

### Labour Practices and Human Rights (Cont'd)

In supporting safe and responsible working environments, Al-`Aqar continues to strengthen employee awareness and capability through training and capacity-building initiatives.

To ensure transparency and accountability, mechanisms are in place for reporting concerns related to labour practices or potential human rights violations. These processes enable the REIT to investigate and address issues promptly should they arise. In FY2025, zero substantiated complaints related to human rights violations were recorded, including cases related to forced labour, child labour, discrimination, or harassment. This outcome reflects the continued effectiveness of the REIT's policies and internal controls in safeguarding ethical labour practices.

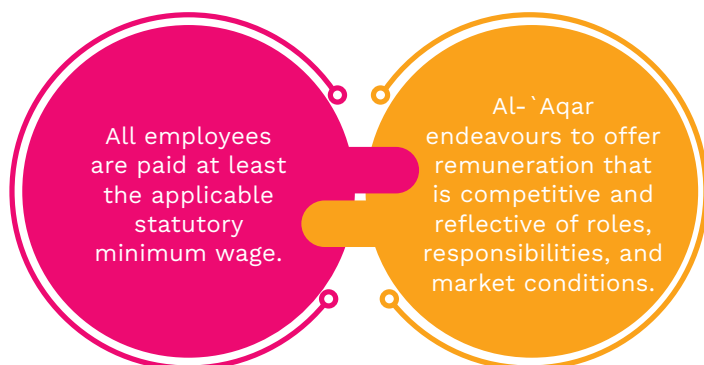
By maintaining strong labour standards and a culture of respect and fairness, the REIT seeks to foster a supportive working environment that protects the rights and well-being of individuals across its operational ecosystem. These practices contribute to strengthening stakeholder trust while supporting the long-term sustainability and responsible management of Al-`Aqar's assets.

### Labour and Human Rights Performance

| Area                       | Approach   | FY2025 Outcome                |
|----------------------------|--|-------------------------------|
| Labour Standards           | Compliance with labour regulations including minimum wage requirements and prohibition of forced labour and child labour | Maintained compliance         |
| Workplace Rights           | Zero tolerance towards discrimination, harassment and unfair treatment   | No violations recorded        |
| Human Rights Grievances    | Monitoring and investigation of complaints related to human rights practices   | Zero substantiated complaints |
| Employee Capacity Building | Training and awareness programmes to reinforce responsible workplace practices   | 1,541 training hours recorded |

### Workforce Practices

Al-`Aqar is committed to fair, responsible, and transparent remuneration practices. Regular reviews are conducted to promote pay equity and retention of key talent. The REIT implements performance-based appraisal for career promotion, equal access to training and development opportunities.



The REIT respects the right to freedom of association and collective bargaining in accordance with applicable local laws and regulations. The policies support employees' rights to associate freely and engage in collective representation where permitted by law.

In addition, the REIT is committed to providing wages that meet or exceed statutory minimum wage requirements, with remuneration practices designed to support fair and decent living standards for employees.

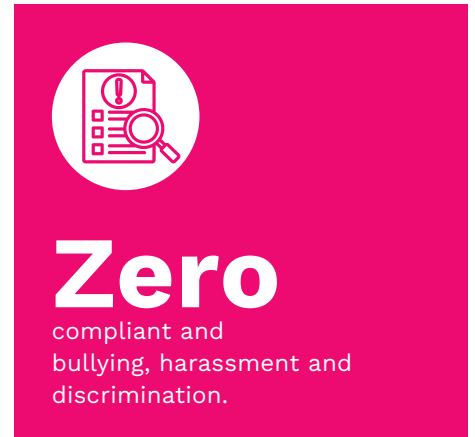
# SUSTAINABILITY STATEMENT

## LABOUR PRACTICES, DIVERSITY & INCLUSION (CONT'D)

### Workforce Practices (Cont'd)

The REIT supports workforce diversity and inclusion and are committed to providing equal employment opportunities without discrimination based on race, religion, gender, age, sexual orientation, disability, or nationality. It also supports the inclusion of persons with disabilities and, where applicable, provides reasonable workplace accommodations to enable effective participation and contribution. The REIT ensures that labour standards are communicated globally to employees and translated into relevant languages. Al-`Aqar adopts a zero-tolerance approach towards bullying, harassment, and workplace misconduct.

| Workforce Diversity and Inclusion Indicators | Disclosure |
|--|------------|
| Percentage of employees with disabilities    | 0%         |



All reported cases will be investigated promptly and impartially, with appropriate corrective actions taken. As of 2025, there were no cases reported on bullying, harassment, and discrimination. There were also 0 substantiated complaints concerning human rights violations in FY2025.

Empowering people is important to delivering reliable asset management, maintaining high operational standards, and supporting the essential healthcare services provided at the properties. The REIT recognises that a motivated, safe, and capable workforce underpins its ability to manage healthcare assets responsibly and create long-term value for stakeholders.

The people strategy focuses on employee well-being and engagement, occupational safety and health, and continuous training and development. Through competitive employee benefits, inclusive engagement initiatives, and supportive workplace practices, the REIT aims to foster a positive organisational culture that promotes collaboration, accountability and performance.

### Employee Benefits and Engagement

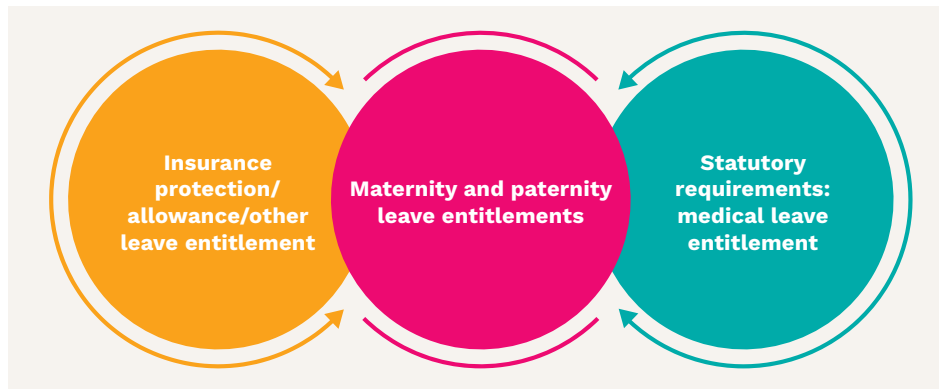
The REIT recognises that competitive employee benefits and active engagement are essential to attracting, retaining and motivating a skilled workforce, which in turn supports effective asset management and long-term value creation. The approach to employee benefits and engagement is designed to promote employee well-being, work-life balance and a positive organisational culture, while complying with applicable labour laws and market practices.

Employee benefits are structured in accordance with statutory requirements and internal policies and are periodically reviewed to ensure continued relevance and competitiveness. These benefits support employees across different stages of life and employment and reflect the commitment to fair labour practices and employee welfare.

# SUSTAINABILITY STATEMENT

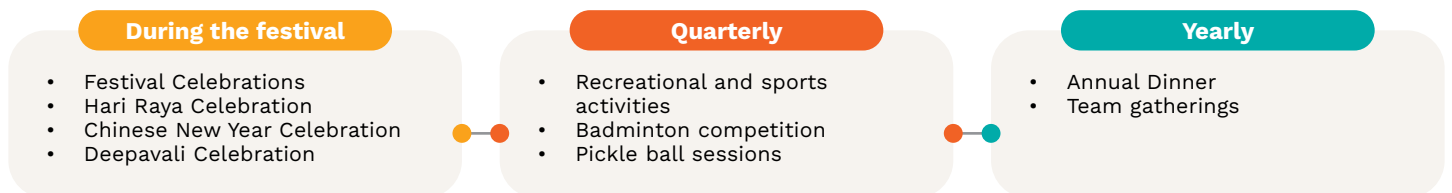
## LABOUR PRACTICES, DIVERSITY & INCLUSION (CONT'D)

### Employee Benefits and Engagement (Cont'd)



Key benefits provided to employees include maternity entitlements and medical leave entitlements, in line with statutory requirements. Other leave provisions such as paternity leave designed to support employee well-being. In addition to statutory benefits, the REIT promotes flexible and supportive workplace practices where practicable.

Employee engagement is fostered through regular communication, inclusive workplace initiatives, and team-building activities that encourage collaboration and a sense of belonging. Engagement initiatives include internal gatherings and celebrations, such as New Year celebrations, and employee appreciation activities, which provide opportunities for employees to connect, strengthen teamwork, and reinforce organisational values.



The effectiveness of the employee benefits and engagement initiatives is assessed through ongoing employee dialogue and periodic review of workforce-related indicators.

### Employee Engagement Survey

Employee engagement is a key indicator of organisational resilience, reflecting both workforce sentiment and the effectiveness of internal practices. The REIT's latest Employee Net Promoter Score ("eNPS") of +11 indicates a positive level of employee advocacy, while highlighting opportunities to further strengthen engagement across the organisation.

Survey results reflect a consistently strong employee experience across core dimensions, including alignment with organisational direction, quality of communication, and overall sense of connection within the workplace. Employees reported clearer visibility of organisational priorities and demonstrated a positive perception of how their roles contribute to broader business objectives.

Feedback also highlights that engagement is shaped by several interrelated factors, with particular emphasis on:

- Leadership and trust, including transparency and confidence in management
- Employee wellbeing, encompassing both physical and psychological aspects
- Job satisfaction and work environment, reflecting day to day experience and workplace culture

These areas remain central to sustaining engagement and supporting long term workforce stability.

# SUSTAINABILITY STATEMENT

## LABOUR PRACTICES, DIVERSITY & INCLUSION (CONT'D)

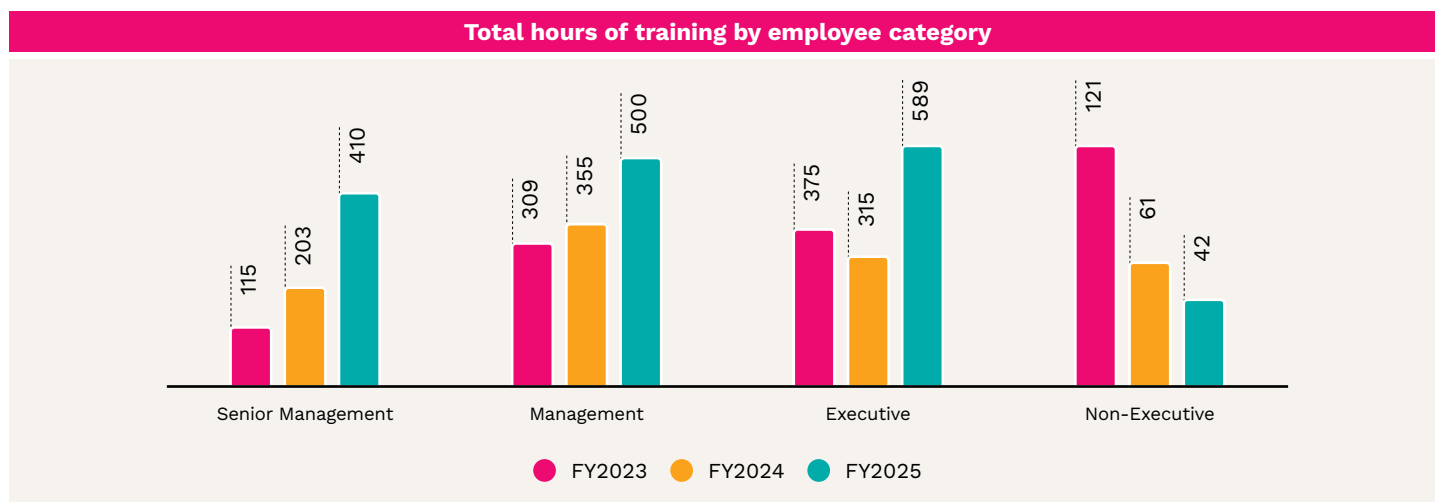
### Employee Engagement Survey (Cont'd)

Qualitative insights further indicate that employees value opportunities for meaningful interaction, knowledge sharing, and collaboration across teams. At the same time, there is a clear preference for more interactive and practical engagement approaches, suggesting the importance of evolving engagement methods to remain relevant and effective.

Overall, the findings provide a clearer understanding of workforce priorities and engagement drivers, enabling the REIT to strengthen its human capital strategies in a more targeted and responsive manner.

### Training and Development

The REIT is committed to developing a competent and professional workforce to support effective REIT management, regulatory compliance, and the specialised requirements of healthcare-related properties.



|                      |               |            |               |            |               |              |
|----------------------|---------------|------------|---------------|------------|---------------|--------------|
| <b>Total (hours)</b> | <b>FY2023</b> | <b>920</b> | <b>FY2024</b> | <b>934</b> | <b>FY2025</b> | <b>1,541</b> |
|----------------------|---------------|------------|---------------|------------|---------------|--------------|

For FY2025, the REIT recorded a total of 1,541 training hours, reflecting a significant increase in capacity-building efforts across all employee categories. The highest contribution came from the executive level, which accounted for 589 hours, followed by management and above at 500 hours, and senior management and C-suite at 410 hours, indicating strong engagement from leadership in continuous learning.

Across the three-year period, the REIT’s training efforts demonstrate a steady strengthening of its learning and development approach, with a clear emphasis on building capabilities at the leadership and management levels. Over time, there has been consistent engagement from senior management, C-suite, and management personnel, reflecting AL-`Aqar’s focus on embedding strategic, decision-making, and governance-related competencies. At the same time, the executive level continues to form a significant portion of training participation, supporting the development of mid-level talent as a key pipeline for future leadership. The overall trend indicates a structured and increasingly targeted approach to workforce development, with opportunities to further broaden participation and enhance inclusivity across all employee categories.

# SUSTAINABILITY STATEMENT

## LABOUR PRACTICES, DIVERSITY & INCLUSION (CONT'D)

### List of Trainings

The REIT adopts a structured approach to professional development, with training initiatives organised across five key categories to support both operational requirements and long-term capability building.

Technical and financial skills training remains a core priority, ensuring that employees are equipped with the competencies required to navigate complex financial structures, capital market developments and Shariah-compliant investment frameworks relevant to the REIT's operations. These programmes strengthen analytical rigour and support sound financial decision making across the organisation.

In parallel, the REIT continues to advance its digital and data capabilities through targeted upskilling in areas such as artificial intelligence, digital tools and cybersecurity. This reflects a broader commitment to enhancing productivity, fostering innovation and enabling employees to operate effectively in an increasingly digitalised business environment.

Training in compliance, governance, and risk reinforces the REIT's commitment to maintaining high standards of integrity, regulatory compliance and workplace safety. These programmes support a strong control environment and ensure that employees remain aligned with evolving legal and regulatory expectations.

Leadership and soft skills development initiatives are designed to strengthen management capabilities, communication effectiveness and overall employee well-being. By investing in people managers and fostering essential interpersonal skills, the REIT supports a more engaged and resilient workforce.

Finally, participation in industry conferences, professional events and internal workshops provides employees with exposure to market developments, emerging sustainability practices and evolving reporting requirements. These platforms facilitate knowledge exchange, strengthen industry awareness and enhance internal capabilities in areas such as integrated reporting and continuous improvement.

Collectively, these development efforts reflect the REIT's commitment to building a competent, adaptable and future-ready workforce aligned with its strategic objectives. Among the programmes attended by the staff are as below:

| Category                                | Training / Programme  | Professional Development Impact   |
|---|---|---|
| <b>Technical &amp; Financial Skills</b> | MIA International Accountants Conference 2025   | Strengthens technical accounting knowledge and awareness of emerging financial reporting trends       |
|   | Financial Modelling for REITs: Refining the Core Financial Statements, Analysis and Valuation | Enhances financial modelling capabilities and supports more robust investment and valuation decisions |
|   | Money Markets and Bonds: Application, Risk Management and Capital Markets                     | Builds competency in capital markets and strengthens risk assessment in financial instruments         |
|   | Finance Conference 2025   | Provides insights into evolving financial practices and industry developments                         |
|   | Finance for Non-Finance   | Improves financial literacy across non-finance functions to support informed decision making          |
|   | Pembangunan Tanah dan Hak Milik Strata  | Deepens understanding of property development and strata ownership frameworks                         |
|   | Shaping the Future: Exploring Islamic Financial Innovation in Capital Markets                 | Expands knowledge of Islamic finance innovations and capital market instruments                       |
|   | Exploring Islamic Financial Markets   | Strengthens understanding of Shariah-compliant financial systems                                      |
|   | Shariah-Compliant Investment  | Enhances capability in evaluating and managing Shariah-compliant investment portfolios                |

# SUSTAINABILITY STATEMENT

## LABOUR PRACTICES, DIVERSITY & INCLUSION (CONT'D)

### List of Trainings (Cont'd)

| Category  | Training / Programme  | Professional Development Impact  |
|---|---|--|
| <b>Digital &amp; Data / AI Upskilling</b>                       | Training of Digital Literacy Program  | Builds foundational digital competencies across the workforce                  |
|   | Gen AI for Business   | Enhances awareness and application of generative AI in business processes      |
|   | Innovate with AI  | Encourages innovation through practical AI use cases                           |
|   | How to Use AI to Boost Productivity   | Improves operational efficiency through AI-enabled workflows                   |
|   | AI Acceleration & Business Ethics   | Strengthens responsible AI adoption aligned with ethical considerations        |
|   | Microsoft 365 Copilot Deep Dive Training  | Enhances productivity through advanced use of digital tools                    |
|   | AI for Secretarial & Administrative Professionals   | Improves administrative efficiency through AI integration                      |
| <b>Compliance, Governance &amp; Risk</b>                        | APAC Cybersecurity  | Strengthens awareness of cybersecurity risks and digital resilience            |
|   | Integrity Awareness   | Reinforces ethical conduct and organisational integrity                        |
|   | SPRM Integrity Talk   | Enhances anti-corruption awareness and regulatory compliance                   |
|   | Introduction to DOSH, OSH Management at the Workplace, Workplace Hazards, Industrial Hygiene, OSH Committee | Strengthens workplace safety practices and regulatory compliance               |
|   | Dispute Resolution & Enforcement for Breach of Contract under Malaysian Law                                 | Builds legal awareness in managing contractual risks                           |
| <b>Leadership &amp; Soft Skills Development</b>                 | Docs Advanced Training (JCorp)  | Enhances governance practices and documentation standards                      |
|   | People Manager  | Develops people management and leadership capabilities                         |
|   | Training for Senior Management Exponential (EXO)  | Strengthens strategic thinking and leadership agility                          |
|   | Insight Unleashed: The Art of Storytelling (PowerPoint)   | Enhances communication and presentation effectiveness                          |
|   | Forum Talk & Networking   | Encourages knowledge sharing and professional networking                       |
| <b>Industry Exposure, Conferences &amp; Professional Events</b> | Cancer Awareness  | Promotes employee well-being and health awareness                              |
|   | PwC's Online Academy  | Supports continuous professional learning and industry exposure                |
|   | Kuala Lumpur Finance Forum 2025   | Provides insights into financial market trends and developments                |
|   | RICS – MIPFM International Property Conference 2025   | Enhances understanding of global property management practices                 |
|   | MIPFM CPD Seminar Series 2025: Sustainable Property Management  | Strengthens knowledge of sustainability in property management                 |
|   | Technical Visit to Merdeka 118 Tower  | Provides practical exposure to large-scale property development and operations |
| Innovation Community – Speed to Market Lab                      | Encourages innovation and agile project execution   |  |

# SUSTAINABILITY STATEMENT

## LABOUR PRACTICES, DIVERSITY & INCLUSION (CONT'D)

### List of Trainings (Cont'd)

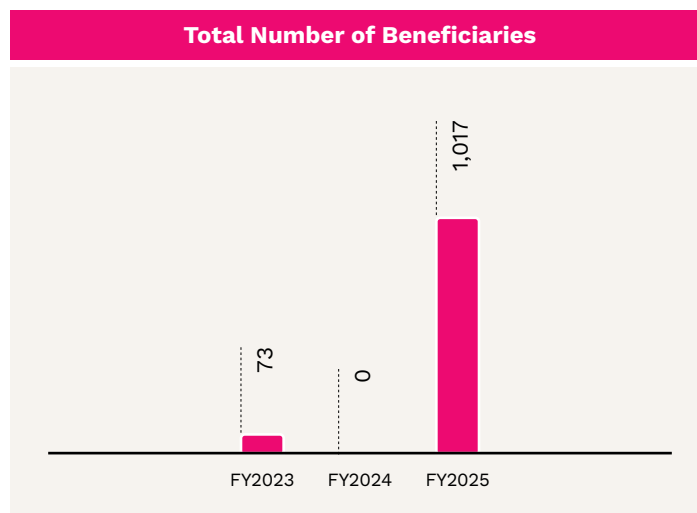
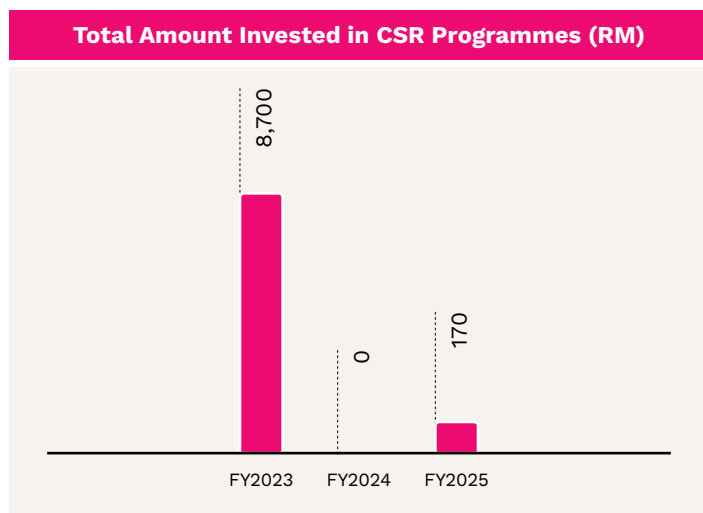
| Category                                | Training / Programme                         | Professional Development Impact  |
|---|--|--|
| Internal Training / Corporate Workshops | AL-`Aqar Integrated Report FY2025 Workshop   | Enhances understanding of sustainability and integrated reporting frameworks |
|   | Training – Tumbuk Rusuk                      | Reinforces team engagement and organisational culture                        |
|   | Process Orientation & Continuous Improvement | Drives operational efficiency and process optimisation                       |

## COMMUNITY ENGAGEMENT

| Risk Area  | Risk Rating | Risk Tolerance Level |
|--|-------------|----------------------|
| A lack of engagement with stakeholders and the community may create reputational risk and weaken trust if concerns are not properly addressed. | ●           | ●                    |

At the REIT, community enrichment is a part of the role as a long-term owner and manager of healthcare assets. The portfolio supports the delivery of essential healthcare services across the communities the REIT serves, and the REIT recognises that the responsibilities extend beyond providing stable returns to unitholders.

The approach to community enrichment is anchored in the belief that sustainable value creation is closely linked to the strength and resilience of the communities in which the REIT operates. As a healthcare-focused REIT, AL-`Aqar's assets often serve as critical infrastructure within their localities, supporting patients, medical professionals, caregivers, and vulnerable populations. Accordingly, the REIT seeks to enhance social outcomes through responsible asset stewardship, long-term partnerships with healthcare operators, and engagement initiatives that support health awareness, accessibility, and inclusivity.



# SUSTAINABILITY STATEMENT

## COMMUNITY ENGAGEMENT (CONT'D)

### Revitalising the Urban Heart



On 8 December 2025, Al-`Aqar joined forces with Majlis Bandaraya Johor Bahru ("MBJB") to transform the Ibrahim International Business District ("IIBD") through a high-impact plogging initiative. A dedicated team of 170 ONEJLG volunteers took to the streets, merging physical activity with environmental stewardship to improve the cleanliness and appeal of this vital business hub. The effort was more than a simple clean-up; it was a visible commitment to urban sustainability and the enhancement of public spaces for the benefit of the local community and businesses alike.

The immediate results were tangible, with volunteers successfully recovering approximately 115 kg of waste from the district. Beyond the physical removal of litter, the programme successfully raised public awareness regarding sustainable waste management and fostered a sense of shared responsibility for the common environment. By working closely with MBJB, Al-`Aqar has reinforced the importance of collaborative action in maintaining healthy, vibrant, and well-managed urban ecosystems.

### Cultivating Ecological Resilience



In a move to strengthen agricultural biodiversity, Al-`Aqar mobilised 176 volunteers to Felda Bukit Batu, Kulai, on 18 December 2025. Under the "Rooted in Nature" initiative, the team focused on a strategic planting exercise designed to support the long-term health of the local plantation. By integrating specific flora into the landscape, the programme sought to balance commercial land use with ecological preservation, reflecting a deep-seated commitment to environmental stewardship.

The team planted 2,000 specimens of *Turnera* and *Antigoni* species, chosen specifically for their ability to attract beneficial organisms and enhance soil quality. These plants play a crucial role in supporting palm tree health naturally, thereby reducing reliance on intensive interventions and boosting the overall resilience of the ecosystem. This collaboration with the Felda Bukit Batu community not only improved the local landscape but also established a framework for sustainable land management that supports both nature and livelihoods.

### School Ready, Future Steady - Investing in Potential

Between 16 and 19 December 2025, Al-`Aqar launched a comprehensive educational outreach across SMK Kelapa Sawit, SK LKTP Felde Bukit Batu, and SK Bukit Kenangan. A total of 130 volunteers engaged with 700 students through a blend of motivational sharing and creative workshops. The "School Ready, Future Steady" initiative was designed to bridge the gap between classroom learning and future career aspirations, providing students with the confidence and inspiration needed to navigate their educational journeys.

The impact was felt both emotionally and practically, as Al-`Aqar provided essential school supplies and book vouchers to ensure that every student had the resources necessary to succeed. From storytelling sessions that sparked imagination in younger children to career pathway discussions for older students, the programme addressed the holistic development of the next generation. By removing barriers to learning, the initiative underscored a commitment to social sustainability and the long-term empowerment of the communities in which the REIT operates.

# SUSTAINABILITY STATEMENT

## COMMUNITY ENGAGEMENT (CONT'D)

### Sentuhan Kasih, A Pillar of Community Care



The "Sentuhan Kasih" initiative on 23 December 2025 saw 102 ONEJLG volunteers descend upon Hospital Sultanah Aminah to provide critical support to patients and healthcare providers. The day's activities were multifaceted, ranging from a rigorous clean-up of the hospital grounds to a blood donation drive and a heartwarming visit to the paediatric ward. This holistic approach aimed to improve the healing environment while offering direct assistance to the facility's lifesaving operations.

The programme yielded significant results, including the collection of 30 kg of waste to ensure a healthier environment and a RM10,000 financial contribution to support the hospital's ongoing services. Furthermore, the visit to the paediatric ward reached 300 individuals, providing tokens of appreciation and emotional support to both young patients and frontline staff. Through these actions, AL-`Aqar demonstrated the profound impact of empathy and shared responsibility in strengthening the local healthcare infrastructure.

Through structured community engagement, collaboration with tenants and responsible investment practices, the REIT aims to contribute to stronger healthcare ecosystems and sustainable social outcomes. The community enrichment initiatives are designed to strengthen stakeholder relationships, support the social licence to operate and reinforce the long-term sustainability of the portfolio, in line with ISSB and SASB guidance on social capital and value chain impacts.

### ACCESS TO HEALTHCARE SERVICES

The REIT considers public transport accessibility in the planning, acquisition, and management of its properties. Where feasible, the healthcare facilities are located within reasonable proximity to public transportation networks, such as buses, rail services, or other public transit options. This enhances accessibility for patients, caregivers, healthcare workers, and visitors, particularly those who rely on public transport to access essential healthcare services.

Accessibility for persons with disabilities is assessed across all the properties. The facilities are designed or upgraded, where applicable, to support barrier-free access, including features such as ramps, lifts, handrails, designated parking spaces, and accessible washrooms. These measures aim to provide a safe, dignified, and comfortable experience for patients and visitors with mobility challenges.

These efforts contribute to positive user experiences and reinforce trust in the properties as suitable healthcare environments.

Looking ahead, the REIT remains dedicated to fostering positive relationships with the tenants and customers by prioritising communication, service reliability, and wellbeing-focused facilities. By aligning the property strategies with the evolving needs of the healthcare sector, the REIT strives to create supportive environments that contribute to better healthcare delivery and sustainable long-term value for stakeholders.

# SUSTAINABILITY STATEMENT



## ENVIRONMENTAL

### Materiality Matters

- 09 Energy, Emissions and Climate Resilience
- 12 Water Management
- 13 Waste Management

### UN SDG Alignment



**SDG 11: Sustainable Cities and Communities**  
Promote sustainable urban development to create inclusive, safe, and resilient cities



**SDG 13: Climate Action**  
Take action to combat climate change and its impacts

Al-`Aqar is committed to creating long-term environmental value by integrating responsible environmental management practices across the healthcare property portfolio. The REIT focuses on the development of a green portfolio, effective energy management and climate resilience, and responsible resource management.

Even though the majority of environmental data, including energy, water and waste metrics, falls within the tenants' operational boundaries and is outside of its direct control, the REIT remains committed to advancing environmental sustainability by actively engaging with tenants and property managers on ESG-related matters.



### Key Stakeholders



# SUSTAINABILITY STATEMENT

## GREEN PORTFOLIO

As a healthcare REIT, AL-`Aqar's business operations revolve around the acquisition and management of properties. Considering buildings contribute significant greenhouse gas emissions and pose other environmental concerns, the REIT, in collaboration with the tenant, aims to increasingly deploy green building certification throughout its portfolio.

The use of green building standards allows properties to generate a lower environmental footprint through measures such as passive features, energy-efficient implementations, and renewable energy deployment which reduces demand for electricity from the national grid.

| Property   | Certification                            | Issue year |
|--|--|------------|
| Kedah Medical Centre, Alor Setar, Kedah  | Green Building Certification by MyCrest. | 2024       |
| KPJ Sentosa (KL) Specialist Hospital, Jalan Chemur Damai Complex, Kuala Lumpur | Green Building Certification by MyCrest. | 2025       |
| KPJ Tawakkal Specialist Hospital, Jalan Pahang Barat, Kuala Lumpur             | Green Building Certification by MyCrest. | 2025       |
| KPJ Klang Specialist Hospital, Bandar Baru Klang, Klang, Selangor              | Green Building Certification by MyCrest. | 2025       |

While the REIT has attained various green certification for several buildings in its portfolio, it is committed to extending this coverage and increasing the number of certified properties throughout the medium- and long-term, including expanding the number of Bronze, Silver, and Gold GreenRE-certified buildings for various properties and reducing the energy use intensity of the portfolio by 15%.

In addition to the reduced GHG footprint and improved occupancy comfort, green building standards provide stipulations for air contaminants including reduced volatile organic compounds ("VOCs"), nitrous oxides ("NOX"), sulphur oxides ("SOX"), and particulate matter ("PM"). Another initiative by the REIT is by prioritising green, low-VOC paints when repainting the buildings.

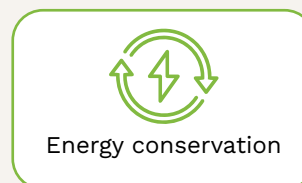
In the medium-term, set between FY2027 and FY2028, the REIT plans on retrofitting the heating, ventilation, and air conditioning ("HVAC") filters and installation of new-tech chiller replacement efficiency.

These initiatives improve the desirability of its portfolio to align with the REIT's overarching long-term sustainability strategy.

## Green Leasing and Responsible Tenancy

To date, the Green Lease clauses were incorporated in all new lease renewals with KPJ.

### Summary of Green Clauses



Moving forward, the REIT has established targets to increase green clause adoption for 100% of the tenants by FY2028. This includes involving the participation of at least half of the tenants in data-sharing programmes and providing incentives to tenants that conducts green certification to further improve the overall environmental footprint of their operations and the portfolio.

# SUSTAINABILITY STATEMENT

## RESOURCE MANAGEMENT

The REIT recognises the importance of responsible resource management. It is essential to reducing environmental impact and supporting the sustainable operation of healthcare facilities. Responsible management of water and waste is particularly critical given the continuous, high-intensity nature of hospital operations and the essential services provided by the REIT to communities.

### Water Consumption

Al-`Aqar is committed to minimising its environmental impact through responsible water management. This includes encouraging and enabling water-saving initiatives and promoting water conservation awareness across its properties. As urbanisation continues to accelerate, water-related challenges may become more prevalent in the future. The REIT therefore seeks to adopt proactive measures to mitigate risks and prevent potential water scarcity issues before they arise.

Over the past three years, 100% of the water used by the REIT has been sourced from municipal supplies.

| Water Withdrawal (Megalitres) | FY2023          | FY2024          | FY2025          |
|-------------------------------|-----------------|-----------------|-----------------|
| Municipal Water               | 1,239.82        | 1,282.47        | <b>1,421.15</b> |
| Surface Water                 | 0               | 0               | <b>0</b>        |
| Groundwater                   | 0               | 0               | <b>0</b>        |
| Used Quarry Water             | 0               | 0               | <b>0</b>        |
| External Wastewater           | 0               | 0               | <b>0</b>        |
| Harvested Rainwater           | 0               | 0               | <b>0</b>        |
| Seawater                      | 0               | 0               | <b>0</b>        |
| <b>Total Water Withdrawal</b> | <b>1,239.82</b> | <b>1,282.47</b> | <b>1,421.15</b> |

Note: Water withdrawal follows the same quantity as the water consumed from the listed sources above. KPJ Pasir Gudang Specialist Hospital is excluded from the 2024 data and commenced reporting in 2025.

| Water Discharge (Megalitres) | FY2023   | FY2024   | FY2025   |
|------------------------------|----------|----------|----------|
| Surface Water                | 0        | 0        | <b>0</b> |
| Beneficial/Other Use         | 0        | 0        | <b>0</b> |
| Subsurface/Well              | 0        | 0        | <b>0</b> |
| Off-site Water Treatment     | 0        | 0        | <b>0</b> |
| Ocean                        | 0        | 0        | <b>0</b> |
| <b>Total Discharge</b>       | <b>0</b> | <b>0</b> | <b>0</b> |

Note: Water discharged from the REIT's properties is primarily treated wastewater released into the municipal sewerage system in accordance with local regulatory requirements.

# SUSTAINABILITY STATEMENT

## RESOURCE MANAGEMENT (CONT'D)

### Water Consumption (Cont'd)

As of FY2025, the REIT had no incidents of non-compliance with water quality or quantity standards.

The REIT adopts a facilitative and supportive approach towards water sustainability. While water conservation initiatives are primarily implemented at the tenant or property-operator level, the REIT actively welcomes and enables the adoption of advanced water-efficient solutions that align with environmental best practices and long-term asset enhancement.

Looking ahead, the REIT supports the future installation of smart water meters and sub-metering systems, as well as the retrofitting of water-efficient fittings such as low-flow taps and dual-flush systems, where appropriate. Over the medium term, the REIT is open to tenants implementing rainwater harvesting and greywater collection systems across its properties. In the longer term, the REIT encourages the optimisation of water reuse and leak detection systems to further enhance resource efficiency.

Collectively, these tenant-led initiatives, supported by the REIT's asset owner stance, reflect the REIT's commitment to promoting water sustainability, reducing water-related risks, and enhancing the long-term resilience and value of its assets in the regions where it operates.

### Waste Management

Efficient waste management at the REIT's properties is crucial for mitigating environmental impacts. By adopting structured waste management strategies, the REIT ensures compliance with regulatory standards while minimising its ecological footprint. The REIT recognises that improper handling of waste contributes to pollution and can harm the health of surrounding communities and nearby ecosystems.

#### AI-integrated Klean Reverse Vending Machines ("RVMs")

- Installed multiple RVMs at KPJ Damansara, KPJ Tawakkal, and KPJ Pasir Gudang.
- RVMs sort PET bottles, containers, and cans.
- Encourage participation for recycling waste by rewarding the users with vouchers and coupons.

#### Licensed Third-Party Waste Collectors

- Assign licensed third-party waste collectors for safe and compliant handling of hazardous waste.
- Cover hazardous materials such as medical, chemical, and other scheduled wastes.
- Ensure secure collection, transportation, treatment, and disposal of hazardous waste, aligning with Environmental Quality (Scheduled Wastes) Regulations 2005.

#### Reduce, Reuse, and Recycle ("3R") programme

- Provide recycling bins for paper, cans, and bottles throughout the facilities
- Facilitate waste sorting and waste collection by licensed contractors for further processing.
- Implemented in KPJ Damansara and KPJ Tawakkal.

# SUSTAINABILITY STATEMENT

## RESOURCE MANAGEMENT (CONT'D)

### Waste Management (Cont'd)

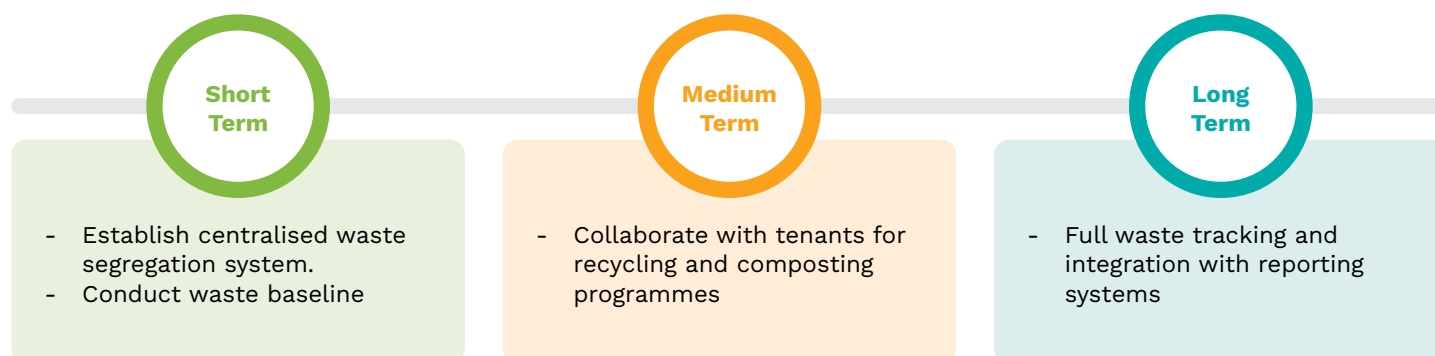
| Waste (Tonnes)                     | FY2023 | FY2024 | FY2025 |
|------------------------------------|--------|--------|--------|
| Total Waste Generated              | NA     | NA     | NA     |
| Total waste diverted from disposal | NA     | NA     | NA     |
| Total waste directed to disposal   | NA     | NA     | NA     |

Note: Data not available as waste generation, recycling and disposal are managed by tenants and fall outside the REIT's operational boundary

Despite the unavailability of comprehensive waste data, the REIT has undertaken initiatives to promote recycling within its properties. During the reporting period, the REIT continued the Klean Machine initiative to facilitate the collection of recyclable waste from occupants and visitors. The weight of recyclables collected through this initiative is presented below.

| Recycled Waste (kg)   | KPJ Damansara | KPJ Tawakkal | KPJ Pasir Gudang |
|-----------------------|---------------|--------------|------------------|
| PET                   | 5.13          | 8.88         | 0.70             |
| Can                   | 1.18          | 0.93         | 0.07             |
| Container             | 46.60         | 85.24        | 5.56             |
| Total Weight (kg)     | 52.91         | 95.05        | 6.33             |
| Total Weight (tonnes) | 0.053         | 0.095        | 0.006            |

The REIT supports and encourages the implementation of a phased waste management strategy that focuses on building foundational systems and progressively enhancing data visibility and reporting. The short-, medium- and long-term approaches are designed to improve waste segregation, increase recycling rates, and support continuous improvement in waste performance across the portfolio.



These tenant-led initiatives, supported by the REIT, contributing to stronger environmental performance, improved stakeholder alignment, and the long-term resilience and value of its assets.

# SUSTAINABILITY STATEMENT

## MEMBERSHIP AND AWARDS

To ensure that its sustainability approach continues to align with industry best practices and new innovations or initiatives, the REIT participates as a member in several key associations and professional bodies. While membership associations allow Al-`Aqar to stay on top of local and international sustainability developments, the participation also allows the REIT to propagate sustainability further into entire industries, showcasing its commitment to leaving positive improvements beyond the REIT's organisational boundaries.

The REIT's membership in associations:

- Malaysian REIT Managers Association ("MRMA")

Awards and accolades serve as an external recognition of the REIT's commitment to operational excellence, responsible management and sustainable value creation. These recognitions reflect the efforts in ESG practices.

- FTSE4Good Bursa Malaysia Index – Constituent

The REIT remains focused on delivering long-term value to unitholders and stakeholders through consistent performance, transparency and accountability.

## CONTINUOUS IMPROVEMENT

The REIT is committed to continuously enhancing the sustainability reporting. The REIT will continue to engage with stakeholders and broaden the understanding of sustainability metrics across the portfolio through progressive data collection and tenant engagement initiatives.

Guided by the REIT's decarbonisation roadmap and aligned with the NSRF as well as IFRS S1 and S2 standards, the REIT ensures that the operations, investment decisions, and reporting practices support the achievement of net zero carbon by 2050, strengthening long-term resilience and transparency for investors and stakeholders.

# SUSTAINABILITY STATEMENT

## APPENDICES



**Crowe Malaysia PLT**  
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April 8, 2026

The Board of Directors  
 Al-`Aqar Healthcare REIT  
 Unit 1-19-02, Level 19, Block 1  
 V SQUARE, Jalan Utara  
 46200 Bandar Petaling Jaya  
 Petaling Jaya, Selangor Darul Ehsan

Dear Sirs,

**INDEPENDENT LIMITED ASSURANCE REPORT ON SELECTED SUSTAINABILITY INFORMATION  
 DISCLOSED IN AL-`AQAR HEALTHCARE REIT SUSTAINABILITY REPORT FOR THE FINANCIAL  
 YEAR ENDED 31 DECEMBER 2025**

**Scope**

We have been engaged by JLG REIT Managers Sdn Bhd on behalf of Al-`Aqar Healthcare REIT ("Al-`Aqar") to perform a limited assurance engagement on the selected sustainability information for the financial year ended 31 December 2025 ("the Subject Matter") as defined below in the Sustainability Report of Al-`Aqar for the financial year ended 31 December 2025 ("the Report").

Our assurance conclusion does not extend to information in respect of prior period or to any other information included in the Report.

**Subject Matter**

Our limited assurance engagement was performed for the selected Subject Matter listed in the table below, as presented in the Report:

| No | Sustainability Matter          | Subject Matter   |
|----|--------------------------------|--|
|    |                                | Sustainability Indicator   |
| 1  | Energy Consumption             | Total fuel consumed in litre   |
|    |                                | Total electricity consumed in kWh  |
| 2  | Emissions                      | Total Greenhouse Gas ("GHG") Scope 1 Emissions in CO <sub>2</sub> e tonnes |
|    |                                | Total GHG Scope 2 Emissions in CO <sub>2</sub> e tonnes                    |
| 3  | Occupational Health and Safety | Lost time incident rate  |
|    |                                | Number of work-related fatalities  |
| 4  | Water Consumption              | Total water consumption in litre   |

The boundary of the Subject Matter is limited, where applicable, to the hospitals and the headquarters in Petaling Jaya and Johor Bahru.

# SUSTAINABILITY STATEMENT

## APPENDICES (CONT'D)



### Applicable Criteria

The Subject Matter has been prepared in accordance with Al-`Aqar's definition and calculation methodologies and / or where relevant, the Bursa Malaysia Securities Berhad Listing Requirements ("Applicable Criteria").

### Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention to cause us to believe that the Subject Matter presented in the Report are not prepared, in all material respects, in accordance with the Al-`Aqar's Applicable Criteria.

### Basis for Conclusion

We conducted our engagement in accordance with *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ("ISAE 3000 (Revised)")*. Our responsibilities under this standard are further described in the Our Responsibilities section of our report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

### Our Quality Management and Independence

We have complied with the independence and other ethical requirements of the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("MIA") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Malaysian Approved Standard on Quality Management, ISQM 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

### Al-`Aqar's Responsibilities

The management of the Al-`Aqar (the "Management") is responsible for selecting the Applicable Criteria, preparing and presenting the Subject Matter in accordance with the Applicable Criteria in all material aspects. This responsibility includes implementing and maintaining internal controls relevant to the preparation of the Subject Matter, maintaining adequate records and making estimates that are relevant to the Subject Matter, such that it is free from material misstatement, whether due to fraud or error. Furthermore, the responsibility includes the use of assumptions and estimates for disclosures made by the Al-`Aqar which are reasonable in the circumstances.

# SUSTAINABILITY STATEMENT

## APPENDICES (CONT'D)



### Our Responsibilities

We are responsible to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We planned and conducted the engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and the terms agreed with the Al-Aqar. These standards require us to plan and perform the engagement to express an independent conclusion, based on the procedures we have performed and the evidence we have obtained, on whether the Subject Matter is free from material misstatement, whether due to fraud or error.

### Summary of Procedures Performed

We exercised professional judgement and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the Subject Matter that is sufficient and appropriate to provide a basis for our conclusion. Our procedures selected depended on our understanding of the Subject Matter and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise.

In carrying out our engagement, we have performed the following procedures, amongst others:

- a) Enquired the Management to obtain an understanding of the processes established from which the Subject Matter is derived;
- b) Conducted interviews with the relevant personnel responsible for preparing and presenting the Subject Matter in the Report;
- c) Compared the Subject Matter presented in the Report to underlying sources on a sample basis and checked whether it has been prepared in accordance with the methodologies set out in the Applicable Criteria; and
- d) Performed limited substantive testing on sampling basis for the Subject Matter, which included recalculation selected amounts, agreeing data points to / from the source documentation and assessing whether the Subject Matter has been appropriately recorded, collated and reported.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

### Inherent Limitations

Due to the inherent limitations of any internal control structure, it is possible that errors or irregularities in the information presented in the Report may occur and not be detected. Our engagement is not designed to detect all weaknesses in the internal controls over the preparation and presentation of the Report, as the engagement has not been performed continuously throughout the period and the procedures performed were undertaken on a test basis.

The absence of a significant body of established practice on which to draw to evaluate and measure the Subject Matter Information allows for different, but acceptable, measurement basis and can affect comparability between entities over time. In addition, GHG quantification is subject to inherent uncertainty due to limited scientific information from regulated sources used to determine emissions factors and the values needed to combine emissions of different gases. The Subject Matter Information is subject to more inherent limitations than financial information, given the characteristics of the underlying subject matter and the methods used for determining such information. The precision of different measurement techniques may also vary.

# SUSTAINABILITY STATEMENT

## APPENDICES (CONT'D)



### **Restriction on Distribution and Use of Our Report**

Our report has been prepared for the Directors of the Al-`Aqar (the "Directors") solely in accordance with the terms of our Engagement Letter.

Our report should not therefore be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the Al-`Aqar or for any purpose or in any context. Any party other than the Al-`Aqar who obtains access to our report or a copy and chooses to rely on our report (or any part of it) will do so at its own risk.

Without affecting, adding to or extending our duties and responsibilities to the Al-`Aqar or giving rise to any duty or responsibility being accepted or assumed by or imposed on us by any other party, we consent to the inclusion of this report in Al-`Aqar's Annual Report 2025, to assist the Directors of the Al-`Aqar in responding to their governance responsibilities by obtaining independent limited assurance report on the Subject Matter.

Our conclusion is not modified in respect of this matter.

### **Other Matters**

Our assurance conclusion was with respect to the Al-`Aqar's Subject Matters for the financial year ended 31 December 2025.

We have not performed any procedures over the Subject Matter for prior reporting periods and accordingly, we do not express a conclusion thereon.

**Crowe Malaysia PLT**  
LLP0018817-LCA & AF 1018  
Chartered Accountants  
Kuala Lumpur

# SUSTAINABILITY STATEMENT

## APPENDICES (CONT'D)

### GLOBAL REPORTING INITIATIVES (“GRI”) INDEX

#### Statement of Use

Al-`Aqar acknowledges that disclosures made in the SS2025 has been prepared in accordance with the GRI Standards.

| GRI STANDARD                           | DISCLOSURE   | PAGE REFERENCE/<br>REASONS FOR<br>OMISSIONS          |             |
|--|--|--|-------------|
| <b>GRI 2: General Disclosures 2021</b> | 2-1 Organisational details   | Page 71  |             |
|  | 2-2 Entities included in the organisation’s sustainability reporting             |  |             |
|  | 2-3 Reporting period, frequency and contact point                                |  |             |
|  | 2-5 External assurance   | Pages 32-33  |             |
|  | 2-6 Activities, value chain and other business relationships                     |  |             |
|  | 2-7 Employees  | Pages 107-122  |             |
|  | 2-8 Workers who are not employees  | Page 112   |             |
|  | 2-9 Governance structure and composition   | Page 10  |             |
|  | 2-10 Nomination and selection of the highest governance body                     | Information provided within the standalone CG Report |             |
|  | 2-11 Chair of the highest governance body  |  |             |
|  | 2-12 Role of the highest governance body in overseeing the management of impacts |  |             |
|  | 2-13 Delegation of responsibility for managing impacts                           |  |             |
|  | 2-14 Role of the highest governance body in sustainability reporting             |  |             |
|  | 2-15 Conflicts of interest   |  |             |
|  | 2-16 Communication of critical concerns  |  |             |
|  | 2-17 Collective knowledge of the highest governance body                         |  |             |
|  | 2-18 Evaluation of the performance of the highest governance body                |  |             |
|  | 2-19 Remuneration policies   |  |             |
|  | 2-20 Process to determine remuneration   |  |             |
|  | 2-21 Annual total compensation ratio   |  |             |
|  | 2-22 Statement on sustainable development strategy                               |  | Pages 79-81 |
|  | 2-23 Policy commitments  |  | Pages 96-97 |
|  | 2-24 Embedding policy commitments  | Pages 98-100   |             |
|  | 2-25 Processes to remediate negative impacts                                     |  |             |
|  | 2-26 Mechanisms for seeking advice and raising concerns                          |  |             |
|  | 2-27 Compliance with laws and regulations  | Page 128   |             |
|  | 2-28 Membership associations   |  |             |
|  | 2-29 Approach to stakeholder engagement  | Pages 72-74  |             |
|  | <b>GRI 3: Material Topics 2021</b>   | 3-1 Process to determine material topics             | Page 75     |
| 3-2 List of material topics            |  | Page 76  |             |
| 3-3 Management of material topics      |  | Pages 79-128   |             |

# SUSTAINABILITY STATEMENT

## APPENDICES (CONT'D)

### GRI INDEX (CONT'D)

| GRI STANDARD                                   | DISCLOSURE | PAGE REFERENCE/<br>REASONS FOR<br>OMISSIONS  |
|--|------------|--|
| <b>ECONOMIC</b>                                |            |  |
| <b>GRI 201: Economic Performance 2016</b>      | 3-3        | Management of material topics  |
|  | 201-1      | Direct economic value generated and distributed  |
| <b>GRI 203: Indirect Economic Impacts 2016</b> | 3-3        | Management of material topics  |
|  | 203-1      | Infrastructure investments and services supported  |
|  | 203-2      | Significant indirect economic impacts  |
| <b>GRI 204: Procurement Practices 2016</b>     | 3-3        | Management of material topics  |
|  | 204-1      | Proportion of spending on local suppliers  |
| <b>GOVERNANCE</b>                              |            |  |
| <b>GRI 205: Anti-corruption 2016</b>           | 3-3        | Management of material topics  |
|  | 205-1      | Operations assessed for risks related to corruption  |
|  | 205-2      | Communication and training about anti-corruption policies and procedures                     |
|  | 205-3      | Confirmed incidents of corruption and actions taken  |
| <b>GRI 415: Public Policy 2016</b>             | 3-3        | Management of material topics  |
|  | 415-1      | Political contributions  |
| <b>GRI 418: Customer Privacy 2016</b>          | 3-3        | Management of material topics  |
|  | 418-1      | Substantiated complaints concerning breaches of customer privacy and losses of customer data |
| <b>ENVIRONMENTAL</b>                           |            |  |
| <b>GRI 302: Energy 2016</b>                    | 3-3        | Management of material topics  |
|  | 302-1      | Energy consumption within the organisation   |
|  | 302-4      | Reduction of energy consumption  |
|  | 302-5      | Reductions in energy requirements of products and services                                   |
| <b>GRI 303: Water and Effluents 2018</b>       | 3-3        | Management of material topics  |
|  | 303-1      | Interactions with water as a shared resource   |
|  | 303-2      | Management of water discharge-related impacts  |
|  | 303-3      | Water withdrawal   |
|  | 303-4      | Water discharge  |
|  | 303-5      | Water consumption  |

## SUSTAINABILITY STATEMENT

## APPENDICES (CONT'D)

## GRI INDEX (CONT'D)

| GRI STANDARD  | DISCLOSURE            | PAGE REFERENCE/<br>REASONS FOR<br>OMISSIONS   |
|---|-----------------------|---|
| <b>ENVIRONMENTAL</b>  |                       |   |
| <b>GRI 305: Emissions<br/>2016</b>                              | 3-3                   | Management of material topics   |
|   | 305-1                 | Direct (Scope 1) GHG emissions  |
|   | 305-2                 | Energy indirect (Scope 2) GHG emissions   |
|   | 305-3                 | Other indirect (Scope 3) GHG emissions  |
| <b>GRI 306: Waste<br/>2020</b>                                  | 3-3                   | Management of material topics   |
|   | 306-1                 | Waste generation and significant waste-related impacts  |
|   | 306-2                 | Management of significant waste-related impacts   |
|   | 306-3                 | Waste generated   |
|   | 306-4                 | Waste diverted from disposal  |
|   | 306-5                 | Waste directed to disposal  |
| <b>GRI 308: Supplier<br/>Environmental<br/>Assessment 2016</b>  | 3-3                   | Management of material topics   |
|   | 308-1                 | New suppliers that were screened using environmental criteria   |
| <b>SOCIAL</b>   |                       |   |
| <b>GRI 401:<br/>Employment 2016</b>                             | 3-3                   | Management of material topics   |
|   | 401-1                 | New employee hires and employee turnover  |
|   | 401-2                 | Benefits provided to full-time employees that are not provided to temporary or part-time employees            |
|   | 401-3                 | Parental leave  |
| <b>GRI 403:<br/>Occupational<br/>Health and Safety<br/>2018</b> | 3-3                   | Management of material topics   |
|   | 403-1                 | Occupational health and safety management system  |
|   | 403-2                 | Hazard identification, risk assessment, and incident investigation  |
|   | 403-5                 | Worker training on occupational health and safety   |
|   | 403-7                 | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships |
|   | 403-8                 | Workers covered by an occupational health and safety management system  |
| 403-9   | Work-related injuries |   |

# SUSTAINABILITY STATEMENT

## APPENDICES (CONT'D)

### GRI INDEX (CONT'D)

| GRI STANDARD  | DISCLOSURE |  | PAGE REFERENCE/<br>REASONS FOR<br>OMISSIONS |
|---|------------|--|---|
| <b>SOCIAL</b>   |            |  |   |
| <b>GRI 404: Training and Education 2016</b>                           | 3-3        | Management of material topics  | Pages 117-119                               |
|   | 404-1      | Average hours of training per year per employee  |   |
|   | 404-2      | Programmes for upgrading employee skills and transition assistance programmes                                  |   |
| <b>GRI 405: Diversity and Equal Opportunity 2016</b>                  | 3-3        | Management of material topics  | Pages 89, 111                               |
|   | 405-1      | Diversity of governance bodies and employees   |   |
| <b>GRI 406: Non-discrimination 2016</b>                               | 3-3        | Management of material topics  | Page 114                                    |
|   | 406-1      | Incidents of discrimination and corrective actions taken   |   |
| <b>GRI 407: Freedom of Association and Collective Bargaining 2016</b> | 3-3        | Management of material topics  | Page 114                                    |
|   | 407-1      | Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk |   |
| <b>GRI 408: Child Labour 2016</b>                                     | 3-3        | Management of material topics  | Pages 113-114                               |
|   | 408-1      | Operations and suppliers at significant risk for incidents of child labour                                     |   |
| <b>GRI 409: Forced or Compulsory Labour 2016</b>                      | 3-3        | Management of material topics  | Pages 113-114                               |
|   | 409-1      | Operations and suppliers at significant risk for incidents of forced or compulsory labour                      |   |
| <b>GRI 413: Local Communities 2016</b>                                | 3-3        | Management of material topics  | Pages 120-122                               |
|   | 413-1      | Operations with local community engagement, impact assessments, and development programmes                     |   |
|   | 413-2      | Operations with significant actual and potential negative impacts on local communities                         |   |

# SUSTAINABILITY STATEMENT

## APPENDICES (CONT'D)

### BURSA MALAYSIA PRESCRIBED TABLE

| AI-Aqar Healthcare REIT<br>BMLR Transition Period |  | Date & Time: 2026-04-23_14:43:44<br>FYE 31/12/2025 |         |        |              |
|---|--|--|---------|--------|--------------|
| Sustainability Matter                             | Metric   | Measurement Unit                                   | 2025    | Target | Assurance    |
| Bursa (Anti-corruption)                           | Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category - Senior Management | Percentage   | 100     | —      | No assurance |
| Bursa (Anti-corruption)                           | Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category - Executive         | Percentage   | 100     | —      | No assurance |
| Bursa (Anti-corruption)                           | Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category - Non-executive     | Percentage   | 100     | —      | No assurance |
| Bursa (Anti-corruption)                           | Bursa C1(b) Percentage of operations assessed for corruption-related risks   | Percentage   | 100     | —      | No assurance |
| Bursa (Anti-corruption)                           | Bursa C1(c) Confirmed incidents of corruption and action taken   | Number   | 0       | —      | No assurance |
| Bursa (Community/Society)                         | Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer        | MYR  | 170,000 | —      | No assurance |
| Bursa (Community/Society)                         | Bursa C2(b) Total number of beneficiaries of the investment in communities   | Number   | 1,107   | —      | No assurance |
| Bursa (Diversity)                                 | Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Senior Management Male           | Percentage   | 5700    | —      | No assurance |
| Bursa (Diversity)                                 | Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Senior Management Female         | Percentage   | 4300    | —      | No assurance |

## SUSTAINABILITY STATEMENT

## APPENDICES (CONT'D)

## BURSA MALAYSIA PRESCRIBED TABLE (CONT'D)

| Sustainability Matter     |  | Metric     | Measurement Unit | 2025 | Target             | Assurance |
|---------------------------|--|------------|------------------|------|--------------------|-----------|
| Bursa (Diversity)         | Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Management Male      | Percentage | 62.50            | —    | No assurance       |           |
| Bursa (Diversity)         | Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Management Female    | Percentage | 37.50            | —    | No assurance       |           |
| Bursa (Diversity)         | Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Executive Male       | Percentage | 22.00            | —    | No assurance       |           |
| Bursa (Diversity)         | Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Executive Female     | Percentage | 78.00            | —    | No assurance       |           |
| Bursa (Diversity)         | Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Non-executive Male   | Percentage | 50.00            | —    | No assurance       |           |
| Bursa (Diversity)         | Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Non-executive Female | Percentage | 50.00            | —    | No assurance       |           |
| Bursa (Diversity)         | Bursa C3 (b) Percentage of directors by gender and age group - Male  | Percentage | 78.00            | —    | No assurance       |           |
| Bursa (Diversity)         | Bursa C3 (b) Percentage of directors by gender and age group - Female  | Percentage | 22.00            | —    | No assurance       |           |
| Bursa (Energy management) | Bursa C4 (a) Total energy consumption  | Gigajoules | 455,280.88       | —    | External (limited) |           |
| Bursa (Health and safety) | Bursa C5 (a) Number of work-related fatalities   | Number     | 0                | —    | External (limited) |           |

Date & Time: 2026-04-23\_14:43:44  
FYE 31/12/2025Al-Aqar Healthcare REIT  
BMLR Transition Period

# SUSTAINABILITY STATEMENT

## APPENDICES (CONT'D)

### BURSA MALAYSIA PRESCRIBED TABLE (CONT'D)

| <b>AI-Aqar Healthcare REIT</b><br>BMLR Transition Period |   | Date & Time: 2026-04-23_14:43:44<br>FYE 31/12/2025 |          |        |                    |
|--|---|--|----------|--------|--------------------|
| Sustainability Matter                                    | Metric  | Measurement Unit                                   | 2025     | Target | Assurance          |
| Bursa (Health and safety)                                | Bursa C5 (b) Lost time incident rate  | Rate   | 0        | —      | External (limited) |
| Bursa (Health and safety)                                | Bursa C5 (c) Number of employees trained on health and safety standards                 | Number   | 26       | —      | No assurance       |
| Bursa (Labour practices and standards)                   | Bursa C6 (a) Total hours of training by employee category - Senior Management           | Hours  | 410      | —      | No assurance       |
| Bursa (Labour practices and standards)                   | Bursa C6 (a) Total hours of training by employee category - Management                  | Hours  | 500      | —      | No assurance       |
| Bursa (Labour practices and standards)                   | Bursa C6 (a) Total hours of training by employee category - Executive                   | Hours  | 589      | —      | No assurance       |
| Bursa (Labour practices and standards)                   | Bursa C6 (a) Total hours of training by employee category - Non-executive               | Hours  | 42       | —      | No assurance       |
| Bursa (Labour practices and standards)                   | Bursa C6 (c) Total number of employee turnover by employee category - Senior Management | Number   | 3        | —      | No assurance       |
| Bursa (Labour practices and standards)                   | Bursa C6 (c) Total number of employee turnover by employee category - Management        | Number   | 4        | —      | No assurance       |
| Bursa (Labour practices and standards)                   | Bursa C6 (c) Total number of employee turnover by employee category - Executive         | Number   | 6        | —      | No assurance       |
| Bursa (Labour practices and standards)                   | Bursa C6 (c) Total number of employee turnover by employee category - Non-executive     | Number   | 1        | —      | No assurance       |
| Bursa (Water)  | Bursa C9 (a) Total volume of water used   | Megallitres  | 1,421.15 | —      | External (limited) |

# SUSTAINABILITY STATEMENT

## APPENDICES (CONT'D)

### BURSA MALAYSIA PRESCRIBED TABLE (CONT'D)

| AI-Aqar Healthcare REIT<br>IFRS S2 |                                   | Date & Time: 2026-04-23_14:43:44<br>FYE 31/12/2025  |       |        |                    |
|------------------------------------|-----------------------------------|---|-------|--------|--------------------|
| Sustainability Matter              | Metric                            | Measurement Unit                                    | 2025  | Target | Assurance          |
| GHG emissions                      | Scope 1                           | Metric tonnes of carbon dioxide equivalents (tCO2e) | 4.30  | —      | External (Limited) |
| GHG emissions                      | Scope 2 Location-based            | Metric tonnes of carbon dioxide equivalents (tCO2e) | 59.29 | —      | External (Limited) |
| GHG emissions                      | Scope 3 Cat.6: Business travel    | Metric tonnes of carbon dioxide equivalents (tCO2e) | 4.05  | —      | No assurance       |
| GHG emissions                      | Scope 3 Cat.7: Employee commuting | Metric tonnes of carbon dioxide equivalents (tCO2e) | 55.88 | —      | No assurance       |