

CAPTURING OPPORTUNITIES
STRENGTHENING RESILIENCE

GROWING STRONGER BONDS



**WORKING TOGETHER
TO CREATE A
SUSTAINABLE FUTURE**

By working with our stakeholders, we believe that we can all work towards a sustainable future. By embedding sustainability principles and framework across our business processes, limiting the negative impact on the environment and devoting more time to the people and communities around us, we are creating a portfolio that is resilient and preserves the long-term value for our stakeholders.



SUSTAINABILITY REPORT

ABOUT THIS REPORT

The 8th annual Sustainability Report by AIMS APAC REIT ("AA REIT") presents our commitment to sustainability across our business operations in Singapore and our progress on our economic, environmental, social, and governance ("ESG") roadmap for the period 1 April 2023 to 31 March 2024 ("FY2024"). Unless otherwise stated, the environmental data included in this report relates to the 18 properties in Singapore under the Manager's operational control. The other 10 properties located in Singapore and Australia are master tenanted and are out of AA REIT's operational control. Employee-related information focuses on personnel from the AIMS APAC REIT Management Limited ("Manager") and AIMS APAC Property Management Pte. Ltd. ("Property Manager"), both based in Singapore. No restatements were made from the previous report except for updates on the 2023 water consumption figures at

North Tech, 29 Woodlands Industrial Park E1 detailed on page 102.

We publish our sustainability reports annually and the reports for previous years are available on our website <https://www.aimsapacreit.com/sustainability-overview.html>

Reporting Frameworks

This report has been prepared in accordance with the Global Reporting Initiative ("GRI") Standards 2021.

We have chosen the GRI Standards as our reporting framework due to its robust disclosure guidance and global acceptance in sustainability reporting. The full GRI content index, is presented on pages 111 to 113.

Consistent with last year, we have integrated the recommendations of the Taskforce on Climate-related Financial Disclosures ("TCFD") into our climate change reporting, following guidelines from Singapore Exchange

("SGX") and Monetary Authority of Singapore ("MAS"). Detailed TCFD disclosures can be found on pages 95 to 96.

Our sustainability report fulfils the reporting requirements outlined in the Singapore Exchange Securities Trading Limited Sustainability Reporting Guide Listing Rules 711A, 711B, and Practice Note 7.6 Sustainability Reporting Guide. This Sustainability Report has not been externally assured, but has been internally audited by the third-party firm, BDO Advisory Pte Ltd.

Feedback

As we seek to continuously improve our sustainability report, we welcome your feedback. Please write to us at investorrelations@aimsapac.com.



SUSTAINABILITY REPORT

BOARD STATEMENT

Dear Stakeholders,

In recent years, there has been a significant transformation in the expectations placed on businesses, particularly regarding climate action and sustainability. The global momentum towards sustainability underscores the necessity for businesses to adapt and commit to sustainable practices. At AA REIT, we fully embrace our responsibilities to our investors, customers, business partners, and the communities in which we operate. Our dedication to sustainability is steadfast as we strive to meet these expectations, while casting a wide net to capture diverse market opportunities and build a more resilient portfolio.

As the Board of AA REIT, we oversee the identification and management of ESG issues material to our business. In FY2024, we reviewed our material topics, set new targets and reaffirmed our sustainability commitments. These identified material topics remain vital in impacting our business operations and informing stakeholder decisions.

To advance our ESG objectives, we established a comprehensive framework to steer our sustainability initiatives. This framework integrates ESG considerations into our business strategy and investment decisions. We also developed a five-year roadmap in FY2023 with specific initiatives aimed at achieving our strategic ESG targets, which are both measurable and ambitious.

In FY2024, we achieved a 17% carbon reduction from the FY2020 baseline, aligning with our long-term Science based target initiatives ("SBTi") goal of a 42% reduction by FY2030 and the Paris Agreement's objective to limit global warming to 1.5°C above pre-industrial levels. Our carbon baselining exercise identified initiatives to reduce our footprint, such as optimising energy efficiency in our buildings and reducing emissions through innovative strategies. We have begun installing energy-efficient fittings and equipment at 20 Gul Way and 135 Joo Seng, which is expected to be completed by FY2025. Additionally, we completed one of the largest rooftop solar installations by a Singapore-listed

REIT, with a capacity of 10.8 MWp, generating an estimated 14,500 MWh of electricity annually. In collaboration with GoNetZero, we have entered the Renewable Energy Certificates ("REC") market, reinforcing our sustainability commitment. These milestones, including installing Electric Vehicle ("EV") fast chargers at four properties, promote renewable energy generation and sustainable transportation. This supports our green transformation and empowers other organisations to contribute to global sustainability.

Over the year, we installed water-efficient fittings certified under the Public Utilities Board's Water Efficiency Labelling Scheme for toilets and completed toilet upgrades with these water-efficient fittings at 15 Tai Seng, 56 Serangoon North and 11 Changi South. Additionally, we collected comprehensive recycling and general waste data from our multi-tenanted properties and installed recycling bins across all of these properties, supporting our commitment to effective waste management and recycling initiatives.

On the social front, we are dedicated to fostering an inclusive and supportive culture. Celebrating our commitment to fostering a supportive workplace for female employees, we are able to report that women formed 50% of our new hires and constituted 57% of our entire workforce this year. In leadership standings, women represented 40% within senior management and held 25% of seats within our Board of Directors. This means we are ahead of our target in achieving at least 20% female representation on our Board by the year 2026. Additionally, we continued several health and wellness initiatives to enhance employee well-being and uphold the highest standards of safety and fairness.

We exceeded our target of achieving at least 15 hours of training per employee per year, with each employee receiving an average of 25.2 hours of training. Our community involvement included partnerships with organisations such as Club Rainbow, with a 66% participation from staff in the community engagement activities. We remain committed to supporting local charities to help improve the lives of vulnerable members of our community.

We also reported zero material incidents of non-compliance with anti-corruption laws and regulatory and environmental requirements, demonstrating our adherence to governance standards and regulatory obligations.

This, our 8th Sustainability Report, outlines our progress, achievements, and efforts on the ESG front. We thank all contributors to our sustainability journey and we look forward to providing all of you with favourable updates on our progress in our roadmap in the coming years.

The Board of Directors

AIMS APAC REIT Management Limited

SUSTAINABILITY REPORT

FY2024 ESG Highlights



Achieved 17% carbon reduction from FY2020 baseline and on track to meet SBTi goal of 42% reduction by FY2030



Completed one of the largest rooftop solar installations by any Singapore-listed real estate investment trust, amounting to 10.8MWp, generating approximately 14,500 MWh of electricity annually



Successful partnership with GoNetZero to start participating in the Renewable Energy Certificate market



Executed Agreement to install EV fast chargers at 4 properties



Exceeded our target of an average of at least 15 hours of training per employee per year by 10.2 hours



Community involvement: Carried out two CSR initiatives with Club Rainbow with a 66% participation rate



Implemented water-efficient fittings for toilet upgrades across three properties



Installation of recycling bins in all our multi-tenanted properties



Three Zeros: No incidents resulting in permanent disability or fatality among staff, no validated cases of discrimination, and no material incidents of non-compliance with anti-corruption laws or regulatory and environmental standards

SUSTAINABILITY REPORT

SUSTAINABILITY FRAMEWORK

At AA REIT, we are dedicated to forging a sustainable future by supporting the Paris Agreement and Singapore’s net zero commitments. In line with this, AA REIT launched an ESG Roadmap in FY2023, which seeks to set SBTi-aligned emissions reduction targets and report on them annually, while improving sustainability policies and processes. We are integrating environmentally friendly and socially responsible principles into our core operations to navigate the currents of

change, mitigate our environmental footprint, and positively influence the communities we serve.

This year, AA REIT has strengthened its commitment to sustainability with a robust framework and clear goals shaping our long-term approach. We have established a range of objectives—from immediate to long-term—to uphold our role as responsible corporate citizens. These objectives aim to ensure the robustness of our business and extend benefits across the economy,

environment, and society. To achieve this, we have crafted and executed relevant policies and initiatives that effectively address sustainability concerns within our various business functions.

Our sustainability framework aligns with the vision of the UN Sustainable Development Goals (“UN SDGs”), and we have selected 5 of the 17 SDGs that best resonate with our business and our core environmental, social, and governance (“ESG”) concerns.



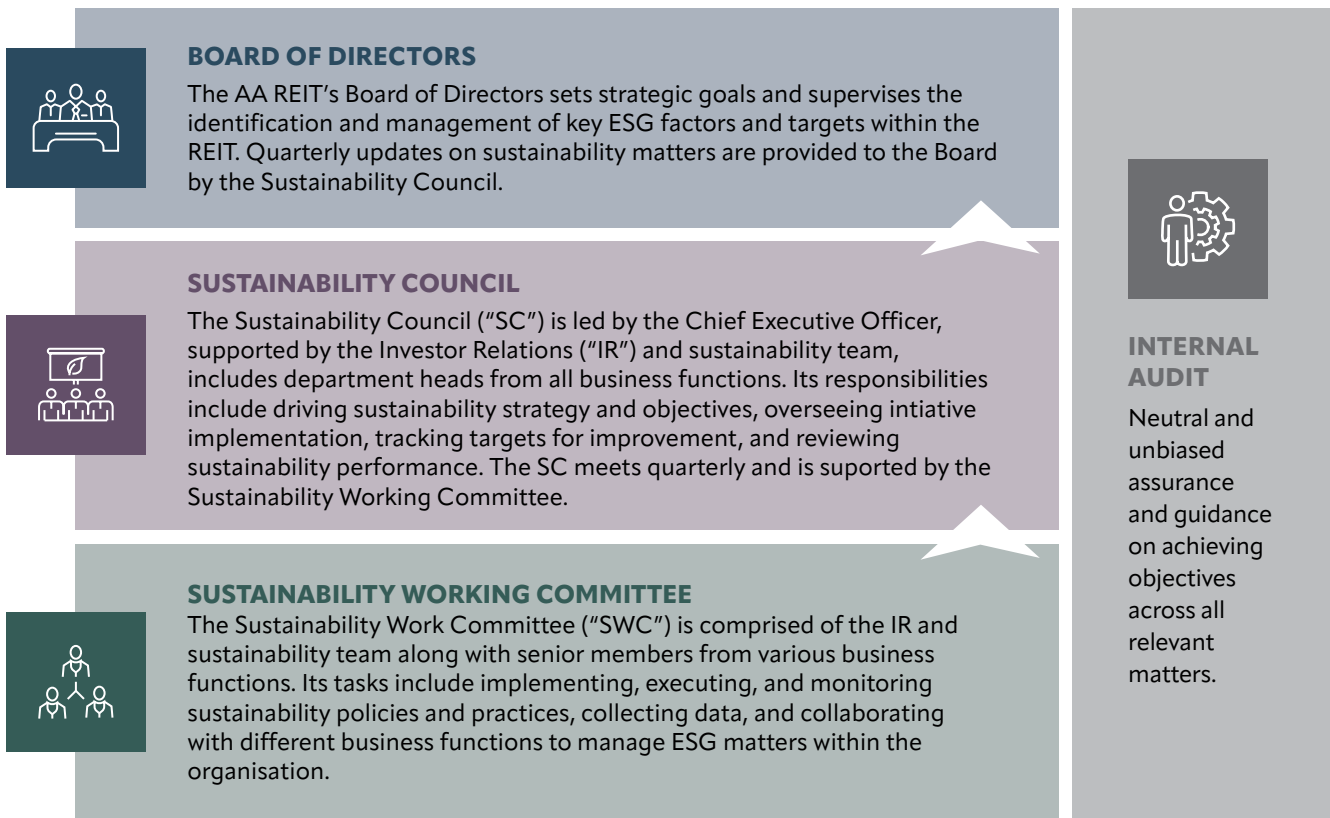
SUSTAINABILITY REPORT

SUSTAINABILITY GOVERNANCE

We believe that sustainability, accountability, and transparency are essential elements of effective governance. Our ESG model is supported by a robust governance structure, with the Board of Directors and top management dedicated to and overseeing ESG objectives over the long term.


Moreover, ESG-specific indicators are also integrated into the Key Performance Indicators, forming part of the annual evaluation process for employees from relevant functions.

SUSTAINABILITY GOVERNANCE STRUCTURE








STAKEHOLDER ENGAGEMENT

At AA REIT, we prioritise active stakeholder engagement to foster meaningful relationships and gain insights into our key stakeholder priorities and understand how our business can positively impact them. We define key stakeholders based on their significance on and by operations of AA REIT and ensure that their interests are at the forefront of our business planning. By actively cultivating relationships and embracing the integration of stakeholder feedback into our sustainability strategy, we shape our initiatives and disclosure areas.

Key Stakeholders	Key Topics and Concerns	Engagement Methods ¹	Frequency of Engagement
 <p>Employees</p>	• Health and safety	• Town halls	• Bi-annually
	• Fair and competitive employment practices	• Constant review of Occupational Health & Safety ("OHS") standards by OHS committee	• Throughout the year
	• Talent development	• Training and development programme	• Throughout the year
	• Equality and diversity	• Recreational and wellness activities	• Throughout the year
	• Compensation and other benefits	• Career development performance appraisals	• Annually
		• Employee handbook	• Throughout the year

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Key Stakeholders	Key Topics and Concerns	Engagement Methods ¹	Frequency of Engagement
 Investment Community	<ul style="list-style-type: none"> • Sustainable distributions • Operational and financial performance • Asset and capital management • Business strategy and outlook • Timely and transparent reporting 	<ul style="list-style-type: none"> • Investor conferences, webinars, face-to face meetings and Non-Deal Roadshows • Annual General Meeting • Ongoing website, announcement, management presentations, press release, webcasts of half-year and full-year results briefings • Results briefings and business updates for investors and analysts • Site visits 	<ul style="list-style-type: none"> • Throughout the year • Annually • Throughout the year • Quarterly • Annually
 Current and potential tenants	<ul style="list-style-type: none"> • Quality and maintenance of assets • Environmentally sustainable buildings • Safety and security of premises • Tenant engagement • Tenant satisfaction • Responsiveness to tenant requests and feedback 	<ul style="list-style-type: none"> • Tenant survey • Tenant meetings • Improving efficiency of buildings • Encourage and support tenants' ESG initiatives • Fitting-out manuals 	<ul style="list-style-type: none"> • Annually • Throughout the year • Throughout the year • Throughout the year • Throughout the year
 Business Partners	<ul style="list-style-type: none"> • Safe working environment • Fair and reasonable business practices • Stronger relationships 	<ul style="list-style-type: none"> • Review of third-party service providers ("TPSPs") • Meetings, inspections and networking events • Communicating standard operating procedures (where applicable) • Ensuring robust health and safety requirements are met by TPSPs during the selection process and execution of contracts • Conveying the integrity of the procurement process • Screening of suppliers based on environmental and social criteria 	<ul style="list-style-type: none"> • Throughout the year • Throughout the year • Throughout the year • Throughout the year • Throughout the year • Throughout the year
 Government, Regulators and Industry Bodies	<ul style="list-style-type: none"> • Business ethics and regulatory compliance • Good corporate governance 	<ul style="list-style-type: none"> • Responses to public consultations • Participation and membership in industry forums and associations 	<ul style="list-style-type: none"> • Throughout the year • Throughout the year
 Local Communities	<ul style="list-style-type: none"> • Impact and contribution to the communities AA REIT operates in 	<ul style="list-style-type: none"> • Corporate social responsibility events 	<ul style="list-style-type: none"> • Throughout the year

¹ Includes virtual engagements, where applicable.

SUSTAINABILITY REPORT

MATERIALITY ASSESSMENT






We review the materiality topics annually and conduct regular materiality assessments to identify the ESG factors most relevant to our business and key stakeholders. We survey both internal and external stakeholders, analyse and consolidate their responses, and then rank

the identified material topics by significance, creating a materiality matrix.








The last materiality assessment was completed in July 2022. In FY2024, the Board and management reviewed and confirmed 10 material topics, with

revisions to ensure greater alignment to our commitments. Environmental Compliance will now be reported under Regulatory Compliance, and Anti-Corruption will be reported under Business Ethics.

The identified material aspects and indicators are mapped out in the table below.

Categories	Material Topic	U.N. Sustainable Development Goal Mapping	Targets
 Build a Sustainable Business	Economic Performance	 SDG 8: Decent work and economic growth	Perpetual Target: <ul style="list-style-type: none"> To provide investors with sustainable long-term returns
	Energy and Emissions	 SDG 7: Affordable and clean energy  SDG 9: Industry, innovation and infrastructure	Short-term Target: <ul style="list-style-type: none"> Increase solar capacity to 11.22 MWp by end FY2025 50% of new and renewal leases signed in FY2025 to be green Medium-term Target: <ul style="list-style-type: none"> Increase solar capacity to 13.13 MWh by end FY2027 70% of new and renewal leases signed in FY2027 to be green Long-term Target: <ul style="list-style-type: none"> SBTi commitment to 42% reduction in scope 2 emissions by FY2030, from a FY2020 base year
 Act Responsibly	Water and Effluents		Short-term Target: <ul style="list-style-type: none"> To install water-efficient fittings in two properties Medium-term Target: <ul style="list-style-type: none"> To actively engage master tenants in single-user assets for collection of water data Long-term Target: <ul style="list-style-type: none"> Progressively install water-efficient fittings certified under the PUB's Water Efficiency Labelling Scheme for toilets

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Categories	Material Topic	U.N. Sustainable Development Goal Mapping	Targets
 Act Responsibly (cont'd)	Waste	 SDG 7: Affordable and clean energy  SDG 9: Industry, innovation and infrastructure	Short-term Target: <ul style="list-style-type: none"> To encourage waste separation and recycling in all multi-tenanted properties Medium-term Target: <ul style="list-style-type: none"> To actively engage master tenants in single-user assets for collection of waste data
 Promote Well-being	Occupational Health and Safety	 SDG 3: Good health and well-being	Perpetual Target: <ul style="list-style-type: none"> Zero incidents resulting in staff permanent disability or fatality Conduct OHS committee meetings every quarter
	Employment, Training and Education		Perpetual Target: <ul style="list-style-type: none"> Achieve average training hours of at least 15 hours per employee per annum
	Diversity and Equal Opportunity		Perpetual Target: <ul style="list-style-type: none"> Commit to fair employment practices by ensuring that all individuals receive the same opportunities for hiring, advancement and benefits Zero cases of validated discrimination
	Local Communities		Perpetual Target: <ul style="list-style-type: none"> To participate in two CSR initiatives annually
 Operate Ethically	Business Ethics	 SDG 16: Peace, justice and strong institutions	Perpetual Target: <ul style="list-style-type: none"> Zero material incidents of non-compliance with regards to anti-corruption laws
	Regulatory and Environmental compliance		Perpetual Target: <ul style="list-style-type: none"> Zero material incidents of non-compliance with environmental or any other regulation

SUSTAINABILITY REPORT

BUILDING A SUSTAINABLE BUSINESS

We are committed to providing robust financial gains to our investors while being socially responsible. We structure our strategic investments and collaborations to generate a beneficial influence for our unitholders and communities, while ensuring the long-term resilience of our portfolio.



OUR APPROACH

▼
Incorporate sustainability risk elements in risk management approach.

▼
Progressively adopt and promote climate-resilient practices.

▼
Constantly innovating and advancing our skills in responsible investing.

Economic Performance

We target to provide our investors with a valuable return on their investments while positively influencing the communities where we conduct our business. During FY2024, we delivered higher Net Property Income by 6.9% and Distributions to Unitholders by 3.8%. However, full year Distribution per Unit fell by 5.9% to 9,360 Singapore cents due to the enlarged unitholder base following

the S\$100 million Equity Fund Raising. As a result, AA REIT's year-on-year gearing fell from 36.1% to 32.6%. This lays the foundation for future growth and provides headroom to fund our two Asset Enhancement Initiatives and new acquisitions that can deliver sustainable long term returns. For a comprehensive overview of our economic performance, you may refer to our Financial Statements and Capital Management sections found

on respective pages 141 to 219 and 33 to 35.

Due to consistent evaluations, improvements, and adherence to our company policies, we are able to deliver steady dividends for our shareholders over the long term. The Manager is dedicated to supporting ongoing growth and therefore employs a careful but firm approach to management.

Key Initiatives in FY2024:

Yearly Budget Review Exercise for Strategic Planning:

- The Manager conducts a yearly budget review to offer a long-term perspective on AA REIT's financial performance and contributes to setting the stage for long-term business strategies. To guarantee accountability and responsibility, budget reviews are carried out regularly, and an updated account of the overall financial performance is continuously given to the Board.

Containing Rising Operational Costs through Long-term Vendor Contract:

- The Manager frequently assesses expiring term contracts like cleaning and security services. Considering escalating operational costs, the Manager aims to establish extended duration contracts with vendors to diminish the volatility of AA REIT's financial performance.

Active Mitigation of Interest Rate Risk and Foreign Currency Risk:

- By regularly tracking interest rates and currency fluctuations, AA REIT tries to reduce the effects of interest rate unpredictability and foreign currency risks using derivative financial tools. Interest rate risks are contained using fixed borrowings and interest rate swaps, while forward currency hedges on a four-quarter rolling basis are used to curb foreign currency risk. As of 31 March 2024, 75.0%² of AA REIT's borrowings were at fixed rates and 73.4% of its expected AUD distributable income was hedged into SGD.

Preservation of Strong Financial Flexibility:

- The Manager employs a cautious and disciplined strategy towards capital management. As of 31 March 2024, AA REIT's leverage was at 32.6% with an aggregate blended debt funding cost of 4.1%. There are no debt refinancing requirements until 3Q FY2025. The available committed debt facilities, amounting to S\$135.7 million, endow AA REIT with the financial flexibility necessary to manage its capital structure, fund future developments and asset enhancement initiatives, and seize any acquisition growth opportunities. Having established strong ties with its financial institutional partners, AA REIT has secured access to an array of diversified funding sources.

² Including forward interest rate swaps.

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Environmental Risk Management

We understand that climate change is creating new and escalating financial risks to tangible assets. In addition to the direct effects of climate change, transition risks, such as the strengthening of regulations and shifting market demands, are also impacting investment management and outcomes. As we work to make our portfolio resilient for the future, it's also crucial to consider long-term trends caused by climate change and to address and factor in climate-related risks.

In FY2023, we have set out to adopt TCFD recommendations for the first time to implement a phased approach towards climate reporting. This is also in line with the MAS Guidelines on Environmental Risk Management for Asset Managers as well as Singapore Exchange Regulation requiring listed companies from the material and buildings industry to provide climate-related disclosures based on the TCFD recommendations from FY2024 onwards. In FY2024, AA REIT has embarked on the process of quantifying the identified risk from

FY2023 and evaluated the exposure of our portfolio to physical and natural hazards.

The following section demonstrates AA REIT's approach to managing climate-related risks that may impact our business, with close reference to the four primary pillars of TCFD.

Key Components of TCFD Recommendations	AA REIT's Response
<p>Governance</p> <p>a) Describe the board's oversight of climate-related risks and opportunities.</p> <p>b) Describe management's role in assessing and managing climate-related risks and opportunities.</p>	<ul style="list-style-type: none"> • The Board provides strategic directions and oversees the determination, monitoring and management of material ESG factors of the REIT. This includes: <ul style="list-style-type: none"> › Considering the environmental risk profile in setting the firm's strategy plan › Approving an environmental risk management framework and policies to assess and manage the environmental risk of assets managed › Setting clear roles and responsibilities of the Board and senior management relating to oversight of environmental risk › Providing oversight in relation to building environmental risk management competency at the Board and management level • Management, represented by the Sustainability Council, manages sustainability strategy and objectives, oversees the implementation of initiatives, and set targets for continuous improvement. This includes: <ul style="list-style-type: none"> › Ensuring development and implementation of Environmental Risk Management framework and policies, detailing how AA REIT incorporates environmental risk considerations in investment research, portfolio construction, risk management and stewardship practices › Ensuring ESG commitments align with the environmental risk profile set by the Board through short-, medium- and long-term targets › Establishing an internal escalation process for managing environmental risk › Providing regular updates to the Board on material environmental risk issues • Please refer to the "Sustainability governance" section on page 90 for more information.

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Key Components of TCFD Recommendations	AA REIT's Response
<p>Strategy</p> <p>a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.</p> <p>b) Describe the impact of climate related risks and opportunities on the organisation's businesses, strategy, and financial planning.</p> <p>c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</p>	<ul style="list-style-type: none"> • Management has integrated environmental risk into the existing Enterprise Risk Management process and accounts for environmental risk considerations in its investment process and at a portfolio level, which are monitored and appropriately managed where the risk is material. Concurrently, the following opportunities have been identified over the short, medium and long-term: (a) engaging in renewable energy programs alongside key industry players such as SP Group and GoNetZero which would potentially lower operating expenses and increase revenue, while also embracing smart technologies to enhance the energy efficiency of its properties and lower operating expenses; (b) responding to the market's shift towards eco-friendly products by focusing on the acquisition of properties with sustainable building certifications and by adding EV fast charging infrastructure both of which would have potential increased revenue impacts. • Management has conducted a qualitative assessment of climate-related transition and physical risks for all its properties, considering short-term, medium-term to 2030 and long-term to 2050 time horizons per the SGX recommendations for a phased TCFD approach. Please refer to pages 97 to 98 for more information on the scenarios considered. • Management and third-party consultants have conducted a quantitative climate scenario analysis to identify potential physical and transition risks and assessed their impacts on the business across our countries of operation. In assessing transition risk, we have considered both Net Zero (1.5°C) and business-as-usual (4°C) warming scenarios. Increased pricing of GHG emissions (i.e., a carbon tax) was identified as the key transition risk. When assessing the physical risks to our operations, we focused on the business-as-usual (4°C) warming scenario, as physical risks are most significant under this scenario. Across our portfolio, the most significant physical risks observed are extreme heat and flooding.
<p>Risk Management</p> <p>a) Describe the organisation's processes for identifying and assessing climate-related risks.</p> <p>b) Describe the organisation's processes for managing climate-related risks.</p> <p>c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.</p>	<ul style="list-style-type: none"> • The Board will periodically review the existing enterprise risk management policy to ensure that environmental and climate-related risks are being appropriately captured and assessed to manage potential and actual impacts of environmental risk. • AA REIT acknowledges that achieving our sustainability goals will require building sustainability capabilities across our organisation. Consequently, we have initiated training and development programs to enhance the environmental and climate-related risk expertise of our employees and Board members. • Please refer to pages 97 to 98 for more information on AA REIT's climate-related risk identification and assessment process.
<p>Metrics and Targets</p> <p>a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.</p> <p>b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas ("GHG") emissions, and the related risks.</p> <p>c) Describe the targets used by the organisation to manage climate related risks and opportunities and performance against targets.</p>	<ul style="list-style-type: none"> • Climate-related and environmental metrics such as energy consumption and intensity and Scope 1, Scope 2, Scope 3 GHG emissions are disclosed in the Energy and Emissions section of this sustainability report. Please refer to page 99 for more information on AA REIT's target for energy and emissions. • AA REIT currently has long-term emissions reduction goals and is exploring additional metrics and targets to measure relevant environmental risks and opportunities.

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In FY2023, AA REIT has conducted its first risk assessment and scenario analysis exercise to identify and potential impacts of:

- Transition risks³, under the Network for Greening the Financial System (“NGFS”) Net Zero 2050 Scenario and a business-as-usual (“BAU”) scenario with “Current Policies” scenario

- Physical risks⁴, under the Network for Greening the Financial System (“NGFS”) Net Zero 2050 Scenario and a business-as-usual (“BAU”) scenario with “Hot House World” scenario

The identified transition and physical risks were assessed for the whole portfolio of AA REIT (28 assets located in Australia and Singapore) for the following time horizons:

- Short-term: Within the next 1 to 2 years (by 2025)
- Medium-term: Within the next 2 to 6 years (by 2030)
- Long-term: Within the next 6 to 26 years (by 2050)

These are the specific physical and transition risk exposures for AA REIT’s portfolio:

Risk Type	Description	Examples of Possible Impacts	Response
Transition Risk			
Regulatory and policy Medium to High Risk	The risk of loss resulting from failure to comply with laws, regulations, contracts or court decisions relating to the impacts of climate change.	<ul style="list-style-type: none"> • Mandatory climate-related disclosures (and stricter sustainability reporting requirements) would result in additional cost as regulated companies create and maintain processes for carbon emission monitoring. • Mandatory national carbon tax scheme that would result in additional operational cost as higher carbon price would lead to increased fuel, energy, and waste disposal cost especially in Singapore. 	<ul style="list-style-type: none"> • AA REIT is already capturing relevant data and working with stakeholders to improve the quality and timeliness of that data. • AA REIT has embarked on installation of more energy efficient equipment and solar panels at AA REIT Assets. • AA REIT striving to meet the BCA Greenmark standard for a higher number of AA REIT’s properties to align with BCA Green Plan 2030.
Reputational Low to Medium Risk	The risk of damage to an organisation’s image and brand as a result of its actions or perceived inaction on climate-related issues.	<ul style="list-style-type: none"> • A perceived lack of climate action could dampen investor confidence and decrease in availability of funding. 	<ul style="list-style-type: none"> • AA REIT is managing potential reputational risks through regular and robust stakeholder engagement (Please see pages 90 to 91 for more information on AA REIT’s stakeholder engagement efforts). • AA REIT is constantly assessing and implementing new initiatives (e.g. more energy efficient equipment and development of smart metering) to reach its SBTi target.

³ Transition risks arise from the process of shifts towards a low-carbon economy, and can include regulatory changes, disruptive technological developments, and shifts in consumer and investor preferences.

⁴ Physical risks arise from the impact of weather events and long-term or widespread environmental changes and can include increased severity of extreme weather events such as floods, and rising mean temperatures, sea levels, and weather patterns.

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Risk Type	Description	Examples of Possible Impact	Response
Transition Risk			
Market Low to Medium Risk	The risk of financial loss resulting from market changes.	<ul style="list-style-type: none"> Less desirable properties in locations vulnerable to climate change may lead to reduced occupier/tenant demand, reduction in customer base, and reduced asset value. Inability to meet or keep up with market expectation for green technology may result in losing competitive edge. 	<ul style="list-style-type: none"> AA REIT is incorporating risks associated with market changes into the investment approach. AA REIT has executed an agreement to install EV fast chargers at four of its properties in Singapore to cater to tenants' and visitors' requests for having EV charging stations.
Technology Low to Medium Risk	The risk of obsolescence or increased operational cost resulting from the failure to adopt new technologies or business practices that address the impacts of climate change.	<ul style="list-style-type: none"> A delay in implementing new technologies that have the potential to address energy/emissions/water/waste demands in the operations may lead to loss in market share and stranded assets. Neglecting the adoption of sustainable and eco-friendly technologies in the long run may lead to increased energy and operational expenditures. 	<ul style="list-style-type: none"> AA REIT continues to collaborate with ecosystem partner to implement new technology (i.e., increase solar capacity to 11.22 MWp by end of FY2025, install EV fast chargers and smart metering system).
Physical Risk			
Acute Medium Risk	Extreme weather such as flooding and fire caused property damage and business disruption.	<ul style="list-style-type: none"> To avoid significant interruptions to business operations from floods or fire events, higher costs may be incurred to weatherproof the assets and business. 	<ul style="list-style-type: none"> AA REIT is carefully monitoring the risks and reviewing insurance plans and processes to ensure adequate coverage for critical assets.
Chronic Medium Risk	Long-term, persistent impacts of climate change on an organisation's assets, operations, and supply chains.	<ul style="list-style-type: none"> Extreme weather and rising temperature lead to higher cost of refurbishments and expense of up-front countermeasures and property insurance premium. 	<ul style="list-style-type: none"> AA REIT is incorporating risks associated physical risk in the Due Diligence (DD) process for future acquisitions.

SUSTAINABILITY REPORT

ACTING RESPONSIBLY

As a responsible corporate citizen, we strive to reduce our impact on the environment. We do so through the continual reduction of our buildings' environmental impact, working closely with our customers, developing and obtaining the necessary credentials for sustainable buildings, and the generation of renewable energy.



OUR APPROACH

Track, manage and reduce emissions and water consumption.

Encourage recycling and minimise waste generation.

Invest in energy efficient measures and new technologies to improve the performance of our asset.

Review, calibrate and utilise ESG criteria in our investment and redevelopment review processes.

Our Progress

FY2023 Targets	FY2024 Achievements	Targets
Energy and emissions		
<ul style="list-style-type: none"> Invest in our new projects and existing properties to improve their energy efficiency in more sophisticated ways where possible Explore integrating sustainable design features into our business operations Target to accurately measure and disclose our Scope 1 and 2 emissions in the medium-term with a view to include Scope 3 emissions once we have the capabilities in place 	<ul style="list-style-type: none"> Commenced works at 20 Gul and 135 Joo Seng and expected to be completed in FY2025. Achieved carbon reduction of 17% from 2020 baseline. On track for long term SBTi target of 42% reduction by FY2030. 	<p>SHORT-TERM TARGET:</p> <ul style="list-style-type: none"> Increase solar capacity to 11.22MWp by end FY2025. 50% of new and renewal leases signed in FY2025 to be green. <p>MEDIUM-TERM TARGETS:</p> <ul style="list-style-type: none"> Increase solar capacity to 13.13MWp by end FY2027. 70% of new and renewal leases signed in FY2027 to be green. <p>LONG-TERM TARGET:</p> <ul style="list-style-type: none"> SBTi commitment to 42% reduction in scope 2 emissions by FY2030, from a FY2020 base year.
Water and Effluents		
<ul style="list-style-type: none"> Measure and evaluate the long-term sustainability of our water performance data and identify new water efficiency opportunities within our portfolio and new developments 	<ul style="list-style-type: none"> Completed toilet upgrade works at 11 Changi South and 56 Serangoon North with water efficient fittings. 	<p>SHORT-TERM TARGET:</p> <ul style="list-style-type: none"> To install water-efficient fittings in two properties. <p>MEDIUM-TERM TARGET:</p> <ul style="list-style-type: none"> Progressively install water-efficient fitting certified under the PUB's Water Efficiency Labelling Scheme for toilets.

SUSTAINABILITY REPORT

FY2023 Targets	FY2024 Achievements	Targets
Waste		
<ul style="list-style-type: none"> To collect accurate waste data for all properties with operational control by end of FY2024 To put in place waste recycling facilities across properties with operational control 	<ul style="list-style-type: none"> Collected recycling and general waste data from multi-tenanted properties. Installed recycling bins in all of our multi-tenanted properties. 	<p>SHORT-TERM TARGET:</p> <ul style="list-style-type: none"> To encourage waste separation and recycling in all multi-tenanted properties. <p>MEDIUM-TERM TARGET:</p> <ul style="list-style-type: none"> To actively engage master tenants in single-user assets for collection of waste data.

Green Buildings

We recognise the role green buildings play in mitigating long-term negative environmental impact as well as the importance of green building certification standards in the real estate market. As of 31 March 2024, we have four buildings with green building certifications in our portfolio. These are the green building certifications within AA REIT's portfolio:

- 7 Bulim Street, Singapore: BCA Green Mark Gold Plus
- 1A International Business Park, Singapore: BCA Green Mark Gold

- Optus Centre, Australia: 5-stars NABERS energy rating and 5-stars NABERS water rating
- Woolworths HQ, Australia: 4.5-stars NABERS energy rating

In FY2024 we have commenced a gap analysis for Green Mark recertification for 3 Tuas Ave 2 and Northtech and will pursue certification pending the results of the gap analysis.

Going forward, the Manager will assess the feasibility of obtaining new green building certifications during the design and planning phase of

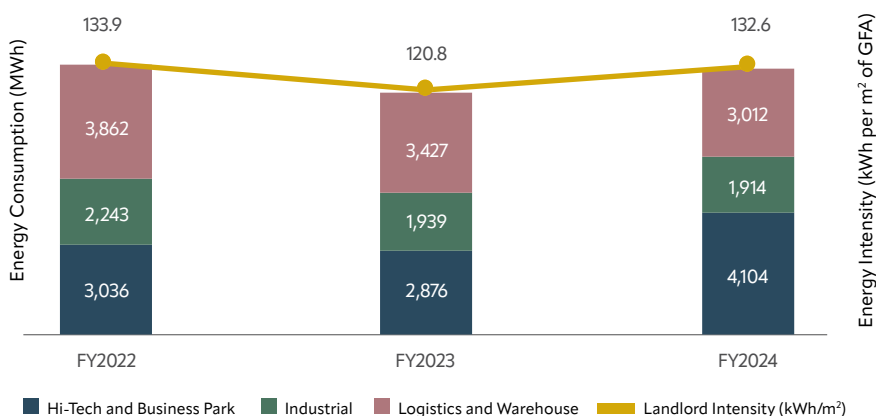
new development projects, as well as during asset enhancement initiatives, where economically feasible. We will also review our existing properties regularly for certification or recertification opportunities.

Energy and emissions

AA REIT pledges to actively address climate change by striving to limit global warming to 1.5°C. We adopt a two-pronged approach – improving building energy performance and reducing our carbon emissions through innovation and advancing best practices.

Our Performance^{5,6}

Energy Consumption and Energy Intensity

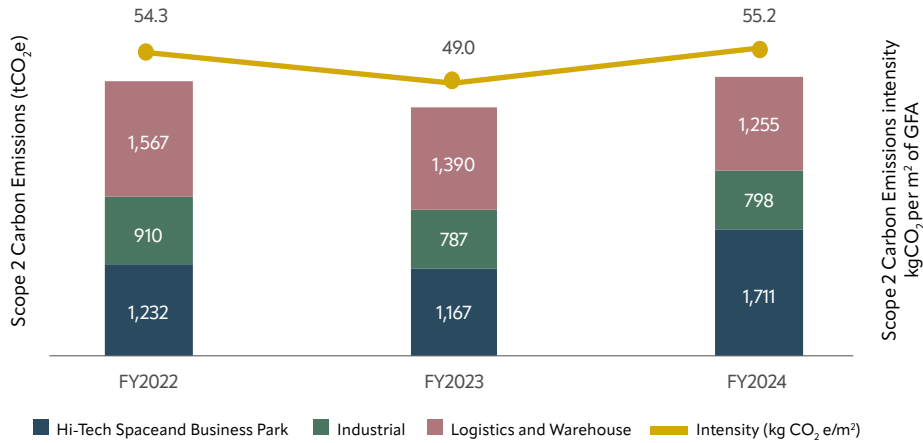


⁵ The energy performance data pertains only to the properties over which AA REIT has direct operational control. For the purpose of accurate comparison with previous years, we have conducted a like-for-like comparison by excluding the operational data from property 23 Tai Seng Drive, which was converted into a single-tenanted building since FY2023. This approach ensures that the comparison is consistent and reliable.

⁶ In FY2024, AA REIT consolidated the categories of properties and retained "Hi-Tech Space & Business Park", "Logistics and Warehouse", "Industrial" (combining "Light Industrial" and "General Industrial" from previous years' reporting) for reporting purpose.

SUSTAINABILITY REPORT

Scope 2 Carbon Emissions and Intensity



The energy consumption in AA REIT's properties comprises mainly electricity utilisation, primarily used to operate equipment within its properties, for example lighting, air conditioning, mechanical ventilation ("ACMV") systems and lifts. The energy consumption data presented in the following section shows the landlord's energy consumption of buildings which the Manager has operational control over. Total carbon emission from AA REIT's properties is sourced solely from electricity consumption, therefore Scope 2 GHG emissions are reported⁷. In FY2024, total energy consumption for our portfolio was 9,029 MWh, an increase of 787 MWh compared to FY2023. Correspondingly, average building electricity intensity increased by 9.8% from 120.8 kWh/m² to 132.6 kWh/m² of common area GFA. The increase was mainly contributed to increase from the electricity consumption of North Tech, 29 Woodlands Industrial Park due to an equipment malfunction. The issue is currently being resolved. Excluding the increase in North Tech, the total electricity consumption for our portfolio would have decreased by 4.3% in FY2024.

In FY2024, the total building GHG emissions of AA REIT's properties consist only Scope 2 emissions with the amount of 3,763 tonnes of CO₂ equivalent ("CO₂ e"), a 419 tonnes increase from 3,344 tonnes CO₂ e in FY2023. Average building GHG emission intensity increased by 12.2% from 49 kgCO₂ e/m² to 55 kgCO₂ e/m² over the same period. In reference to reduction from the FY2020 carbon baseline emissions, AA REIT achieved an overall reduction of 17% from baseline⁸ this year and is on track to meet our science-based target to reduce 42% of scope 2 carbon emissions by FY2030 (from FY2020 base year).

As part of the Manager's commitment to track and reduce AA REIT's energy consumption and emissions, the Manager has undertaken several initiatives, such as:

- Inventorisation exercise for scope 3 emissions.
- Commenced assessment on the modernisation of lift equipment for 4 properties.
- Executed and completed solar panel installation for 6 properties.

- Awarded the contract for a chiller replacement at 135 Joo Seng Road, the third most energy intensive building within AA REIT's portfolio. The chiller replacement should result in approximately 80 MWh in electricity consumption savings per annum.

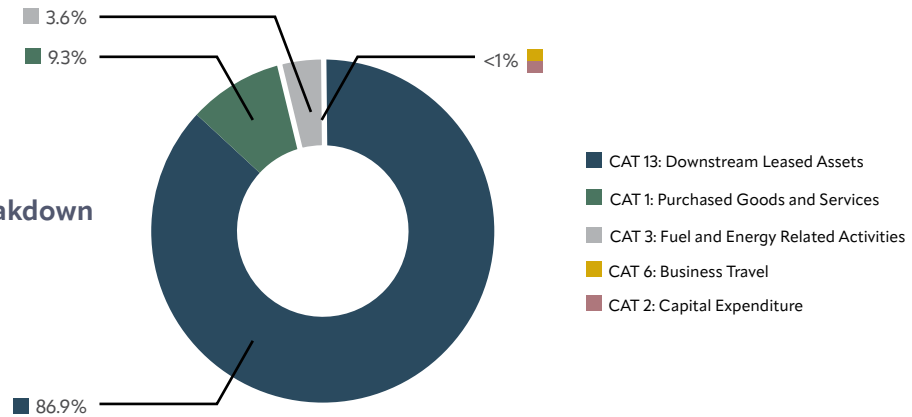
The inventorisation exercise for scope 3 emissions reveals that emissions downstream leased assets under category 13 represent the predominant source within AA REIT's Scope 3 categories. In response, AA REIT is starting to develop green lease, which requires tenant to support AA REIT's effort in reducing and tracking tenant related emission.

⁷ Scope 1 emissions are the result of activities from a company such as combustion of fuels for boilers, furnaces, turbines, or company owned and operated vehicles, physical or chemical processing or fugitive emissions resulting from the use of refrigeration and air conditioning equipment. AA REIT's buildings are connected to the electrical grid and, while AA REIT does use diesel generators in the event of power outages and there are some fugitive emissions, these were deemed negligible in FY2024, and we have chosen not to disclose it in this Sustainability Report. Further, AA REIT does not operate company-owned vehicles. Therefore, AA REIT has no Scope 1 emissions to disclose this year, and the disclosed Scope 2 emissions are the result of purchased electricity.

⁸ The carbon emissions for FY2020 was 4,545,952 kgCO₂e/m² based on the carbon baselining study we conducted. FY2020 was chosen as the base year as it provided a full year of normalised consumption data before the Covid-19 pandemic period.

SUSTAINABILITY REPORT

Scope 3 Emission Breakdown



Water and Effluents

At AA REIT, we remain committed to reducing our environmental impact through sustainable management of natural resources, including water. The water usage from AA REIT's operations is limited to our common areas (i.e. bathrooms and pantries) and chiller plant systems. We continuously seek to enhancing water stewardship throughout our property holdings

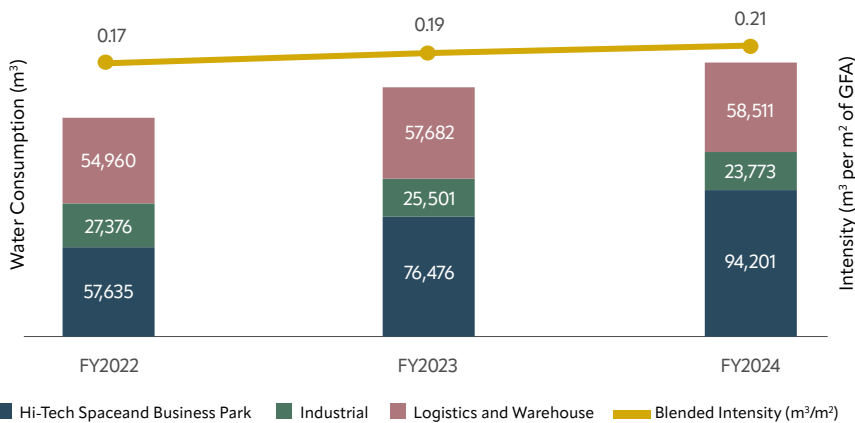
and promote responsible water usage among our tenants. All of AA REIT's water is obtained from statutory water sources.

Our Performance

We have implemented various water conservation strategies to curtail water usage. In addition, we closely monitor our water consumption to discern usage trends, which allows

us to pinpoint chances to bolster water efficiency. The Property Manager conducts routine audits of water systems and maintains them diligently to mitigate and resolve water leakage problems. In FY2024, we have continued the gradual upgrade of toilets with new water efficient fittings as part of our water conservation initiatives.

Water Consumption and Water Intensity



In FY2024, total building water consumption for our properties was 176,484 m³, increased 10.5% from 159,659 m³ in FY2023⁹, primarily due to a faulty cooling tower equipment. The landlord consumption accounts for 57% this year. Water intensity as per landlord's consumption for FY2024 was 1.47m³/m³.

Waste

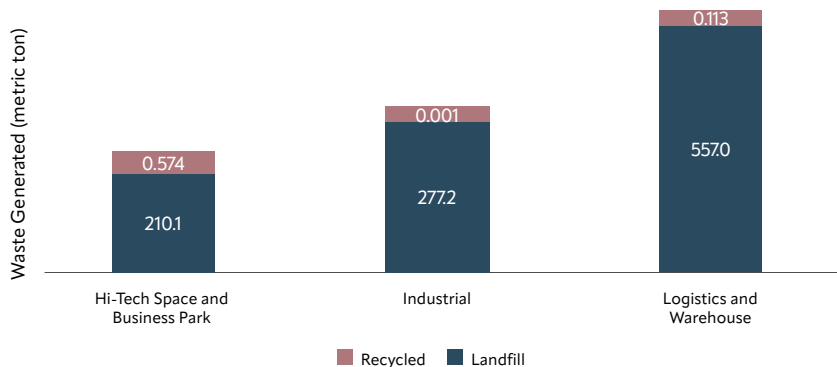
We strive to enhance our waste management protocols and practices. Utilising data collected for tracking and reporting the amount of waste produced and recycled in properties under operational control, the Manager seeks to engage with

tenants on waste reduction initiatives and to set benchmarks for assessing waste management efficiency. In the long term, the Manager aims to foster and increase tenant consciousness regarding waste recycling. At the end of FY2024, recycling bins have been set up across all buildings with operational control.

⁹ Water consumption figure for North Tech, 29 Woodlands Industrial Park E1 in FY2023 is revised as 64,945 m³ due to an error in data collection. Correspondingly, the total water consumption in FY2023 is restated to be 159,659 m³ reflecting a 6.4% increase from the previously stated figure.

SUSTAINABILITY REPORT

Waste Generated and Type of Disposal Recovery



In FY2024, there was total 1,045 metric tons of non-hazardous waste generated for our properties. Amongst the overall waste generated, there was 1,044 metric ton disposed at offsite landfill with the remaining recycled at offsite facilities.

Improving Visibility of Tenant Environmental Data

Our standard lease agreements for properties occupied by a single tenant often do not provide us with direct access to crucial environmental information, such as energy and water usage, waste generation, and GHG emissions. We understand the significance of gathering this data to enhance our ability to encourage our tenants towards more sustainable operations. Consequently, we are in dialogues with occupants of single-tenant premises to collect this environmental data.

In FY2023, we have also introduced 'green' clauses into our standard leases in Singapore, whereby customers are required to provide us with environmental data. As of 31

March 2024, we will be changing our green leases to include tenant fitting out requirements and as such will start from 0% in FY2025.

Supply Chain Responsibility

We are dedicated to engaging with suppliers who share our commitment to strong ethical values and socially responsible operations. We proactively address and oversee concerns throughout our supply chain by implementing comprehensive governance and establishing robust risk management protocols. As of 31 March 2024, AA REIT has a supply chain of approximately 143 active suppliers, including facility managers, maintenance service providers, contractors, professional consultants, and financial institutions, primarily based in Singapore.

Through our procurement strategies, we strive to bring the highest value to our clients by sourcing high-quality products and services while simultaneously lowering overall expenses and diminishing risks. Central to our approach is the careful

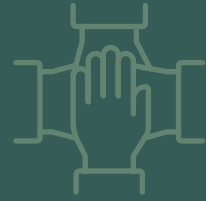
evaluation of new suppliers against a set of environmental and social benchmarks that align with the nature of their services. These benchmarks include proven safety performance histories, relevant accreditations from the International Organisation for Standardisation for Occupational Health and Safety Management System ("OHS"), and certificates from the National Environment Agency's ("NEA") Enhanced Clean Mark Accreditation Scheme.

It is mandatory for our service suppliers to comply with the health and safety codes stated in the contractual terms of their agreements. This includes adhering to national environmental regulations that address issues such as mosquito and pest breeding, standing water, incorrect waste disposal, littering, and various types of pollution. The Property Manager is tasked with conducting biannual reviews of our term contracts service providers to ensure they comply with these regulations.

SUSTAINABILITY REPORT

PROMOTING WELL-BEING

Our employees are our most valuable resource. We acknowledge their hard work and are committed to creating a positive environment that promotes their growth, skill development, and well-being. At AA REIT, we ensure a safe and welcoming workplace, offer chances for career advancement, and recognise and reward our employees' dedication and effort. Additionally, we are focused on improving the well-being of our tenants and the communities in which we operate.



OUR APPROACH

Development of policies and investments in initiatives to keep employees engaged and to promote employee welfare.

Continuously strengthening a culture that is supportive and inclusive, offering equal opportunities for everyone.

Regularly reviewing and confirming the efficiency of our health and safety policies and procedures to guarantee the safety and welfare of our employees.

Our Progress

FY2023 Targets	FY2024 Achievements	Targets
Occupational Health and Safety (OHS)		
<ul style="list-style-type: none"> Zero instances of avoidable OHS incidents Annually review employee safety and well-being practices Enhance employee engagement 	<ul style="list-style-type: none"> Achieved zero instances of OHS incidents OHS committee evaluated practices related to employee safety and well-being Executed various team-building events and wellness programs 	<p>PERPETUAL TARGETS:</p> <ul style="list-style-type: none"> Zero incidents resulting in staff permanent disability or fatality Quarterly conducted OHS committee meetings
Employment, training and education		
<ul style="list-style-type: none"> Achieve an average of at least 15 hours of training per employee in FY2024 Continue to support the growth of our employees in ways that benefit both the organisation's long-term goals and the personal ambitions of each individual 	<ul style="list-style-type: none"> Achieved an average of 25.2 hours of training per employee in FY2024 Continued to support employee development that aligns with the long-term interests of the organisation and individual 	<p>PERPETUAL TARGETS:</p> <ul style="list-style-type: none"> Achieve average training hours of at least 15 hours per employee per annum Continue to support the growth of our employees in ways that benefit both the organisation's long-term goals and the personal ambitions of each individual
Diversity and equal opportunity		
<ul style="list-style-type: none"> Commit to fair employment practices by ensuring that all individuals receive the same opportunities for hiring, advancement and benefits Zero cases of validated discrimination 	<ul style="list-style-type: none"> 50% of new hires and 57% of entire workforce is female Zero cases of validated discrimination 	<p>PERPETUAL TARGETS:</p> <ul style="list-style-type: none"> Commit to fair employment practices by ensuring that all individuals receive the same opportunities for hiring, advancement and benefits. Zero cases of validated discrimination

SUSTAINABILITY REPORT

FY2023 Targets	FY2024 Achievements	Targets
Local communities		
<ul style="list-style-type: none"> Continue our outreach efforts by partnering with The Food Bank Singapore Encourage all our employees to actively participate in targeted corporate social responsibility ("CSR") activities 	<ul style="list-style-type: none"> Participated in two CSR activities with Club Rainbow with an average participation rate of 66% 	<p>PERPETUAL TARGETS</p> <ul style="list-style-type: none"> To participate in two CSR initiatives annually

Employment, Training and Education

Profile of Our Workforce

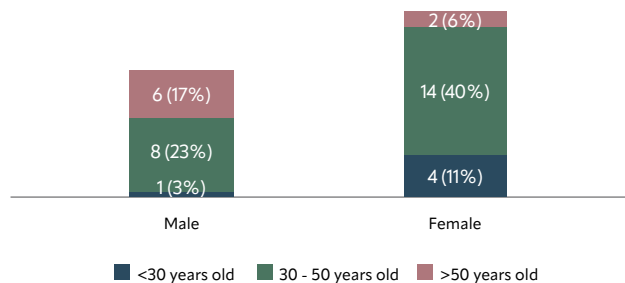
As at 31 March 2024, the Manager and Property Manager had employed a total of 34 permanent full-time employees and 1 part-time permanent employee¹⁰ in Singapore. In FY2024, new hiring rate was 23% with equal gender representation of males and females among new hires. The charts below offer more detailed information regarding our employee demographics. All employees of the Manager and Property Manager are based in Singapore.

Employee Development

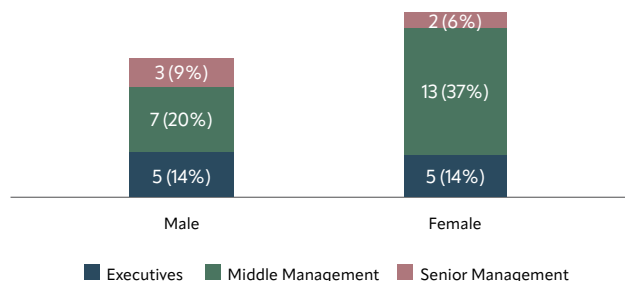
We believe in fostering a culture of continuous learning and development, alongside a fair assessment system that takes into consideration multiple factors. We strive to provide our employees with opportunities for growth, training, and development that align with their career goals and aspirations. We support professional training for employees by fully funding relevant courses to help them develop new skills, broaden their knowledge, and advance their careers. Our employee handbook outlines how we support our employees' training and education.

We are also committed to making all reasonable efforts to balance the training and development needs of our employees with their family responsibilities. We ensure that

Employee Breakdown by Age Group and Gender



Gender by Employee Category



training and development take place during the employee's normal work hours as much as possible, preventing employees with family responsibilities from being disadvantaged in relation to access to training and skill acquisition.

In FY2024, each employee received an average of 25.2 hours of training, exceeding the Manager's FY2024 target of at least 15 hours of training for each employee. The average training hours for each employee of the Manager was 40.1 hours and for each employee of the Property Manager 20.8 hours.

Notably, approximately 40% of the staff received training on ESG-related topics in FY2024. As part of our five-year ESG roadmap, AA REIT plans to upskill more of its employees in sustainability to meet the increasing expectations of stakeholders, better manage risks and opportunities and create a sustainable and responsible workplace culture.

¹⁰ The sole part-time permanent employee is a female executive in the 30-50 years old age bracket.

SUSTAINABILITY REPORT

The company employs a transparent and fair evaluation method for evaluating all qualifying, permanent staff members. We assess employee performance using a balanced scorecard model that concentrates on established key performance indicators in four main areas: Financial, Customer, Internal Process, Learning and Growth. In FY2024, 100% of employees received a regular performance and career development review which allows them to receive feedback on their performance, help align their work with organisational goals, facilitate career development, and enhances talent retention. Such performance appraisals are conducted in a supportive and constructive manner.

Diversity and Equal Opportunity

We are committed to the idea that a workplace where everyone's unique qualities and backgrounds are welcomed leads to a thriving environment, higher productivity, and successful results. By upholding these principles, we strive to create a diverse and inclusive place where every employee has a fair chance to succeed. We aim to build a team with a wide variety of talents and backgrounds, and we ensure fair treatment for all our employees, regardless of their gender, age, beliefs, ethnicity, disabilities, or sexual orientation.

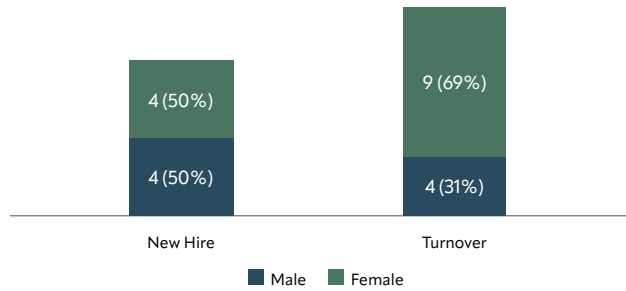
Our hiring decisions are strictly based on the qualifications of the candidates, ensuring fairness as outlined by the Tripartite Guidelines on Fair Employment Practices and the Ministry of Manpower's Fair Consideration Framework. Consequently, our Employee Handbook strictly prohibits discrimination, as well as any forms of victimisation, intimidation, or harassment in the workplace.

Celebrating our commitment to fostering a supportive workplace for female employees, we are able to report that women formed 50% of our new hires and constituted 57%

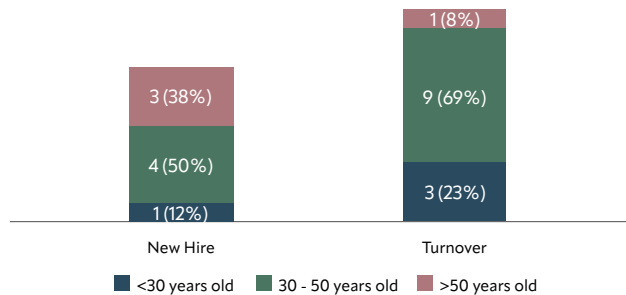
of our entire workforce this year. In leadership standings, women represented 40% within senior management and held 25% of seats within our Board of Directors. This

meant we are ahead of our target in achieving at least 20% female representation on our Board by the year 2026. All members of the Board of Directors are above the age of 50.

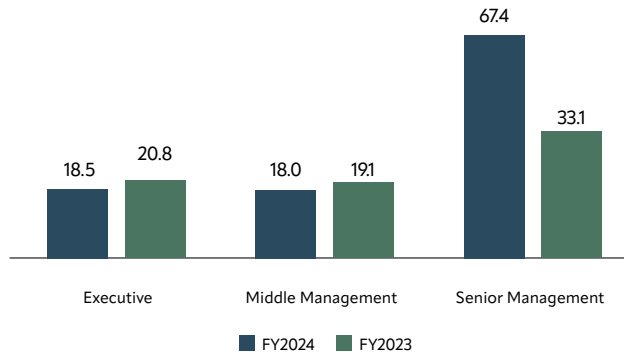
New Hire and Turnover by Gender



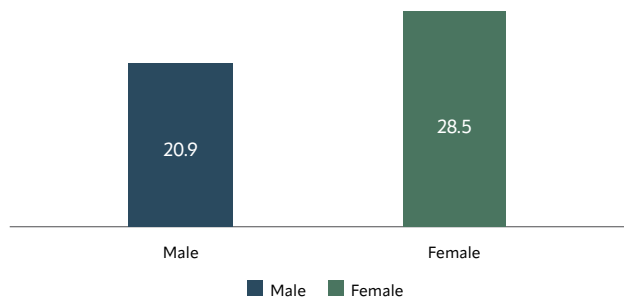
New Hire and Turnover by Age



Average Training Hours by Employment Category



Average Training Hours by Gender



SUSTAINABILITY REPORT

Our training programmes span across a diverse range of topics and the following table highlights some of the training courses attended by AA REIT employees in FY2024.

Training Courses	
Training Categories	Examples of Training Programmes
Finance & Capital Markets	<ul style="list-style-type: none"> AI Transformative Workshop for Finance Leaders Forecast Capital Appreciation of Real Estate Global Capital Markets Insights
Business Ethics & Risk Management	<ul style="list-style-type: none"> Managing Risks and Building Resilience: A Blueprint for Economic Fortitude Knowing Your Clients Well: How Financial Institutions Can Improve Risk Management for Money Laundering, Terrorism Financing, and Sanctions Restrictions Ethics in the Financial Industry
Information and Technology	<ul style="list-style-type: none"> Harnessing Innovation and Technology for Fire Safety IT and Cybersecurity Cyber Resiliency – Building Resilience into Your Security Strategy
ESG Training	<ul style="list-style-type: none"> Navigating the Sustainability and ESG Landscape: Carbon Tax, Trading, and Business Opportunities in Southeast Asia IFRS Sustainability Disclosure Standards in Singapore Greenprint Registry ESGpedia Showcase Data-Driven Sustainability Facilitating a Gender-Diverse and Gender-Equal Workplace
Health and Safety	<ul style="list-style-type: none"> Standard First Aids CPR AED Course Overview of M&E Systems for Fire Protection in a Building
Personal Improvement	<ul style="list-style-type: none"> Developing Influencing Skills to achieve successful outcomes Conflict Negotiation in Real Estate Transactions Critical thinking and analytical skills

SUSTAINABILITY REPORT

Occupational Health and Safety

We prioritise the creation of a secure workplace environment for our employees and are committed to safeguarding their well-being. In alignment with this commitment, we have implemented rigorous health and safety policies and protocols that are regularly reviewed and updated to ensure compliance with prevailing regulations and industry best practices. Additionally, we integrate Occupational Health and Safety ("OHS") risks into our enterprise risk management framework. Through the identification, assessment, and mitigation of potential risks, we strive to minimise the number of accidents, injuries, and illnesses within our workplace.

Initiated in FY2017, the OHS Committee is dedicated to managing OHS tasks. These tasks involve an ongoing assessment of OHS standards, executing suitable work protocols, and delivering up-to-date regulatory information to our employees.

The OHS Committee includes representatives from all departments and meets at least four times annually. Its key responsibilities include:

- Enhancing and periodically evaluating occupational health and safety operational procedures, coupled with necessary education and training
- Implementing effective work protocol controls and updating our crew about any changes in regulations
- Increasing the understanding and awareness of potential risks among employees
- Planning and promoting health-centric activities that boost our employees' physical and mental health

All employees are granted access to our health and safety protocols, encompassing both the Workplace Health and Safety policy and the Business Continuity Plan. These

thorough policies undergo regular reviews to address any changes in our working conditions or organisational structure. Furthermore, we provide detailed information regarding fire evacuation procedures, the placement of safety kits, and the identification of designated first aid providers. We also delineate the specific responsibilities assigned to individual units during emergency situations. Employees receive detailed briefings on the Business Continuity Plan and participate in annual emergency drills to enhance their preparedness and response capabilities.

Furthermore, we integrate OHS components into our supplier selection procedures, with the objective of maintaining a safe and healthy workplace environment for our third-party service providers. Among the initiatives we implement are:

- Evaluating prospective service providers based on their historical safety performance
- Mandating that Property Management suppliers in Singapore adhere to necessary standards depending on their specific service types (e.g., ISO 9001, ISO 14001, bizSAFE Level)
- Insisting that selected third-party service providers comply with health and safety policies stipulated in the terms of their service agreements

Our Property Manager conducts regular inspections to identify and rectify any potential hazards. These routine check-ups encompass areas such as electrical safety, fire safety, and the handling of hazardous materials. Regular bi-weekly meetings are also held to address any persistent issues. Additionally, the Property Manager team partakes in training programs, including first-aid courses and site incident controller courses.

In addition to looking after our employees' physical well-being, we extend our care to their mental

and emotional health by providing access to mental health and wellness initiatives. All employees benefit from comprehensive medical and insurance coverage and a flexible benefits scheme that can be utilised for health screenings or other services related to their health and wellness needs, such as dental and optical care. Eligible employees are entitled to parental leave, and we also make monthly contributions to the Central Provident Fund accounts of our Singapore-based employees.

In FY2024, 15 men and 20 women were eligible for parental leave. Of these, 5 men and 9 women took the leave and returned to work after their leave period ended. One year later, the retention rate for employees who took parental leave was approximately 80% for men and 67% for women, with 4 out of 5 men and 6 out of 9 women still employed.

We are aware of the unique challenges encountered during the transition to parenthood and therefore provide holistic support to our employees. In FY2024, the re-entry rate for both women and men returning to work from parental leave was at 100%, underscoring our eager commitment to fostering professional growth and personal fulfilment among our workforce.

Additionally, we acknowledge our employees' dedication through long-service awards presented at their 5, 10, 15, 20 years of service, and beyond. Further employee benefits encompass a range of wellness activities, including a weekly fruit delivery, financial wellness seminars to enhance financial literacy, and team bonding events. Moreover, we have committed to designating the last Friday of each school term in Singapore as "Eat with Your Family Day" to encourage employees to leave work early and enjoy a meal with their loved ones. We also organise a Chinese New Year luncheon for all our staff.

SUSTAINABILITY REPORT

Local communities

Tenant and community engagement

We are committed to engaging with our tenants to ensure a safe and healthy workplace environment. This helps us pinpoint and oversee potential risks and opportunities tied

to social and environmental effects and aids us in crafting programs that bring benefits to our stakeholders.

In FY2024, we conducted a tenant satisfaction survey to gather feedback on our services, facilities as well as their ESG considerations,

and achieved a response rate of approximately 23%. The Manager will continue to work with tenants to improve this response rate. We also regularly meet up with tenants to discuss important issues and initiatives and to provide them with an opportunity to voice their feedback.

At AA REIT, we are dedicated to fostering happiness and creating positive impact within our community. That's why we joined forces with Club Rainbow for a heart-warming event, where we had the pleasure of brightening the day for 32 children. From decorating cupcakes to winning prizes at carnival games, our team savoured every smile and laughter shared. It was a beautiful reminder of how much we gain from giving back and the deep connections we build through caring acts.



SUSTAINABILITY REPORT

OPERATING ETHICALLY

We firmly believe that the integrity of our operations is essential in strengthening the trust of our investors and stakeholders. We conduct our business within a robust corporate governance framework, upholding exceptionally high ethical standards. We are committed to rigorously complying with all applicable laws, regulations, and best practices concerning business governance and workplace safety.



OUR APPROACH

Establishing clear corporate governance procedures via various policies and processes.

Implementing anti-corruption training for staff members to enhance their awareness.

Continually revising and honing our policies and processes to adapt to regulatory changes and best practices, ensuring constant compliance.

Our Progress

FY2023 Targets	FY2024 Achievements	Targets
Continue to maintain zero incidents of corruption	Zero cases of corruption received by employees or officers.	PERPETUAL TARGET: Zero material incidents of non-compliance with regards to anti-corruption laws and regulatory compliance

Anti-corruption, Business Ethics and Regulatory Compliance

Preventing Corruption and Upholding Integrity

We maintain a strict zero-tolerance policy against corruption, including bribery, fraud, and embezzlement. We consistently remind our staff that we are committed to investigating and reporting any incidents of fraud to the appropriate authorities. In FY2024, as in previous years, we conducted a mandatory anti-corruption training session for all employees.

Every employee is provided with a copy of the Employees Code of Conduct at the time of their joining. The Code of Conduct elaborates on the principles of individual and professional behaviour, and the standards that all employees are expected to maintain in terms of conduct and demeanour. It covers a comprehensive variety of subjects such as professional conduct,

integrity and honest transactions, conflicts of interest, office behaviour, equal opportunity practices, viewpoints on gifts and rewards, as well as potential disciplinary measures, among others.

Additionally, our organisation has implemented a Whistleblower Policy and complaints process to ensure our staff can report suspected misconduct or lodge complaints without fear of retaliation since our goal is to quickly address and resolve these allegations and any unethical behaviour.

Maintaining Business Ethics

We maintain a robust process for the disclosure of conflicts of interest, applicable to all employees and board members. Our established Conflict of Interest Policy, accessible to all personnel, states the guiding principles and mandatory procedures for addressing potential conflicts effectively.

In our commitment to uphold integrity in procurement and outsourcing, we enforce stringent risk management policies aimed at eradicating corruption and bribery. For acquisitions exceeding a predefined threshold, it is a requirement to obtain at least three proposals, unless specific exemptions are approved. For major contracts, we implement a rigorous pre-qualification and competitive bidding process, ultimately awarding the contract to the supplier that not only meets, but exceeds our multifaceted criteria. These criteria emphasise a commendable track record, cost-effectiveness, financial robustness, adherence to safety and legal standards, and an absence of prior litigation.

Furthermore, our agreements with service providers include specific clauses designed to avoid bribery and conflicts of interest. In the outsourcing of substantial services,

SUSTAINABILITY REPORT

we adhere strictly to the guidelines set forth by the Monetary Authority of Singapore (“MAS”), evaluating potential providers on their financial stability, corporate governance, reputation, compliance, quality assurance, and security management. This comprehensive approach ensures that our partnerships and business practices are conducted with the highest standards of ethical responsibility and professional integrity.

Ensuring Regulatory Compliance

Our dedication lies in adhering to the laws and regulations of the countries where we conduct our operations. We uphold this commitment through rigorous procedures and protocols designed to comprehensively address regulatory requirements. These protocols encompass the

identification, evaluation, monitoring, and management of regulatory compliance risks, as well as financial and technological risks. For a detailed insight into our approach to risk management, please refer to pages 128 to 130. Furthermore, we strongly encourage our Board of Directors and all staff members to participate in ongoing training programs focused on regulatory developments and advancements.

We maintain a keen awareness of regulatory and industry developments, actively engaging with regulatory bodies and industry associations to enhance compliance capabilities within our organisation. AA REIT proudly aligns itself with REITAS, acting as a pivotal voice for the Singapore REIT (“S-REIT”) sector.



Policies in place to ensure compliance and best practices:

- Anti-Money Laundering & Countering Terrorism Financing Policy
- Interested Party & Related Party Policy
- Employee Handbook
- Conflict of Interest Policy
- Whistleblowing Policy

GRI Content Index

Statement of use	AIMS APAC REIT’s (“AA REIT”) has reported the information cited in this GRI content index for the period 1 April 2023 to 31 March 2024 in accordance to the GRI Standards.
GRI used	GRI 1: Foundation 2021 GRI 2: General Disclosures 2021 GRI 3: Material Topics 2021
GRI Sector Standards	No GRI Sector Standards adopted.

GRI Standard/ Other Source	Disclosure	Report section and Remarks	
GRI 2: General Disclosures 2021	Organisation and its reporting practices		
	2-1	Organisational details	About this report
	2-2	Entities included in the organisation’s sustainability reporting	About this report
	2-3	Reporting period, frequency and contact point	About this report
	2-4	Restatements of information	About this report
	2-5	External Assurance	External assurance has not been sought for this year’s Sustainability Report. AA REIT will consider this in the future as our reporting matures, in line with sustainability reporting regulations.
	Activities and workers		
	2-6	Activities, value chain and other relationships	Supply chain responsibility; Stakeholder engagement
GRI 2: General Disclosures 2021	2-7	Employees	Employment, training and education
	2-8	Workers who are not employees	Information unavailable, AA REIT is looking to progressively report the disclosure when such capabilities are available.
	Governance		
	2-9	Governance structure and composition	Sustainability governance
	2-10	Nomination and selection of the highest governance body	Annual Report, Corporate Governance report

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GRI Standard/ Other Source	Disclosure	Section	
GRI 2: General Disclosures 2021	Governance		
	2-11	Chair of the highest governance body	Annual Report, Corporate Governance report
	2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability governance
	2-13	Delegation of responsibility for managing impacts	Sustainability governance
	2-14	Role of the highest governance body in sustainability reporting	Sustainability governance
	2-15	Conflicts of Interest	Corporate Governance report
	2-16	Communication of critical concerns	Anti-corruption, business ethics and regulatory compliance
			There are no critical concerns that were communicated to the highest governance body.
	2-17	Collective knowledge of the highest governance body	Sustainability governance
	2-18	Evaluation of the performance of the highest governance body	Corporate Governance report
	2-19	Remuneration policies	Corporate Governance report
	2-20	Process to determine remuneration	Corporate Governance report
	2-21	Annual total compensation ratio	Confidentiality Constraints: AA REIT regards compensation information of employees to be of a confidential and sensitive nature, thus the annual total compensation ratio is not disclosed in this report.
		Strategy, policies, and practices	
	2-22	Statement on sustainable development strategies	Board statement
	2-23	Policy commitments	AA REIT's sustainability framework
	2-24	Embedding policy commitments	AA REIT's sustainability framework
	2-25	Process to remediate negative impacts	Stakeholder engagement; Materiality assessment
	2-26	Mechanism for seeking advice and raising concerns	Anti-corruption, business ethics and regulatory compliance
	2-27	Compliance with laws and regulations	Anti-corruption, business ethics and regulatory compliance
	2-28	Membership associations	Membership and associations
	Stakeholder engagement		
2-29	Approach to stakeholder engagement	Stakeholder engagement	
2-30	Collective bargaining agreements	Not applicable, as AA REIT does not have trade unions	
GRI 3: Material Topics	3-1	Process to determine material topics	Materiality assessment
	3-2	List of material topics	Material topics
	3-3	Management of material topics	Material mapping and topic boundary
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Economic performance
GRI 205: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	Anti-corruption, business ethics and regulatory compliance
	205-3	Confirmed incidents of corruption and actions taken	

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GRI Content Index

GRI Standard/ Other Source	Disclosure	Section
GRI 401: Employment 2016	401-1	New employee hires and employee turnover
	401-3	Parental leave
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system
	403-2	Hazard identification, risk assessment, and incident investigation
	403-3	Occupational health services
	403-4	Work participation, consultation, and communication on occupational health and safety
	403-5	Worker training on occupational health and safety
	403-6	Promotion of worker health
	403-9	Work-related injuries
	403-10	Work-related ill health
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee
	404-2	Programs for upgrading employee skills and transition assistance programs
	404-3	Percentage of employees receiving regular performance and career development reviews
GRI 302: Energy 2016	302-1	Energy consumption within the organisation
	302-3	Energy intensity
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions
	305-2	Energy indirect (Scope 2) GHG emissions
	305-4	GHG emissions intensity
GRI 303: Water and Effluents 2018	303-3	Water withdrawal
GRI 306: Waste 2020	306-2	Management of significant waste-related impacts

APPENDIX: ASSUMPTIONS AND METHODOLOGY

This section explains the boundaries, methodologies and assumptions used in the computation of AA REIT's sustainability data and information.

Employees Data

"Employees" refer to all employees of the REIT Manager and the Property Manager. The employee data does not include contractors engaged to perform certain property management services.

New Hires and Turnover

- New hires are defined as employees who joined the organisation during the financial year. The new hire rate is represented as the number of new hires divided by the total number of employees as at the end of the financial year and expressed as a percentage.
- Turnovers are defined as employees who left the organisation during the financial year.

Training Hours and Regular Performance and Career Development Reviews

- The average training hours that employees have undertaken during the reporting period is represented as total training hours by gender or by employee category over total number of employees by gender or by employee category.
- The percentage of employees receiving regular performance and career development reviews is calculated by total employees by gender and by employee category

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who received a regular performance and career development review during the reporting period over the total number of employees.

Occupational Health and Safety

Work-related injuries are defined as a negative impact on an employee's health arising from exposure to hazards at work. Injuries as a result of commuting incidents are only included if the transport has been organised by the Manager. The rate of work-related injuries is computed based on 1,000,000 man-hours worked.

Environmental Data

Data reported relates to the 18 properties (out of 28 properties) that are within the operational control of the Manager.

Energy Consumption and Intensity

Energy consumed across AA REIT's properties only involves purchased electricity. Energy consumption data only includes landlord's area.

Energy consumption and intensity included only properties with full year data for FY2022, FY2023 and FY2024. Energy intensity is derived by taking total energy consumption divided by the GFA of common areas.

GHG Emissions and Intensity

GHG emissions are reported in line with the guidance from the GHG Protocol Corporate Accounting and Reporting Standard. The operational control approach is applied, and AA REIT accounts for GHG emissions from operations over which it has operational control. Energy (Scope 1 and 2) GHG and intensity includes only properties with full year data for FY2022, FY2023 and FY2024.

Direct (Scope 1) GHG emissions are calculated using emission factors and global warming potential rates from the 2006 IPCC Guidelines for National Greenhouse Gas Inventories and the IPCC Fifth Assessment Report.

A location-based method is adopted for the calculation of energy indirect (Scope 2) GHG emissions. Grid emission factors used are obtained from authoritative release data from all regions of operation, including:

- Australian Government Clean Energy Regulator's Emissions and Energy Reporting System for 2023,
 - › New South Wales: 0.68 kg CO₂e/kWh,
 - › Queensland: 0.73 kg CO₂e/kWh
- Singapore Energy Statistics 2023 published by the Energy Market Authority in Singapore: 0.40168 kg CO₂e/kWh

We have adopted the latest available emission factor using the average operating margin ("OM") method for the reporting period.

The GHG intensity is derived by taking total energy direct (Scope 1) GHG and energy indirect (Scope 2) GHG emissions divided by the GFA of common areas.

Indirect (Scope 3) GHG emissions are calculated using emission factors from the following list:

- US EPA for category 1 (Purchased Goods and Services), category 2 (Capital Goods) and category 6 (Business Travel)
- IEA (International Energy Agency), World Bank, Australian National Greenhouse Accounts Factors and Energy Market Authority for category 3 (Fuel- and Energy-Related Activities) and category 13 (Downstream leased assets)

Water Consumption

Water consumption data for FY2022, FY2023 and FY2024 includes data for the whole building. Water consumption for landlord area only has been reported for FY2023 and FY2024. Data only includes properties with full year data available.

Scenario Analysis

AA REIT commenced its climate scenario analysis in 2023 for its global portfolio to understand how the

identified climate-related risks and opportunities could impact future operations. These are the scenarios that AA REIT has used for its climate scenario analysis:

- The Net Zero 2050 scenarios from NGFS assumes that the global mean temperature increases by 2100 from pre-industrial levels would be 1.5°C through stringent climate policies and innovation, reaching global net zero CO₂ emissions around 2050. In this scenario the climate policies are going to be introduced early and become gradually more stringent, which leads to a higher transition risk for companies arising from the regulatory, market, and technological changes.
 - › The BAU – Current Policies scenario for physical risk assumes that global mean temperature increases by 2100 would be 3°C or less. In this scenario, the existing climate policies remain in place but there is no strengthening of ambition level of these policies, which leads to delayed effort in curbing the impact of climate risk to the nature. This will lead to a higher physical risk and lower transition risk.
 - › The BAU – Hot house World scenario for transition risk assumes that global mean temperature increases by 2100 would be 3°C or less due to insufficient global efforts. As a result, critical temperature thresholds are exceeded, leading to severe physical risks and irreversible impacts like sea-level rise.