

SUSTAINABILITY **REPORT**

2022

BOARD STATEMENT

The board of directors (the **"Board"**) is pleased to present our fifth Sustainability Report for Astaka Holdings Limited (the **"Company"** or **"Astaka"**, and together with its subsidiaries, the **"Group"**). As the Board of the Company, we recognise that we have a responsibility to ensure that Astaka is viable as a business in the long-term, and that the collective wellbeing of our stakeholders and the communities in the markets we operate in is preserved. In order to ensure this, we pay close attention to our economic, environmental, social, and governance (**"ESG"**) impacts. The Board continues to maintain overall responsibility for Astaka's sustainability strategy and efforts, which includes integrating sustainability issues into our business and strategy, determining the material ESG factors, and overseeing the management and monitoring of those material ESG factors.¹

As we move into an endemic state of the COVID-19 pandemic, Astaka remains steadfast in its commitment to long-term sustainable value by managing ESG impacts on our business, employees, contracted partners, workers and customers. We do this by considering and incorporating ESG matters in addition to financial matters as part of our strategy formulation and decision-making processes. Testament to our commitment to sustainable growth, we have embarked on our journey to adopt the recommendations of the Task Force on Climate-related Financial Disclosures, which will strengthen our resilience to climate risks.

As Astaka progresses in its sustainability journey, the Board would like to thank all stakeholders for their contributions and ongoing support. This report details our ESG and sustainability efforts for the financial year beginning 1 January 2022 to 31 December 2022. The Board will continue to oversee the management and monitor the material ESG factors identified by the Board, and we look forward to sharing our progress with you in the years to come.

ABOUT THE REPORT

REPORTING SCOPE AND BOUNDARY

Astaka's Sustainability Report (**"SR"**) covers our sustainability performance data and progress for the year beginning 1 January 2022 to 31 December (**"FY"**) 2022. Astaka publishes a SR annually, and the previous year data is included for comparison where relevant. Our previous report for FY2021 covered an 18-month reporting period due to the change in Astaka's financial year end from 30 June to 31 December. To better facilitate performance comparison, the data included for FY2021 in this SR has been pro-rated for a 12-month period from January 2021 to December 2021 where possible.

This report covers all entities and properties listed in Figure 1, unless otherwise specified. In preparing its SR, Astaka has considered sector-specific sustainability trends, incorporated key stakeholder's feedback, and taken note of the regulatory landscape and requirements. Please refer to the Sustainability Approach section for further information.

¹For further information on the responsibilities of the Board and the management in governance of sustainability-related issues, please see the 'Sustainability Governance' section.

ABOUT THE REPORT

Figure 1: Reporting scope for FY2022

Entities	Principal activities	Properties developed / under development
Astaka Holdings Limited	Investment holding	N.A.
Astaka Padu Sdn Bhd ("Astaka Padu")	Property development	<ul style="list-style-type: none"> The Astaka @ One Bukit Senyum Menara MJB
Bukit Pelali Properties Sdn Bhd ("Bukit Pelali")	Property development	<ul style="list-style-type: none"> Bukit Pelali @ Pengerang (ongoing development)

REPORTING STANDARDS

This report has been prepared in accordance with the 2021 Global Reporting Initiative ("GRI") Sustainability Reporting Standards ("GRI Standards"). Where relevant for our identified material matters, we have further drawn on topic-specific standards within the GRI Standards. Where relevant, the Company has also based our disclosures on additional topic-specific recommendations from other sources, such as the Task Force on Climate-related Financial Disclosures ("TCFD"). The TCFD sets out recommendations to help organisations to disclose climate-related financial information that would be useful to the stakeholders.

Astaka has selected the GRI Standards as the reporting framework for its systemic and comprehensive sustainability reporting approach. Astaka observed that the GRI Standards are commonly adopted among sustainability leaders across different industries, including property development. By using identical reporting standards with its peers, Astaka can benchmark its sustainability performance, learn from best practices and implement sustainability initiatives more efficiently. For FY2022, Astaka has reported against the required GRI 1 Foundation, GRI 2 General Disclosures, and GRI 3 Material Topic standards. We have also reported against selected topic-specific standards as relevant for our material topics.

In addition, this report complies with the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalyst (the "Catalist Rules"), in particular, the Sustainability Reporting Guide in Practice Note 7F of the Catalyst Rules.

REPORTING QUALITY

While we have not sought external assurance, the sustainability reporting process of Astaka has been subjected to an internal review pursuant to Catalyst Rule 711B(3). This will allow us to bridge any potential reporting gaps identified and improve the quality of our SR.

Astaka welcomes any feedback and comments as we continuously strive to improve our sustainability performance and disclosures. Any feedback or comments can be directed to Mr Hon Yao Chuan, Deputy Director of Corporate Planning & Communications, at hon.yc@astaka.com.my.

OUR VISION AND CORE VALUES

Figure 1: Reporting scope for FY2022



Figure 3: Application of Astaka's core values to stakeholders



ASTAKA'S SUSTAINABILITY GOVERNANCE

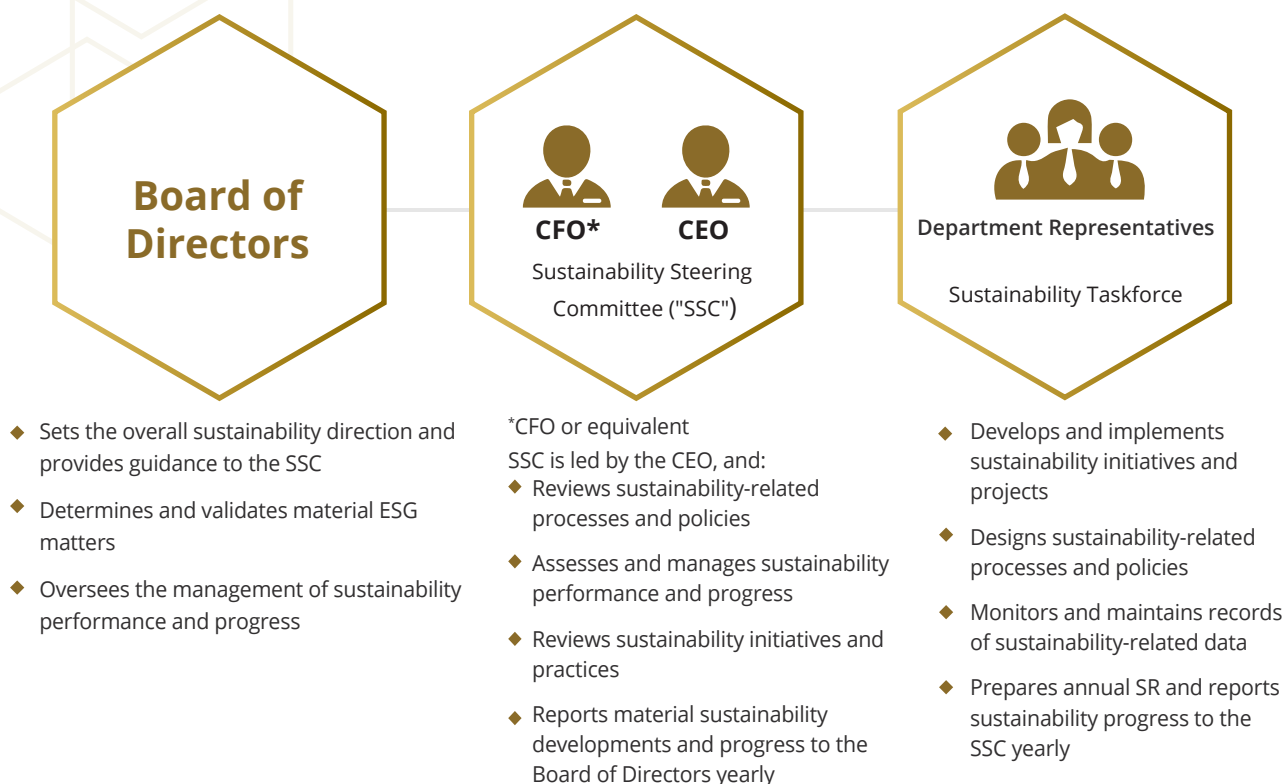
Effective governance is crucial to achieve our sustainability targets and ensuring long-term value for our shareholders and stakeholders. To promote transparency, accountability, and effectiveness, Astaka has developed a whole-of-organisation approach and actively involves internal stakeholders in its sustainability agenda.

We remain committed to ensuring that leadership is equipped with the relevant sustainability knowledge to deliver long-term value to stakeholders. In line with this, the Board of Astaka has undergone sustainability training in FY2022, as required by the SGX-ST. Additionally, we believe in the value of including diverse perspectives in the workplace. The Nominating Committee ("NC") is responsible

SUSTAINABILITY APPROACH

for reviewing and monitoring the Board Diversity Policy, including the setting of targets, plans, and timelines and shall report to the Board on such progresses. Under our Board Diversity Policy, the NC and the Board regularly review the size and composition of the Board, as well as succession planning and gender diversity and refreshment of the Board.

Figure 4: Astaka's sustainability governance structure

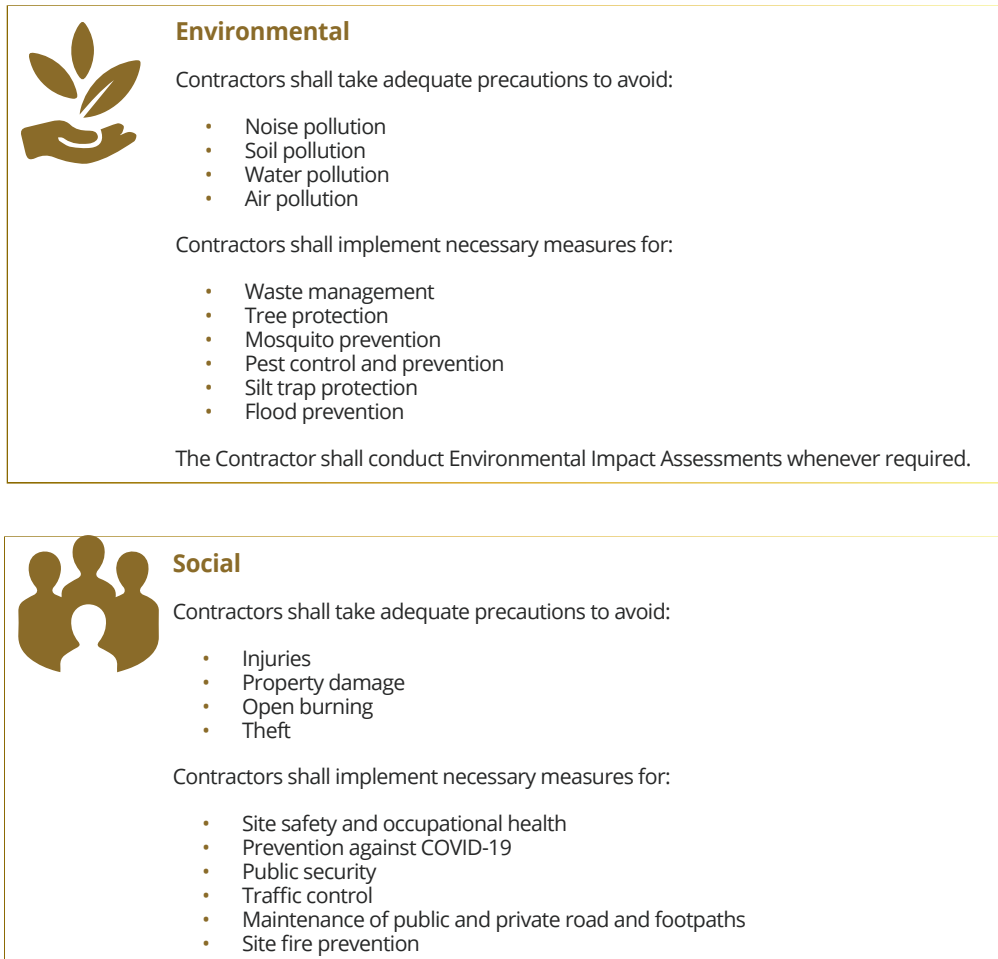


SUPPLY CHAIN MANAGEMENT

As a socially and environmentally responsible property developer, Astaka aims to engage local contractors and suppliers that have a sound track record of compliance with local legislations and regulations.

To incorporate best practices into our supply chain management, we encourage our building contractors to conform to internal quality, health and safety, and environmental management systems' standards such as ISO9001, OHSAS 18001 and ISO4001 respectively. Should any breaches with local regulations be identified, the project team will engage with contractors to promptly resolve matters with the relevant parties. The Group also encourages contractors to exercise precautionary measures to anticipate, avoid and mitigate environmental pollution and social disruption to the local communities.

Figure 5: Astaka's environmental and social requirement for contractors



STAKEHOLDER ENGAGEMENT

Astaka's stakeholders are those who are affected by, or can affect Astaka's business operations, ESG performance and long-term business plans. Astaka strongly believes that engaging our key stakeholder groups and addressing their needs is critical to sustaining the Company's long-term success.

We base the frequency of engagement with our stakeholder groups on two timeframes – immediate or occasional, depending on the nature and urgency of their needs and concerns. Stakeholder inputs have also been considered in the development of our sustainability strategy, policies and initiatives.

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The table below summarises our approach to stakeholder engagement.

Figure 6: Key stakeholder groups and engagement

Stakeholder Group	Key Concerns	Engagement Frequency	Engagement Means	Our Responses
Investors Investors are key capital contributors to Astaka. All investors have the right to share feedback and receive timely updates.	<ul style="list-style-type: none"> • Business operations and performance • Business strategy and outlook 	Occasional	<ul style="list-style-type: none"> • Release of ESG results, announcements, press releases and other relevant disclosures through SGXNet and Astaka's website • General Meetings 	The Group keeps investors informed on significant developments regarding the business activities. The Group also invites substantial and relevant questions from shareholders, to be addressed by the Directors and Management, before the General Meetings.
Suppliers Astaka's ESG commitments and contractual obligations can only be fulfilled with the support of our suppliers.	<ul style="list-style-type: none"> • Health and safety • Business performance 	Occasional	<ul style="list-style-type: none"> • Regular meeting with suppliers (e.g., contractors and consultants) 	<p>The Group integrates our environmental, social and governance aspects in our terms of contract which suppliers are required to comply with.</p> <p>Please refer to the Supply Chain Management section on pg. 34 for further information.</p>
Employees As Astaka's main success engine, employees deserve absolute respect and occupational care.	<ul style="list-style-type: none"> • Fair remuneration and opportunities • Career development • Employee good health and wellbeing • Competency and technical training 	Immediate	<ul style="list-style-type: none"> • Training programmes • Induction for new employees • Team building and staff activities • Half-yearly performance appraisals 	<p>The Group stands firm against any form of discrimination in our organisation. Our Human Resource ("HR") team develops a yearly training calendar to address targeted needs of our employees.</p> <p>Please refer to the Talent Management and Development section on pg. 44 for further information.</p>

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Stakeholder Group	Key Concerns	Engagement Frequency	Engagement Means	Our Responses
Local Communities Astaka strives to create long-term value and minimise negative impacts on the local communities in the areas where we operate.	<ul style="list-style-type: none"> Community Investments 	Immediate	<ul style="list-style-type: none"> Contributions to support various philanthropic, community and charitable causes 	The Group actively strives to give back to the local community. In FY2022, the Group carried out 2 Corporate Social Responsibility ("CSR") events and provided RM0.49 million in donations and sponsorships. Please refer to the Local Communities section on pg. 45 for further information.
Regulators Astaka is committed to regulatory compliance, in order to maintain a fair and just business operating system.	<ul style="list-style-type: none"> Compliance with mandatory reporting requirements 	Occasional	<ul style="list-style-type: none"> Ongoing communication and consultation Training and updates of the latest changes in laws, regulations and accounting reporting standards, including but not limited to the ESG training attended by the directors of Astaka, as required under the Catalist Rules 	Astaka strives to be in compliance with all applicable laws and regulations in its operations. There were no cases of significant incidences of non-compliance in FY2022. Please refer to the Compliance section on pg. 51 for further information.

MATERIALITY ASSESSMENT

In FY2020, we appointed an external consultant to facilitate a materiality reassessment, which reviewed our existing material ESG matters for the period of FY2020 to FY2022⁽¹⁾. This was done through a focus group workshop with the senior management and various head of department to take into consideration the views of both internal and external stakeholders. The identified material ESG matters were then validated by the Board.

We will continue to review our material topics annually to ensure relevance to our business, operating landscape, and the relevant sustainability trends.

Figure 7: Material matters for reporting

Astaka ESG matters	
Material ESG matters	Key stakeholders impacted
Economic Performance	All Key Stakeholders
Talent Management and Development	Employees
Local Communities	Local communities where we operate
Energy Management	Investors, regulators and tenants
Compliance	Investors, regulators
Occupational Health and Safety	Employees, customers, suppliers and contracted workers
Water Management	Investors, regulator and tenants

**Refer to figure 6 for the full list of our key stakeholders*

⁽¹⁾For further details on the materiality assessment process (including process of identification, prioritisation, validation and review), please refer to page 33 of Sustainability Report 2020, available at <https://astaka.com.my/wp-content/uploads/2020/10/AHL-Sustainability-Report-2020.pdf>

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MOVING TO A COVID-19 ENDEMIC STATE

As the world emerges from the global pandemic, restrictions in Malaysia were gradually lifted in April 2022. While FY2022 has seen a resumption of many normal activities, Astaka has updated and implemented our Business Continuity Plan. To ensure that the health and safety of our employees and workers are maintained, we have implemented certain preventive measures that are in line with government regulations, such as providing surgical masks and hand sanitizer to all employees.

OUR SUSTAINABILITY POLICY

The Group aspires towards building sustainable developments and ensuring long term value for our stakeholders. We have dedicated resources focused on making this aspiration a reality and we intend to continue to do the following:

Sustainable performance and operations

- To explore opportunities to implement design and technological solutions that are beneficial to the environment and communities while allowing us to deliver enhanced performance
- To cultivate a sustainability-centric culture within Astaka by spreading awareness and educating our employees through various communication channels
- To comply with all applicable environmental and socio-economic regulations applicable to the Group

Strong relationships with our key stakeholders

- To continuously engage and protect the wellbeing of our employees and our workers, including the provision of relevant trainings, benefits, as well as through the enforcement of key health and safety measures
- To continuously engage our shareholders through annual general meetings and extraordinary general meetings (as and when required), and to maintain open channels of communication for shareholders via contact details available on our corporate website at <https://astaka.com.my/contact/>
- To build strong relationships and understand the concerns of the local communities in the areas we operate, in order to contribute where possible
- To maintain positive relationships with regulators by complying with all relevant laws and regulations in its operations
- To work with suppliers (e.g. contractors and consultants) through regular meetings in order to ensure their adherence with the contractual obligations laid out in our terms of contract

ASTAKA'S SUSTAINABILITY ROADMAP: THREE YEARS AHEAD

As part of ongoing efforts to enhance our sustainability reporting disclosures, we continue to make progress on our three-year sustainability roadmap. We have grouped our sustainability roadmap into three core pillars, namely (1) Social, (2) Environment and (3) Governance & Economic Activity, so as to ensure a holistic development as we move ahead in our sustainability journey. In line with the new SGX-ST requirements, we have also embarked on a journey to adopt the recommendations of the TCFD. Our FY2022 climate-related disclosures can be found in the 'Environment' section of this SR.

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Figure 8: Astaka's three-year sustainability roadmap



The table below summarises our progress against key commitments and targets set for this reporting period. For annual targets that do not have a perpetual deadline, this table also lists targets for the forthcoming year:

Key Milestones to achieve in FY2022	Relevance to Material Topics	Deadline	Progress	Measures Taken and Action Plan
Governance and Economic Activity				
Zero confirmed cases of significant socio-economic and environmental non-compliance	Compliance	Perpetual	Achieved	Maintained in 2022. Managed with a 4-dimensional risk management approach with the key principles of awareness, adherence, integration, and verification. More details on page 51.
To maintain zero confirmed cases of fraud or corruption	Compliance	Perpetual	Achieved	Maintained in 2022. Astaka strives to ensure that this result is maintained in future years. More details on page 51.
Incorporate sustainable design solutions and technologies in all new developments	Economic Activity, Environment	Perpetual	In Progress	Astaka acknowledges the importance of incorporating sustainability into new developments starting from the tender process. This target remains in progress and will be applied as relevant when there are new property development projects. There were no new developments in FY2022.
Include environmental and safety requirements as part of tender processes	Environment, Compliance			

²The Green Building Index ("GBI") is Malaysia's industry-recognised and profession-driven green rating tool for buildings. It is designed for tropical climates and Malaysia's current social, infrastructure and economic development.

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Key Milestones to achieve in FY2022	Relevance to Material Topics	Deadline	Progress	Measures Taken and Action Plan
Environment				
All future developments to be GBI certified, and/or, to achieve a minimum of 3 green initiatives per development	Energy Management	Perpetual	In Progress	As of 31 December 2022, Astaka has no future developments currently planned. In 2021, Menara MBBB was rated GBI certified, and The Astaka is on track to becoming GBI Certified in early 2023.
Set targets for energy and water consumption.	Energy and Water Management	31 December 2023	In Progress	Astaka is still in the process of setting targets for energy and water consumption.
Social				
16 training hours on average per employee	Talent Management and Development	31 December 2022	Achieved	In FY2022, we achieved an average of 23.7 training hours per employee.
24 training hours on average per employee	Talent Management and Development	31 December 2023	In Progress	As of February 2023, we are on track for each employee to achieve an average of 24 training hours per employee.
Zero cases of workplace injuries and fatalities	Occupational Health and Safety	Perpetual	Achieved	In FY2022, Astaka engaged in remedial works and erosion and sediment control plans (“ ESCP ”) maintenance works. There were no cases of workplace injuries and fatalities.
Completion of 2 CSR programmes per year	Local Communities	Perpetual	Achieved	In FY2022, we carried out two CSR programmes focused on food distribution.

ALIGNMENT WITH SDGS

In 2015, all United Nations Member States (“**UN Members**”) adopted the 2030 Agenda for Sustainable Development. The agenda set forth by the UN Members is to address global economic, environmental, social and governance challenges and achieve the 17 Sustainable Development Goals (“**SDGs**”) by 2030. As a responsible property developer in the business sector, Astaka has a long-term sustainability vision.

We support the SDGs and as summarised below, these are some of our sustainability initiatives that contribute to the 6 SDGs that we have identified as the most relevant to our business.

SDG3: Good Health and Well-being

As a firm believer in human rights, Astaka has a strong culture of ensuring the good health and wellbeing of our employees and contracted workers. We also consider the health and wellbeing of the local communities where we operate.

Highlights:

- Weekly online Quran-reading and badminton sessions to encourage employee bonding and wellness
- Other ad hoc events to mark holidays and encourage employee team bonding, such as Iftar Ramadan at Forest City Golf

SDG5: Gender Equality

Astaka actively promotes gender equality and diversity in the workplace. We believe that maintaining a gender-equal environment both improves the productivity of our employees while also signalling an attractive work environment for retaining and attracting talent.

For Board composition, Astaka recognises gender as an important aspect of diversity and will ensure that female candidate(s) are included for consideration when identifying suitable candidates for the Board renewal process, and the female representation on the Board be continually improved over time based on the objectives of the Board.

Highlights:

- Astaka's workforce consists of 43% women on average, across all employment levels
- Staff are provided with equal training opportunities.

SDG8: Decent Work and Economic Growth

Since Astaka's inception, we have provided competitive and merit-based employment opportunities to our talent and we continuously aim to promote sustained economic growth in our operating regions.

Highlights:

- All employees receive a bi-annual performance review in June and December taking into account quantitative and qualitative key performance indicators in the areas of contribution to the Group's growth, individual performance, key qualities developed and adopted by the Group in FY2022.
- In FY2022, we continued carrying out our employee training programmes, working towards ambitious targets for employee training that exceed previous targets.

SDG9: Industry, Innovation, and Infrastructure

Astaka promotes and strives to develop high quality, sustainable and resilient residential, commercial and office buildings.

Highlights:

- In 2021, the Menara MBBJ was GBI Certified. The Astaka is also on track to becoming GBI Certified in early 2023. Astaka plans to work towards achieving GBI certification for any new developments.
- In FY2022, Astaka embarked on a journey to identify climate-related risks and opportunities for its business and developments. We will continue working towards refining our TCFD disclosures.

SDG 11: Sustainable Cities and Communities

With a vision to transform Johor Bahru, Astaka's projects provide smart and integrated urban solutions, bringing functions such as hotels, residences, apartments, shopping malls, private hospitals and schools all within a single district.

Highlights:

- One Bukit Senyum will host a five-star hotel, branded residences, serviced apartments, a shopping mall, an office tower, and the headquarters of Johor Bahru's City Council upon completion.
- The Bukit Pelali @ Pengerang is a 363-acre township development programme which will include the construction of residences, a hospital, a primary school, commercial buildings, and recreation lakes.

SDG 12: Responsible Consumption and Production

Throughout its value chain, Astaka ensures responsible consumption and production by only engaging contractors who meet our socio-environmental criteria and minimise negative socio-environmental impacts.

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Highlights:

- Examples of sustainable features that we have incorporated in our past projects include water-efficient fittings, use of recycled building materials and pneumatic waste collection system which refers to an automated, enclosed system that conveys waste by air suction from individual buildings through an underground pipe network to a central location for pick-up, thereby improving manpower efficiency, as well as reducing odor and pest problems.
- Astaka had no new developments or ongoing projects in FY2022, but we will continue aiming for responsible construction practices for any upcoming developments.

ECONOMIC PERFORMANCE

Maintaining positive economic performance is important to Astaka. We work closely with our consultants to research and invest in design solutions and technologies that are effective in driving key performance indicator improvements, all while striving to achieve positive environmental impacts through more sustainability-centric developments and operations.

As a responsible company, Astaka recognises that the way we operate our business has both direct and indirect impacts on various stakeholders. For example, we empower livelihoods through employment, provide opportunities for suppliers and contribute to the communities where we operate. Ensuring strong economic performance for Astaka therefore also provides value for the stakeholders we work with.

Figure 9: Overview of economic creation and distribution in alignment with GRI

Economic value generated in FY2022	Economic value distributed to others in FY2022
RM80 million This includes revenue from sale of development properties, incorporating finance and other income(s).	Operating Costs → RM65 million This includes construction cost, purchases from suppliers in relation to the marketing and advertisement of properties, as well as, administrative and other operating expenses.
	Employee Wages and Benefits → RM6 million This includes salaries and benefits to employees.
	Payments to Capital Providers → RM3 million This includes interests paid to providers of loan and capital.
	Tax Refund from Government (net of income tax paid) → RM0.6 million This includes income tax paid.
	Community Investments → RM0.5 million This includes philanthropic donations and sponsorships.

Following the reopening of international borders on 1 April 2022 and the move to an endemic stage of COVID-19, Astaka has seen improved economic prospects in FY2022. Indicatively, our economic value generated has seen a substantial improvement of 53% from FY2021. This was largely driven by an increase in sales of property units for existing developments at The Astaka and Bukit Pelali. Additionally, the transfer and sale of properties to JBB Builders (M) Sdn. Bhd. and JBB Kimlun Sdn. Bhd. have also contributed to our overall revenue.

As a responsible company committed to generating long term value for all our stakeholders, Astaka continues to closely track the market and identify projects with the potential to help build our reputation as strong integrated property developer. In January 2022, we signed a memorandum of understanding ("MOU") with DMR Holdings Sdn. Bhd. to jointly develop 42 acres of land in Johor with an estimated

gross development (“**GDV**”) of RM1 billion. We also signed a joint development agreement with Straits Perkasa Services Sdn. Bhd. to jointly develop a mixed commercial development project in Johor with an estimated GDV of RM160 million. We are progressing on this project, with the opening of the sales gallery and the soft launch of the project is targeted for the second half of 2023. In FY2022, we also strengthened our revenue stream by securing a contract from Active Estates Sdn. Bhd. (“**Active Group**”) to provide project marketing consultancy services to Active Group’s commercial development project. In FY2023, this consultancy service is ongoing.

For more details on our Group’s business review, historical and current financial performance, please refer to the Annual Report, pages 18 to 22.

SOCIAL

Our People

Astaka’s greatest asset is our people. Our workforce as of 31 December 2022 comprised a total of 63 employees in Singapore and Malaysia, all of which are full-time employees. At Astaka, we are committed to upholding fair employment practices and creating a nurturing and safe working environment. We acknowledge that diversity across a range of profiles enables innovation and strengthens performance of Astaka as a company. Indicatively, we have a board diversity policy in place to promote diversity at the Board level.

To maintain a formal channel for feedback from and for our employees, we also have in place a bi-annual appraisal exercise in June and December every year. Additionally, we have implemented department performance reviews with a 360-degree feedback from 2021, and we continued to practice this in FY2022. Each employee’s individual performance is evaluated based on 5 key factors: company performance, department performance, personal-based key performance indicators (KPIs), demonstration of the Group’s values, and feedback from co-workers.

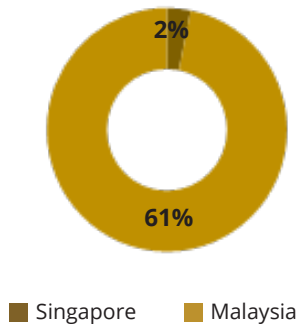
Astaka recognises the importance of receiving feedback from employees in order to ensure that their personal views are heard. In FY2022, we conducted an Employee Opinion Survey with the goal of providing our workforce with a space to share their thoughts on issues important to them. Based on our employees’ feedback about the effectiveness of our training programmes, Astaka created a ‘Training Need Assessment’ (“**TNA**”) to determine the employees’ training needs based on their job scope and requirements. Employee feedback within the TNA will help to improve the individual departments’ training and skillsets.

We believe in fostering an enjoyable working environment in order to promote productivity and talent retainment as well as occupational health. As such, we have organised several workplace bonding activities in FY2022 including weekly Quran readings and badminton sessions. Astaka also hosted six (6) ad hoc activities for employees during the reporting period, such as Iftar Ramadan at Forest City Golf and a Luncheon Merdeka Gathering.

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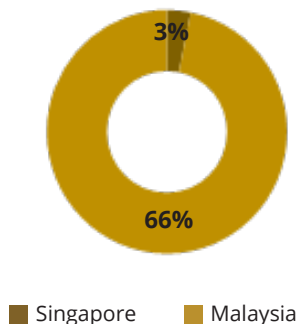
Figure 10: Astaka's workforce profiles

As at end Dec 2022: 63 Employee



	Malaysia		Singapore	
	Permanent Employees	Temporary Employees	Permanent Employees	Temporary Employees
Male	31 (60%)	4 (44%)	1 (50%)	0
Female	21 (40%)	5 (55%)	1 (50%)	0

As at end Dec 2021: 69 Employee



	Malaysia		Singapore	
	Permanent Employees	Temporary Employees	Permanent Employees	Temporary Employees
Male	29 (55%)	8 (62%)	1 (33%)	0
Female	24 (45%)	5 (38%)	2 (66%)	0

In FY2022, Astaka expanded its coverage of employees to also cover workers who are not employees, aligning with the updated requirements of the GRI 2021. Throughout the reporting period, Astaka engaged a total of 61 contractors to perform work at The Astaka and Bukit Pelali developments. Workers from these contractors were engaged to provide security, cleaning, landscape, and other maintenance services. The majority of workers from these contractors³ performed specialized building services including rectification works to timber floorings, repair and/or maintenance of air-conditioning systems, and maintenance of plumbing systems, to name a few.

TALENT MANAGEMENT AND DEVELOPMENT

Acknowledging that Astaka's employees are key drivers of our continued growth and success, their competencies and professional development are important to the Group. As such, we have worked towards inculcating a growth mindset in employees and encouraging them to develop their existing abilities. Our efforts will help ensure that our employees' skills do not become obsolete in the ever-changing business landscape.

In FY2020, we established a training programme comprising a 3-tiered approach designed to cater to all employee levels in the Group. Our goal was to create a yearly training calendar with a minimum of 12 hours of training programmes or workshops organised annually and distributed between departments, inter-department and group-wide training segments.

³Contractors engaged at The Astaka worked as needed, and were not permanently based at the development.

With this initiative, the Group aims to address both specialised as well as general knowledge and skillsets relevant to each department and those required for harmonious inter-departmental collaboration. We aim to build a strong foundation for future programmes with our inaugural rollout of our training programme that began in FY2021. We have further enhanced our training programmes in FY2022.

Over the past year, we were able to provide 5 group-wide and 40 external training segments. Our training programmes covered a range of departments: CEO Office, Corporate Planning & Communications, Finance, Project, Human Resource & Admin, and Sales & Marketing. Our trainings focus on assisting employees in acquiring new skills or improving existing knowledge/skills related to their current roles. The trainings were conducted by trainers from external agencies, external training providers, agents, vendors, and experts from professional industries. We achieved a grand total of 1,495 training hours for our employees at the end of 2022.

Figure 11: Breakdown of average training hours⁴ in FY2022 by gender and by employment category

Gender	Average number of Training Hours Per Individual	
	FY2021	FY2022
Male	16.3	23.6
Female	24.3	23.9

Employee Category	Average Number of Training Hours Per Individual	
	FY2021	FY2022
Top Management	9.6	28.2
Management	18.4	26.8
Executives	22.4	25.6
Non-Executives	5.3	16.5

LOCAL COMMUNITIES

Astaka is committed to supporting and empowering the local communities in our operating regions. We maintain an open communication channel with our customers and the local communities through our property management team, which has an email address and a hotline available on our website for stakeholders to contact when needed.

Additionally, we also support local communities by addressing their specific needs and participating in local charity programmes. Our donations and sponsorships largely focus on education and the wellbeing of the underprivileged. In FY2022, we provided RM0.49 million in donations and sponsorships. In addition to this, we carried out 2 CSR programmes focused on food distribution during the Ramadan period in April 2022. In FY2023, we will continue to diversify our CSR activities in order to better meet the needs of the local communities in which we operate in.

CSR Bubur Lambuk at Pengerang

In April 2022, Astaka led an event to prepare and distribute 600 packs of Bubur Lambuk and Kurma. The prepared foods were distributed to the communities of Pengerang, namely Kampung Bukit Raja Darat, Kampung Bukit Pelali, Gunung Pulau Presint, Gunung Panti Presint, Bukit Gelugor, Al-Jaharah Sungai Rengit, Masjid Bukit Raja Laut, and other nearby areas.

⁴Training hours data includes staff who have resigned.

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CSR Bubur Lambuk at Astaka HQ Office

In April 2022, Astaka employees prepared 500 packs of Bubur Lambuk and Kurma for distribution to communities near the Astaka HQ Office and surrounding areas in Johor Bahru, including Masjid Bandar Baru Uda, Masjid Tunku Laksamana Abdul Jalil, Rumah Berkat and other areas nearby.



OCCUPATIONAL HEALTH AND SAFETY

Astaka prioritises the health and safety of our employees and other workers at our sites. We are fully aware of the hazards of the jobsite in our sector, and we recognise that workplace health and safety is not to be taken for granted. Testament to this, the Group has introduced multi-layered measures to protect the wellbeing of our people.

Firstly, we work towards establishing a safe working environment culture by learning from best practices in existing national and international Occupational Health and Safety (“OHS”) management systems.

Secondly, we require all of our contractors to follow the guidelines from the Department of Occupational Safety & Health and comply with the requirements listed in OHS management systems such as OHSAS 18001. During the construction phase, Astaka’s contractors need to publish monthly safety and health reports which cover diverse health and safety aspects such as policies, performance, compliance and training. Astaka and its consultants frequently review these reports to ensure that the contractors duly inspect the workplace health and safety weekly, take corrective actions against non-compliance immediately and prepare the workers physically and mentally for work.

Although no major construction activities took place in FY2022, there were some slope remediation and maintenance works. To ensure the safety of the workers, safety meetings were conducted on a fortnightly basis, and minutes of safety meetings were incorporated into the monthly project reports. Additionally, scaffolding was inspected by an accredited inspector and certified fit for use, while daily tool box meetings placed an emphasis on occupational safety. In FY2022, there were no occupational accident cases reported at the construction sites or in the workplace.

Finally, all of Astaka's employees are covered by a group medical and health insurance plan that provides coverage for hospitalisation and surgical treatment⁵ with 24-hours and worldwide access. Cashless access is also available for panel hospitals. Contractor personnel are also covered by health benefits under their own organisations, and contractors are required to purchase all risk and workmen compensation insurance policy.

ENVIRONMENT

Energy Management

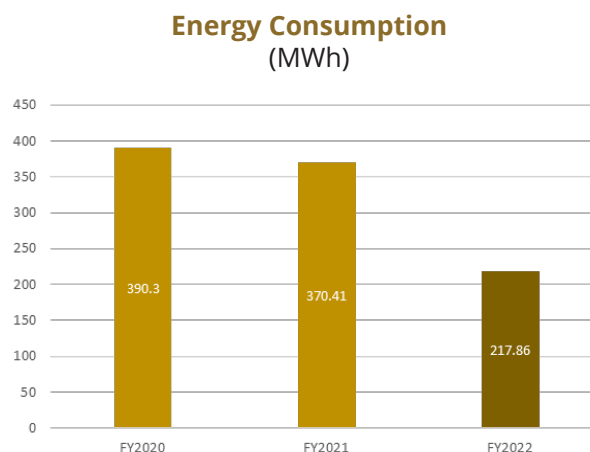
Astaka firmly believes that climate change is an urgent global challenge and we seek to do our part by investing in effective energy conservation initiatives and technologies. For example, use energy-saving LED lighting in our corporate offices and sales galleries. Our developments are also managed with the target of ensuring energy efficiency where possible, with the full support of our property managers in practicing energy conservation measures. In recognition of our energy conservation initiatives, among others, the Menara MBBJ is GBI Certified, and The Astaka is on track to becoming GBI certified in early 2023. Astaka also acknowledges the importance of fostering a workplace culture that values resources. As such, we encourage all employees to practice energy and water saving where possible.



Example of energy saving reminder at Astaka HQ.

To ensure that our buildings are designed to use energy efficiently, we continuously measure and monitor our energy consumption for our corporate office, sales galleries at The Astaka, and the common areas of Bukit Pelali. As Bukit Pelali is a joint venture between Saling Syabas Sdn Bhd ("**Saling Syabas**") and Astaka Padu with shareholding interests of 49% and 51% respectively, we have accounted for 51% of the emissions. Currently, we derive 100% of our energy from electricity purchased from the national grid. Indicative of the success of our ongoing efforts to reduce our energy consumption and associated emissions, going forward, we strive to incorporate more sustainable design and technologies in our future developments to reduce our carbon footprint.

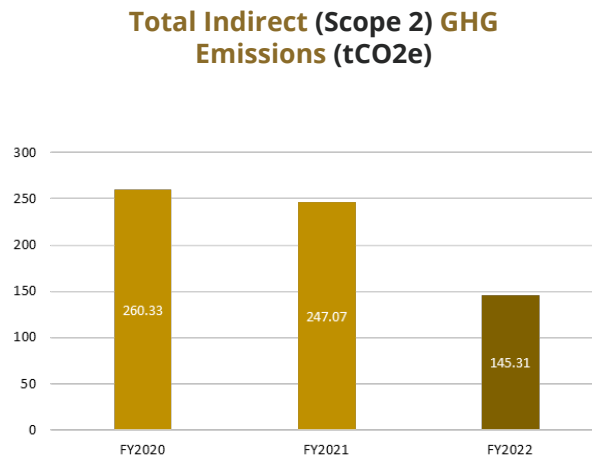
Figure 12: Total energy consumption (MWh)⁶



⁵Subject to terms of the group insurance policy.

⁶Note that FY2021 data for energy consumption covers the 18-month period from July 2020 to December 2021.

Figure 13: Total Scope 2 emissions (tCO₂)⁷

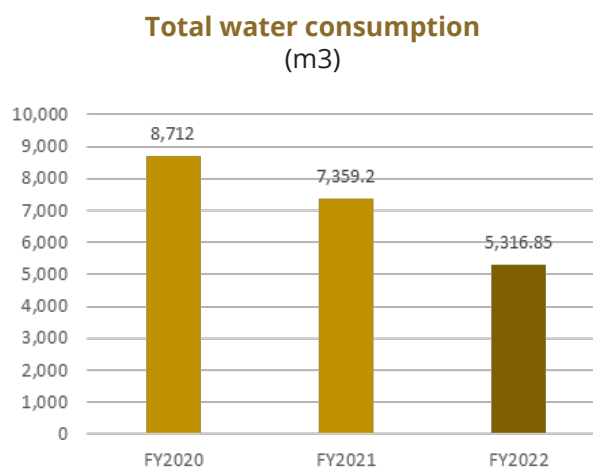


WATER MANAGEMENT

With climate change resulting in irregular weather events such as prolonged dry spells or floods, Astaka understands the importance of playing our part by reducing water consumption, starting with initiatives such as rainwater harvesting at Menara MBBJ and The Astaka. We have begun tracking our water consumption with the goal of setting realistic targets by 2023. Additionally, we have continued to build a culture that values water conservation, such as with signages to remind our employees of good water saving habits.

Our water consumption at Astaka Padu HQ Office, Astaka Sales Gallery at One Bukit Senyum, and Bukit Pelali @ Pengerang consists of freshwater from the Johor Bahru municipal water supply. In line with our efforts, our water consumption has steadily decreased since FY2020. Going forward, our aim will be to continue to monitor and reduce our water consumption, with the purpose of setting targets for water consumption in FY2023.

Figure 14: Total water consumption (m³) at Astaka⁸






⁷Note that FY2021 data for GHG emissions covers the 18-month period from July 2020 to December 2021.


⁸Note that FY2021 data for water consumption covers the 18-month period from July 2020 to December 2021

TCFD-ALIGNED DISCLOSURES

Climate change poses a significant risk to the built environment, and Astaka recognises the importance of responding to and mitigating against these risks. In FY2022, we have started to embark on our climate-related disclosures journey, starting with identifying key climate-related risks and opportunities for our business and have incorporated certain progressive targets for reaching maturity of reporting. As we mature in our risk management and reporting processes in the future, we aim to explore climate scenario analysis as well.

Key component of TCFD Recommendations	Astaka's Progress	Additional Comments
Governance Disclose the organisation's governance around climate-related risks and opportunities.	 Ongoing	<ul style="list-style-type: none"> Astaka has a sustainability governance process in place to oversee and manage the organisation's sustainability performance and progress. For further information, see pg. 33. Pursuant to the enhanced ESG disclosure requirements of the SGX-ST, the Board has capitalised on the opportunity to identify a preliminary list of climate-related risks and opportunities in relation to Astaka's business and strategy, of which the Management is responsible for monitoring and managing.
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning, where such information is material.	 Ongoing	<ul style="list-style-type: none"> In FY2022, Astaka has identified a preliminary list of climate-related risks and opportunities that may act as barriers or enablers to achieving business goals in the short, medium, and long term. Astaka has also identified ongoing and potential mitigation actions to reduce the impact of these risks on our business. See table below for further information on our risks and opportunities identified, and the reasons for the selection. Astaka will be looking to assess and monitor residual risks, with the aim to strengthen organisational resilience in the management of climate risks.
Risk Management Disclose the processes used by the organization to identify, assess, and manage climate-related risks.	 Ongoing	<ul style="list-style-type: none"> The identification of climate-related risks and opportunities was based on, among others, research conducted on the geographic location of Astaka's operations and assets, as well as ongoing sector-specific and region-specific sustainability trends. We are in the midst of including climate-related risks within our Enterprise Risk Register, in order to align them with overall risk management processes. For further information on Astaka's general risk management approach, see pg. 72 of our Annual Report.

SUSTAINABILITY APPROACH

Key component of TCFD Recommendations	Astaka's Progress	Additional Comments
Metrics and Targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	 Ongoing	<ul style="list-style-type: none"> Astaka has been continuously measuring and monitoring key metrics such as energy use, water consumption, and Scope 2 GHG emissions in line with its strategy and risk management process. Moving forward, we plan to introduce additional metrics and relevant climate-related targets.

 Ongoing Process

 Fully Aligned with TCFD Recommendations

Astaka's identified climate-related risks and opportunities

Risk or Opportunity TCFD Category	Risk or Opportunity Identified	Mitigation Actions
Acute Physical Risk	Increase in water costs due to scarcity caused by droughts.	Astaka has processes in place to promote our properties' resilience to weather events: <ul style="list-style-type: none"> All developments are subject to relevant local authorities' requirements, which outline stringent rules for the development (e.g., on minimum storage of consumable water, minimum size of drainage system). Buildings are subject to local authorities' approvals and are governed by industry rules on best practice standards.
	Increase wind speed could result in more extreme wind-driven rain events, which may result in the following consequences: <ul style="list-style-type: none"> Higher insurance premiums for buildings Increased costs for repairing damages 	
	Heavy and frequent precipitation, or even extreme weather events, may lead to flooding, which may result in the following consequences: <ul style="list-style-type: none"> Higher insurance premiums for buildings Increased costs for repairing damages 	
Chronic Physical Risk	Increase in global temperatures due to global warming may cause: <ul style="list-style-type: none"> Energy consumption to increase Costs from retrofitting existing properties to withstand more extreme temperatures 	Astaka takes this into account by: <ul style="list-style-type: none"> Working to incorporate natural resource use into all development designs (e.g., using natural ventilation). Utilising suitable building materials.
Transition Risk / Opportunity (Market)	Increased demand for green buildings could represent both a risk and an opportunity. Although there is potential for Astaka to explore a growing market of green developments, these developments would be associated with additional costs.	In 2021, Menara MBBB was rated GBI certified, and The Astaka is on track to becoming GBI Certified by early 2023.
Transition Risk (Policy and Legal, Reputational)	As the regulatory landscape on environment-related issues evolves and gets more stringent, there may be reputational impacts associated with not aligning to green government mandates.	In line with the growing demand for green buildings, Astaka plans to achieve GBI Certification for all its properties. We will also continue engaging with stakeholders on climate-related issues.

GOVERNANCE

Compliance

Astaka firmly believes that compliance with laws and regulations related to its operations is the foundation of the Company's long-term success. By adhering to socio-economic and environmental laws and regulations, we also ensure that our business contributes to Malaysia's goal of building a clean and prosperous society.

Astaka's identified climate-related risks and opportunities

Major Laws and Regulations	Compliance Objectives
Housing Development (Control and Licensing) Act 1996	To ensure Astaka has the license to operate in Malaysia for housing development projects
Environmental Quality Act 1974	To minimise the environmental impacts from our projects
Local Government Act 1976	To comply with local regulations
Fire Services Act 1988	To manage fire risks and hazards effectively
Solid Waste and Public Cleansing Management Act 2007	To maintain proper sanitation and public cleansing
Strata Titles Act 1985	To be eligible to sell our stratified properties to interested parties
Town Planning Act 172	To comply with masterplan guidelines and regulations
Strata Management Act 2013	To manage the property before handing over to Joint Management Bodies/ Management Committees
Uniform Building By-Laws (UBBL)	To comply with building design guidelines and regulations
Catalist Rules	To comply with the Catalist Rules and safeguard the shareholders' interests

To effectively fulfil our legal responsibilities, Astaka introduces and adopts a four-dimensional management approach:

Awareness	HR and finance departments are trained, and employees are frequently updated regarding Astaka's legal responsibilities.
Adherence	Risk management and compliance department ensures that Astaka is compliant with all relevant laws and regulations from different government bodies.
Integration	Astaka's employees need to abide by internal regulations including the Board Charter, the Code of Governance 2018, and Whistle Blowing Policy which integrates the expectations from the company's regulators.
Verification	An independent audit firm verifies Astaka's internal corporate governance system yearly and makes improvement recommendations and plans.

Astaka also has zero tolerance towards corruption, fraud and any unethical conduct. The Group has a Group-wide Anti-Bribery & Corruption policy to ensure the highest ethical standards and integrity of our employees by providing information and guidance on employee conduct and internal procedures. The Anti-Bribery & Corruption policy is administrated by the Risk Management & Compliance Department, which also monitors the use and effectiveness of the policy and deals with any questions on interpretation of the policy.

In FY2022, Astaka recorded zero confirmed cases of fraud, corruption, significant socio-economic and/or environmental non-compliance. Astaka was penalised for non-fulfilment of certain terms and conditions of the sale and purchase agreement entered into with its purchaser, and a sum of not exceeding

SUSTAINABILITY APPROACH

RM25,000 was paid to the purchaser as compensation. To ensure that we comply with regulations in the future, we will continue to review our process for setting and reviewing timelines and Astaka strives to have zero cases of fraud, corruption, significant socio-economic and/or environmental non-compliance in FY2023. Additionally, Astaka received the National Property Information Centre ("NAPIC") award in 2022 for submitting information on property sales on time to NAPIC.

APPENDIX A: METHODOLOGY

This section details definitions, methodologies and data boundaries otherwise not already specified, applied to the sustainability performance data disclosed in our SR. They are made with reference to GRI Standards 2021, internationally recognised standards and the reporting guidance set out in the respective GRI topic-specific disclosures. The GRI topic-specific disclosures covered are listed out in Appendix B: GRI Content Index of this report.

GENERAL

Employee

Employee is defined as an individual who is in an employment relationship with the Group, according to its national law.

Worker

Worker refers to an individual contracted by the Group to perform work at premises owned by, or controlled by, the Group.

TALENT MANAGEMENT AND DEVELOPMENT

Training hours

Average training hours per employee = Total training hours for the financial year / the total number of employees recorded as at end of the reporting period.

OCCUPATIONAL HEALTH AND SAFETY

Occupational accident

According to the International Labour Organization, an occupational accident is an unexpected and unplanned occurrence, including acts of violence, arising out of or in connection with work which results in one or more workers incurring a personal injury, disease or death.

The coverage for occupational accident cases include employees and workers at our corporate offices, sale galleries and development projects.

ENERGY MANAGEMENT

Energy consumption and Indirect Scope 2 GHG emissions

Energy consumption and GHG emissions data at Bukit Pelali covers common areas owned by the Group and exclude data from tenants for the financial year. Noting that Bukit Pelali is a joint-venture development with Saling Syabas, the Group has applied the financial control approach, which is aligned with Greenhouse Gas Protocol's guidance, in determining the amount of energy consumed by Astaka. We currently own 51% of Bukit Pelali. The same approach is applied for the calculation of GHG emissions. The electricity Grid Emission Factor ("GEF") used has been sourced from 2017 CDM Electricity Baseline for Malaysia, prepared by Malaysian Green Technology Corporation. The last available GEF was from 2017.

COMPLIANCE

Non-compliance incidents

Such incidents refer to non-compliance with social, economic and environmental laws and/or regulations applicable to the Group, brought through dispute resolution mechanisms and/or resulting in:

- Significant fines
- Non-monetary sanctions

APPENDIX B: GRI CONTENT INDEX

'AR' refers to Astaka's Annual Report 2022, which is available on our website at <https://astaka.com.my/investor-relations/#annualreport>

GRI Standards Disclosures		Reference and/or Reason for Omission	Page Reference
Organisation and its reporting process			
2-1	Organisational details	Board Statement; Group Structure (AR)	31 27
2-2	Entities included in the organisation's sustainability reporting	About the Report	31
2-3	Reporting period, frequency and contact point	About the Report	31
2-4	Restatements of information	N.A.	N.A.
2-5	External assurance	This Sustainability Report has not been externally assured. Astaka will consider engaging an independent third-party assurer as we mature in our reporting.	N.A.
Activities and Workers			
2-6	Activities, value chain and other business relationships	Corporate Profile (AR);	1
		Our People; Supply Chain Management;	43 34
		Chairman's and CEO's Statement (AR)	12-17
2-7	Employees	Our People	43-44
2-8	Workers who are not employees	Our People	N.A.
Governance			
2-9	Governance structure and composition	Astaka's Sustainability Governance	33
2-10	Nomination and selection of the highest governance body	Corporate Governance Report (AR)	64-66

SUSTAINABILITY APPROACH

GRI Standards Disclosures		Reference and/or Reason for Omission	Page Reference
2-11	Chair of the highest governance body	Corporate Governance Report (AR)	60-63
2-12	Role of the highest governance body in overseeing the management of impacts	Board Statement Astaka's Sustainability Governance	31 33-34
2-13	Delegation of responsibility for managing impacts	Board Statement Astaka's Sustainability Governance	31 33-34
2-14	Role of the highest governance body in sustainability reporting	Board Statement Astaka's Sustainability Governance	31 33-34
2-15	Conflicts of interest	Corporate Governance Report (AR)	57-85
2-16	Communication of critical concerns	Corporate Governance (AR)	57-85
2-17	Collective knowledge of the highest governance body	Corporate Governance Report (AR)	60-63
2-18	Evaluation of the performance of the highest governance body	Corporate Governance Report (AR)	66-67
2-19	Remuneration policies	Corporate Governance Report (AR)	68-72
2-20	Process to determine remuneration	Corporate Governance Report (AR)	68-72
2-21	Annual total compensation ratio	a. The ratio is 7:1 b. Nil – there was no increase in compensation c. Information was retrieved from the Payroll Monthly Report. Astaka's disclosure on this indicator covers both permanent and temporary employees. Types of compensation included salary and bonus. The title of the highest paid individual is "Chief Executive Officer".	N.A.
Strategy, Policy and Practices			
2-22	Statement on sustainable development strategy	Board Statement	31
2-23	Policy commitments	Sustainability Approach; Supply Chain Management	34 34
2-24	Embedding policy commitment	Our Sustainability Policy See individual material topics	38
2-25	Processes to remediate negative impacts	Corporate Governance Report (AR)	57-85

SUSTAINABILITY APPROACH

GRI Standards Disclosures		Reference and/or Reason for Omission	Page Reference
2-26	Mechanisms for seeking advice and raising concerns	Corporate Governance Report (AR)	77
2-27	Compliance with laws and regulations	Compliance	51-52
2-28	Membership associations	The Group is a member of Real Estate Developers' Association of Singapore (REDAS)	N.A.
Stakeholder Engagement			
2-29	Approach to stakeholder engagement	Stakeholder Engagement	35-37
2-30	Collective bargaining agreements	The Group has not entered into any collective bargaining agreements as at end of FY2022	N.A.
Disclosure of Material Topics			
3-1	Process to determine material topics	Materiality Assessment	37
3-2	List of material topics	Materiality Assessment	37
Material Topic: Economic Performance			
Management Approach			
3-3	Evaluation of the management approach	Economic Performance	42-43
Economic Performance 2016			
201-1	Direct economic value generated and distributed	Economic Performance	42-43
Material Topic: Talent Management and Development			
Management Approach			
3-3	Evaluation of the management approach	Training and Education	44-45
Training and Education 2016			
404-1	Average hours of training per year per employee	Training and Education	44-45
Material Topic: Local Communities			
Management Approach			
3-3	Evaluation of the management approach	Local Communities	45-46

SUSTAINABILITY APPROACH

GRI Standards Disclosures		Reference and/or Reason for Omission	Page Reference
Training and Education 2016			
413-1	Operations with local community engagement, impact assessments, and development programs	Local Communities	45-46
Additional Topic: Occupational Health and Safety 2018			
403-1	Occupational health and safety management system	Occupational Health and Safety	46-47
403-6	Promotion of worker health	Occupational Health and Safety	46-47
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety	46-47
Material Topic: Energy Management			
Management Approach			
3-3	Evaluation of the management approach	Energy Management	47-48
Energy 2016			
302-1	Energy consumption within the organisation	Energy Management	47-48
Emissions 2016			
305-2	Energy indirect (Scope 2) GHG emissions	Energy Management	47-48
Material Topic: Regulatory Compliance			
Management Approach			
3-3	Evaluation of the management approach	Compliance	51-52
Anti-corruption 2016			
205-1	Operations assessed for risks related to corruption	Compliance	51-52
Socio-economic Compliance 2016			
419-1	Non-compliance with laws and regulations in the social and economic area	Compliance	51-52
Environmental Compliance 2016			
307-1	Non-compliance with laws and regulations environmental laws and regulations	Compliance	51-52