



Hektar Real Estate Investment Trust

Sustainable Procurement Policy

Version: 1.0

Sustainable Procurement Policy

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|  | Sustainability |
| | SUSTAINABLE PROCUREMENT POLICY |

Aligned with the United Nations Sustainable Development Goals (UNSDGs), Hektar REIT is committed to integrating sustainability into our procurement practices. This policy outlines our expectations for responsible sourcing and applies to employees of Hektar REIT's asset manager, property manager and service providers, including but not limited to suppliers, contractors, and business associates.

Guiding Principles

Hektar REIT's supplier selection process prioritises suppliers that implement sustainable practices in the following key areas:

1. Environmental Friendly

- Minimise the environmental footprint of goods and services throughout their lifecycle (e.g., selecting products or services with minimal adverse environmental impacts from production to disposal).
- Address key environmental issues, including climate change, energy efficiency, water use, and biodiversity conservation.
- Supply goods and services certified with recognised eco-labels.
- Offer take-back services for products at the end of their lifecycle to ensure responsible recycling or disposal.

2. Social Responsibility

- Ensure a safe, inclusive and fair work environment that respects freedom of association, collective bargaining, and prohibits forced labor, child labor, and discrimination.
- Adherence to labor regulations, including Malaysia's Employment Act 1955, with zero tolerance for violations.
- Provide goods and services that are certified with social labels, ensuring adherence to social standards.

3. Suppliers Responsibilities

Suppliers must comply with Hektar REIT's sustainability standards, including:

- Declaration of any hazardous materials requiring special handling or disposal.
- Adherence to all applicable environmental and social laws, with regular evaluation for compliance.

Key Policy Areas

1. Supplier Selection & Evaluation

- Hektar REIT evaluates suppliers based on sustainable practices in addition to price, quality, and service.
- Suppliers are expected to continuously advance their sustainability practices, which Hektar REIT will review regularly.

The Manager
Hektar Asset Management Sdn Bhd

26 November 2024

2. Eco-labels & Social Labels

Suppliers are encouraged to use eco-labels and social labels that certify adherence to environmental and social standards, reflecting commitment to sustainability.

3. Compliance with Employment Act 1955

All suppliers must comply with the Employment Act 1955, which includes guidelines on working hours, wages and workplace standards.

4. Take-back Services

Suppliers with take-back programs are preferred, enabling customers to return products for responsible recycling or disposal at the end of their useful life.

Implementation and Support

1. Training & Communication

Hektar REIT is dedicated to educating employees and suppliers on sustainable procurement practices through regular training and communications.

2. Record Keeping and Documentation

Maintaining thorough records of all procurement activities, including supplier certifications, audit reports, and compliance documents to ensure accountability.