

SUSTAINABILITY STATEMENT



A. INTRODUCTION

At Ajiya Berhad (referred to as “Ajiya” or the “Group”), sustainability is in the heart of our business practices. We are committed to operate in a socially responsible and ethical manner, while generating lasting value for our stakeholders.



B. SCOPE AND COVERAGE

This Statement on Sustainability summarizes Ajiya’s sustainability pledge, initiatives, and accomplishments during the financial year ended 2022. It outlines the overall effect of our efforts on economic, environmental, social, and governance aspects.

This Statement covers our operations in Malaysia only (which covers more than 97% of our revenue) and its reporting framework is prepared as guided by the Sustainability Reporting Guide 2022, 3rd Edition and Toolkits issued by Bursa Malaysia Securities Berhad (“Bursa Malaysia”). The contents selected for inclusion include meaningful and accurate data, balanced views, reliable information as well as complete and timely information. This is to ensure the quality of disclosures in enabling shareholders to gain a better comprehension of the Group’s sustainability performance and its unique sustainability context.



C. EXCLUSIONS, LIMITATIONS AND DISCLAIMERS

While Ajiya acknowledges that there may be significant ESG impacts across its value chain, this report focuses on the impacts of its own operations. Nevertheless, Ajiya remains committed to embedding sustainability practices throughout the entire Group and sharing its ESG commitments with business partners, suppliers and customers. We are also in the process of implementing a more rigorous data-gathering process to address any gaps in our sustainability reporting.

We advise shareholders that forward-looking statements in this report regarding future plans, targets, and expectations are made with reasonable assumptions based on current business trajectories. Actual results may vary as Ajiya adjusts its business strategies and operational decisions to respond to emerging risks, opportunities, and changing circumstances.

Regarding data quality and assurance, all information disclosed in this report has been sourced internally and verified by the respective information owners. The Sustainability Working Committee and Board of Directors have reviewed this report and are satisfied that it provides a fair representation of the Group’s sustainability impacts for the year under review.



ECONOMIC • ENVIRONMENTAL • SOCIAL • GOVERNANCE

SUSTAINABILITY STATEMENT

OUR COMMITMENT TO SUSTAINABLE DEVELOPMENT

In FY2022, our Group had an exciting year as we geared up Ajiya for our next phase of growth by aligning our Company's strategies. Our new Board collaborated seamlessly with our management team, which has a proven track record in the building industry. In addition, we made significant strides in our succession planning by promoting executive management members from within our talent pool of employees, thereby infusing new energy into our management team.

The Board constantly reinforces our commitment to our sustainability journey. Our aim is to offer affordable and sustainable building solutions that inspire trust and commitment within the community. We strive to maintain our position as leaders in the industry by providing innovative and eco-friendly building solutions to our clients and partners. We achieve this by:

- Pushing the boundaries in search of groundbreaking sustainable building solutions that enhance the community's well-being.
- Establishing ourselves as the preferred business partner for our clients by providing constant technical support and value-added services that enhance building efficiency.

We are dedicated to pursuing a sustainable future while adhering to strong governance principles and promoting economic, environmental, and social well-being in the community. Our purpose, vision, and mission statements reflect our unwavering commitment to this journey.



Our Purpose
To Build Trust & Commitment Together



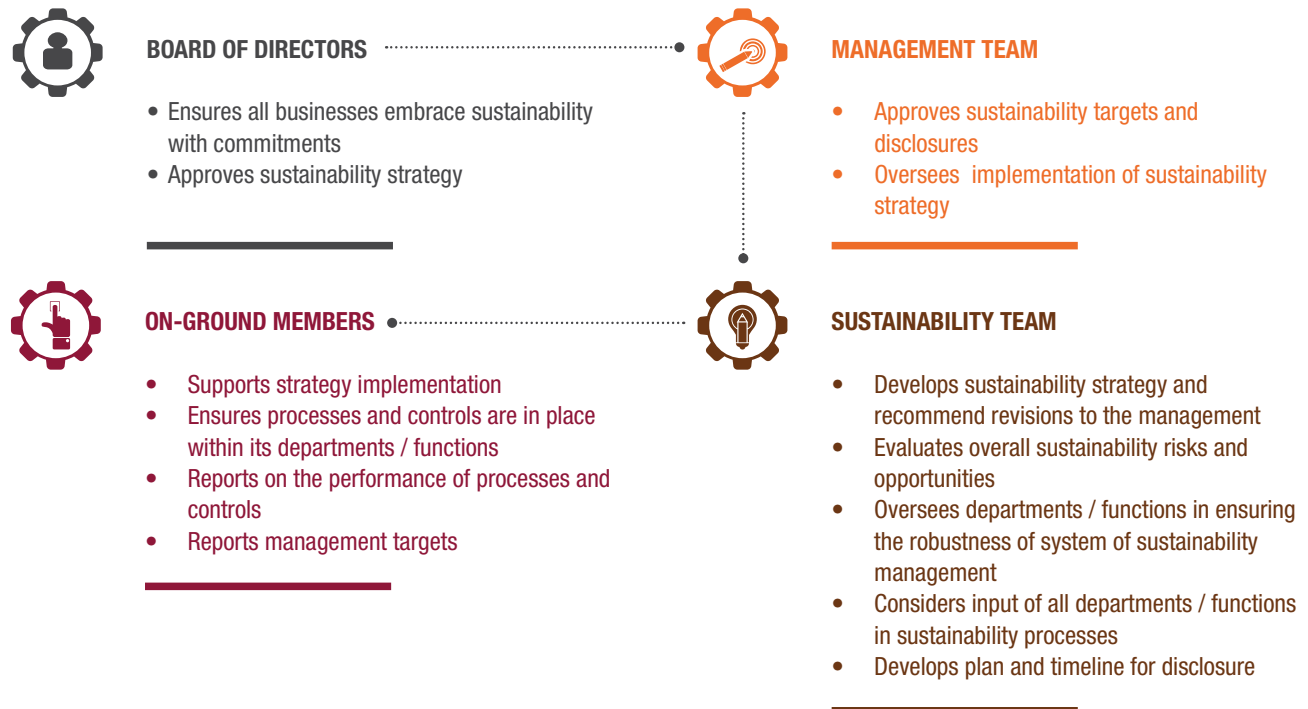
Our Vision
To Enrich Wellbeing for the Community



Our Mission
Explore New Frontiers

SUSTAINABILITY GOVERNANCE

For a company to effectively manage sustainability and achieve successful implementation, committed leadership, clear direction, and strategic influence are vital. At Ajiya, we have established a governance structure that ensures sustainable practices are integrated into our business strategies in alignment with the Group's purpose, vision, and mission.



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STAKEHOLDER ENGAGEMENT

We value meaningful stakeholder engagement. The outcome of the engagement helps us to identify upcoming market trends, anticipate challenges and align our sustainability strategy and business activities with broader interests of the economy, environment and society. The Group consistently engages with our stakeholders via various methods and platforms. The table below illustrates our key focus areas and methods of engagement with our stakeholders:

STAKEHOLDERS	KEY FOCUS AREA	METHODS OF ENGAGEMENT
Shareholders	<ul style="list-style-type: none"> • Profitability • Dividend • Shareholders' value/responsibility 	<ul style="list-style-type: none"> • Annual General Meetings • Company website • Annual Reports
Clients/Customers, Suppliers and Industry Partners	<ul style="list-style-type: none"> • Product and service quality • Timely delivery of products/projects • Payment terms and timeliness • Product innovation 	<ul style="list-style-type: none"> • Customer satisfaction survey and supplier evaluation form • Customer service platforms, including phone calls and emails • Face-to-face meetings • Events and site visits • Company policies compliance declarations • Social media platform
Regulators and Government Authorities	<ul style="list-style-type: none"> • Compliance with laws and regulations • Certifications/awards • Industry best practices and updates 	<ul style="list-style-type: none"> • Compliance and certification exercises • Periodic site visits and audits • Company representation at initiatives/technical working groups • Briefings and training
Employees	<ul style="list-style-type: none"> • Business performance and direction • Career development • Learning and development • Employee welfare and benefits • Employee wellness • Health and safety 	<ul style="list-style-type: none"> • Regular meetings and discussions • Townhall meetings • Annual performance appraisal • Forums, training, and workshops • Sports clubs, i.e., Y2K and One AJIYA Club • Employee events including festive celebrations and annual gathering • Company policies compliance declarations
Local Community, Industry Associations, Academia and Non-Governmental Organisations ("NGOs")	<ul style="list-style-type: none"> • Company reputation and branding • Corporate social responsibility • Best management practices and industry-related research • Partnerships 	<ul style="list-style-type: none"> • Community outreach and development programs • Public events e.g., forums and symposiums • Annual Report • Educational site visits • Briefings and training

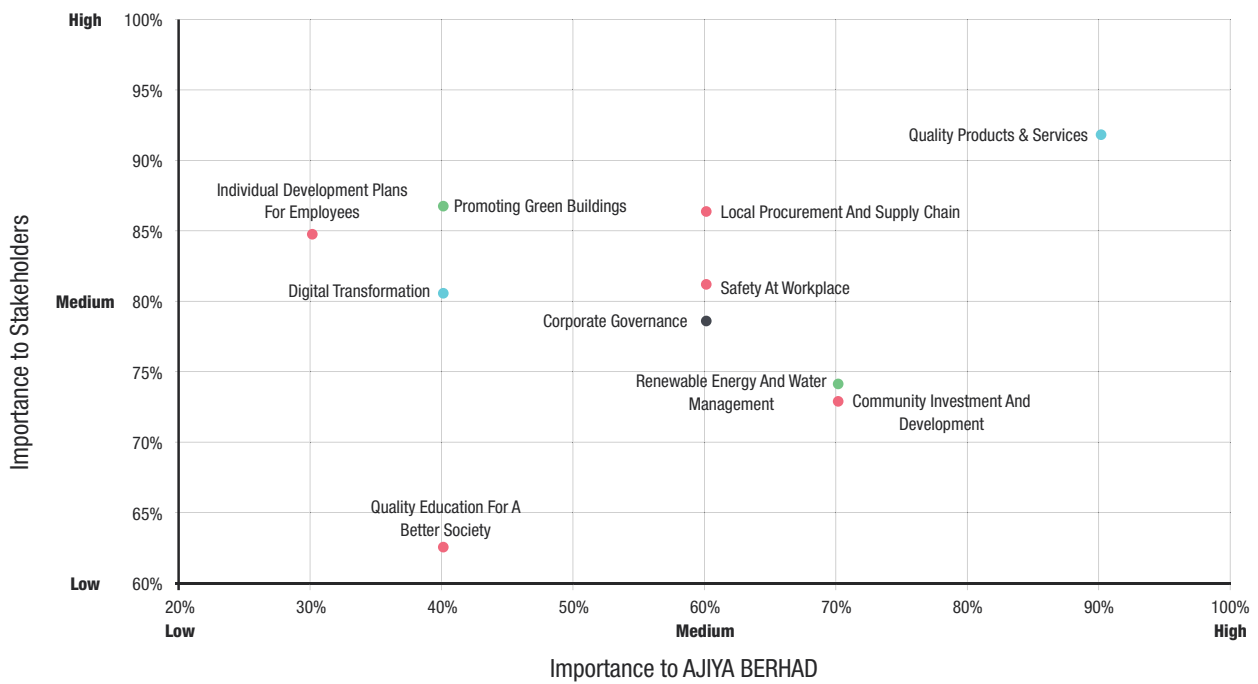
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MATERIALITY ASSESSMENT AND MATRIX

By conducting a comprehensive materiality assessment, we are able to identify relevant sustainability issues and establish the Group's sustainability direction and priorities. Our materiality matrix is developed by considering selected stakeholders, as well as factors that may impact our financial stability and economic growth, and the significance of environmental, social, and governance impacts.

For the year 2022, we conducted a survey questionnaire among selected stakeholders and shortlisted 19 material matters. Many of the sustainability efforts undertaken to address these material matters remained relevant and ongoing despite the economic reopening. Ultimately, we prioritized the top ten (10) material matters that best represent our areas of focus. These material matters are illustrated in the following materiality matrix:

MATERIALITY MATRIX


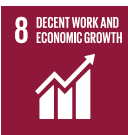










Sustainability pillars	Materiality Matters
E - Economic	1. Quality Products & Services 6. Digital Transformation
E - Environmental	2. Promoting Green Buildings 8. Renewable Energy And Water Management
S - Social	3. Local Procurement And Supply Chain 4. Individual Development Plans For Employees 5. Safety At Work Place 9. Community Investment And Development 10. Quality Education For A Better Society
G - Governance	7. Corporate Governance



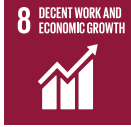




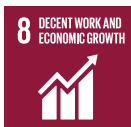





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SUPPORTING UNITED NATIONS (“UN”) SUSTAINABLE DEVELOPMENT GOALS (“SDG”)

The Group has continued to prioritize sustainability by assessing our initiatives against the 17 SDGs established by the United Nations. We have taken the necessary steps to identify the specific goals that align with our contributions. Our focus remains on the most significant sustainability issues, and we have compiled a table summarizing these concerns, mapped against the relevant UN SDGs. This approach has enabled us to align our sustainability efforts with the broader global development agenda, and we are proud to contribute to a more sustainable future for all.

CATEGORY	MATERIAL MATTER	DESCRIPTION	SDG
 Economic	Quality Products and Services	To deliver quality products and services through quality management practices.	
	Digital Transformation	To embrace technological advancement in all aspects of the business to improve productivity, traceability, and data privacy.	
 Environment	Usage of Renewable Energy	To expand the infrastructure and technology to supply renewable energy for company’s usage by reducing the need for unrenovable energy in daily operations.	 
	Promoting Green Building Solution	To promote the use of green building materials and increase our market presence.	  
	Water Management	To preserve water, we aim to decrease usage and minimize wastage, promote water reuse, and implement adequate treatment of wastewater.	

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CATEGORY	MATERIAL MATTER	DESCRIPTION	SDG
 Social	Safety at Workplace	To ensure the safety and health of employees at the workplace.	 3 GOOD HEALTH AND WELL-BEING  8 DECENT WORK AND ECONOMIC GROWTH
	Community Investment and Development	Community enrichment by investing in community development and nurturing skills from the ground.	 2 ZERO HUNGER  17 PARTNERSHIPS FOR THE GOALS
	Quality Education for a Better Society	To invest in quality education to nurture the talents of next generations.	 4 QUALITY EDUCATION  10 REDUCED INEQUALITIES
	Individual Development Plans for Employees	To increase opportunities for employee's career growth & advancement to broaden their skills and add value to the Group.	 8 DECENT WORK AND ECONOMIC GROWTH
	Local Procurement and Supply Chain	To collaborate and partnership between companies, suppliers, and other stakeholders to create more sustainable and resilient supply chains. This includes working together to promote responsible sourcing practices, improve supply chain transparency and traceability, and support local economic development.	 12 RESPONSIBLE CONSUMPTION AND PRODUCTION  17 PARTNERSHIPS FOR THE GOALS
 Governance	Corporate Governance	To ensure that good governance is practiced throughout the Group for business sustainability and also enhancing shareholders value.	 5 GENDER EQUALITY  16 PEACE, JUSTICE AND STRONG INSTITUTIONS

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ECONOMIC



As a responsible corporate citizen, our group recognizes the importance of generating sustainable economic value for our shareholders, customers, and society at large. We are committed to achieving strong financial performance while operating in a responsible and ethical manner, promoting fair competition and supporting economic development in the communities where we operate. We also strive to promote sustainable business practices throughout our supply chain, working with our suppliers and partners to promote responsible sourcing, ethical labor practices, and environmental sustainability. By balancing our economic goals with our commitment to social and environmental responsibility, we believe that we can create long-term value for all of our stakeholders, including our shareholders, customers, employees, and the broader community.



QUALITY PRODUCTS & SERVICES

At Ajiya, we are proud to manufacture, deliver, and provide our customers with high-quality products and services. Ensuring quality excellence is our top priority, as it reflects our dedication to meeting our customers' needs and expectations.

To achieve this, our businesses have implemented Management Systems and Product Standards that are certified by relevant regulatory bodies. The following table provides an overview of the certifications we have adopted, among others:

Division	Standards	Description
Metal Products Division	ISO 9001:2015	Quality Management Systems
	MS 2500:2012	SIRIM Product Certification (PC) & CIDB Perakuan Pematuhan Standard (PPS) – Steel Roofing Products
	BS 476 PART 6 & 7	SIRIM Fire Listed Product, BOMBA Class 0 (Polyurethane Metal Product)
	Pre-fabricated roll-formed steel roof trusses	JKR Certification (Truss System)
	CIS 24:2018	Ajiya Lightweight Steel Framing
	CIS 24:2018	Lightweight Steel Roof Truss System
Safety Glass Division	ISO 9001:2015	Quality Management Systems
	MS 1498:2017	Certified by SIRIM and Perakuan Pematuhan Standard (PPS) (Tempered and Laminated product)
	MS 2666:2016	Insulated Glass Unit Product
	ANSI Z97.1:2009	SIRIM certificate (Tempered Product)
	ASTM C1048	BSI Standard (Tempered Product)
	ASTM C1172	BSI Standard (Laminated Product)
	AS/NAZ 2208:2019	BSI Standard (Tempered and Laminated Products)
	BS EN 12150	BSI Standard (Tempered Product)
BS EN 14179	BSI Standard (Heat Soaked Product)	

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As part of our policy, we conduct an annual customer satisfaction survey to gauge our customers' expectations regarding our product quality, sales process, and services. The feedback gathered from these surveys provides us with valuable insights to remain relevant and better understand our customers' needs. In the current year, we received 473 customers' feedback, compared to 580 in the previous year. Below are the results of our overall performance, showing excellent ratings compared to satisfactory levels for FY2022:

QUALITY PRODUCTS & SERVICES				
Subsidiaries	Asia Roofing Industries	ARI Utara	ARI Timur	Ajiya Safety Glass
Overall Performance FY2020*	74%	85%	77%	78%
Overall Performance FY2021*	86%	88%	77%	78%
Overall Performance FY2022*	84%	84%	82%	85%

* Performance of 75% and above is considered excellent.



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DIGITAL TRANSFORMATION

In today's fast-paced business environment, being agile, precise, fast, and efficient is critical for staying relevant. Even in the post-COVID-19 era, companies continue to accelerate the digitization of customer and supply-chain interactions, as well as internal operations, to remain competitive.

At Ajiya, we continue our digital transformation journey through various collaboration projects involving our in-house research and development team, external consultants, system integrators, and higher learning institutions.

Aligned with SDG 9 - Industry, Innovation, and Infrastructure, our digital transformation initiatives are crucial in driving operational efficiency across our offices and factories. These initiatives include, but are not limited to:

Initiatives	Outcomes and Benefits	Progress
Automating labour intensive manufacturing process	<ul style="list-style-type: none"> • The use of robotic arms and automatic stacking machines enables faster production and increased production capacity; • Saves cost in the long run and eliminates downtime caused by shortage of workers; • Reduces the risk of injury due to workplace accidents; and • On-going automatic stacking machines enhancement. 	Ongoing
Implementing system integrations for horizontal (factory-to-factory) and vertical (shop floor machines-to-business system) interoperability using Artificial Intelligence ("AI") and Internet of Things ("IoT")	<ul style="list-style-type: none"> • Enables interoperability among different functional software; • Streamlines the administrative and manufacturing data collection and analysis for day-to-day monitoring; and • Amplifies administrative and manufacturing efficiency and traceability. 	Ongoing

In addition to the aforementioned initiatives, we have also adopted a hybrid approach that leverages social media platforms for product marketing and customer interactions. This approach includes video calls for teleconferencing, reducing reliance on travel and physical meetings, and the use of various business software applications related to engineering design, business, and human resource administration. These measures improve traceability and reduce paper waste.

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ENVIRONMENTAL



Our company recognizes the vital importance of environmental sustainability and is fully committed to promoting sustainable practices in all aspects of our operations. We have implemented a number of initiatives to reduce our environmental impact and protect natural resources, including increasing our use of renewable energy sources, reducing waste and water consumption, and implementing sustainable supply chain practices. We also work to promote environmental awareness and responsibility throughout our organization, engaging with employees, customers, and stakeholders to promote sustainable practices and reduce our environmental footprint.

PROMOTING GREEN BUILDING SOLUTIONS (SUSTAINABLE ENVIRONMENT)

Our Government places significant emphasis on the development of affordable and sustainable construction materials within the local region, given the rising demand for efficient, cost-effective, and high-quality housing. Ajiya is committed to advocating for the use of our affordable and eco-friendly building materials in modern construction while also striving to be a comprehensive building solution provider. With our AGiBS, which is comprised of eight series of our recyclable metal and energy-efficient safety glass products, a complete house can be built.

Our metal products, such as metal roofing, lightweight structures, door and window frames, are made from galvanized steel and/or aluminium coils, providing long-lasting durability, corrosion resistance, and high recyclability. Our metal roofing is designed with polyurethane (PU) for built-in heat insulation, structural support, and easy installation, maintenance, and solar PV system integration.

Meanwhile, our AGiBS components are prefabricated in the factory and assembled on the construction site, enabling contractors to reduce waste while maintaining flexibility for on-site building modifications.

Our energy-efficient safety glass products are equipped with low emissivity glass coatings, reflecting heat back to the sun while allowing short-wave light to enter the building. Insulated glazing adds further insulation, preventing heat from entering and keeping air-conditioned air inside.

Energy-efficient safety glass products can be used in residential and commercial buildings, including windows, doors, conservatories, and roof lights, to enhance their energy efficiency, reduce energy costs, and minimize carbon footprints.

Since 2009, we have collaborated with the Malaysian Green Building Council (MGBC), which is supported by various professional, industrial, and government sectors, to foster responsible building practices and make green buildings and communities accessible to all Malaysians.

The Group also focuses on waste, carbon emissions, materials and water management as part of our environmental management programmes. It is our responsibility to reduce or minimise the generation of waste at source, reuse and recycle waste whenever possible, send waste for reuse, render waste innocuous before disposal and only dispose waste at facilities approved by the local council and where applicable, for schedule waste, Department of Environment (DOE). There were no legal cases involving non-compliance of discharges in the same reporting year.

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CONSERVATION OF ENERGY AND ENVIRONMENT

Usage Of Renewable Energy

Solar energy has become one of the most widely recognized forms of renewable energy available today. Ajiya Group has taken significant steps towards sustainability by converting most of our energy usage to renewable sources. This has been achieved through the installation of a total of 3.1MWp solar photovoltaic ("PV") systems at our factories.

According to the NEM calculator provided by SEDA Malaysia, our installed solar capacity of 4 million KW/h has resulted in a reduction of approximately 2000 tons of carbon dioxide emissions per year. This is equivalent to the absorption of carbon dioxide by approximately 800,000 tree seedlings grown for a period of 10 years.

Additionally, we have installed the SOURCE, an AI and IoT solution, which allows us to monitor our energy consumption against the energy maximum demand. By doing so, we are able to avoid incurring hefty charges that would otherwise affect our production efficiency.

In line with SDG 7, target 7A – Promote Access, Technology and Investments in Clean Energy, we are also actively promoting the importance and benefits of green energy to the wider community. Our efforts towards sustainability not only contribute to a better environment but also align with our commitment to corporate social responsibility.

a) Energy Management

	2020	2021	2022
Total Energy Consumption (kWh)	11,508,910	8,046,497	8,763,141

b) Waste Management

Total Waste Generated	2020	2021	2022
Total waste diverted from disposal in Tonnes (including recycle of metal scrap)	327	430	425

c) Emissions Management

Total Waste Generated	2020	2021	2022
Scope 1 Emissions In Tonnes (CO2 Generated Minus Solar Energy Generated)	8,138	5,735	6,246

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d) Water Management

At Ajiya, we understand the importance of prioritizing sustainable water management, sanitation, and resource protection. To achieve these goals, we are implementing science-based planning, monitoring, and evaluation tools to allocate water equitably and efficiently, while also considering the environmental, social, and economic impacts of water use.

We are committed to promoting water conservation by reducing usage and minimizing wastage, promoting water reuse, and implementing adequate treatment of waste water. Improving water quality and reducing waste are also critical for preserving water resources and minimizing risks related to water scarcity and pollution.

Moreover, we are taking measures to ensure that our operations do not negatively impact water resources and are implementing appropriate waste management practices, reducing water usage in production processes, and promoting sustainable water use throughout our supply chain.

Overall, we believe that prioritizing sustainable water management practices is not only essential for meeting SDG 6 targets but also for ensuring the long-term sustainability of our business and the communities we serve.

Total volume of water used for the past 3 years is tabled as below:

	2020	2021	2022
Total Volume of Water Used (M ³)	48,728	43,828	47,592

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SOCIAL



At our company, we believe that our success is closely tied to the well-being of our employees, customers, and communities. We are committed to creating a positive and inclusive workplace culture, where diversity and inclusion are valued and all employees are treated with respect and dignity. We also work to support our local communities through charitable giving and volunteerism, and we are committed to promoting social responsibility and ethical practices throughout our organization. By supporting our employees and communities, we believe that we can create a more sustainable and successful business for the long-term.

LOCAL PROCUREMENT AND SUPPLY CHAINS

At Ajiya, we strongly believe in supporting the local economy and communities wherever we operate. As part of this commitment, we prioritize local suppliers whenever possible, provided they meet our standards for quality, reliability, and cost-effectiveness. Our preference for local procurement is driven by several important factors, including the benefits of shorter transportation cycles and reduced resource consumption. By sourcing goods and services locally, we can minimize the environmental impact of our operations and promote sustainable business practices.

In addition to these environmental benefits, local procurement also has significant social and economic advantages. By supporting local businesses, we help to stimulate economic development and create new opportunities for growth and innovation. This, in turn, can lead to the creation of new jobs, the development of new skills and capabilities, and the overall improvement of local communities.

Although we are committed to sourcing locally whenever possible, there are certain cases where we must rely on foreign suppliers due to the unavailability of local options. This is particularly true for certain raw materials that are not readily available in our local markets. However, we are always exploring new ways to reduce our reliance on foreign suppliers and support the growth of local businesses. By working together with our suppliers and stakeholders, we are confident that we can continue to build a more sustainable and resilient supply chain that benefits everyone involved

The proportion of spending on local suppliers is tabled as below:

Total Local Spending	2020	2021	2022
Metal Division	81.66%	78.14%	82.72%
Safety Glass Division	94.05%	87.10%	81.43%

*our major spending is mainly on raw and sub raw materials.



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INDIVIDUAL DEVELOPMENT PLANS FOR EMPLOYEES

At Ajiya, we recognize that the success of our group depends on the quality of our employees. As the backbone and front-liners of our organization, we place a high value on upskilling and improving the knowledge of our employees. To this end, we have always emphasized the importance of training and development for upskilling and reskilling of our workforce.

To achieve our objective of improving the knowledge and skills of our workforce, we have introduced several learning and development programs, such as creating a set of standard operating procedures for our existing and newly employed employees to refer. Additionally, we conduct annual performance appraisals to track the career growth of our employees and address any gaps that we identify.

As part of our commitment to employee development, we have also provided various other training programs for our employees throughout the year 2022. We believe that investing in the training and development of our employees is not only beneficial for our organization but also helps our employees to grow and advance in their careers.

Below is the list of other major training programmes attended by employees throughout the year 2022:

Areas	Training Title
Regulations and Acts	<ul style="list-style-type: none"> Income Tax / PCB Calculations For EPF, SOCSO & EIS Program Pendidikan Perburuhan Mendepani Cabaran Pekerjaan Negara Program Mengenali Perkeso Anjuran Ibu Pejabat Sistem Insurans Pekerjaan Program Libat Urus Jabatan Imigresen Malaysia Negeri Selangor
ISO & Integrated Management System	<ul style="list-style-type: none"> Integrated Management Systems Awareness ISO 9001:2015 Internal Audit Integrated Management Systems Internal Auditor Training on “ISO 14001:2015 Environmental & ISO 45001:2018 Occupational Health & Safety”
Corporate	<ul style="list-style-type: none"> Members Voluntary Winding Up of A Company Closure Of Companies – Winding Up & Striking Off Payments To Directors – What Is Legal
IT/Digitalization related	<ul style="list-style-type: none"> A five-half day workshop “My Reskill IoT Programme” for upskilling and reskilling of employee’s IoT knowledge and skill set.
Product related	<ul style="list-style-type: none"> Training “Roof Truss Installer – RTL1” conducted by CIDB.
Corporate culture and employee wellness	<ul style="list-style-type: none"> Workshop “Team Building Plus-How to Cultivate and Harness Teamwork Successfully At Work”. “Eyes Care Ajiya” event conducted to advocate eye health and the importance of caring for eyes sight. Time Management Root Cause Analysis and Decision Making Delegation plus

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a) Labour And Human Rights

Throughout the years, Ajiya has directly or indirectly delivered a wide range of positive stakeholder impacts. These include job creation, hiring of local talents, provision of education opportunities and development of skills, community development and more.

Ajiya remains cognisant that despite the many positive values created, it must continue to stay vigilant on key social considerations. These considerations include upholding labour and human rights, ensuring occupational health and safety and respecting the rights of surrounding communities.

Another key material social topic is talent management to drive the Group's business growth and progress over the short-, medium- and long-term horizons. For FY2022, Ajiya has not been fined, censured or faced any regulatory action or infringements of any incidence in relation to forced or compulsory labour or child labour.

b) Training Hours:

Employees	Training hours	2020	2021	2022
Staff (including Management)	Total hours	1,591	721	2,740
	Average/employee	5.39	2.45	9.23
Production Worker	Total hours	533	309	1,681
	Average/employee	1.03	0.59	2.63

c) Employees Turnover:

		2020	2021	2022
Staff (including Management)	No. resigned / absconded	39	40	47
	Total pax	295	294	297
	% turnover	13.22	13.61	15.82
Production Worker	No. resigned / absconded	182	209	214
	Total pax	519	524	639
	% turnover	35.07	39.89	33.49

d) Misconduct/Unethical Complaints:

	2020	2021	2022
No. of Complaints	0	0	0

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SAFETY AT THE WORKPLACE

Our OSHA Committee, which is responsible for reviewing workplace safety and health issues on a regular basis, including the establishment of a Emergency Response Team (ERT), is still actively fulfilling its role. To ensure the safety and health of our employees, we have implemented various measures, including:

- Complying with relevant laws, regulations, and company policies.
- Implementing Hazard Identification, Risk Assessment, and Risk Control (HIRARC), with employee feedback and accident investigation processes.
- Reinforcing safe behaviors and conducting regular safety meetings and awareness campaigns.
- Displaying signage and work instructions at each workplace and providing appropriate PPE.
- Continually implementing COVID-19 preventive measures such as guidelines, risk assessments, face mask wearing and sanitization when needed.

In addition to the above stated measures, we place great importance on providing our employees with the necessary training to ensure their safety and well-being while carrying out their tasks. Various safety & health trainings have been organized and conducted for our employees across the Group.

These trainings include but are not limited to: emergency response training, basic occupational first aid, CPR & AED training, eye care Ajiya, manual, machine handling training, and fire safety training. Our employees are also provided with regular updates and reminders on safety procedures and guidelines to ensure that they remain vigilant and informed.

Furthermore, we believe that training and education are essential in promoting a culture of safety within the organization. By providing our employees with the necessary knowledge and skills, we empower them to identify and mitigate potential hazards in their work environment. We are committed to continuously improving our safety measures and training programs to ensure that our employees are equipped with the latest knowledge and skills to carry out their work safely and efficiently. Through these efforts, we aim to foster a safe and healthy work environment for all our employees.



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Our commitment to safety is unwavering, and we strive to achieve zero work-related fatalities. This is reflected in the trend of the number of work-related fatalities, which has remained at zero since 2020, thanks to our stringent precautionary measures. As part of our efforts to support SDG 8 - Decent Work and Economic Growth, we remain focused on promoting safe and secure working environments for all our employees. We will continue to take proactive measures to ensure that our employees are protected from harm and can work in a healthy and safe environment.

a) **Number of work-related fatalities case:**

	2020	2021	2022
No. of Work-related Fatalities	0	0	0

b) **Lost time incident rate (LTIR)**

	2020	2021	2022
LTIR	4.82	6.86	8.46



We continuously conduct training to improve and enhance employees' safety awareness to prevent accidents and incidents. In FY2022, several training programmes have been conducted in an effort to create a safe and healthy workplace for all employees involved. A total of 206 personnel from Ajiya have attended on health and safety-related training program.

Number of employees attended health and safety standards training program:

	2020	2021	2022
No. of Employees	5	10	206

List of Occupational, Safety and Health trainings conducted in 2022:

Training Title
<ul style="list-style-type: none"> • Induksi Keselamatan & Kesehatan Pekerja Binaan • Bengkel OSH Coordinator (OSH-C) • Basic Occupational First Aid, CPR & AED Training • Safe Handling of Forklift Truck • Overhead Crane Safety and Proficiency Course In-House Program • Hazard Identification, Risk Assessment and Risk Control (HIRARC) • Industri Pembinaan Moden (IBS) • Covid Screening Securing Manufacturing Sites in Times of Variants & Vaccination • Hearing conservation

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COMMUNITY INVESTMENT AND DEVELOPMENT

At our Group, we firmly believe in the value of community investment and development. We recognize that it is not only important for building strong and lasting relationships with local stakeholders but also contributes to long-term improvements in the life qualities for communities. As part of our ongoing commitment to community development, we have implemented various social and community development programs, both in monetary and in-kind contributions.



This year, we continued to give back to our community through our employees's active involvement in the Group's social clubs, such as Ajiya One and Y2K Club. Our employees visited and made donations to shelter homes in Segamat and Persatuan Kebajikan Kasih Segamat, providing goods and financial aid.

In the financial year 2022, our total donation amounted to RM232,955. We are committed to continuing our efforts to positively impact our local community through meaningful contributions and development programs. By investing in our community, we hope to create an environment that is conducive to business and a better quality of life for all.

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QUALITY EDUCATION FOR A BETTER SOCIETY

At Ajiya, we strongly believe that quality education involves both theoretical frameworks and practical applications and strategies. It is the foundation of a better society and we are committed to fostering a culture of inclusive and quality education. We understand that education is not just a social responsibility but also a driver of sustainable economic growth.

To support this vision, we collaborate with several universities to provide research opportunities to students. Our goal is to enhance the manufacturing process efficiency and productivity as well as the effectiveness in thermal insulation of our roofing. This collaboration provides students with practical knowledge and real-world experience to prepare them for professional work in their future workplace. In addition, we have hired interns to equip them with practical knowledge and prepare them for the workforce through our industrial trainee program.

We are also dedicated to improving vocational education by participating in curriculum advisory panels and public speeches on civil engineering programs in local polytechnics and universities. Our Ajiya Green Integrated Building System (“AGiBS”) training center in Shah Alam is recognized by CIDB as a “Pusat Latihan Bertauliah IBS” for IBS Metal Structure Framing System. The center offers hands-on training to the public on how to fabricate wall systems using AGiBS, which equips participants with new skills and knowledge in relation to technical and modern construction project management.

Our commitment to education extends beyond technical skills to the academic achievements of our employees’ children. We present the “Anugerah Pelajar Cemerlang” award to students who excel academically. This award is a sign of encouragement and recognition of the children’s efforts, which we hope will inspire them to pursue greater excellence.

Our efforts align with UN SDG 4 (Quality Education), which aims to increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs, and entrepreneurship by 2030. Additionally, our Ajiya scholarship programs have benefited many students in pursuing their higher education.

We believe that investing in education is critical to building a sustainable future. By providing opportunities for learning, we can empower individuals to create positive change in their communities and beyond.



SUSTAINABILITY STATEMENT



Ajiya recognizes the significant role of education in promoting social mobility and economic development. We understand that access to education is a fundamental right, and we are committed to playing our part in addressing the issue of education inequity in the communities where we operate.

In line with this commitment, the Group has taken several initiatives to support educational development, including the provision of scholarships to deserving individuals. We firmly believe that these scholarships can help to create opportunities for those who might not have access to education otherwise, and we are proud to have contributed towards this cause.

For the financial year 2022, the Group has contributed a total of RM16,512 towards scholarships. These scholarships are awarded to students who have demonstrated academic excellence, financial need, and a commitment to community service. We believe that investing in education not only benefits the individual students but also strengthens the communities in which they live and work.

Total amount invested in the community where the target beneficiaries are external party to the Group

	2020	2021	2022
Total Amount Donated for The Needy Community	211,300	1,791,570	232,955
Value of Scholarship/ Financial Aids	5,715	8,872	16,512

SUSTAINABILITY STATEMENT



GOVERNANCE

Our company is dedicated to upholding the highest standards of corporate governance, transparency, and accountability. We have implemented robust governance policies and procedures, including a strong code of ethics and conduct, to ensure that our business practices are ethical and legal. We also have a strong commitment to transparency, regularly reporting on our performance and engaging with our stakeholders to promote transparency and accountability throughout our organization. By maintaining strong governance practices, we can build trust and confidence with our stakeholders and create a foundation for sustainable success.

CORPORATE GOVERNANCE

In addition to focusing on business performance, Ajiya recognizes the significance of integrity, transparency, and dedication for sustaining the business and enhancing shareholder value. The Board and the Management are committed to cultivating a positive corporate culture that fosters ethical and professional conduct among all employees.

To achieve good corporate governance, the Board has established policies and procedures such as the Code of Ethics and Conduct, Corporate Disclosure Policy, Whistleblowing Policy, and Anti-Bribery and Anti-Corruption Policy. More detailed information about the Group's corporate governance practices during the financial year 2022 can be found in the Corporate Governance Overview Statement and Corporate Governance Report in the Annual Report 2022. The Group's commitment to promoting good corporate governance demonstrates its commitment to responsible business practices that align with its values and principles.

Below are the list of corporate governance training sessions and seminars attended by the Board and our employees during financial year 2022:

PROGRAMMES

- Ajiya ESG Roadmap and SDG Mapping
- ESG+ 'T': Global Megatrends to Watch Out For
- SC's Audit Oversight Board (AOB) Conversation with Audit Committees
- The Board "Agender"

In FY2022, Ajiya was neither fined nor censured by regulatory authorities for any environmental, socio-economic, corporate governance or anti-corruption, non-compliance or misconduct. We achieved zero incidence of corruption, customer data breaches and regulatory non-compliance.

As a matter of policy and practice, we require all employees to be briefed on and sign the "Director and Employee Free Anti-Corruption" declaration. In the fiscal year 2022, we ensured that all our new employees, across different categories, received this briefing and signed off on the declaration.

a) Anti-corruption

No. of Complaints	2020	2021	2022
Corruption	0	0	0
Regulatory Non-Compliance	0	0	0

b) Data Privacy and Security

No. of Complaints	2020	2021	2022
Data Privacy and Security	0	0	0

c) Diversity

At Ajiya, we embrace diversity and inclusivity as we believe a diverse and respectful culture is the key to boosting employees morale, retaining talent and improving productivity. We are committed to providing equal opportunities in recruitment and career growth, and have zero tolerance for discrimination whether based on gender, ethnicity, nationality, cultural background, marital status, disabilities, political inclination, religion, sexual orientation or age.

SUSTAINABILITY STATEMENT

DIVERSITY OF BOARD AND EMPLOYEES OF THE GROUP:

i. By Age

	AGE	2020		2021		2022	
		(pax)	(%)	(pax)	(%)	(pax)	(%)
Production Worker	< 30	213	41.04	236	45.04	299	46.79
	30 - 50	292	56.26	270	51.53	317	49.61
	> 50	14	2.70	18	3.44	23	3.60
	Total	519	100.00	524	100.00	639	100.00
Staff (including Management)	< 30	49	16.61	42	14.29	41	13.80
	30 - 50	214	72.54	214	72.79	206	69.36
	> 50	32	10.85	38	12.93	50	16.84
	Total	295	100.00	294	100.00	297	100.00

ii. By Gender

	GENDER	2020		2021		2022	
		(pax)	(%)	(pax)	(%)	(pax)	(%)
Production Worker	Female	9	1.73	11	2.10	18	2.82
	Male	510	98.27	513	97.90	621	97.18
Staff (including Management)	Female	135	45.76	134	45.58	141	47.47
	Male	160	54.24	160	54.42	156	52.53

iii. Total Workforce

	2020	2021	2022
Malaysian	624	627	641
Non-Malaysian	190	191	295
Total Workforce	814	818	936



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