

# SUSTAINABILITY STATEMENT

At Apex Equity Holdings Berhad ("Apex"), we are committed to our endeavour as a financial services provider, business partner, employer, community member and a value creator for our shareholders. For years, we have emerged as a niche broker group tapping on the unique diversity of our people, market skills and expertise to support commerce across and within our markets. We provide a reliable channel for our clients to invest in the Malaysian and foreign capital markets. As part of our sustainability journey, we will continue to engage our stakeholders to ensure that we evolve to sustain in the long run and achieving our goals as well as enhancing the well-being of our stakeholders.

Our Sustainability Statement ("this Statement") focuses on Apex Equity Holdings Berhad's ("Apex") group ("Apex Group")'s sustainability practices in relation to on the economic, environmental, and social impacts of our activities and initiatives in accordance with the Global Reporting Initiative ("GRI") Standards, prioritizing our focus on reviewing our material issues and mapping out our route forward to embed sustainability throughout our business operations.

Apex Group is committed to building a niche business model that suits its strength and capability competing in the marketplace. Apex's sustainability strategy aims to deliver lasting value to its shareholders, stakeholders, and employees.

Our sustainability practices and preparation of this Statement are guided by the Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements ("MMLR") Sustainability Reporting Guide issued by Bursa Securities and guidelines issued by the GRI.

This Statement contains certain forward-looking statements relating to future performance where such statements are premised on current assumptions and circumstances, which could change, hence they necessarily involve uncertainty. Various factors could cause actual results to differ materially from those expressed or implied by these forward-looking statements.

## REPORTING STANDARDS

Our reporting approach is based on the framework and guidance provided by GRI in accordance with the "core" option of the GRI Standards, adhering to the GRI Principles for defining report contents as follows:

- **Stakeholder Inclusiveness** - Being responsive to stakeholder expectations and interest
- **Sustainability Context** - presenting performance in the wider sustainability context
- **Materiality** - focusing on issues where we can have the greatest impact and that are most important to our business stakeholders
- **Completeness** - including all information that is of significant economic, environmental and social impact to enable stakeholders to assess Apex Group's performance.

## REPORTING SCOPE AND BOUNDARIES

This Statement covers the reporting period from 1 January 2022 to 31 December 2022 ("FY 2022") and based on material topics that we have identified. Our focus for FY 2022 was on reviewing our sustainability approaches which covers economic, environmental and communal other than governance. Our scope and boundaries cover all our entities and operations in Malaysia.

## OUR APPROACH TO DRIVING SUSTAINABILITY

Our approach to sustainability is based on our core values of excellence, united we achieve, integrity, humility and building relationship, supported by policies and procedures. We consistently embed sustainability into the core of our business, and seek to continuously improve upon all aspects of our sustainability journey, including our approach, processes and performance. The following value-added sustainability framework forms the basis of Apex's steps to strengthen our approach to sustainability.

## SUSTAINABILITY STRATEGY

- To assess long term sustainability of Apex Group, through direct board oversight and delegation to Corporate Sustainability Committee ("CSC") which will assess major business and operating strategies, including the environmental, social and governance ("ESG") issues.
- To conduct analysis on sustainability challenges affecting key Apex stakeholders including employees, investors, suppliers and customers.
- To conduct systematic performance review and identify areas for improvements.
- To provide quality services to all of Apex's clients as they are the most valuable stakeholders.

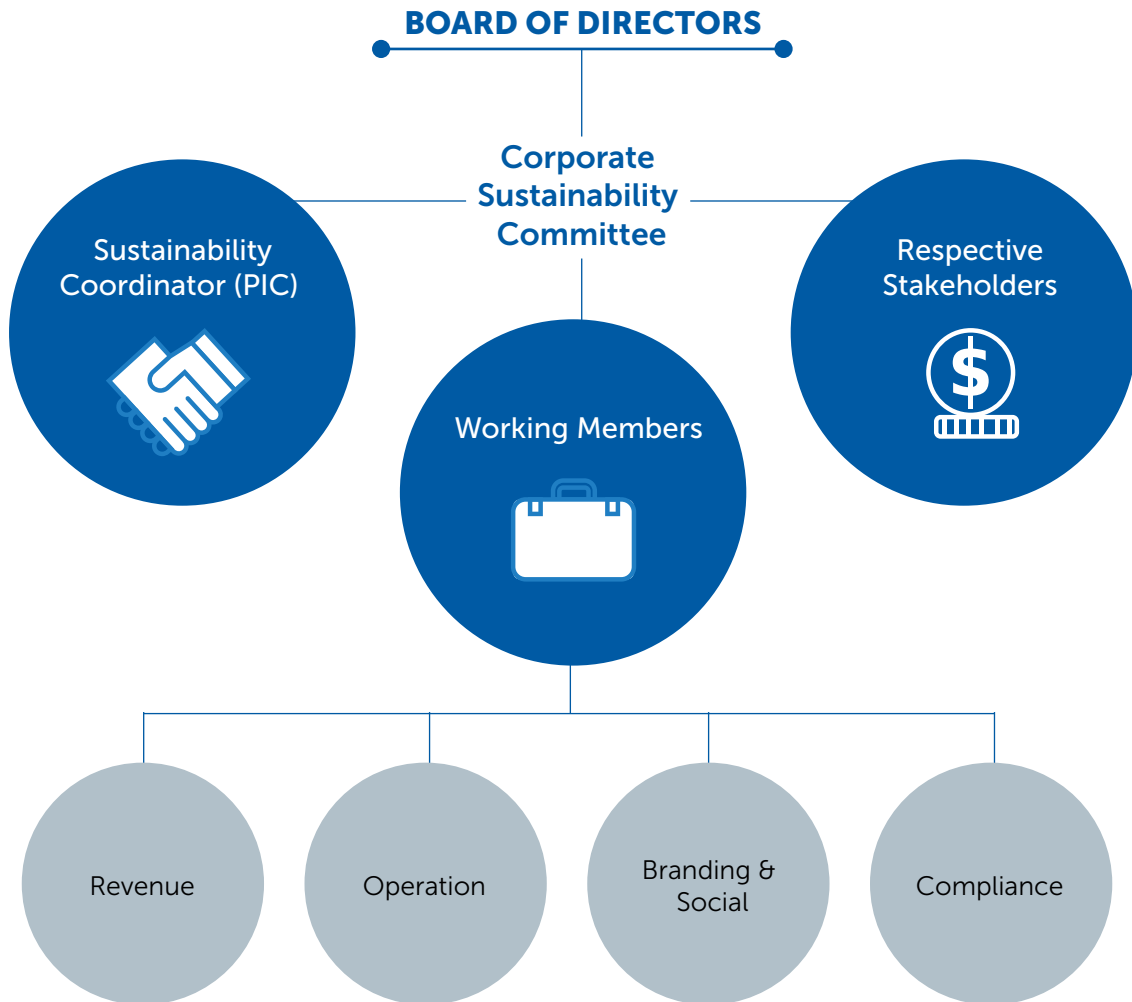
# SUSTAINABILITY STATEMENT (CONT'D)

## SUSTAINABILITY GOVERNANCE

All matters related to sustainability in Apex are governed and managed across various levels in the organisation. We strive to maintain high standards of corporate governance best suited to the needs and interests of our Group. Our Board has the ultimate responsibility and works together with the key senior management team to steer the Apex Group's sustainability efforts and performance.

In line with sustainability, we ensure that the sustainability efforts are embedded in the strategic direction of the Apex Group by involving all the pertinent working members. Due to numerous changes in Board of Directors of the holding company, the CSC was led by the Chief Executive Officer ("CEO")/Executive Director of the principal subsidiary for the FY 2022. The working members comprise all departments and operational units responsible for implementing the initiatives within the organisation. Moving forward, the Group Executive Director will steer the CSC.

The CSC of Apex is set out as follows:



# SUSTAINABILITY STATEMENT (CONT'D)

## Roles and Responsibilities of CSC

To deliberate matters pertaining to ESG by involving relevant working members.

To assist in the sustainability reporting enhancement and to support comprehensive sustainability efforts.

To enhance the materiality factors, metrics and targets to measure issues that are material to the business and move towards bench-marking the progress against international standards of sustainability reporting.

To strengthen the approaches on sustainability in terms of strategy, governance, materiality, economic, environmental and social.



## Roles and Responsibilities of the Working Members

To plan, coordinate and implement sustainability initiatives.

To recommend milestone and timeline, deliverables and outcome of initiatives to the CSC.

To monitor and track departmental or business unit's initiatives aligning to sustainability.

To assemble input from the relevant departments and functions of the overall operational management of the sustainability matters.

To involve in the identification of material matters and material assessment process.



The following policies adopted by Apex Group serve to embed our commitment towards responsible corporate governance across our operations:

- Sustainability Policy with focus on ESG
- Group Risk Management Policy & Procedures
- Human Resources & Administration Policy on Code of Conduct/Ethics
- Personal Data Protection Policy & Procedures
- Remuneration Policy & Procedures
- Related Party Transaction Policy
- Anti-Bribery and Corruption Policy ("ABC") & Procedures
- Business Continuity Plan including Pandemic management, including prevention and control measures

# SUSTAINABILITY STATEMENT (CONT'D)

In order to facilitate awareness, the above policies are communicated to our employees on the Group's intranet and notice board, and to the wider stakeholders such as suppliers, contractors, business partners and associates on our corporate website. We require all employees to abide by these policies and our ethical standards as stipulated in our employee handbook as they deliver excellence for the Company. In encouraging high standards of honesty and integrity in decision-making and behaviour, we encourage employees to consider the ethical implications and all other aspects of our ethics programme before giving and receiving gifts, in their dealings with third parties such as stakeholders, partners, vendors, and the general public.

We shall strive to ensure that our employees continue to uphold the value of integrity, act professionally and ethically. In 2022, we conducted a session of ABC training programme for management and staff to provide them with in-depth understanding of fraudulent acts and to promote integrity through ethical principles in the course of their duties.

## OUR MATERIALITY ASSESSMENT PROCESS

Despite the challenging operating environment, Apex continues to practice prudence and stay focused on delivering quality growth, while being watchful of emerging risks.

The process of identifying our materiality matters is as below:



## 1. Objectives & Scope

The Objective of the CSC is to build a sustainable business for generations to come, and to further embed sustainability practices on the businesses to improve the overall sustainability performance.

Apex undertakes continuous materiality study within the top and middle management to determine the objectives and scope of the sustainability reporting covering all our subsidiaries remain relevant.

## 2. Identification of Relevant Sustainability Matters

The process initiated aims to address sustainability issues relevant to Apex and its stakeholders by identifying relevant material factors and managing the associated risks. In generating the material factors, the Group assesses the operating environment and emerging trends affecting our sector. We then engaged with the internal stakeholders, the various working members, to derive the sustainability matters. The references include Bursa Malaysia's Sustainability Reporting Guide and Toolkits, and international standards such as the Global Reporting Initiative Standards.

We review material factors and sustainability matters in order to ensure that our understanding of both the current and future risks and opportunities facing our markets is adequately addressed, as well as to gather stakeholder perspectives and ensure we are responding to their needs. As we update our material factors, we will continue to address them in a holistic and integrated manner, which may involve developing new policies and procedures, implementing various initiatives, measures and action plans, setting indicators as well as to establish a proper mechanism to capture, analyse and report sustainability data and information.

## OUR MATERIAL FACTORS

The materiality process involved several steps including:

- Identification of potential material topics by reviewing GRI aspects, benchmarking against key corporate peers and analysing past reports, which reflects the feedback from customers, community representatives and employees generally.
- Inventory of aspects and topics most important to external stakeholders, customers and their supply chain vendors, based upon requests, surveys and ongoing engagement during the reporting period.

# SUSTAINABILITY STATEMENT (CONT'D)

The prioritisation of the material issues is listed in the table below:

## Key Materiality

Material Factors	Description	What Are The Risk	What Are The Opportunities
Competition	Apex is exposed to competition within the industry.	Lesser chance to secure business will impact the business and performance	<ul style="list-style-type: none"> <li>• Niche market products could be offered.</li> <li>• Regional partnerships.</li> <li>• Improved technology-based platform.</li> </ul>
Market Stability	An effective and balanced regulatory framework for client's protection while facilitating business efficiency and innovation.	Any breach in regulation, lack of effective corporate governance (CG) that undermines integrity or stability will influence stakeholder confidence	<ul style="list-style-type: none"> <li>• Having a robust approach to engender trust and confidence, which encourages participation and growth</li> <li>• Fostering a strong CG and sustainability culture will foster confidence from investors.</li> </ul>

The prioritisation of the material factors was based on the impact it has on our operating environment. The Group has taken the necessary measurements and actions to manage the sustainable materiality in order to be in line with its corporate strategy.

## Material Factors - Significant Impact

No	Factors	Why Material	Managing Materiality
1	Market Conditions and Apex's position	Market condition affects all businesses in every industry. Knowing Apex's position will enable right business decisions.	Conducting assessment of Apex's strength and weaknesses will enable Apex to grasp opportunities and avoid or mitigate threats.
2	Liberalisation of the Regulatory Framework	Direct impact on the revenue and business.	To keep abreast with the regulatory changes will allow Apex to focus on its ability to compete and sustain in its business.
3	Optimization of Resources	To help the operations/ business processes become efficient and effective.	Taking the necessary measures to ensure that all our resources are being optimised through Information Technology automation and integration, as well as sufficient human resources via talent development and retention.
4	Compliance with Regulatory Requirements and company's Policies and Procedures	Compliance with laws, business rules and regulations is one of our main business requirements.	Ensure we have a sufficient staff force who are adequately trained to carry out their responsibilities to meet operational needs and compliance obligations.
5	Cyber Security	Cyber threats and data breach could devastate the entire operations and business continuity.	To protect against cyber-attacks and to continuously enhance our cyber security measures.
6	Service Quality	It is part of our core business value to satisfy needs of all our customers. Ability to satisfy the customer would ensure retention and sustainability of our business.	By obtaining prompt stakeholder feedback to gauge our service quality and customer satisfaction level.
7	Corporate Governance	To ensure that the company adheres to CG policies and framework, procedures, rules and regulations. Non-compliance will result in loss of confidence in the company.	Good governance is conducted via various board committees and management sub-committees. The board ensures and oversees governance policies are adhered through engagements with Internal Audit, Compliance and the Risk Management committee.
8	Integrity and Anti-Bribery/Corruption	Corruption and failure in upholding integrity will tarnish corporate image and disrupt business activities due to trust deficit.	To inculcate a corporate culture of integrity through top-down briefings and training to educate staff on the need to maintain high integrity values and the adverse consequences of corruption on an organization.

# SUSTAINABILITY STATEMENT (CONT'D)

## 3. Our Stakeholders Engagement

We recognise that on-going communication with stakeholders is essential for our growth. Our interaction involves a large number of different stakeholder groups and such engagement is important to ensure that we can identify, prioritize and address material matters which can be adopted in our business strategies. All issues raised by stakeholders are brought to the attention of the Management Taskforce meetings by the respective business and functional units. On-going engagements where applicable, are carried out on a regular basis as they are integral to our business development, relationships with stakeholders and commitment to sustainability.

Our key stakeholders are outlined in the table below, along with the forms of engagement and key topics of interest that we seek to address. We plan and deploy responsible stakeholders' engagement and promotion activities to communicate with the targeted stakeholders through various platforms, both internally and externally, to upkeep our corporate brand and strengthen our presence in the industry.

Stakeholder Group	Engagement Approach	Engagement Focus & Objectives
<b>Customers</b>	<ul style="list-style-type: none"> <li>Customer service and contact centre</li> <li>Online trading platform</li> <li>Market Updates &amp; Strategy campaigns</li> <li>Research coverage and articles online</li> <li>Apex e-game as trading simulation</li> <li>Constant engagement with tenants</li> </ul>	<ul style="list-style-type: none"> <li>Customers' feedback improves our delivery</li> <li>Availability of access to various markets and investment products allow diversification</li> <li>Provide investment leads and opportunities</li> <li>Promote e-game with incentives as a training platform for stock trading skill development</li> <li>Customer complaint management</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>Employees appraisal</li> <li>Other employee engagement (such as townhall meetings, annual festive celebrations and sports club events)</li> <li>Career progression opportunities</li> <li>AMLA and Anti-Corruption training needs</li> <li>Human resources development and management</li> </ul>	<ul style="list-style-type: none"> <li>Assess employees' ability</li> <li>Provide work life balance</li> <li>Performance evaluation and reward</li> <li>Career progression, employee skill development needs</li> <li>Adherence to code of ethics/conduct besides compliance culture and value building</li> </ul>
<b>Business Partners</b>	<ul style="list-style-type: none"> <li>Remisiers and Futures Broker Representative ("FBR") engagement</li> <li>Supplier evaluations and selection</li> <li>Contracts &amp; Agreements with Anti-Corruption &amp; Bribery clauses</li> <li>Procurement Evaluation Process for good decision-making and approval</li> </ul>	<ul style="list-style-type: none"> <li>To understand remisier/FBR's needs</li> <li>Continuous education and skill development for our Reps to service clients</li> <li>Integrity pledge by Reps and suppliers</li> <li>Supplier assessment and review</li> <li>Procurement process to source suitable vendors and alternative products if any</li> </ul>
<b>Regulators and Government Authorities</b>	<ul style="list-style-type: none"> <li>Participation in regulators' &amp; government events, briefings and consultations</li> <li>Liaison with government/ regulatory bodies for application/ document submissions</li> <li>Compliance with rules and regulations of Bursa &amp; SC, and other governmental or regulatory bodies</li> <li>Consistent fact finding and fact sharing communication with regulators</li> </ul>	<ul style="list-style-type: none"> <li>Continuous communication to obtain updates on relevant information and issues of concern</li> <li>Obtain and keep abreast of latest regulatory updates, pronouncements or announcements</li> <li>Rules and regulatory compliances and submissions under the oversight of Compliance and Internal Audit departments</li> <li>Monitoring of any non-compliance by customers, agents, representatives or suppliers by consistently engaging with regulators</li> </ul>
<b>Community</b>	<ul style="list-style-type: none"> <li>Corporate Social Responsibility ("CSR") programmes</li> <li>Sponsorship and donation</li> <li>Apex Sport Club events to promote harmonious relationship among employees</li> </ul>	<ul style="list-style-type: none"> <li>Community engagement and support financially or non-financial via the Sports Club</li> <li>CSR contribution (e.g., donations to needy organizations/orphanages) annually</li> </ul>
<b>Media</b>	<ul style="list-style-type: none"> <li>Media interviews or enquiries as part of investor relations</li> <li>Press conference or release where necessary</li> <li>Analysts' reports or comments quoted by the media on their stock or market coverage</li> </ul>	<ul style="list-style-type: none"> <li>Notification of relevant General Meetings or significant events</li> <li>Media enquiries on our Group's results, activities or industry developments</li> <li>Research reports and coverage of certain stocks being highlighted by media requiring further elaboration</li> </ul>

# SUSTAINABILITY STATEMENT (CONT'D)

## Shareholders & Investment Community

- Apex General Meetings
- Analyst briefings and updates
- Financial result announcements
- Bursa announcements on Quarterly Financial Results and Annual Reports
- Apex website for posting of information on the Group's Vision, Mission, activities, policies and key personnel
- Apex E-Trade website for stock and derivatives market information and trading

## 4. Assessment and Prioritization of Material Sustainability Matters

Apex has undertaken a stakeholder prioritization and engagement process to engage with its stakeholders. These include on-going efforts to engage with stakeholders in the usual course of business through the day-to-day operations, as well as specific engagements carried out to seek stakeholders' feedback. The outcome of these engagements was considered in the course of the Group's materiality assessment.

The applicability and relevance of the identified sustainability matters were reviewed by the CSC through internal meetings with the members of senior management, in accordance with research findings, peer companies benchmarking and the management's evaluation. As part of the process in conducting the materiality assessment of sustainability matters, the Group has conducted the following specific engagement processes:

- Determining the key stakeholders with whom the Group should engage, and carrying out assessments to identify key stakeholders based on each stakeholder's influence and dependence by the Group.
- Conducting discussions to gather inputs to gauge stakeholders' concerns in arriving at the list of sustainability matters identified.
- Taking into account feedback from clients and dealer's representatives gathered through various channels during the course of conducting its business.

## 5. Process Review

The management constantly reviews and improves the processes and outcome of the process including managing its material sustainability matters in its business and operations.

## ECONOMIC

Economic scenario remains as our core element based on market conditions and global uncertainties such as the supply chain disruption stemmed from the Russia-Ukraine war, global inflation, interest rate hikes by central banks around the world, risk of recession and unfavourable domestic factors, such as weaker currency and changes in policies by the new government, which overshadow our country's post-COVID-19 economic rebound and corporate earnings recovery.

The Apex Group has taken greater efforts in identifying critical risk areas which influence the strategy of its businesses. Our commitment to business is focussed on strong corporate governance and prudent management in view of challenging internal and external environment.

Despite the uncertain and challenging times ahead, the Apex Group will constantly strive to achieve its targeted business growth. The Group will also remain committed in building its business and capitalizing on any opportunities for expansion besides providing diversified products and offerings. On cost optimization, the management is exploring the idea of leveraging on digitalization and automation to achieve greater productivity and operational efficiency whilst minimizing overheads to remain competitive in the industry. Also, the Group will continue to keep abreast with the regulatory reform and to strictly adhere to regulatory rules and guidelines with updated corporate governance framework and requirements being implemented. Our vigorous pursuit of high quality and comprehensive solutions have led to increasing local recognition, positioning us strongly to capitalise on significant opportunities in the coming years.

# SUSTAINABILITY STATEMENT (CONT'D)

## Data Protection and Security

We process significant quantity of personal and sensitive data due to the nature of our business. We respect privacy rights and are committed to provide privacy-compliant services to our valued customers through responsible data security management. We do not use customer data for secondary purposes without approval. Sensitive and personal information is handled strictly in accordance with the Personal Data Protection Act 2010 that serves as an integral guidance to the Company. To maintain the integrity of the company data, our IT Access Control and User Access Management Policies list clear guidelines safeguarding access to IT systems and applications. Access to all sensitive information is protected by access controls to ensure it is not improperly disclosed, modified, or rendered. To strengthen our system, we enhanced our IT security features which include firewall and antivirus to protect against viruses, malware exploits.

Information security materials are made available on our intranet to better educate employees on prevailing risks, especially in the handling of sensitive corporate data, in compliance with the Personal Data Protection Act 2010.

## ENVIRONMENTAL

Apex's nature of operation does not have significant impact on the environment. However, we consider the direct and indirect impact of our business on the environment and manage our ecological footprint as we grow. As a responsible company, we endeavour to play our part in inculcating a culture of responsible management in energy use, waste management, pollution, and greenhouse gas emissions across our business operations, including adhering to all applicable laws, regulations and standards related to the environmental protection.

Apex has continuously engaged with clients to adopt e-contract notes and e-statements.

## ELECTRICITY MANAGEMENT & CONSUMPTION

Apex encourages all its employees to conserve electricity and takes a holistic view towards energy reduction by promoting eco-friendly practices in the workplace. These includes installing energy saving LED light bulbs in our office, promoting e-statements, e-contract note, paperless environment and recycling papers in the work place to reduce the use of paper for communication purposes both internally and externally.

We understand that the energy management is essential for combating climate change and for lowering an organization's overall environmental footprint. Our electricity supply is from the local supply and we aim to minimize the energy usage in our offices by implementing the following efforts:

- A lighting schedule across key areas in our office to switch off lights during certain hours of least use.
- Maintenance and replacement of electrical equipment and light fittings to maximize energy efficiency.
- Educate staff to switch off lights, water dispenser, air conditioning, or other electrical appliances in office and pantry when they are not required.

The electricity consumption is as below:

Environment	2020 RM	2021 RM	2022 RM
Total Electricity Consumption	586,141.49	448,173.85	471,968.21

We aim to reduce electricity consumption by 5% in 2023 and also looking into feasibility study on installing solar panel to promote green energy.

## WASTE MANAGEMENT

The Group's business activities and operations do not generate hazardous waste. However, we acknowledged that the environmental impact of paper usage is significant. The Group's approach to waste management is to avoid unnecessary plastics and paper consumption and waste generation, where possible and appropriate, in order to reduce the wastage. Apex has always looked at ways including the following paper management:

- Avoiding printing and photocopying and emphasising on paperless via electronic mode. In addition to this, practise of double-sided printing or reducing the size to have the best economical usage of papers.
- Reusing – by printing on the other side of the printed papers.
- Recycle – recycle the used and shredded papers by having proper recycling bins.

## RECYCLING OF RESOURCES

We promote the principles of reduce, reuse, and recycle to extend product life, where applicable, to drive organisational green behavioural change and inculcate green minded employees in the workplace. All our employees are encouraged to go paperless in carrying out our daily work and only print physical copies of documents as necessary (double-sided and in black and white, if practicable). Additionally, we have adopted the practice of circulating e-meeting papers whereby documents and files are transmitted via soft copies.



# SUSTAINABILITY STATEMENT (CONT'D)

## CORPORATE SOCIAL RESPONSIBILITY

### The Importance of Community

The Group is committed to promote CSR whilst pursuing business growth to enhance shareholders and stakeholders value. We continue to uphold values for safety, quality, integrity, diversity, innovation and sustainability have shaped our on-going commitment to CSR and have challenged us to reach even higher to ensure we are a responsible corporate citizen, employer of choice, and a positive contributor to the economy.

A strong commitment to social responsibility can protect and enhance a company's brand. As the word gets out about a company's good works, it can help create a positive working environment and attract potential employee with a strong commitment to CSR programmes.

### Our Approach

#### Workplace

Apex aspires to be the employer of choice. To maximise productivity, the basic substance is to have the right people for the right tasks. To achieve optimum productivity, the Group:

- Provides a clear career path to all employees;
- Endeavours to enhance their skills and competencies through training & development programmes; and
- All employees are provided with a comfortable and functional workplace.

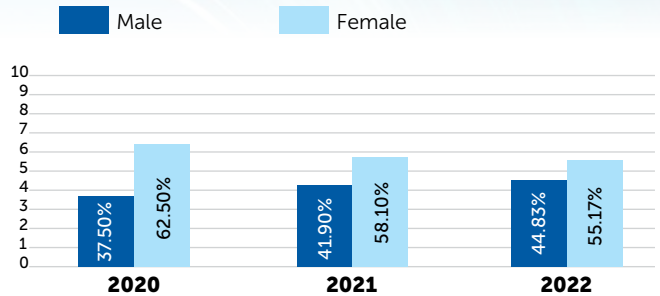
Recognising the importance of a healthy and positive lifestyle, Apex promotes sports and its CSR principles. We cultivates teamwork as well as sense of belonging among employees through recreation events and sports activities.

Apex recognises and values the benefits of diversity in people, ideas and cultures. By respecting diversity in the workplace, we avoid prejudice in creating a comfortable workplace. We do not tolerate unlawful discrimination such as age, gender, race, ethnic background, sexual orientation, gender identity, national origin or religious beliefs. This applies to interactions with employees and any other stakeholders including customers and suppliers.

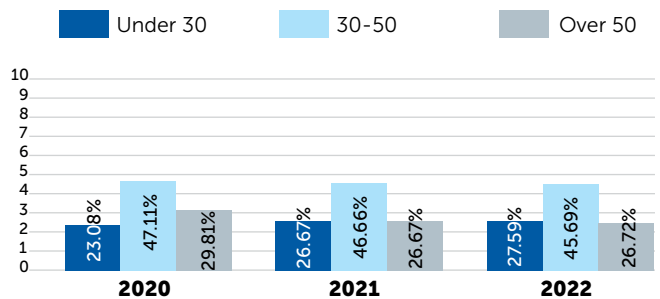
Apex is committed in maintaining cordial relationship with our employees in accordance with all policies, namely Code of Conduct and Business Ethics Policy and Human Resources and Labour Standards Policy that support our belief in workplace diversity. We strive to provide equal employment opportunities by adhering to strict guidelines in recruiting, training and promoting employees at all levels fairly.

The following sustainability graphs are illustrated based on the social segment in the organisation.

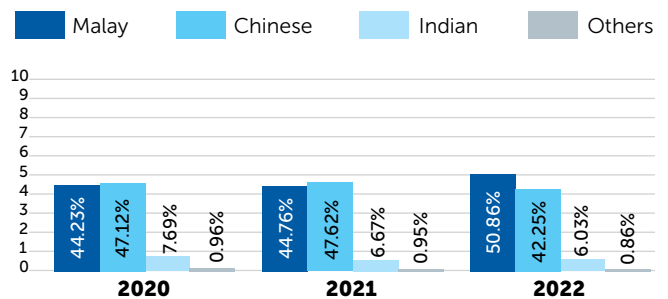
### Employment Diversity In Terms of Gender



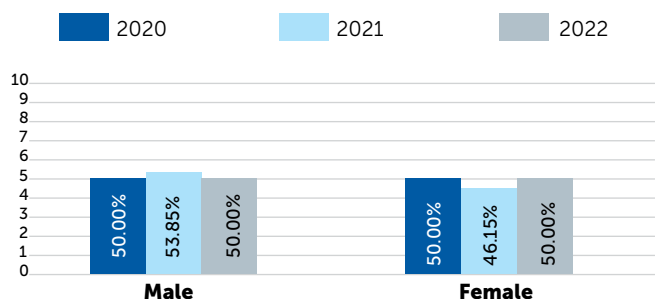
### Employment Diversity In Terms of Age



### Employment Diversity In Terms of Race



### Breakdown of Senior Management by Gender



# SUSTAINABILITY STATEMENT (CONT'D)

## EDUCATION AND INDIVIDUAL DEVELOPMENT

Apex Group strives to promote a continuous learning culture through providing training for its employees to become industry experts. This also serves to provide the expertise in servicing our clients and also efficiently performing in the workplace. We endeavour to focus on talent development by offering its employees learning opportunities through in-house as well as external training programmes. We are committed to integrate best practices through training and providing relevant circulars/guidelines to employees to promote awareness on corporate governance and risks issues involving the industry and inculcate and adopt new measures to prevent fraudulent practices. We also sponsor employees in pursuing self-improvement in terms of courses and examination fees in relevant fields.

We are committed to motivate and develop employees regardless individual's ethnicity, race, colour, religion, gender, age and disability. Through merit-based performance management process, the Heads of Departments help their teams to identify training needs, skills gaps, and challenges faced during job, and help chart their individual career development plans.

## Talent Retention and Succession Planning

At Apex, we strongly believe that our employees are our most valuable assets. By creating an inclusive working environment, this would help us in retaining talents through enhancing their sense of belonging. Aligning with our human capital management strategies, we strive to improve employee satisfaction through provision of career advancement, competitive remuneration and structured development in both functional and leadership areas. Succession plans are put in place for key positions to ensure sustainability in terms of continuous effective and efficient operations within the Company, in addition to cultivating a healthy leadership pipeline. Our employee benefits comply fully with the Employment Act 1955 and beyond, including various allowances, medical and insurance coverage. We review our employee benefits and reward programmes periodically to ensure our potential candidates are drawn to the Group and existing employees remain motivated.

To foster a culture of engagement, we continuously invest in building our engagement capabilities and monitor the progress we are making, to identify any development areas. The Heads of Departments also play a key role in creating a respectful and trusting relationship with their direct reports. Various employee engagement activities were organised to ensure our employees feel connected with each other, to the Company and the goals of the business.

## Whistle Blowing and Grievance Mechanisms

The Group has formulated management principles, including adopting an open communication and encourage our employees to raise concerns on any case of non-compliance in any of our business, at the earliest possible opportunity. We recognise that the grievances management is an integral aspect of our social performance efforts. Our Whistleblowing Policy and Procedures is in place as a safe channel for employees and external stakeholders to report potential or actual improprieties in financial and operational matters. Complaints can be made verbally or in writing to the key senior management personnel, and we are committed to carry out independent investigations for appropriate remedial and follow-up actions. Externally, the Contact Us section in our website serves as an avenue for individuals and communities to submit their concerns or grievances to our key management personnel directly.

All concerns arising from our business processes shall be freely raised, and our Board of Directors and management are committed to the fair resolution of workplace disputes or issues, in accordance with our Whistleblowing Policy and Procedures.

We recognise the importance of confidentiality and shall grant anonymity to the complainants. We have zero tolerance towards retaliation by any employee against any person who in good faith reports possible violations and are committed to ensuring no one suffers any detrimental treatment for reporting their suspected breaches of minimum standards, work-related issues, harassment, or discrimination taking place in any part of our business.

## SPORTS AND RECREATIONAL ACTIVITIES

In Apex, we develop and participate in programmes and project in partnership with the community around us to promote wellness and sustainability. This is done to benefit our community beyond the tradition aspiration and wellness.

It's our culture and belief that sport and recreation can improve the quality of life of individuals and communities, promote social inclusion, improve the body's health and immune systems, counter anti-social behaviour, raise individual self-esteem and confidence, and widen horizons.

We promote the following elements of wellness for the individuals and community:

# SUSTAINABILITY STATEMENT (CONT'D)

## Community

Apex Group constantly and consciously organises our Corporate Social Responsibility (CSR) programme based on three principles as follows:

- (a) Responsibility, Transparency and Accountability;
- (b) Care and Unity; and
- (c) Value Creation and Enhancement for All.

Our sustainability commitment extends to the local communities. Apex is committed to enrich their lives and create a better shared future for the community we live and work in through social investments and corporate giving, focusing on education, healthcare and community enrichment programmes. We continuously encourages people who may not have the resources to make monetary contributions or the time and skills to be involved in voluntary programmes, to make a difference. It has been a "tradition" of the Apex Sports Club to organise such event yearly and each time we received good response from the public.

Apex Group has increased its contribution to CSR activities in FY 2022 to RM25,223 (2021 : RM16,950). This an increase despite the challenging environment of the pandemic.

For the financial ahead, we have set a target of RM40,000 for the financial year ending 2023 as contribution to CSR activities.

The Group's contributions to the society are as illustrated below:

### Donation to 3 Underprivilege Homes –



1) Openhands



2) Pertubuhan Warisan Puteri



3) Lotus Charity care

# SUSTAINABILITY STATEMENT (CONT'D)

## Safe Workplace Practices

The Group places great emphasis on safety and health aspects of its employees while maintaining a comfortable and conducive work environment to ensure a workplace that is free from theft or harm, violence or intimidation and other unsafe or disruptive influences due to internal and external conditions. This includes healthy practices in the wake of the COVID-19 pandemic such as sanitising the common work spaces, ensuring sufficient distancing and hand sanitisers made widely available. The addition of desk shield for staff manning countertops and staff in workstation proximity further provides assurance of staff well-being as well as added measure to lower the risk of any infection spread.

Apex prioritised the safety of our people and the community at large through implementation of response measures across our operations as we strive to maintain quality service to clients with minimal disruptions. To reduce potential spread of COVID-19 in the workplace, we remained committed in ensuring full compliance with the Ministry of Health of Malaysia's SOPs and management guidelines through implementation of COVID-19 preventive measures. These included:

- Established COVID-19 response procedures for office and operations
- Carried out case investigation and contact tracing in the event of reported infections at the workplace
- Create COVID-19 awareness programmes across various channels including via emails and signages at entrances, lobbies and lifts
- Reinforced strict hygiene standards and safety measures in offices and operation sites
- Hand sanitiser stations were set up for employees throughout our offices and operation sites
- Deployed vigilant cleaning and regular sanitisation in the workplace and our fleet of vehicles

## Leadership & Commitment

Top management ensures that the requirements of the management system, including the policies and objectives, are consistent with the strategic context and direction of our organisation, and that the policies and objectives are established whilst ensuring that the human and financial resources needed for crucial implementation and enforcement are available.

## LOOKING AHEAD

Apex has made some development towards formalizing sustainability within our business to enhance our initiatives undertaken and our reporting structure. As we continue on our sustainability journey, our ultimate goal is to build a sustainable business for generations to come. To achieve this, we will continually keep abreast of developments in our industry, actively and regularly engage our stakeholders, build upon our existing sustainability framework, and seek to further embed sustainable practices within our businesses so as to improve our overall sustainability performance. We are proud of our work with clients to promote sustainable economic growth in our markets.

This Statement has been approved by the Board and is current as at 19 April 2023.