



UP

UNITED PLANTATIONS BERHAD

SUSTAINABILITY REPORT

2024

The Pongo pygmaeus, commonly known as the Bornean orangutan is a species native to the island of Borneo. These gentle giants, found in our conservation areas in PT SSS, are the largest tree living mammals in the world.

Sustainability Report 2024

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About This Report

United Plantations has always taken pride in its sustainable approach to all aspects of its operations and we are therefore pleased to present our 2024 Sustainability Report to interested stakeholders.

This Report covers our pursuit of sustainable value creation through good governance, and strong commitment towards environmental, economic, and social performance across all our operational and management activities within the UP Group including Subsidiary/Joint Venture in the form of our Refineries (Unitata and UniFuji), as well as our plantations and mills in Malaysia and Indonesia.

This report, which represents a further step towards an integrated report, focuses primarily on updates and activities carried out within the financial year ended 31 December 2024, with comparable prior year statistics, where available and relevant. The Sustainability Report for 2024 will remain as part of our Annual Report.

There is no structural change in our Annual Report 2024. The structure and content for this report draws upon guidance from the enhanced sustainability requirements in the Main Market Listing Requirements, Bursa Malaysia's Sustainability Reporting Framework and Guides and the GRI Sustainability Reporting Guidelines.

Our internal Sustainability Committee is responsible for officially coordinating with the various departments and subsidiaries in assessing and covering all key material sustainability matters within our Group.

As recommended by the enhanced sustainability requirements in the Main Market Listing Requirements, we have included in our Annual Report our Sustainability Framework which is aligned with the Group's philosophy and our focus areas which are in alignment with the United Nations Sustainability Development Goals (UN SDG).

In preparation of this report, we have again engaged and considered the responses from both internal and external stakeholders and performed a thorough internal review and assessment of key sustainability aspects and impacts which represents the most critical areas of our Group's business and operations.

In this connection, we would like to thank all stakeholders for their valuable participation. This exercise resulted in arriving at 23 material sustainability matters at various significant levels. These are reflected in the materiality matrix included in this report.

As part of our sustainability processes and activities we will continue to strengthen our performance and disclosures to various stakeholders by monitoring our specific targets and key performance indicators,

fostering close relationship with our stakeholders as well as harmonising material sustainability risks across the Group.

We hope to provide our stakeholders with an overview of our approach and continuous progress in meeting our sustainability commitments.

We have reported the information cited in this GRI Content Index for the period of 1 January 2024- 31 December 2024 with reference to the GRI Universal Standards 2021.

For more information on the GRI Content Index, please refer to pages 118 - 120.

In addition, we are committed to adhere to the International Financial Reporting Standards (IFRS) issued by International Sustainability Standards Board (ISSB).

In 2024, IFRS S1 and S2 have been adopted as listing requirements by Bursa Malaysia where the Group 1 companies with market capitalisation above RM2 billion shall make the full disclosures as per IFRS S1 and S2 by 2027

We are exploring the opportunity to perform reasonable assurance for the materiality matter(s) which are disclosed as per the IFRS framework.

External Assurance

Bursa Malaysia's Sustainability Reporting Guides and GRI recommends the use of external assurance, and we believe external assurance adds credibility and transparency to our sustainability reporting.

In this connection, we are pleased to inform our stakeholders that British Standards Institution (BSI) has provided limited assurance in accordance with the internationally recognized Sustainability Assurance Standards (AA1000) over 10 selected Key Performance Indicators (KPI's) reported in our 2024 Sustainability Report thereby bringing additional value and credibility to our disclosure.

Their opinion statement report is available on pages 116 - 117.



Riparian reserves at Lada Estate, PT SSS.

Message From The CED



YBhg. Dato' Carl Bek-Nielsen, Chief Executive Director of UP.

I am pleased to present UP's 2024 Sustainability Report, in which we describe our Group's sustainability policies and how we are pursuing these in practice. UP continues to view sustainability as a key pillar of our Group's Strategy and we recognise its importance to our long-term success and overall well-being.

For generations, Environmental Responsibility, Social Awareness, Sustainability Governance and Economic Viability have been intertwined into the way we conduct business. Nevertheless, we must not forget that our pledge to the highest sustainability standards is an ongoing commitment with no finishing line. We will therefore continue to align our business values, purpose and strategy with sustainability matters divided into four main areas, namely Environment, Social, Sustainability Governance and Marketplace.

Environment

As in previous years, we shall once again touch upon some of the key developments from the global climate scene, as we remain mindful of the impact our presence on this earth has on the environment amidst the ongoing challenges of mitigating global warming.

Whilst the United Nations Climate Change Conferences (COP) have traditionally focused mainly on climate target commitments, the most recent COP29 conference held in November 2024 in Baku, Azerbaijan, placed much greater emphasis on climate finance commitments to address the pressing needs of developing nations in combating climate change. Once again, however, the pledges (\$300 billion annually) fell short of the target (\$1.3 trillion) needed annually to effectively address climate challenges, thereby underscoring the disparity between the global rhetoric and the actual results being achieved.

Indeed, the global GHG emissions hit a new record in 2023 at 57.1 gigatons of CO₂ equivalent, representing a 1.3% increase from 2022, which is more than 50% higher than the average annual increase of 0.8% in the decade before the COVID-19 pandemic. With this, emissions must drop by 42% by 2030 relative to 2019 levels to limit global warming to 1.5°C as stated in the Paris Agreement. This will just not happen as the usage of fossil fuels will continue to increase for years to come as it remains the cheapest and most pragmatic way to uplift the lives in the developing nations outside the West.

According to a recent report published in BioScience by an international coalition of scientists, global fossil fuel combustion and industrial processes account for approximately 90% of all emissions, whereas land-use change, primarily deforestation, accounts for approximately 10%. Palm oil, as reported previously, accounts for some 0.6% of global CO₂ (-eq) emissions, 20 times less than the livestock sector, yet continues from time to time to be singled out as the lightning rod for issues concerning deforestation and climate change.

While palm oil production has and still contributes to certain environmental concerns (and there are instances where environmental laws are disregarded by a few rogue industry players), it is important to approach these accusations with a comprehensive and objective lens, not least as we live in a world dominated by social media.

According to a recent report by the Reuters Institute for the Study of Journalism, adults in the US are now as likely to get their news directly from social feeds, where the best-performing content is generally exaggerated and hostile, as from a news article whether in print or online.

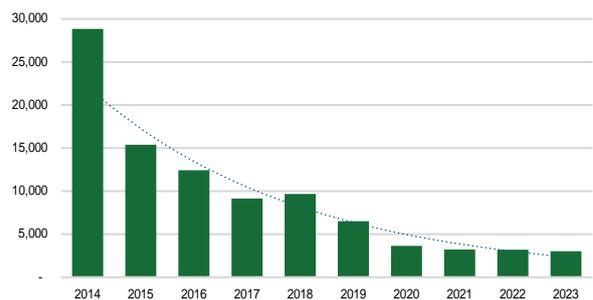
Forests have indeed been cleared. To put things into perspective, Malaysia has over the last 110 years established close to 5.6 million hectares of oil palm plantations, an area similar to what was cleared in Brazil in just 3 years between 2020 and 2023 to make way for soybean cultivation according to Oil World.

As I mentioned last year, Washington-based Global Forest Watch published a study in 2023 showing that global tropical forest loss accelerated in 2022, less than 2 years after world leaders committed to end deforestation by 2030 at the COP26 climate talks in Glasgow.

This was primarily caused by significant increases in primary forest loss within Brazil and the Democratic Republic of Congo, which are home to the world's most extensive tropical forests. Indonesia and Malaysia, on the other hand, both reversed the trend, with deforestation rates falling to near record-lows. In fact, primary forest loss fell by 64% between 2015-2017 and 2020-2022 in Indonesia, whilst Malaysia saw rates falling by 57% over the same time frame.

Malaysia primary forest loss in oil palm concessions

Hectares of primary forest loss in Malaysian oil palm concessions (2014- 2023)



Source: Global Forest Watch 2025



The newly commissioned Green Electricity Plant, further displacing the use of fossil fuels.

Furthermore, looking at the last 10 years from 2014 to 2023, less than 100,000 hectares of primary forest loss in Malaysia occurred within palm oil concessions.

This is a testimony to Government policies, but also the concerted efforts to make sustainable palm oil the norm by a very considerable portion of the producers today via stern corporate commitments to industry regulations such as the RSPO, MSPO and ISPO through which No Deforestation, No New Planting on Peat, and No Exploitation (NDPE) pledges now cover most of the palm oil sector.

Here, I would like to reiterate a few points which I have indeed mentioned on numerous occasions.

Policymakers, particularly in the EU, should recognize such positive and proactive efforts taken by many different stakeholders to curtail forest loss and focus on the primary causes of deforestation while crafting new laws like the EU Deforestation Regulation (EUDR), to ensure that such policies effectively target the main contributors to global deforestation.

In this connection, it is important to once again be reminded that the palm oil industry today takes up approximately 0.5% of the world's total agricultural area, yet accounts for about 35% of the global oils and fats production thereby cementing the oil palm's unequalled efficiency in terms of producing large quantities of edible oils and fats. Indeed, leading conservationist and NGOs have on several accounts acknowledged that alternate crops will require up to 8-10 times more land compared to the oil palm to produce the same quantity of oils and fats.

Producing more with less is a key aspect within the realm of sustainability as we confront a future marked by increasing populations resource scarcity. Indeed, we must all make a concerted effort to produce more thereby being able to protect more. In United Plantations we therefore only use our in-house high yielding planting materials produced at UPRD as these materials combined with a disciplined management can generate average yields per Ha that are minimum 80% higher than the world average palm oil yields.

In UP, we strive to take ownership and believe in the importance of all stakeholders supporting certification standards like the RSPO, or other credible initiatives, to make sustainable palm oil the aspiration if not the ultimate-goal. This above all else should be our shared objective within the industry, be this in Southeast Asia, Africa, or Latin America to make a positive difference and achieve a more sustainable future for generations. To that end, we must also acknowledge that in terms of sustainability vs. other crops and commodities, RSPO certified palm oil continues to take the lead and is today recognised for setting the highest agricultural standards internationally, well ahead of beef, soy, rapeseed, pulp, and paper to name but a few.

Reducing our Carbon Footprint



For decades, many policymakers have worked under the assumption that more legislation equates to the prevention of mistakes, fraud and other uncertainties of life. However, this is far from true. The quantity of regulations does not guarantee compliance; in fact, it may increase the risk of breaches and lead to a broader degree of societal paralysis.

To ensure compliance, one must take ownership, and in line with our Group's commitment to environmental leadership, mitigation of our carbon footprint and GHG emissions remain a top priority for UP, to which new initiatives and investments continue to be made.

Since 2005, our company has been working closely with 2.0-LCA consultants from Denmark on developing comprehensive Life Cycle Assessment (LCA) studies, the first of which was finalised in 2008 thereby becoming the first LCA on palm oil ever. This pioneering study was fully compliant with and critically reviewed according to the international ISO 14040 and ISO 14044 standards for LCA. The latest update was finalized during February 2025 building on top of our previous studies.

In this connection, I am pleased to report that the summary of the LCA clearly demonstrates that UP has shown a 60% reduction in its GHG emissions per kg of palm oil produced from 2004 to 2024 when including indirect land use change (iLUC) and nature conservation, as well as scope 1, 2 and 3 emissions.

We have thereby already reached our latest goal of a 60% reduction (including iLUC and nature conservation) of the GHG emissions by 2025. In line with the spirit of taking ownership to accelerate the action in mitigating GHG emissions, the Board of UP remains committed to its target of reaching 66% reduction per kg of palm oil by 2030. This shall relentlessly be pursued through new innovations inspired by our strong collaboration and network in Scandinavia.

In line with our continuous improvement philosophy new investments were made during 2024 to expand our light railway network, which uses 1/10th of the fossil fuels compared to tractor/lorry transportation when transporting one unit of Fresh Fruit Bunches from the fields to our mills. The total length of our light railway network has expanded from 479km in 2015 to 607km as of 31 December 2024, thereby contributing significantly to reducing the use of fossil fuels and GHG emissions. In addition, considerable funds have been invested in other environmental-friendly technologies during 2024, such as upgrades to further increase the amount of renewable energy generated from existing technologies like biomass boilers and biogas plants. Further investments into these projects will continue in 2025 and the coming years also. Please refer to page 54 for more information on our carbon reducing initiatives.

Collaboration with Copenhagen Zoo



During the COP29 conference in Baku, Azerbaijan, there was again a strong emphasis on integrating climate action with nature conservation, with experts highlighting the critical need for increased financial support to conserve primary forests and to better protect ecosystems and biodiversity.

In UP, conservation of jungle reserves and promoting biodiversity remain of vital importance to our Group, and it continues to be our view that conservation means

development as much as it does conservation. All growers should strive towards reaching this balance, while also endeavouring to meet the objectives outlined in the United Nations Sustainable Development Goals (SDGs). This is the only sustainable and holistic approach that will help ensure that positive changes take place.

To operationalise such objectives and deliver results with an even greater impact, access to expertise is crucial. Herein, I am delighted that our partnership with Copenhagen Zoo, which was initiated in 2007 and officially established in 2010, continues to develop positively with many success stories arising from the hard work, dedicated efforts, research, and fascinating studies undertaken to date.

The commitment and skills introduced by Copenhagen Zoo have been extremely valuable, not least from a conservation point of view. This has helped our Group operationalise one of the vital components of sustainability, namely building an in-house capacity, through our Biodiversity team, to manage conservation and nurture the approximately 7,640 Ha of jungle reserves under our Group's landbank in Indonesia.

Today, the team's responsibility extends beyond the establishment of wildlife sanctuaries, jungle corridors, and many other initiatives, as they play a pivotal role in operationalising conservation into sustainable agricultural practices implemented throughout our Group. Nevertheless, more can be done and there are still areas in need of greater attention, which will be a primary focus in 2025.

Social Responsibility & Human Rights

Partnering for impact is also a core element of our Human Rights efforts and our strive for setting the highest standards for the workforce, within the conditions of the day.

Within the evolving narrative of sustainable palm oil, the focus of discussions and media coverage has expanded beyond just environmental concerns and deforestation. Concerns and risks pertaining to migrant workers and human rights continue to rock several industries in Malaysia, such as the rubber glove industry as well as the service, manufacturing, and the palm oil sector who all rely on migrant workers. This is indeed a serious issue for Malaysia, and despite much talk, it is evident that more must be done to safeguard migrant workers during recruitment to prevent middlemen from abusing their inherent vulnerability through deception, thereby driving them into debt bondage.

Because of these challenges, the Malaysian government temporarily halted the recruitment of migrant workers once again in May 2024, to address allegations of exploitative recruitment practices, such as workers being misled about their jobs and charged excessive recruitment fees. While a recruitment window was reopened in July, the halt caused labour shortages across several industries and once again highlighted the need for stronger measures to ensure ethical recruitment practices and safeguard migrant workers from exploitation.

In UP, Human Rights and Sustainability are non-negotiable principles, and we remain totally committed to upholding the values and using the self-improvement tools gained from our partnership formed in 2020 together with a global labour and human rights organization “Dignity in Work for All”, as well as our customers Mars and Fuji Oil to identify and address any weaknesses within our operations.

Today, all recruitment is guided by our strengthened Ethical Recruitment Procedures, which are regularly witnessed and assessed by Dignity in Work for All as well as other NGOs and Human Rights Activists, and includes the Employer Pays Principle stating that no Guest Worker should pay for a job in UP. During the past year, much focus and efforts have again been invested in operationalising and galvanizing this commitment, thereby further reducing human rights risks in our supply chain, specifically risks related to recruitment of Guest Workers.

In 2024, we have also made additional efforts to better understand our Guest Workers’ recruitment journey right from their villages to our plantations in Malaysia and participated actively in various forums to ensure we stay in tune with the evolving international standards.

At the end of the day, addressing forced labour and minimising recruitment risks is also about recognising and tackling the systemic issues that enable abuses. We therefore also continue to invest time and resources in further improving our own call-centre, which spread information to new candidates in their villages before they may be deceived by unscrupulous middlemen.

Whilst this has helped us close many of the gaps identified over the years, not least because all Guest Workers are clearly informed not to pay anything to anyone on several occasions, strengthening human rights is about continuous improvement, and though we are not perfect, we are trying to do our part by taking ownership.

However, despite our sincere efforts and investments, our internal and external verification audits still detect isolated incidences of exploitation by third-parties during the recruitment process of new Guest Workers. This tells us that strengthening human rights standards is a journey with no finishing line. We therefore remain open for constructive criticism and will continue to pursue further improvements through close collaboration with Dignity in Work for All, other independent human rights assessors, and activists, as well as our customers in the spirit of shared responsibility.

Safety

In UP we believe that no one person at the top is stronger than the pyramid of people who supports him or her. Our employees have and will always be our core assets and a key pillar for the success and continued

growth of our Group, and their welfare and rights as well as a safe and healthy workplace throughout our operations are therefore of key importance.

To safeguard this commitment on ensuring a safe and healthy workplace, our Safety Division, now totalling 5 safety officers, regularly provide an unfiltered status on the progress made as well as any shortcomings encountered to the Company’s Executive Committee Members. This facilitates transparency and the possibility to address issues promptly and effectively.

Whilst it is pleasing that there have been no fatalities during 2024, I am compelled to place on record my disappointment with the fact that the number of accidents in our Group has gone up vis-à-vis 2023, one of the main reasons being the large number of new employees who have joined us since the borders re-opened.

In 2024, we have taken significant steps to further operationalize safety by trying to foster a company-wide culture where safety is embedded into the DNA of employees at all levels, not just those in the Safety Division. To do so, our leadership teams play a pivotal role in reiterating the message that safety is a shared responsibility and that all employees and managers alike must take ownership of safety in their daily operations.

Going forward, safety leadership and strategies targeting risk reduction continue to be a top priority for the Group. A higher-degree of vigilance, coupled with a more systematic and disciplined approach, will therefore be galvanised through training programmes, “Reach and Teach” and “Reach and Remind” sessions and HIRARC programmes, and the frequency of impromptu safety audits across our mills, estates, and refineries be intensified as an integral part of our ongoing safety procedures. This is particularly important in relation to the many new inexperienced Guest Workers who are joining our Group every year.

In addition, we will also pursue new avenues for further improvements to reduce the accident rate which had gone up during the year, as our common goal on safety must be, “one accident is one too many.” This will have management’s undivided attention, as we remain focused on our vision to be recognized as “second to none” also when it comes to safety.

Community

UP is committed to doing our part for the global community and bringing about positive change to the lives of our employees, their families, and the surrounding communities, which have given so much to our Company over the last 119 years.

Amongst our initiatives, we engage and work closely with local communities to uplift their living standards and to offer business and employment opportunities

to interested parties wherever possible, thereby contributing to the wealth, resources, and expertise of local economies. We are committed to taking ownership and striving to remediate any problems that may arise, both in and around the locations in which we operate. Furthermore, we have continued to financially support numerous deserving cases and organisations throughout the year.

In 2024, we have also continued our various engagements with the smallholder societies, conducting smallholder field days, with the overall objective of knowledge sharing, so that the smallholder farmers can improve their yields, enhance sustainable agricultural practices, safety awareness, conservation, and thereby their livelihoods.

In Indonesia, we remain fully committed to the Plasma scheme and continue our positive progress in establishing additional areas that benefit farmers, families, and the neighbouring communities. Through respect and engagement with local communities and community leaders in Indonesia, we have seen positive developments in alleviating conflicts relating to land rights, which are handled in an amicable and transparent manner through proper grievance procedures, and in line with the spirit of the RSPO.

Improvements to maintain the highest possible welfare standards for our workforce and to ensure high standards of educational facilities provided for their children also continued throughout 2024. This includes the continuous upgrading of our housing facilities provided to our employees, be they Guest Workers or local employees, as well as other amenities provided to our workers and their families. Finally, the previous system of centralized individual passport lockers has now been completely removed and replaced with individual safes within the Guest Workers' own homes, thereby ensuring that Guest Workers have a safe, secure and easily accessible location for their passports to safeguard the concept of freedom of movement.

Governance & Certification

At UP, we believe in the core principle of good corporate citizenship, robust governance, and risk management. All our sustainability commitments are transparently operationalised and monitored through our governance structures and risk management policies, and we continue to strengthen this important focus area based on third party independent assessments, feedback from customers, partnerships, and other stakeholders.

This commitment is evidenced by the fact that UP became the world's very first Roundtable on Sustainable Palm Oil (RSPO) certified oil palm producer back in 2008. Our commitment was further reinforced by obtaining the Malaysian Sustainable Palm Oil (MSPO) certification in 2018 and Indonesian Sustainable Palm Oil (ISPO) certification in 2019.

Today, we remain 100% committed to the RSPO, MSPO and ISPO certification standards, which are among the most robust agricultural standards globally, with clear commitments to No Deforestation, No New Planting on Peat, and No Exploitation (NDPE). Furthermore, reinforced protection of human and labour rights, gender equality, stronger alignment with the Core International Human Rights Treaties and relevant ILO Conventions are also key criteria in the evolving standards, and we continue to support further advancements that are reasonable, pragmatic, and based on a multi-stakeholder approach, in the spirit of shared responsibility.

We firmly believe in the importance of initiatives aimed at operationalising sustainability on the ground and thereby enable the industry to meet the ever-increasing consumer requirements shaping the landscape for tomorrow's demands. This is a necessary commitment to ensure that the industry remains relevant and credible, and something which compels Management to keep stimulating new progressive ideas, failing which, the positive momentum created by so many individuals in our Group over the last 119 years will diminish.

In connection with these evolving standards, we are pleased that all UP Mills and Estates are successfully certified against the latest RSPO P&C 2018, and that both our refineries Unitata and UniFuji successfully achieved the MSPO supply chain certification in 2024.

However, standards are now being further tightened, as RSPO Members have just adopted the new 2024 RSPO Principles and Criteria (P&C) during the RT2024 conference in Bangkok following a one-year delay. As we have been anticipating the new P&Cs we will be able to meet these new criteria, which will take effect 12 months after adoption. Key updates include the introduction of mandatory Human Rights Due Diligence and enhanced auditability and implementability to streamline the audit process and ensure stronger assurance while balancing environmental conservation, responsible labour practices, and community rights.

We welcome the tightening of the standards as such steps are in line with our aspiration for continuous improvement and we shall therefore continue to work hard at further integrating and operationalizing sustainability into our DNA, so that it remains "built-in" and not "bolted-on".

To achieve this, the materiality assessment has once again been carried out in 2024, in close collaboration with our stakeholders, to gauge their views and expectations on various topics, thereby enabling us to identify and map the most relevant issues pertaining to our economic, environmental, and social risks and opportunities. This rewarding exercise is fundamental to ensuring that expectations throughout the supply chain are aligned, thereby pushing in the same direction, as we continue on this shared sustainability journey.

We shall also continue our close engagement with the Zoological Society of London, who recently published their updated 2024 Sustainable Palm Oil Transparency Toolkit (SPOTT) assessment, which evaluates 100 palm oil producers, processors, and traders on their environmental, social, and governance (ESG) disclosures.

In this assessment, UP has gratifyingly once again managed to further improve our final score and ranking, now being No. 2 globally and No. 1 amongst all Asian palm oil players with a score of 96.15%.

Whilst this recognition is pleasing and highlights our commitment to sustainability as an ongoing journey with no finishing line, our focus remains firmly on the quality rather than the quantity of our ESG initiatives to ensure that our efforts are both credible and impactful, and that we continue to identify and address risks wherever gaps are identified.

Marketplace

In UP, we are committed to the world's highest standards of sustainability, quality, food safety, and product traceability. This is key to open-up market opportunities amongst reputable brand manufacturers and retailers globally who more than ever demand full traceability to ensure that the supply of palm oil they receive is safe as well as produced ethically.

We welcome this level of transparency and acknowledge that the trust between a brand and a consumer can only be built through actions and not through greenwashing or glossy brochures. Ultimately, our Group's behaviour is our brand and our licence to operate therefore depends on behaving well.

With UP being one of the most sustainable, efficient, and integrated medium sized plantation companies in the world, our two refineries, Unitata Bhd and UniFuji Sdn Bhd, are uniquely positioned to live up to this.

By controlling all areas of the production, we can offer certified sustainable high- quality products with the lowest GHG footprints and contaminant levels in the world based on full transparency, traceability, and the principle of responsible sourcing.

For our downstream operations, all our palm oil can be traced back to the various palm oil mills and plantations, whereas for palm kernel oil – a notoriously challenging area - we are now able to trace more than 90% of the oil which we use back to not only the palm kernel crushing plants and palm oil mills, but all the way to the plantation level.

This is particularly important in relation to the implementation of the EU Deforestation Regulation, which requires full traceability and verification that no deforestation has taken place anywhere along the supply chain.

Initially scheduled to take effect on 1st January 2025, the European Commission announced in October 2024 a delay of at least 12 months. This extension provides more time for particularly smallholders to prepare and avoid the risk of exclusion from the EU market, which would jeopardize their livelihoods and thereby also the efforts to raise the sustainability floor instead of merely focusing on the ceiling through new and ever so high standards.

Towards the end of the year, Unitata and UniFuji have nevertheless undergone an EUDR Readiness Assessment, whereby an external certification body has conducted a verification on the shipping documents for the RSPO SG materials, EUDR due diligence reports as well as the monthly satellite monitoring reports to ensure that our RSPO SG materials can indeed comply with the EUDR whenever introduced.

Whilst we believe that we have come a long way on our sustainability journey, we also acknowledge the many challenges lie ahead which we will have to meet as we continue our strive towards building long-term relationships with our customers, suppliers, business partners and other stakeholders in the global marketplace, in the spirit of shared responsibility.

The points I have touched on above serve only as highlights to this report and will be further elaborated upon in the following pages. Furthermore, additional information can be found under the sustainability section on our website, <https://www.unitedplantations.com/sustainability/>.

Finally, I would like to thank you for your interest in our sustainability efforts and hope that you will find our journey interesting.

I would also like to thank our Board of Directors for their continuous support, guidance, and interest in this report as well as all our partners and stakeholders including NGOs for their active and valuable participation and input that continue to be of much value to our Group.

With the continuous commitment by our Group and an active participation by all our stakeholders, I am confident that we will be able to face most challenges ahead of us as we keep moving forward with our sustainability commitments.



Dato' Carl Bek-Nielsen
Chief Executive Director (CED)



A plentiful harvest - our unique rail transportation system ensures efficient crop transport to the mill, thus preserving oil quality.



UP's light railway network stretching over 600km remains of vital importance in terms of facilitating an efficient and gentle transportation of fresh fruit bunches from the fields to the mills.



Materiality

This report addresses key sustainability matters based on the UP Group's view as well as views from our stakeholders. These sustainability matters that have been identified focus on significant environmental, economic and social impacts, risks and opportunities which are vital to consider and evaluate for the success and continued growth of the Group.

In identifying the material sustainability matters, and opportunities, we have drawn information from various internal and external sources of information which include the views of the Group Sustainability Reporting Team within our organisation, stakeholders, industry groups, standards recommended by global and industry specific reporting bodies, such as the Roundtable for Sustainable Palm Oil (RSPO) and the Global Reporting Initiative (GRI) as well as existing peer literature.

As a result of the abovementioned exercise and evaluation of the Group's Sustainability Risks and Opportunities, we have this year identified 22 key sustainability issues under four main headers, namely Environment, Social (Employees, Community), Sustainability Governance and Marketplace, which we have assessed as being of high concern to stakeholders and of high significance for our Group in 2024. Data collected from various stakeholders are then analysed and used to create a materiality matrix which also includes the assessment on the significance of the identified key sustainability matters and the prioritisation of stakeholders to the organisation.

The resulting Materiality Matrix is as shown on the following page. Material issues which have been identified are then assessed by the Sustainability Reporting Team to establish if there are policies and procedures in place to address and manage these issues, and if none, to ensure implementation plans are drawn up and presented to the management for follow up as part of the Group's sustainability commitment. Quantifiable indicator data and targets are assigned where relevant and are communicated to our stakeholders via this Sustainability Report. The materiality assessment has been reviewed and endorsed by the Executive Committee (EXCOM) of UP.

United Nations Sustainable Development Goals (UN SDGs)

UP respects and recognises the importance of its role in this global initiative. As such, the Group has mapped the relevant SDGs with each materiality topic and identified seventeen (17) UN SDGs with their specific targets that are most relevant to its business operations as well as key concerned materiality topics highlighted by stakeholders.

For more information, please refer to our website, www.unitedplantations.com/sustainability/.



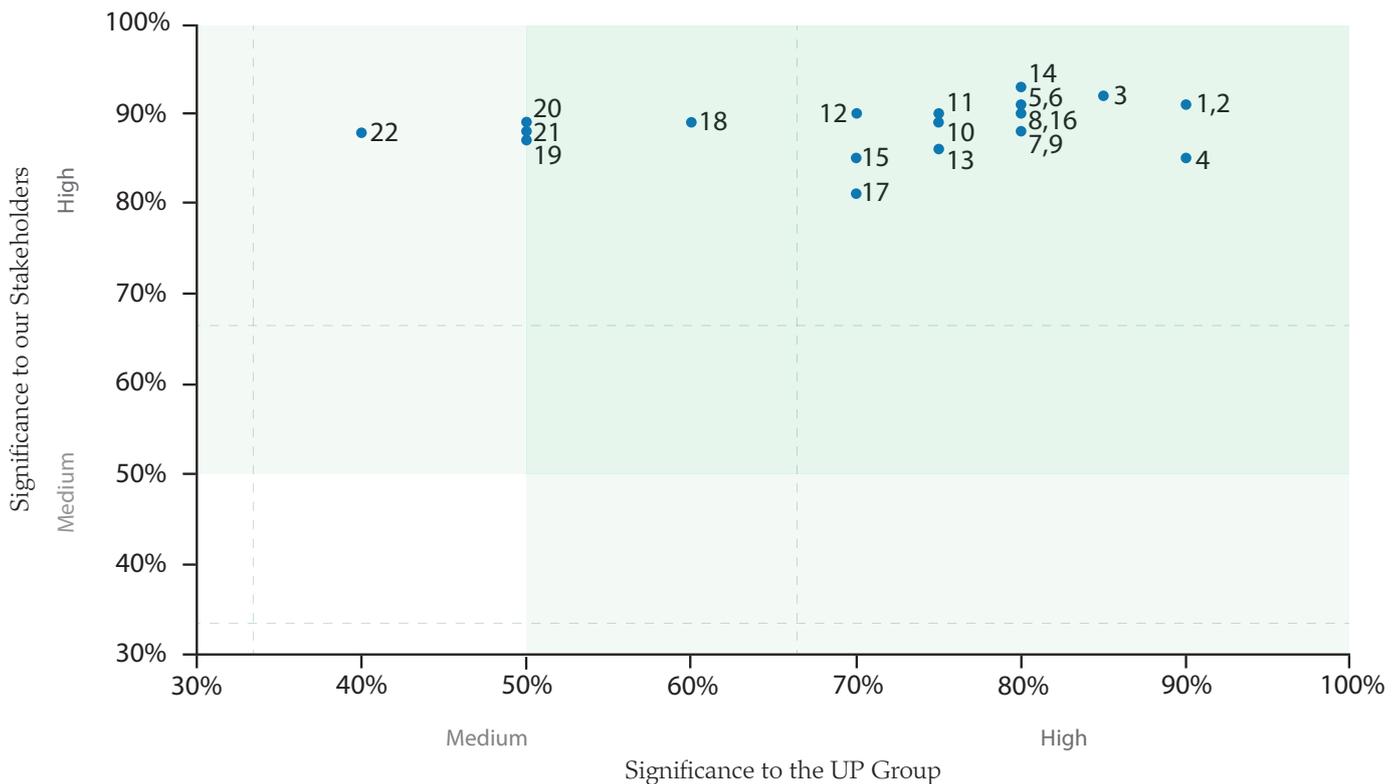
The Iversen-Jeremy Diamond Jungle Reserve at Lima Blas Estate kept in a pristine condition in line with UP's commitment to environmental care.

Summary of Materiality Matters

22 Key Sustainability Issues	Relevant UN SDGs*	UP supports UN SDGs
1. Human rights protection, child labour and fair & decent wages	1,8	  
2. Product Quality	12	
3. Occupational Safety & Health	3,9	 
4. Commodity Prices	12	
5. Social commitments and Amenities	2,4,8	  
6. Certifications for Food Safety, Sustainability and Others	12	
7. Biodiversity & Conservation	14,15,16,17	   
8. Deforestation/ High Carbon Stock	13	
9. No Exploitation-Free, Prior and Informed Consent	16	
10. Climate Change, GHG emissions, Discharges & Waste Management	7,9,13,16,17	    
11. Fire and Haze	13	
12. Code of Conduct, Governance and Anti-Corruption	8,16	 
13. Community Development and Welfare	3,4,8	  
14. Business Ethics and Compliance	16	
15. Smallholder and Plasma Development	2,12	 
16. Talent retention, Development and Training	4,5,8	  
17. Currency Fluctuation	-	
18. Grievance Resolution	16	
19. Peat Development	13	
20. Water Impacts	6,9	 
21. UP's Evaluation of Suppliers/ Contractors' Sustainability Commitment	12	
22. Pesticides and Chemical usage	12	

*Stakeholder groups consist of shareholders, employees, customers/consumers, local communities/smallholders, government agencies/regulators, non-governmental organisations (NGO), palm oil industry group and suppliers/contractors.

Materiality Matrix



Stakeholders Engagement

At United Plantations, we recognise that stakeholder engagement, assessment and feedback are an integral part of our sustainability strategy and initiatives.

The stakeholder groups which are key to our operations and have significant influence over the impacts of our business are carefully identified and engaged at various platforms and intervals throughout the year. The stakeholder engagement process which includes a proactive and both formal and informal approach, is carried out to fully understand their sustainability concerns and issues with a view to ensure that their key interests are aligned with that of our Group.

We are continuously improving our stakeholder engagement approach which is now evolving into more tailored and targeted engagement sessions with our stakeholders. In this context, the following pages provide an overview of the efforts involved in our Group’s focus on stakeholder engagement.

Overview of Stakeholder Engagement

Stakeholders Groups	Specific stakeholders addressed	Type of engagement	Frequency	Areas of interest and Addressed by specific Material Sustainability Matters	Outcomes
Shareholders & Investors	Shareholders both in Malaysia and in Denmark	<ul style="list-style-type: none"> Engagement surveys Annual General Meetings Analysts briefings 	<ul style="list-style-type: none"> At least once a year Once a year At least once a year 	Deforestation, pesticides & chemical usage, Occupational Safety & Health (OSH), free, prior & informed consent (FPIC) and product quality	Good relationship with shareholders and positive reputation amongst investors constructive feedback
Customers/ Consumers	Major consumer goods manufacturers, Refineries, and end consumers	<ul style="list-style-type: none"> Engagement survey One-to-one meetings Visits to Estates, Mills and our Refineries 	<ul style="list-style-type: none"> At least once a year Periodically Periodically 	GHG emissions, discharges & waste management, deforestation, high carbon stock, peat development, human & workers' rights, social welfare, OSH, product quality, food safety & sustainability certifications and supply chain	Better awareness of our Group's commitment to sustainability, and better understanding of our policies, culture and values
Employees	Executives, staffs and workers	<ul style="list-style-type: none"> Annual employee survey Group Sustainability Committee meetings Gender committee meetings Guest Workers Welfare Committee Occupational Safety & Health Committee Internal trainings 	<ul style="list-style-type: none"> Once a year Once a year Twice a year Six times a year Four times a year Periodically 	Human & workers' rights, social welfare, OSH, equal treatment, grievance resolution, product quality, food safety & sustainability certifications	Improved understanding of company policies and efforts taken to date inclusiveness in the management decision making
Smallholders & Local Communities	Smallholders surrounding and near our operations in Malaysia and Indonesia	<ul style="list-style-type: none"> Annual Smallholders' Field Day One-to-one communications 	<ul style="list-style-type: none"> Once a year Periodically 	Biodiversity & conservation, pesticides & chemical usage, workers' rights. OSH, product quality and food safety & sustainability certifications	An opportunity to sustainably enhance the agricultural practices of smallholders, amicable solutions to grievances, better social relations with our Group
Government Agencies	DOSH, Labour Department, Indonesian Local Government, Indian High Commission	<ul style="list-style-type: none"> Engagement Surveys One-to-one meetings 	<ul style="list-style-type: none"> Periodically As and when necessary 	Pesticides & chemical usage, human & workers' rights social welfare, OSH, equal treatment. Code of ethics & governance, product quality, supply chain and evaluation of supplier/contractors' sustainability commitment	An opportunity to share our Group's commitment, and policies and procedures to sustainable operations
Non-governmental organisations	SUHAKAM, TENAGANITA, AMESU, MAPA, NUPW	<ul style="list-style-type: none"> One-on-one meetings Engagement surveys Direct correspondences via email and telephone conversation 	<ul style="list-style-type: none"> As and when necessary Once a year As and when necessary 	Biodiversity & conservation, water impacts, pesticides & chemical usage, workers' rights, social welfare, code of ethics & governance, grievance resolution and product quality	Better understanding of NGO concerns and improved awareness of UP's sustainability commitments by the NGOs
Palm Oil Industry Groups	Neighbouring plantations and, MPOA, MPOC, MPOCC, RSPO	<ul style="list-style-type: none"> Engagement surveys 	<ul style="list-style-type: none"> Once a year 	GHG emissions, fire & haze, discharges & waste management, pesticides & chemical usage, human & workers' rights, OSH, product quality, food safety & sustainability certifications and commodity prices	Good relationship with the industry groups and knowledge sharing to enhance the sustainability of the industry
Suppliers and Contractors	Suppliers of various inputs and key contractors within the Group	<ul style="list-style-type: none"> Engagement surveys One-to-one meetings 	<ul style="list-style-type: none"> Once a year Periodically 	Biodiversity & conservation, GHG emissions, discharges & waste management deforestation, high carbon stock, peat development, workers' rights, social welfare. OSH and product quality	Raised awareness of UP's sustainability commitments and business

Sustainability Framework

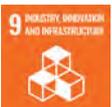
Since our foundation in 1906, United Plantations has been focusing on economic development combined with social and environmental care. Identifying and managing UP’s risks and opportunities are fundamental to our continued success and the core principles of our business activities, namely doing business sustainably combined with committing ourselves to a long- term perspective.

Our Philosophy

We strive towards being recognized as second to none within the plantation industry, producing high quality products, always focusing on the sustainability of our practices and our employees’ welfare whilst attaining acceptable returns for our shareholders.

Focus Areas

As an important step towards improving our sustainability profile within the economic, environmental and social areas of our business, we ensure that our various target groups of stakeholders are actively and effectively participating in our communication and consultation processes.

Environment	Social	Governance	Marketplace
We commit to being a leader within sustainable agricultural practices, and therefore strive towards reducing variables that impact the environment negatively.	We adhere to the fundamental Conventions of the ILO and the UN Declaration on Human Rights, the Rights of Indigenous Peoples and other core values, ratified by the countries in which we operate.	Strong risk management policies and procedures operationalised through effective sustainability governance in line with our core values are key for achieving long term success.	We are committed to providing high quality certified sustainable and traceable Palm Oil products and services to customers worldwide.
Biodiversity and Conservation	Human rights protection, child labour and fair & decent wages	Commodity Prices	Product Quality
Deforestation/ High Carbon Stock	Occupational Safety & Health	Code of Conduct, Governance and Anti-Corruption	Certifications for Food Safety, Sustainability and Others
Climate Change, GHG emissions, Discharges & Waste Management	Social commitments and Amenities	Business Ethics and Compliance	UP’s Evaluation of Suppliers/ Contractors’ Sustainability Commitment
Fire and Haze	No Exploitation, Free, Prior and Informed Consent (FPIC)	Currency Fluctuation	
Peat Development	Talent retention, Development	    	
Water Impacts	Grievance Resolution	    	
Pesticides and Chemical usage	Community Development and Welfare	    	
	Smallholder and Plasma Development	 	Aligned with UN SDGs

Performance Scorecard

Our targets and commitments are what drives us to continuously improve. We subscribe to the mantra “what we measure, we can manage” and provide information on our progress of targets and achievements. Below are our key targets and progress to date:

Focus Areas	Targets	Current Status as of 2024	Material Matters
No forced or trafficked labour in our operations	We have evaluated the risks related to the payment of recruitment costs in our past practices. All Guest Workers as of 31 December 2021 have been reimbursed on the past recruitment costs.	We are collaborating with Dignity in Work for All (DIWA) to conduct human rights due diligence annually. All gaps are addressed with an action plan submitted to DIWA for verification. In addition to the collaboration with DIWA, a new collaboration with Mr Jerald Joseph – an experienced independent Human Rights Consultant - in partnership with the social NGO North- South Initiative (NSI) was established, to observe, evaluate and provide further guidance on our Ethical Recruitment Procedures in Malaysia as well as the source countries.	Human & Workers' Rights
Live up to the UN Guiding Principles on Business And Human Rights & ILO Fair Recruitment Principles	No workers shall pay any costs related to recruitments to come and work in UP	Internal Audit as well as Independent external verification is carried out after arrival of new Guest Workers to identify if any exploitation has taken place and to improve our Ethical Recruitment Procedures. If red flags are detected, thorough investigations are carried out to evaluate each case and to ensure that workers are remediated, if necessary. This is ongoing.	Human & Workers' Right
No retention of our Guest Workers' personal identity documents	Personal identity documents of all Guest Workers shall be kept at their respective accommodation	Target achieved. We have completed the installation of individual safe boxes at the respective accommodation of Guest Workers for the safekeeping of their passports to which they have free and full access at all times.	Human & Workers' Right
No work-related fatalities	Zero fatalities	Target achieved as there were zero fatalities during the year	Occupational Safety & Health
Reduce the Lost Time Injury Frequency Rate (LTIFR)	Introduce a behavioural safety approach (Target of LTIFR by 2030 is 4.0)	Continuous Improvement (LTIFR 4.69, more than 10% lower than the LRIFR in 2023 i.e 5.38). Strengthen the effectiveness of safety trainings.	Occupational Safety & Health
Reduce our Carbon Footprints	New target for our GHG emissions per kg NBD Palm Oil (Scope 1,2,3): 66% reduction by 2030 when compared to 2004 levels (with iLUC and nature conservation).	Total GHG emissions (Scope 1, 2 & 3): 1.47 kg CO2-eq/kg NBD Palm Oil (60% lower compared to 2004 levels including iLUC and nature conservation)	Climate Change, GHG Emissions, Discharge & Waste Management
Increase in the production of Green Energy	Increase the amount of electricity generated. Target: 8,000MWh by 2025.	In 2024, a total of 6,945MWh electricity was generated from the biogas plant and sold to the grid.	Climate Change, GHG Emissions, Discharge & Waste Management
Mitigation of deforestation and fire hot spots in our concessions and suppliers' concession	Engaging palmoil.io for monitoring of indirect suppliers' concession i.e origin of conventional CPKO	Target achieved. Continued monitoring of deforestation via palmoil.io, Global Forest Watch (GFW) and GeoRSPO.	Climate Change, GHG Emissions, Discharge & Waste Management
Reduction of our domestic water footprint	Reduction of 10% from the average of 80 gallons per capita per day in 2025	Malaysian Operations: 87.99 gallons/capita /day Indonesian Operations: 87.99 gallons/capita/day Some leakages of the old underground piping in the worker quarters were detected in 2024 and the upgrading of piping is ongoing. We shall re-visit the target in 2025."	Climate Change, GHG Emissions, Discharge & Waste Management
Reduction of our mill processing water footprint	Reduction of 10% from the average of 1.6 MT water/MT FFB in 2025	Malaysian Operations: 1.7 MT water/MT FFB Indonesian Operations: 1.4 MT water/MT FFB"	Climate Change, GHG Emissions, Discharge & Waste Management
Implementation of the Traceability to Plantations (TTP) concept.	To achieve TTP at 95% by mid-2025 and a minimum of 98% by the end of 2025.	The TTP scores for the RSPO SG materials is 100%. However, the average TTP scores for the 87 indirect mills (supply of conventional CPKO via KCP) is 92.86% as of December 2024.	UP Evaluation of Suppliers' Sustainability Commitments
Produce more with less (Average of Malaysia & Indonesia operations):			
FFB Yield Per Hectare	27.0MT/Ha	28.1MT/Ha	Product Quality
Oil Extraction Rate	24.0%	21.1%	
CPO Yield Per Hectare	6.5MT/Ha	5.93MT/Ha	

Legend: Progressing
 Achieved



A freshly harvested Oil Palm bunch with ripe detached fruitlets ready to be collected and sent to the mill.

Our Value Creation Model

We strive to remain a leader within responsible agriculture based on our core values of integrity, discipline, innovation and R&D combined with a dedicated focus on sustainability. Our value creation model enables us to focus on the resources we have available and how we can create value for our stakeholders over time through our integrated business activities. Through our integrated business, we support and contribute towards the United Nation Sustainable Development Goals (UNSDGs).

Short, Medium and Long-term Business Resources (Input)

FINANCIAL RESOURCES	HUMAN RESOURCES	INTELLECTUAL RESOURCES	SOCIAL RESOURCES	MANUFACTURED RESOURCES	NATURAL RESOURCES
<p>Strong and stable financial position enabling investments</p> <p>Strong Balance Sheet with high borrowing capacity</p>	<p>Dedicated and competent employees</p> <p>Succession planning and training</p> <p>Sustainability focus</p>	<p>Vast experience and knowledge</p> <p>Innovation and R&D capabilities</p> <p>Good agricultural practices and policies</p>	<p>Key stakeholders including suppliers and international customers</p> <p>Good collaboration with local government institutions and surrounding communities</p>	<p>Well-functioning palm oil mills and refineries integrated with estates</p> <p>Quality control and R&D investment in place</p>	<p>Fertile and strategically located land bank</p> <p>Biomass availability</p> <p>Water availability through adjacent rivers</p>
<p>MARKET CAP</p> <p>RM12.94 billion <small>(As at 31 December 2024)</small></p> <p>CASH AND SHORT TERM FUNDS</p> <p>RM487 million</p> <p>DEBT/EQUITY RATIO</p> <p>0.15</p>	<p>EMPLOYEES</p> <p>6,521</p>	<p>SINCE</p> <p>1906</p> <p>R&D ESTABLISHED</p> <p>1951</p>	<p>PLASMA</p> <p>1,378 Ha</p> <p>COPENHAGEN ZOO COLLABORATION</p> <p>Since 2010</p> <p>SOCIAL COMMITMENTS</p> <p>RM39 million</p>	<p>REFINERIES</p> <p>2</p> <p>PALM OIL MILLS</p> <p>5</p> <p>BIOGAS PLANTS</p> <p>5</p>	<p>LAND BANK</p> <p>62,458 Ha</p> <p>PLANTED AREA</p> <p>50,876 Ha</p> <p>CONSERVATION</p> <p>8,033 Ha</p>

Our Integrated Business

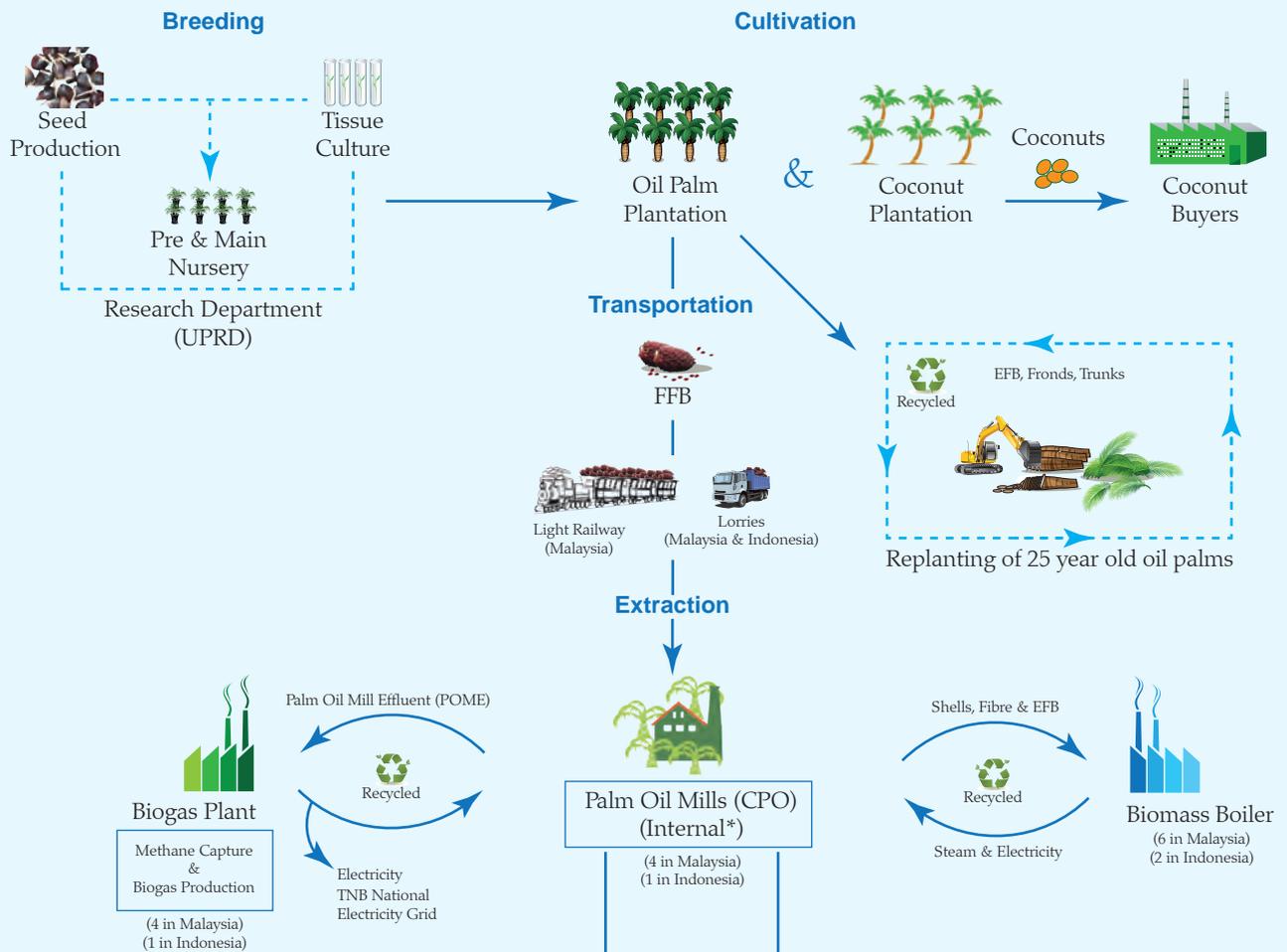


Short, Medium and Long-term Business Resources (Output)

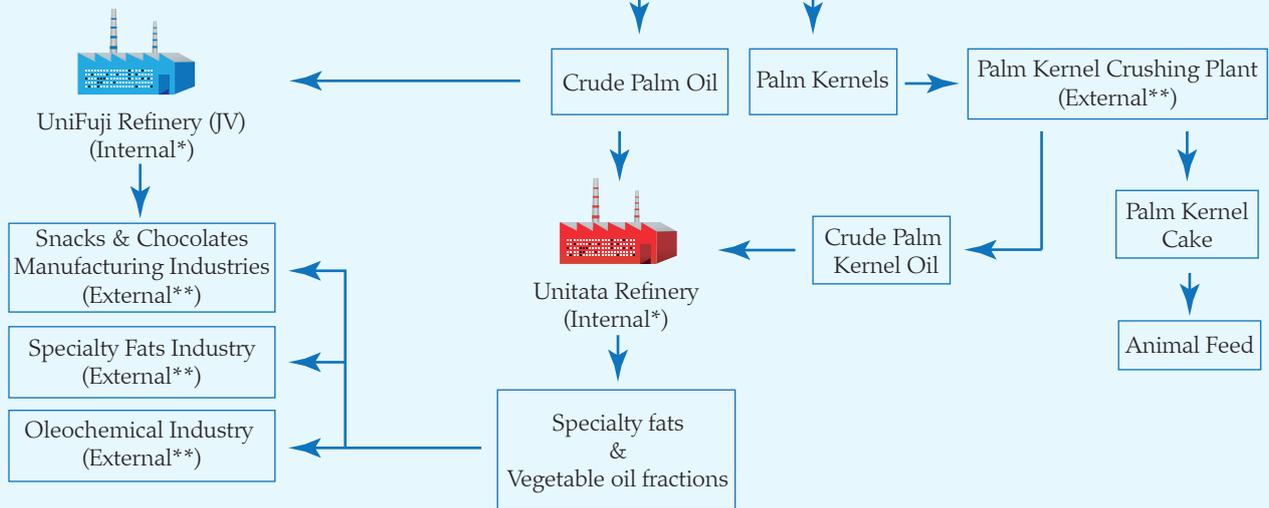
SHAREHOLDER VALUE	EMPLOYEE SATISFACTION AND SHARED VALUE	CERTIFIED SUSTAINABLE PALM OIL	BALANCE BETWEEN ECONOMY AND ECOLOGY	QUALITY PRODUCTS	GREEN HOUSE GAS EMISSIONS AND WASTE
<p>Value created through good performance</p> <p>Capital appreciation and sustainable dividends over time.</p>	<p>Safe and respectful work environment</p> <p>Good housing, medical & education facilities</p> <p>Advancing the economic and social condition in the surrounding communities</p>	<p>Sustainability practices operationalised</p> <p>Increasing sales of certified sustainable products of high quality</p>	<p>Focus on R&D and efficiency to optimise yields</p> <p>Preserving the environment through conservation efforts</p>	<p>Delivering premium quality products and services that are safe and based on a high level of responsibility</p>	<p>Key focus and investments in the circular economy where waste is converted to renewable energy.</p>
<p>PROFIT AFTER TAX</p> <p>719 million</p> <p>EARNING PER SHARE</p> <p>172 sen</p> <p>DIVIDEND YIELD</p> <p>5.50%</p>	<p>SAFETY PERFORMANCE</p> <p>UP MALAYSIA : LTIFR - 4.69 UP INDONESIA : LTIFR - 86.5</p> <p>PLASMA FARMERS</p> <p>850</p>	<p>RSPO CERTIFIED PALM OIL</p> <p>233,028 MT</p> <p>RSPO CERTIFIED PALM KERNEL</p> <p>48,654 MT</p> <p>RSPO CERTIFIED AREA</p> <p>84%</p>	<p>FFB YIELD/Ha</p> <p>28.10 MT</p> <p>OER</p> <p>21.11%</p> <p>CPO YIELD/Ha</p> <p>5.93 MT</p> <p>TOTAL ANIMAL SPECIES</p> <p>539</p>	<p>CERTIFICATION</p> <p>ISO 9001, HACCP, HALAL, KOSHER, BRC, GMP, MeSTI, FDA, GMP +B2, MPCA, SEDEX, RSPO SCCS, MSPO SCS</p> <p>LOW CONTAMINANTS</p> <p>3-MCPD < 0.5 ppm GLYCIDYL < 1.0 ppm</p>	<p>REDUCTION OF GHG EMISSIONS SINCE 2004 (INCLUDING iLUC & NATURE CONSERVATION)</p> <p>60%</p> <p>GROUP BIOMASS UTILISATION RATE</p> <p>99.7%</p>

Creating Value Through UP's Integrated Business Activities

Upstream (Plantation Division)



Downstream (Manufacturing Division)



Internal* : Within the UP Group.
 External** : Stakeholders, outside the UP Group.

Segmental Contribution 2024

UPSTREAM	DOWNSSTREAM	OTHERS
85.1%	14.8%	0.1%
RM612 million	RM106 million	RM1 million

Environmental, Social and Sustainability Governance

The prominence of the Environmental, Social and Governance (ESG) methodology to identify industry leaders and laggards according to their exposure to risks is fast gaining support, requiring companies to provide a clear and concise position on how they demonstrate stewardship and create value for their stakeholders at all levels, both now and in the future.

At the same time, there is a growing demand for international businesses to move from a profit maximisation lens to a value optimisation lens, and from a short-term profit focus to a longer-term consideration of profits and impact to customers, employees, communities, and the environment.

At United Plantations, we welcome these developments and believe they align well with our philosophy of “striving towards being recognised as second to none within the plantation industry, producing high quality products, always focusing on the sustainability of our practices and our employees’ welfare, whilst attaining acceptable returns for our shareholders.”

To achieve this goal, mitigating ESG risks through dedicated sustainability governance is an integrated part of our pursuit of long-term value creation and is of utmost importance to ensure we remain relevant in sustainable global supply chains and thereby continue to catalyse positive developments.

In this respect, whilst we have always sought to lead by example and set the highest standards within the conditions of the day, we recognise that we can deliver even greater impact by partnering with subject matter experts and like-minded customers on this sustainability journey, in the spirit of shared responsibility. In the following sections, we first highlight our ongoing commitment to mitigating environmental risk through sustainable agricultural practices focused on responsible growth, reduced carbon footprints, and striking the right balance between conservation and development.

Secondly, we focus on the social and human rights aspects concerning our employees, communities, and the implementation of sustainable labour practices – a topic that has taken up much space in Malaysia as well as international news over the last few years.

Lastly, we gauge the relative importance of various sustainability issues for our stakeholder groups through our materiality assessment and discuss other matters pertaining to governance, such as governance structure, certifications, targets, and initiatives, as well as internal and external reporting standards. Off the back of the ESG framework, we then look towards the marketplace as the closing piece of our Sustainability Report, where we highlight our commitment to quality, traceability, food safety, and certification across our downstream refinery operations.

Environmental, Social & Governance factors are an integrated part of UP’s pursuit of sustainable value creation



ENVIRONMENT





- No Deforestation, No New Peat Development & No Exploitation
- Integrated biodiversity department and 8,033 Ha. jungle conservation
- GHG carbon footprints reduced by 60% per kg. palm oil since 2004



SOCIAL





- Setting the highest standards for employees and their families
- Free housing, medical facilities, water, utilities and schools
- Partnering for human rights leadership and strong labour practices in line with emerging global standards



GOVERNANCE





- Strong governance structures and robust risk management policies
- The World’s First RSPO certified palm oil producer in 2008
- Independent external verification of targets and achievements

Environment



UP is committed to being a leader in sustainable agricultural practices and is aware of the footprint it leaves on the environment and our Group therefore constantly strives towards reducing variables that negatively impact the environment. We strictly adhere to No Deforestation and No New Development on Peat soils regardless of its depth and focus on climate change mitigation by, amongst others, reducing of GHG emissions, energy, water, and waste footprints in line with the concept of the circular economy as a vital part of our environmental strategy.

Climate Risk Assessment

In UP, we recognise the threat of climate change and its effect on the planet and livelihoods. Unpredictable and extreme weather patterns directly impact agricultural operations and are a risk to food production. This may have substantial financial or strategic impact on our business too. We have therefore conducted an assessment in line with guidelines by the Task Force on Climate-Related Financial Disclosures (TCFD) to identify risks, opportunities, challenges across all our operation in Malaysia and Indonesia to build resilience for our business and mitigate climate change. We acknowledge the recent announcement by ISSB and official adoption of IFRS S1 and S2 by Bursa Malaysia. Based on the deliberation of materiality matter at the Board level of UP Group, we see climate change as one of the key areas which will affect our operations financially. We are committed to conduct the Climate Risk Assessment in line IFRS S2 framework.

Governance & Strategy

All strategies, programmes and developments related to the climate risk assessment are headed by the Chief Executive Director of UP and any significant resources required for

related projects are subject to approval by the UP Board. The climate risks will be deliberated and reviewed as deemed necessary during the Group Sustainability Committee (GSC) Meeting. Lastly, climate change is also listed as an important indicator under our materiality assessment and the level of prioritisation is assessed annually based on feedback from our stakeholders.

Metrics & Targets

UP is committed to continuously improve and operationalise the short-, medium- and long-term measures and strategies to minimise the identified climate risks. This goes hand in hand with our strategic focus on the “circular economy” concept of converting waste in to renewable energy via innovations and investments in new technologies to reduce our GHG emissions. The UP Group’s GHG emissions intensity baseline and target covering plantations, milling, and refining operations are assessed and monitored annually, and in line with the TCFD’s recommendations, we have also initiated our disclosure of GHG emissions for Scope 1,2 and 3. For more information on our journey to reduce the company’s carbon footprint vis-à-vis our baseline monitoring in 2004, reduction trends and targets, please refer to page 48.

Risk Management - Climate related transition risks, opportunities, challenges and processes to mitigate the risks

Types of transition risks	Risks	Opportunities	Challenges	Processes/Measures to Mitigate the Risks
Current and emerging regulations <ul style="list-style-type: none"> Adhering to existing and new rules and regulations on emissions or climate change mitigations. 	Higher compliance costs (additional costs associated with carbon pricing, taxes imposed on fossil fuels, etc) Failure to comply with new regulations which restrict emissions or promote climate-change adaptation.	Low carbon footprint operations will significantly reduce the operational costs arising from increasing carbon prices and the dependence on non-renewable fuels.	Significant investments needed to meet new requirements.	<ul style="list-style-type: none"> Reduce dust emissions at palm oil mills to levels below DOE requirements. New plants to treat waste water down to the lowest possible industry levels. New polishing plant to reduce the mill effluent BOD after biogas capture to levels below current requirements.
Technology <ul style="list-style-type: none"> Innovative technologies to optimise production efficiency. 	New processing methods and technology lead to different waste output and environmental impact. Increasing costs associated with conventional systems that are energy inefficient.	New innovative technology and circular economy solutions could bring about efficiency in energy usage and resilience in the use of natural resources.	High costs associated with the advancement of new technologies to reduce carbon footprints. Availability of new proven technologies to continuously reduce carbon footprints.	<ul style="list-style-type: none"> Investments in new steam- and biogas turbines, and solar panels to reduce our usage of fossil fuels. Actuator valves to preserve energy throughout our refineries
Market <ul style="list-style-type: none"> Increasing consumer awareness on climate change and expectations to manage climate-related impacts. 	Failure to comply with increasing customer expectations and requirements insofar as low carbon products are concerned.	A lower footprint could give access to markets and customers with strict carbon emissions regulations and requirements.	Reduced pool of compliant suppliers. Reduced demand for commodities that fail to meet market expectations.	<ul style="list-style-type: none"> Measuring our GHG footprint for refined palm oil yearly, incl. scope 3 emissions which in turn help our customers calculate their own scope 3 supply chain emissions.
Reputational <ul style="list-style-type: none"> Increased scrutiny from non-governmental organisations (NGOs) and consumers. 	Reputational risks as stakeholders are increasingly focusing on the companies’ carbon footprint and plan to manage climate risks.	Improved environmental score and reputation could lead to new opportunities with conscious customers.	The industry as a whole must raise the bar or all companies risk being painted with the same brush regardless of individual efforts.	<ul style="list-style-type: none"> Measuring our GHG footprint yearly through thorough LCA study factoring in both scope 1, 2 and 3 emissions.

Physical Risks

Types of physical risks	Risks	Opportunities	Challenges	Mitigation measures
Acute <ul style="list-style-type: none"> Temperature change and increased frequency of extreme weather events such as floods and droughts. 	All our properties are in areas with relatively low acute weather risks, meaning that operational disruption due to such event taking place is relatively low.	Safeguard operations by ensuring that emergency response teams are prepared to deal with fire and flood during drought and flood seasons.	Peat areas possess high risk of fire outbreaks during drought seasons and maintaining adequate water levels is therefore crucial.	<ul style="list-style-type: none"> Frequent fire drills to ensure readiness of equipment and Emergency Response Team. Maintaining water levels at 40-60cm from the ground in collection drains of peat areas.
Chronic <ul style="list-style-type: none"> Rising sea levels. 	We have some properties located close to the coast and there are risk related to the rising sea levels.	Develop mitigation plans to address the risk of rising levels, and identify alternative water sources and water retention facilities to increase operational resilience.	Significant cost associated with establishing additional water retention facilities.	<ul style="list-style-type: none"> Rainwater capturing facilities available at all operational sites. Ensuring proper drainages are constructed prior to the replanting.

Carbon Footprint Initiatives

In UP, we respect and recognise the importance of global initiatives to protect fragile ecosystems and combat climate change. Since 2005, UP has actively been pursuing means of identifying ways to reduce its Greenhouse Gas (GHG) emissions and with that its reliance on fossil fuels. At a global level, however, much more attention must be directed towards the adverse impacts of fossil fuel usage and minimising this as about 70% of all CO₂ (-eq) emissions continue to come from the burning of fossil fuels.

Palm oil, on the other hand, accounts for about 0.6% of the global CO₂ (-eq) emissions, which is much less than for instance the production of milk, pigs, and poultry, and about 22 times less than the livestock sector overall. Positive change can be made through individual accountability and collective action, and it is therefore important that we focus on a balanced approach where we all have to help minimise the impact of deforestation and greenhouse gas emissions. There must be a commensurate effort in reaching this goal and therefore things should be put in perspective and acknowledgement given to the fact that palm oil production is not a main driver of the global GHG emissions. In this connection, ongoing initiatives must be intensified to minimise the impact of not just agriculture but all activities that in one way or the other contribute to deforestation and global warming.

Life Cycle Assessment (LCA)

In 2006, following the completion of the world’s first peer reviewed Life Cycle Assessment (LCA) study on the “cradle to grave” production of 1 MT of refined palm oil, various areas were identified within our production chain, which could mitigate GHG emissions. Following that, UP finalised the world’s first comprehensive LCA in accordance with ISO 14040 and 14044 International Standards on palm oil in 2008, which subsequently underwent a critical panel review.

Since then, annual updates to this LCA have been carried out by 2.0-LCA Consultants led by Professor Jannick Schmidt from Aalborg, Denmark including the latest update undertaken for year 2023. The updated 2023 LCA model is based on the new EXIOBASE background database and the contributions from indirect land use change, peat emissions and nature conservation have been reviewed in light of new the new data. These studies have indeed helped to identify additional areas in need of further improvement within our Group. It should be noted that the GHG emissions per kg palm oil calculated in this

study cannot be compared with the results obtained with the GHG accounting tool PalmGHG, due to key methodological differences between the two models.

This effectively means that GHG emissions calculated in the LCA study are systematically higher compared to a similar calculation using the PalmGHG calculator, which adopts a different approach to deal with land use changes, nature conservation and the modelling of by-products. The PalmGHG calculator also ignores the emissions from the production of pesticides, and results are presented per kg crude oil, whereas the LCA results are presented per kg refined palm oil, and include scope 3 emissions.

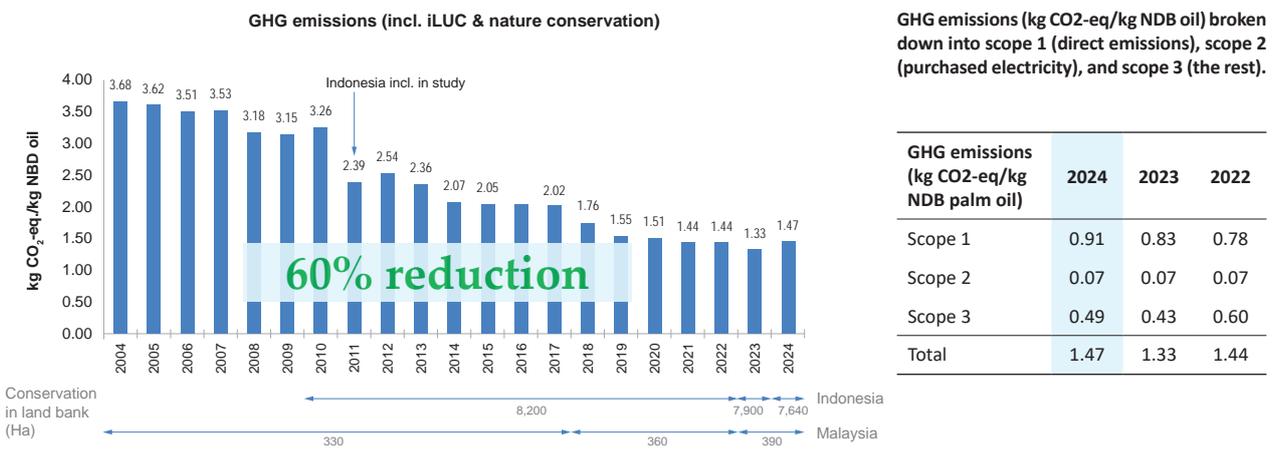
Significant reduction in UP’s GHG emissions since 2004

Looking at the below time series of GHG emissions from palm oil at UP, our footprint increased from 1.33 kg CO₂-eq emissions per kg, NBD oil in 2023 to 1.47 kg CO₂-eq emissions per kg NBD oil in 2024 including indirect land use change (iLUC) and nature conservation. This is equivalent to an increase of 11%, which is amongst others due to an overall lower CPO production. Nevertheless, this represents a substantial reduction in our GHG emissions of 60% vis-à-vis 2004, attributed to our investments in green technology, thereby galvanising the fact that UP’s palm oil has a significantly lower carbon footprint when compared to average RSPO certified palm oil as well as Rapeseed and Sunflower oil produced in Europe as seen in the graph on the next page.

2030 Combined Target for Scope 1, 2 & 3

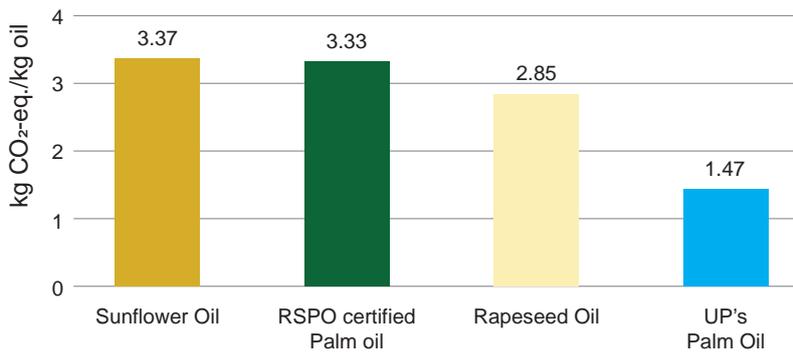
In 2021, we achieved our internal goal of reaching a 60% GHG emissions reduction per MT of refined palm oil produced by 2025 when compared to 2004 levels (with iLUC and nature conservation), four years ahead of time. However, in line with our Group’s commitment to environmental leadership, we acknowledge that even more can be done and we therefore set a new target of reaching a 66% reduction by 2030 when compared to 2004 levels (with iLUC and nature conservation). We shall relentlessly pursue to reach and exceed this through more initiatives and further investments over the next 6 years.

We are currently pursuing the alignment of GHG calculations with GHG protocols and other requirements as required by Science Based Target initiatives (SBTi) and we anticipate to achieve the SBTi approved GHG reduction targets before the end of 2025.



Left: Time-series for NBD palm oil at United Plantations Berhad 2004-2024. Right: GHG emissions from 2022 - 2024 broken down into scope 1, scope 2, and scope 3. Results include contributions from iLUC and off-setting from nature conservation.

Comparison of Palm Oil Produced in United Plantations Against Average RSPO Certified Palm Oil and Other Oils



The 2024 GHG emissions from UP's palm oil production have been compared with industry averages of RSPO certified palm oil (Malaysia/Indonesia), rapeseed oil (Europe) and sunflower oil (Ukraine). The industry averages are based on Schmidt and De Rosa (2020) and Schmidt (2015).

Emissions Reductions & Biogas Plants

As a necessary element in our pursuit to combat climate change, significant investments have been made in promoting green energy starting with the Biomass Reciprocating Boiler cum Power Plant and the first Biogas Plants built and commissioned in 2006. These projects combined have since helped to significantly reduce our emissions of CO₂ by 70% and CH₄ by 80% at the respective operating units thereby paving the way for additional green investments.

For more information on our LCA assessment, please refer to our website, www.unitedplantations.com/sustainability/.

Biogas to Grid

Today, all of our mills are equipped with biogas plants, and the biogas generated from the palm oil mill effluent is mainly used in our own operations as is or after being converted to electricity. If this is not possible, which is the case at our UIE mill, it is sold as electricity to the grid or used as a substitute fuel in the mill boiler. In 2024, a total of 6,945 MWh of green electricity was generated from the UIE biogas plant and sold to the grid, which represents a decrease of 8 % compared to 2023.

Photovoltaic Cells

A pilot project was initiated in 2020 to evaluate the feasibility of photovoltaic cells to produce green electricity from sunlight to offset electricity consumption from the grid. Located on the roof of the Tissue Culture Laboratory, these cells generate about 525 kW/ day for the Tissue Culture Laboratory, with the unutilised electricity channelled to other laboratories in the Research Department. A total of 168MWh of renewable electricity was generated from these cells in 2024. In May 2023 additional photovoltaic cells were installed at the Tractor Pool which generated a further 329MWh of electricity over the year 2024. In addition, a larger photovoltaic project was commissioned at the Unitata Refinery in May 2022, which

generated 772 MWh of electricity throughout the past year. The most recent addition is an array set up in Tanarata Estate which generated 93 MWh of electricity in 2024. For the UP group a total of 1,356 MWh of renewable electricity was generated during the year.

Biomass Reciprocating Boilers

The first Biomass Reciprocating Boiler (BRB1) was successfully commissioned in 2006 to supply green steam to Jendarata Palm Oil Mill as well as the Unitata Refinery, thus playing a crucial role in reducing our fossil fuel consumption. Since then, the Company has built and commissioned another 7 biomass reciprocating boilers with the latest unit at UIE (M) installed in 2019.

Isokinetic Monitoring of Gaseous Emissions from the Palm Oil Mills

In conformance to the Department of Environment's stipulations as well as to monitor the quality of our gaseous emissions, flue gas compositions were regularly checked by certified assessors throughout 2024. In all Malaysian mills the average dust concentrations were below the limit of 0.15g/Nm³ set by the Department of Environment as per the Environment Quality Act (Clean Air Regulations) 2014 and the Lada mill emissions is well within the 0.3g/Nm³ set by the Peraturan Menteri Negara Lingkungan Hidup No 07 Tahun 2007 in Indonesia.

VORSEP Dust Collector System

The VORSEP dust collector system was first installed on our Biomass Reciprocating boiler at Ulu Basir Palm Oil Mill replacing the old conventional multi-cyclone dust collector system. The unit was commissioned in June 2015 followed by progressive installation of additional units in the rest of the mills. With the commissioning of the VORSEP system at UIE(M) mill in 2019 all of UP's palm oil mills are now fitted with the VORSEP dust collector system.

Palm Oil Mill	Average Dust Concentration (g/Nm ³)
Jendarata - BRB 1 & 2	0.114
Ulu Bernam - Boiler 1 & 2	0.115
Ulu Basir - Stack 4	0.130
UIE - Boiler 3 & 4	0.113
Lada - Boiler 1 & 2	0.036

These units were installed primarily to meet the DOE's Environmental Quality Act (Clean Air Regulation) 2014 which among others requires a cleaner emission standard from the boiler with the following conditions: -

- i) The dust concentration emitted from the stack should not be more than 0.150g/Nm³
- ii) The smoke should not exceed shade No. 1 on the Ringlemann chart and should be less than 20% opacity

Palm Oil Mill Effluent (POME) and Palm Oil Refinery Effluent (PORE) Treatment

Palm oil mill effluent and palm oil refinery effluent are treated to reduce their BOD and COD contents before they are discharged or may be used to irrigate the oil palm fields.

The quality of effluent is monitored monthly as shown below and reported to the respective Government authorities. With the implementation of Biogas plant and other initiatives to reduce the BOD and COD of the effluent, we aim to reduce the BOD and COD by 10% from the respective average of 550 and 2200 mg/L in 2021, by 2025. With the investment on some advance technologies, we have successfully reduced the BOD and COD significantly in 2024 and this journey continues. We will re-visit our target in 2025.

	Malaysian Operations			Indonesian Operations		
	2024	2023	2022	2024	2023	2022
Parameters (mg/L)						
BOD	197	301	466	555	883	453
COD	1602	1513	2121	1301	2896	2068

In addition, we are commissioning a polishing plant to treat POME from the Optimill with the objective of reaching a BOD of <25ppm.

Biomass utilisation and economic value

In 2024, a total of 801,077 MT of biomass residues were generated through UP's various field and mill operations in Malaysia.

Almost all of the total biomass generated (99.7%) or 798,406 MT were utilised as organic mulch in the nurseries and fields or as fuel source, thereby enriching our soils and displacing the use of fossil fuels whilst enhancing the value the biomass generated.

Over in Kalimantan our Indonesian operations generated a total of 148,031 MT of biomass dry matter in 2024. Here too, a very high proportion of the biomass (147,591 MT or 99.7%) was utilised through recycling in the fields or as a green energy source.

Biomass utilisation is an important part of our nutrient recycling programme and in line with our Environment and Biodiversity Policy which demonstrates our commitments to minimize the chemical use, pesticides as well as fertilizers in our operations.

Similar commitments apply to our FFB suppliers whom we educate on Best Management Practices during our annual Smallholders' Field Day.

Production and Level of Utilisation of Oil Palm Biomass Residues in UP in 2024

Malaysian Operations (Dry Matter Basis)	Quantity Produced (MT)	Quantity Utilised (MT)	% Utilisation	Method of Utilisation
Trunks and fronds at replanting	145,869	145,869	100	Mulch
Pruned fronds	357,508	357,508	100	Mulch
Spent male flowers	34,376	34,376	100	Organic matter recycled on land
Fibre	79,056	79,056	100	Fuel & mulch in nursery
Shell	47,964	47,964	100	Fuel & mulch for polybag seedlings
POME	35,612	32,941	92	Biogas generation, nutrient source, field irrigation and base for organic fertiliser production
EFB	100,692	100,692	100	Mulch and Fuel
Total	801,077	798,406	-	-
Level of utilisation = 99.7%				

Indonesian Operations (Dry Matter Basis)	Quantity Produced (MT)	Quantity Utilised (MT)	% Utilisation	Method of Utilisation
Trunks and fronds at replanting	-	-	-	-
Pruned fronds	85,556	85,556	100	Mulch
Spent male flowers	8,227	8,227	100	Organic matter recycled on land
Fibre	17,114	17,114	100	Fuel & mulch in nursery
Shell	10,532	10,532	100	Fuel & mulch for polybag seedlings
POME	5,867	5,427	93	Biogas generation, nutrient source, field irrigation
EFB	20,735	20,735	100	Mulch and Fuel
Total	148,031	147,591	-	-
Level of utilisation = 99.7%				

Fertilizer Equivalent and Monetary Value of Oil Palm Biomass Residues Recycled on Land in UP in 2024

Malaysia Operations

Biomass Residues	Method of Utilisation	Quantity Utilised on Dry Basis (MT)	Fertiliser Equivalent (MT)			
			Urea	Rock Phosphate	Muriate of Potash	Kieserite
Trunks & fronds at replanting	mulch	145,869	1,823	613	2,346	1,118
Pruned fronds	mulch	357,508	8,059	2,622	6,816	4,462
Spent male flowers	organic matter	34,376	1,106	732	2,034	1,055
EFB	mulch	42,045	731	308	2,032	467
Digested POME	biogas generation & irrigation	32,941	1,146	725	1,801	1,318
Total (MT)		612,739	12,865	5,000	15,029	8,420
Monetary value (RM)			25,217,026	2,384,813	23,009,981	4,841,974
Total monetary value (RM)			55,453,794			

Indonesia Operations - Lada and Runtu estates

Biomass Residues	Method of Utilisation	Quantity Utilised on Dry Basis (MT)	Fertiliser Equivalent (MT)			
			Urea	Rock Phosphate	Muriate of Potash	Kieserite
Trunks & fronds at replanting	mulch	-	-	-	-	-
Pruned fronds	mulch	85,556	1,929	627	1,631	1,068
Spent male flowers	organic matter	8,227	265	175	487	253
EFB	mulch	19,158	333	140	926	213
Digested POME	biogas generation & irrigation	5,427	189	119	297	217
Total (MT)		118,368	2,716	1,061	3,341	1,751
Monetary value (RM)			4,972,110	712,811	5,870,078	1,402,551
Total monetary value (RM)			12,957,550			

With our commitment to sustainability and good agricultural practices, the recycling of field and mill biomass residues back to the oil palm land remains a cornerstone in UP's field practices. These measures have been shown to maintain and even improve soil fertility in the long term beside enhancing palm growth and yield.

In 2024, the total organic matter recycled on land in UP amounted to 612,739 MT of dry matter which is equivalent to 355,389 MT of organic carbon. This corresponds to an annual recycling rate of 16 MT organic matter or 9 MT of carbon to each hectare of land, thereby replenishing the soil carbon pool which is a vital component of soil health.

Upon mineralisation, the organic residues release substantial quantities of previously locked plant nutrients to the soil which is available for palm uptake. The fertiliser equivalent

of the material recycled on land is of the order of 41,314 MT of NPKMg fertiliser which in itself has a monetary value of RM55.45 million based on the fertiliser prices in 2024.

For our Indonesian operations, a total of 118,368 MT of biomass was recycled back onto our plantation land. This is equivalent to enriching our soils with 68,653 MT of organic carbon which on a hectare basis is akin to returning more than 14 MT organic matter or over 8 MT organic carbon to the land.

On the more sandy soils in Indonesia such inputs will improve long term soil health significantly as the soil carbon status built up over the years enriches soil fertility. The nutrient content in the recycled biomass is equivalent to 8,869 MT of inorganic NPKMg fertilisers, with a value equivalent to RM12.96 million at prevailing 2024 prices.

Fighting the Haze and Preventing Fires

In UP, we do not use open burning/fire in new or ongoing operations for land preparation, land management, waste management, or for any other reason other than justified and documented cases of phytosanitary emergency.

In 2024, some communities carried out illegal logging in the conservation area of our Indonesian operations as the conservation area is often seen as “no man ” land by the communities despite many rounds of socialisation have been conducted. However, our Emergency Response Team (ERT) managed to put-off the fire on-time and patrolling was carried by our watchmen to ensure no fire outbreak in the area. Our ERT is well-trained and equipped with all necessary equipment, and periodic fire drills are conducted in all estates throughout our Group to ensure preparedness of the ERT. To further enhance the fire patrol in Indonesia where the areas are more prone to fire outbreak, four additional fire watch towers were constructed at strategic points and purchased additional six units of GPS devices.

On top of this, we are conducting a series of community workshops to educate our local communities about the environmental and social consequences of slash and burn farming, as well as to promote alternative methods of land clearance. With this, our goal is total eradication of fire as a means to clear land by the local communities in the surrounding areas. This year thankfully there was no severe drought in Indonesia.

Hectares Burnt in Fires

	2024	2023	2022
Non Planted	0.32	25.74	0
Planted	0	0.05	0
Total	0.32	25.79	0

Outer Ring Range of ≤500 m

	2024	2023	2022
Outer ring ≤500 m (Ha)	0	33.54	0.004

No Deforestation and No New Planting on Peat

Global plantation development has contributed significantly to economic development and prosperity. However, deforestation and other unsustainable practices have many negative consequences for people and the environment, thus, our Group is therefore fully committed to protect forests, peatlands, and human and community rights. As an important part of our sustainability journey, we work closely with other growers, suppliers, contractors, processors, NGOs, brand manufacturers and industry stakeholders to take part in transforming the industry, as well as creating further awareness on the importance of sustainable palm oil production.

In addition to our focus on continuous improvement to minimise waste and our overall carbon footprint we are committed to the Principles and Criteria of the RSPO, MSPO and ISPO. Our Group has through investments and a dedicated Group Sustainability Committee introduced policies to break the link between palm oil and deforestation.

Furthermore, we have strengthened our High Conservation Value (HCV) assessment by combining it with a High Carbon Stock (HCS) assessment and Land Use Change Analysis (LUCA) for

new plantings in 2014. With this we strive to maintain an open and dynamic approach towards continuous improvements for the protection of peat soils, HCV, HCS and other fragile areas. We conduct our operations under the best principles of agriculture and are committed through our more than 8,033Ha of conservation areas to promote biodiversity and protection of the natural environment within our Group’s land banks.

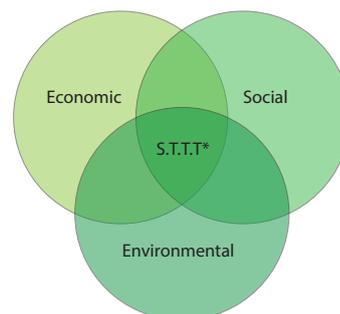
Key milestones of our Environment and Biodiversity Policy are summarised below and we expect our employees, contractors, suppliers, trading partners and stakeholders to adhere to this policy too, thereby further enhancing sustainability within our supply chain based on transparency, traceability, and trust.

For more information, please see the sustainability section on our website.

Key environmental milestones achieved are as follows:

- Zero-burn policy (1989)
- No primary forest clearing policy (1990)
- No biodiesel production/supply policy (2003)
- Methane capturing facilities introduced (2006) and all mills equipped with methane capturing facilities (2018)
- HCV assessment introduced (2007)
- LCA on Palm Oil production completed in 2008 with annual updates since then
- No Deforestation, No new development on High Conservation Value (HCV) areas and No new development on peat soils regardless of its depth (2010)
- Total phase-out of Paraquat (2010)
- HCV combined with HCS assessments and LUCA for new plantings (2014)
- Conducting peat drainability assessment for existing plantings on peat in accordance with the latest RSPO Peat Drainability guidance (2019)
- Total phase-out of Class 1A/1B chemicals (Monocrotophos/Methamidophos) (2020)
- Engagement with independent satellite monitoring service provider (2023)

Sustainable Development



*Sustainability through Transparency, Traceability & Trust

New EU Legislation on Deforestation

The European Union Deforestation Regulation (EUDR) was passed in June 2023, and is expected to come into effect on the 1st January 2026, after having recently been deferred. This regulation focuses on bringing more traceability and accountability to producers who are exporting goods to the European Union and will hold companies liable for any human rights infringements, environmental issues and forced labour concerns in their supply chain.

This is done by enforcing 3 main portions of legislation via a cut-off date for Deforestation (2021), compliance with national legislations, prerequisite of traceability, risk assessment and contingency plans as well as severe fines of up to 10% of the turnover in EU, with management being liable in person.

In Malaysia, forest cover makes up above 50% of the country’s landbank and deforestation rates have gradually fallen to near record-lows over the last many years.

For the palm oil sector specifically, the landbank under cultivation remains stable in line with the cap on land allocation introduced by the Government, which is effectively helping prevent further expansions. Instead, focus has been shifted towards raising the industry’s production by means of increasing yields and introducing new technologies.

With this, we firmly believe that Malaysia should be categorized as a low-risk country under the EUDR, and whilst there are still many unanswered questions in relation to the implementation of this new legislation, we welcome initiatives that aim to tackle the global challenge of deforestation.

However, such initiatives must be based on a balanced approach to ensure smallholder farmers are not excluded from global supply chains and that developing countries also have the right to meet their basic needs, and to have the opportunity to lead richer, more fulfilling lives. In addition, any such initiatives must ensure that all agriculture related commodities are subject to the same rules, thereby operating on a level playing field without any form of discrimination. In any case, we shall relentlessly continue our pursuit of sustainable value creation, by always aiming to set the highest sustainability standards within the conditions of the day.

To do so, we subscribe to not only Global Forest Watch and GeoRSPO for monitoring of deforestation in our own concessions, but also the internationally recognized real time satellite monitoring database, palmoil.io, with whom we have

been collaborating since the 3rd quarter of 2023 to monitor our indirect suppliers. This enables us to monitor deforestation activities in established plantations, at smallholders and at dealers with indirect supply from smallholders within a radius/proximity of 10km.

New Planting Procedure (NPP) and Responsible Land Use Planning

The RSPO New Planting Procedure (NPP) consists of a set of assessments and verification activities to be conducted by growers and certification bodies (CB) prior to new oil palm development.

The intention is that new oil palm plantings must not negatively impact primary forest, HCV, HCS, fragile and marginal soils or local people’s lands. UP subscribes to and supports this stance. It is not enough to set aside areas for conservation.

Conservation areas need to be patrolled in-order to protect these areas from intruders and fires, so that the biodiversity can be truly conserved. In this regard, our BioD utilises the SMART system which is the world’s most comprehensive and user-friendly conservation monitoring system. The added advantage of using SMART is its statistical power that allows the BioD to compile and develop trendlines and other forms of analyses pertaining to the management and protection of conservation areas and species.

For more information on our HCV and HCS assessments, please refer to our website, www.unitedplantations.com/sustainability/.

Peat Developments

Since 2010, the Group has strictly adhered to No New Development on peatland, regardless of depth, whilst carefully managing pre-existing oil palm plantings on peat.

In Malaysia, the total peat area is 4,130Ha out of a total planted oil palm land bank of 37,507Ha, whereas in Indonesia, the total peat area is 293.78Ha (after the re-surveyed of planted area on peat), out of a total planted land bank of 8,720Ha. In total, peat therefore makes up approximately 9.57% of the total area planted with oil palms throughout our Group.

In the past few years, some of the peat area with high water table has been set-aside as peat rehabilitation area. This is in line with the latest peat inventory, which has been submitted to the RSPO Secretariat.

Environmental Commitments of the Group

Activities	2024 (RM)	2023 (RM)	2022 (RM)	Grand Total (RM)
Environmentally Friendly Operational Activities	7,156,263	4,387,799	7,877,945	19,422,007
Environmentally Friendly Projects (Biogas, Biomass, others)	3,212,182	610,152	3,936,559	7,758,893
Biodiversity & Conservation (Forest reserve, Endangered Tree Species Projects, Collaboration with Copenhagen Zoo)	1,019,116	1,151,188	900,097	3,070,401
Total	11,387,560	6,149,140	12,714,601	30,251,301



Visit by Copenhagen Zoo officials, Ms. Pernille Mehl, CEO of Copenhagen Zoo and Mr. Mads Frost Bertelsen, Zoological Director of Copenhagen Zoo, with Dato Carl' Bek-Nielsen, CED of UP and Dr Carl Traeholt, UP Group Chief Environmental Advisor.

Partnership, Biodiversity and Conservation



Conservation of jungle reserves and wildlife sanctuaries as well as promoting green corridors are examples of our commitment to the environment. To date, United Plantations has set aside 8,033Ha of land for conservation purposes representing approximately 17.4% of our total planted area in order to encourage biodiversity and wildlife on our estates. In Indonesia, UP has set approximately 42.4% of its land concession for the purpose of conservation.

Riparian reserves are maintained to preserve flora and fauna, provide wildlife corridors, ensure water quality and prevent erosion. In order to develop effective conservation strategies, we have established a series of collaborations and partnerships with experts within this field. One such partnership was initiated in 2007 with Copenhagen Zoo (CPH Zoo) and officially established on 1 October 2010, through a Memorandum of Understanding (MOU). It marked an important milestone for our target of producing certified sustainable palm oil in Indonesia and being able to document the environmental integrity of our Indonesian operations.

Biodiversity Department

In order to better manage our large conservation areas, UP set up its Biodiversity Department (BioD) in 2011 under the purview of Dr. Carl Traeholt, our Group's Chief Environmental Advisor.

The Biodiversity team consists of a Senior Manager with solid natural resources management experiences, supported by five subject specialists and five field staff.

This is supplemented by additional contract-workers when needed. The team is responsible for mainstreaming environmental concerns into standard operational procedures and focus on activities primarily within the following areas:

- Biodiversity (Fauna and Flora)
- Habitat and Ecosystem
- Forestry and rehabilitation
- Hydrology and Limnology
- GIS and Mapping
- Integrated Pest Management
- RSPO and ISPO
- Protection and Monitoring
- Community Outreach

One of the key components in making the BioD a success was to develop the internal capacity to manage and conserve UP's ecological resources, and to make first-hand information about biodiversity assets easily available.

This is possible with the current BioD headed by Dr. Carl Traeholt, our Group's Chief Environmental Advisor and Mr. Muhd Silmi, Senior Manager BioD and their team including essential topic specialists, such as a limnologist, a forester/botanist, zoologist, herpetologist and database officer. These subject specialists are supported by two chief rangers and a number of ranger assistants, as well as a native tree nursery manager.

Biodiversity Department's activities

Since 2011, the BioD has undertaken an impressive amount of activities in support of the company's commitment of producing sustainable palm oil and

conserving the natural environment. For example, the BioD has worked with leopard cats, *Prionailurus bengalensis*, as predator of rats to replace the environmentally detrimental chemical control.

The work with the Sumatra cobra (*Naja Sumatrana*) and king cobra (*Ophiophagus Hannah*), the world's largest venomous snake has not only produced some amazing results, it has also attracted one of the world's best known and respected herpetologists, Romolus Whitaker, who continues to grace UP/PT SSS and offer support and capacity building.

The BioD has also undertaken numerous camera trap surveys, bird and tree surveys to document the biodiversity within the company's conservation areas.

In addition, the BioD has recorded many of Borneo's endangered species to date, among them Asia's only great ape, the orangutan, *Pongo pygmaeus*.

While these are exciting and inspiring stories about exotic species, the BioD is far more than that. An entire host of other activities commenced right from the modest beginning in 2011, including developing a GIS database that incorporates literally all the team's recorded data, be it from camera trap pictures, radio-tracking locations, number of tree seeds collected, time and place of illegal logging or recovery of aquatic fauna. Most of these stories can be found on our website.

Biodiversity activities during 2024 in PT SSS

When the Kunming-Montreal Global Biodiversity Framework (GBF) was adopted during the fifteenth meeting of the Conference of the Parties (COP 15) in December 2022, it marked the first time all 196 members agreed on a roadmap to halt and reverse nature loss by 2030.

This comes in the wake of two decades of failed attempts after the promises of the Convention on Biological Diversity, also known as the Rio Convention 1992. Although the GBF is not legally binding, it sets out several ambitious targets that are interlinked and interdependent on development processes and the Global Economy. One hugely important addition is the requirement for the Global private sector including financial institutions to play a significant role too.

The GBF marks an important milestone for nature. The vision to encourage and mandate both public and private efforts in this endeavor is exactly what the collaboration between United Plantations Bhd (UP) and Copenhagen ZOO (ZOO), both private entities, envisioned and engaged in more than a decade ago. In 2024, this collaboration reached an important milestone in itself, as it marked the 15th anniversary. It is, therefore, timely to provide a short status check on what has transpired within this period.

The biggest and most visible accomplishment is the development and integration of a professional, effective, and efficient Biodiversity Division at PT SSS (BioD). From

a modest beginning with only three local project officers, Mr. Bjorn Dahlen, contributed two important years as interim manager with a responsibility to build and setup the BioD, as well as prepare the division's current senior manager, Mr Muhd Silmi, for the tasks that lay ahead as a future leader of the team.

Mr. Bjorn's dedication to building a comprehensive database, attention to professionalism and integrity continue to form a solid foundation for the division.

Today the division consists of 18 full-time staff, including MSc and BSc degree holders in forestry, aquatic ecology, zoology, geographic information system (GIS) and dedicated field rangers. The maxim of "Think Global – Act Local" formed the philosophy of the development and, consequently, all BioD staff are Indonesian citizens, thereby ensuring long-term stability, local ownership and anchoring and the division has become an integrated part of PT SSS' daily operation.

At an early stage, the BioD realized one of the main responsibilities concerned habitat rehabilitation, restoration and enrichment. Therefore, two native tree nurseries were set up and in the following years, more than 200,000 seeds belonging to a stunning 190 species have been collected, propagated into seedlings and out-planted. The sheer scale of this effort reflects the dedication of all involved from BioD's forestry team leader, Mr. Ali Amran, field rangers, nursery assistants and estate managers and workers.

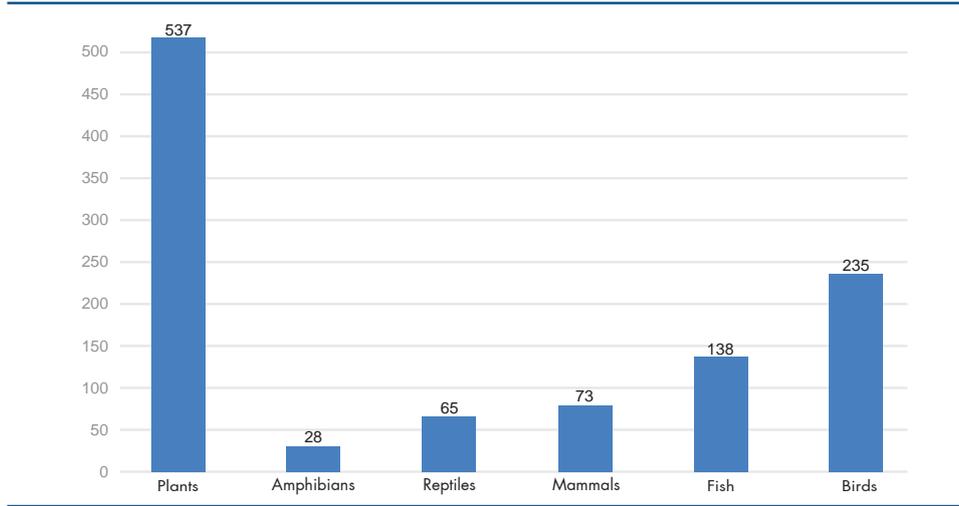
Most of the BioD's work, however, is far less evident. Working from an idea that "what can be measured can be managed", BioD has focused primarily on data collection where this can be directly related to measuring the biological impact from the operation of palm oil production.

The daily diligent collection of data and analyses allows information flow to the resident President Director, estate managers and RSPO-officers enabling more informed and better decision-making opportunities. To date, PT SSS owns what is arguably the world's most comprehensive biodiversity database in the palm oil sector. The data spans over many subjects such as species records, habitat rehabilitation and restoration procedures, seedling survival rates, growth and associated biological succession.

It contains topographic features, satellite images and high-resolution drone images of all PT SSS' conservation areas and beyond. It quantifies illegal land clearing, hunting and timber extraction and maps out hydrological features. A comprehensive snapshot of all these activities can be appreciated in the following pages of this annual report.

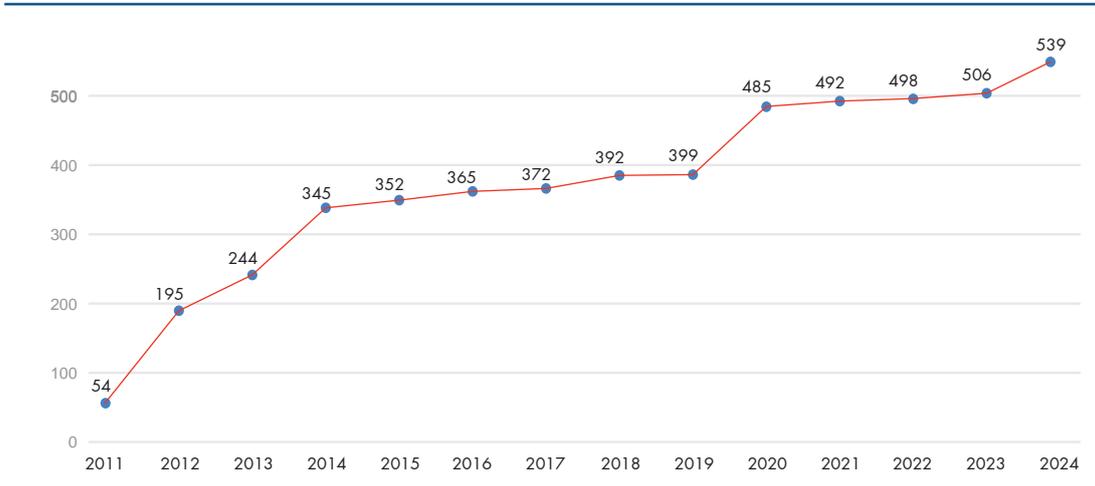
The enormous work undertaken at PT SSS has not gone unnoticed. At the end of 2024, BioD enjoys a very positive and progressive collaboration with the local Forestry Department (BKSDA). BioD's senior manager has visited the Forestry Ministry Headquarters in Jakarta on several occasions, and engaged in high-level meetings and discussions with, among others the Director General and the future promises strengthening ties with the national

Number of Species



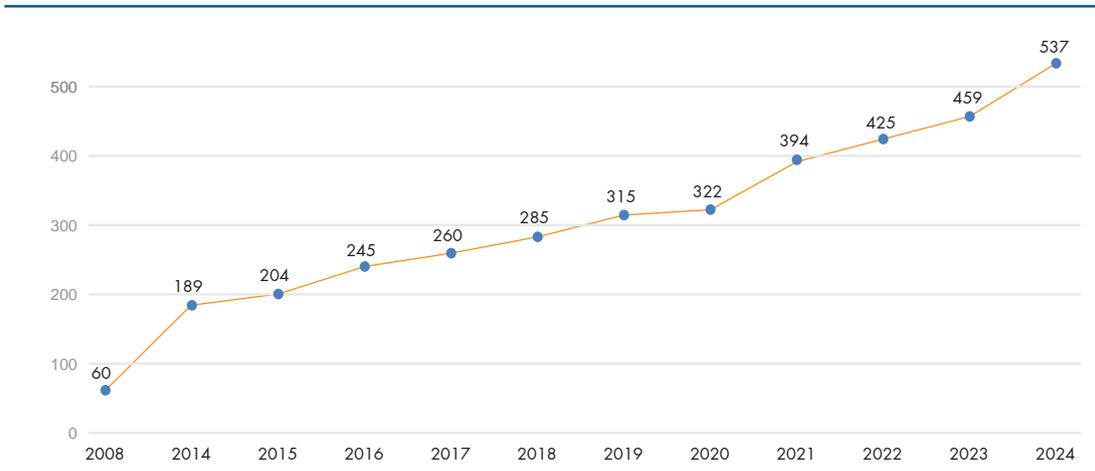
Vertebrate and plant species that have been recorded in PT SSS' conservation areas.

Cumulative Animals Species



Cumulative number of vertebrates recorded in PT SSS' conservation areas.

Cumulative Plants Species



Cumulative number of plants recorded in PT SSS' conservation areas.

entities to assist in directing Indonesia’s conservation efforts and fulfil her promises to the GBF. In addition, BioD staff have become increasingly engaged in local biodiversity conferences, seminars and workshops, where they share experiences and solutions with contemporaries.

Apart from providing information for adaptive management purposes, the BioD has contributed as first author or co-authors in 14 scientific publications in local and international journals.

This includes high impact journals such as *Frontiers in Environmental Science*, *Ecology*, *Global Change Biology*, *Frontiers in Forests and Global Change* and IUCN based journals.

The BioD was also the first ever to successfully detect orangutans at night by using drones fitted with infrared camera, and the first to record Hairy-nosed otters, *Lutra sumatrana* and breeding evidence of White-throated kingfisher, *Halcyon smyrnensis*, in the southern part of Kalimantan and in Borneo, respectively. In 2024, the BioD contributed to two new publications.

Mendes, C. P., Wido, A. R., Amir, Z., Ancrenaz, M., Ash, E., Azhar, B., Bernard, H.Traeholt, C., Silmi, M. et al. (2024). CamTrapAsia: A Dataset of Tropical Forest Vertebrate Communities from 239 Camera Trapping Studies. *Ecology* e4299. <https://doi.org/10.1002/ecy.4299> Silmi, M., Fanani, A., Huda, M., Amran, A., Suryadi, Mislana, Machid, F.I., Handayani, A.K. and C. Traeholt (2024). The first record of the White-throated kingfisher, *Halcyon smyrnensis*, breeding in Borneo, Indonesia. *Journal of Oil Palm Research*. DOI: <https://doi.org/10.21894/jopr.2024.0052>

There are many more manuscripts in the pipeline that will share the BioD Teams new findings, discoveries and experiences. At the same time, these are being shared across the palm oil sector, conservation community and governments.

For the past 15 years, BioD Team members have represented UP/PT SSS at conferences, symposia and workshops in Denmark, Holland, Croatia, Czech Republic, South Africa, Malaysia and Indonesia with talks, presentations and posters. This is a testament to the interest the work has generated across various sectors nationally and internationally.

Not only do these events communicate the achievements, challenges and experiences of conservation work in Indonesia, they also constitute ongoing capacity building and knowledge sharing with the conservation community, academician, practitioners and Governments. In this way, the BioD Team will remain current and relevant, with a solid understanding of contemporary challenges, technology and science within the sector for many more years to come.

In 2024, the team added 33 new species to PT SSS’ species list, consisting of 3 reptiles, 14 fish, 15 birds and 1 mammal. To date, the BioD has recorded a total of 539 different vertebrate species of which 73 are mammals, 235 birds, 65 reptiles, 28 amphibians and 138 fish. In addition, 537 plants species have been recorded in PT SSS’ conservation areas. The total number of species is expected to increase significantly in the future when more surveys are completed, and rehabilitation areas mature.

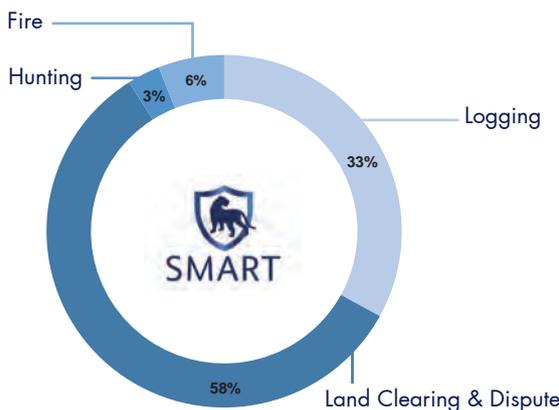
Smart Patrol

Protecting conservation areas is one of the BioD’s core activities. The aim is to prevent possible negative impact from illegal activities such as logging, hunting, fire, over fishing and land clearing. BioD continue to use the SMART system to store all records in a digital format that is also integrated with the team’s GIS-database. This means that monitoring activities and evaluating the effect of them is easy to access to improve effectiveness and efficiency of patrols.

In the middle of 2024, the region suffered very dry climate conditions. This caused extended dry seasons at PT SSS too and increased the risk of wildfires. Two fires were recorded in PT SSS in 2024, and fortunately limited long-term effect on conservation areas.

This was due to the teamwork by the BioD, estate and fire patrol teams who worked together for extended hours, often into the night, to contain fires. A combination of observation from estate towers and aerial observations by drone provided an effective combination as early warning to detect fires. This teamwork resulted in all fires in PT SSS contained to the effect that none of the outbreaks caused significant negative impact to the PT SSS concessions.

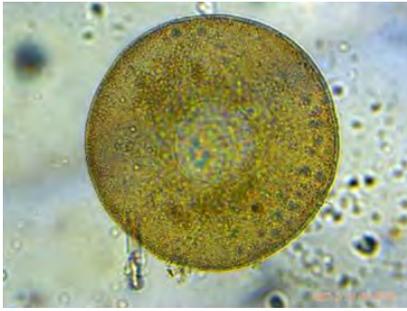
SMART Patrol Report



(THREAT HCV REPORT 2024)

Threat	Activities
Logging	12
Land Clearing	21
Hunting	1
Fire	2
Fishing	0
Others	0

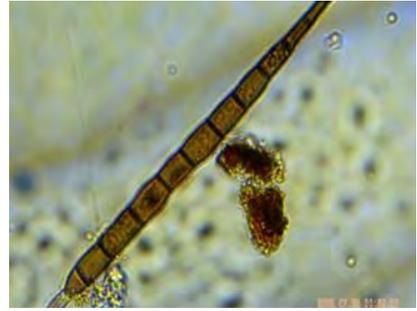
n=36



Arcella vulgaris



Bambusina rebissonii



Aulacoseira granulata

Water Quality Monitoring And The Plankton Diversity

Together with oxygen, water is the most important natural resource on earth that all known living organisms are dependent on. Therefore, the BioD Team affords water conservation the highest priority and focuses on protecting watersheds and maintain good water quality to support aquatic life as well as provide clean water to communities.

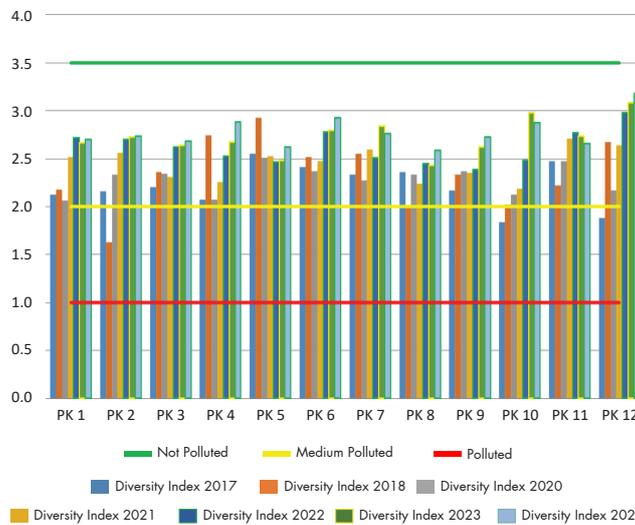
The BioD Team has continuously monitored the water quality in PT SSS' property to ensure actual water conditions in the water bodies across the estates remain as pristine as possible, and to improve the conditions of degraded systems. For this, the BioD Team focuses on aquatic microorganisms as indicators of water quality.

Aquatic invertebrate samples are collected from streams and ponds located in the planted and conservation areas in Lada, Runtu, and Kumai estates. Sampling sites are fixed points and to date the BioD Team has recorded 106 Phytoplankton and 35 Zooplankton species.

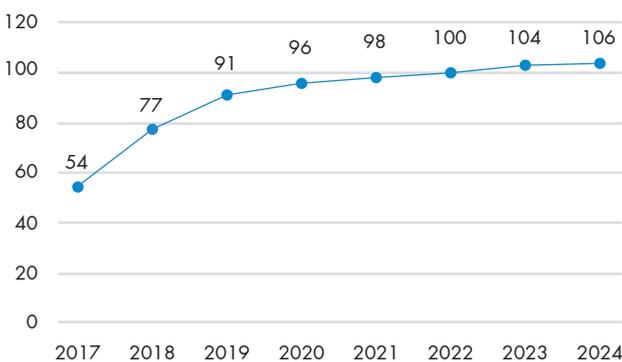
Based on the plankton diversity from sampling in Kumai, Lada and Runtu estates the water condition in the rivers in and surrounding the estates fall into the "medium condition" category. This means that the water is slightly polluted but showing signs of improving. The rehabilitation of riparian forest along the streams in PT SSS is showing positive effects by minimizing organic and inorganic pollution washout in all three estates.

Diversity Index in Kumai Estate

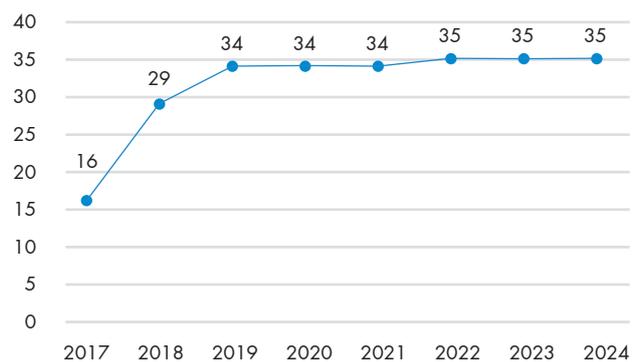
Plankton diversity index used to evaluate the quality of water bodies.



Cumulative Phytoplankton



Cumulative Zooplankton



Base line data of plankton diversity in stream/river in Kumai, Lada and Runtu estate concession.



A Yellow-vented flowerpecker feeding on fruit *Ficus microcarpa* in our rehab area.



A Red-crowned barbed feeding of fruit *Ficus glandulifera* in our conservation area.

Bird Diversity In A Rehabilitation Area

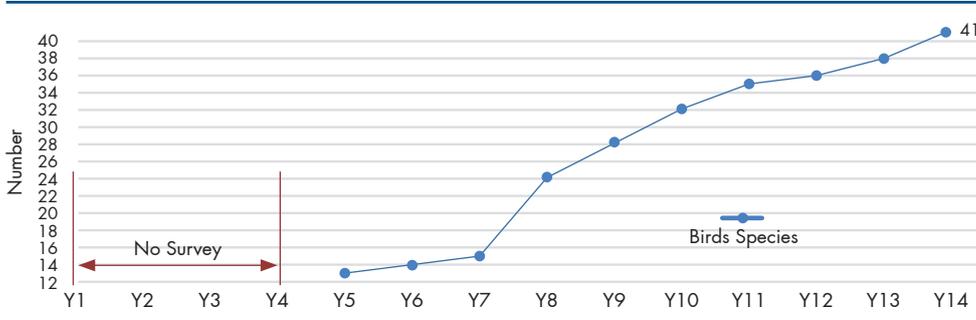
Rehabilitation activities in Lada Estate have been ongoing since 2011. The first phase of habitat rehabilitation was to plant as many native trees in degraded areas as possible to recreate a natural canopy cover. The BioD Team assumed that a good tree diversity with extensive canopy cover will attract many wildlife species, since it provides shelter and foraging areas for, particularly, understory birds and microbats. To date, approximately 350 ha have undergone intensive rehabilitation and restoration activities during which the BioD Team has planted ±195,420 native tree seedlings from 130 tree species. Despite difficult conditions, an estimated 65% seedlings have survived and have grown well today.

Concurrently with planting new trees, the BioD Team monitors biodiversity in the rehabilitation areas, and Lada

Field 86, Div 2 is mainly used as a large experimental site. The understory bird diversity is a good indicator of habitat condition and succession, including the extent of a canopy. Understory bird species prefer habitat with dense canopy cover and are often cryptic and difficult to see, even when using binoculars. Therefore, mist-netting was used to capture birds in the area, in addition to direct observation. The bird monitoring began 4 years into the rehabilitation process, when the first planting activities were initiated.

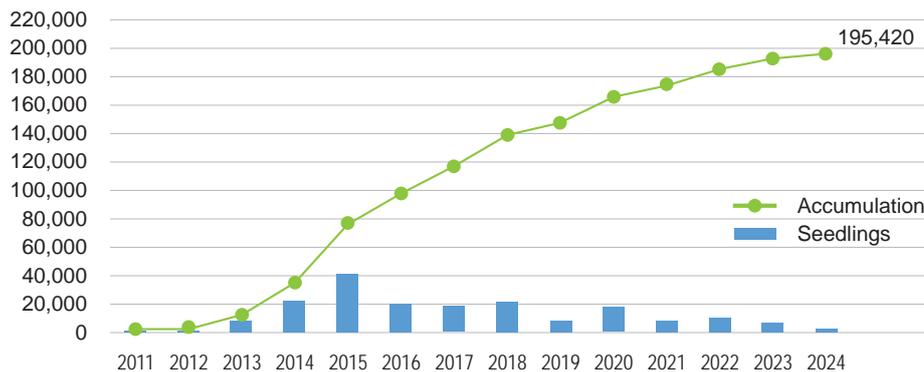
Subsequent monitoring reveals an increasing number of bird species throughout the years. From merely 13 species in 2015, the BioD Team recorded 41 bird species in 2024. This is another testament to a successful rehabilitation process. It is expected that the bird diversity will continue to increase in tune with the increasing canopy height of Field 86. The next big milestone is when endangered and critically endangered birds begin to return to the area in the future.

Cumulative Curve of Birds Species Recorded in Rehab Areas from 2011 - 2024



The number of bird species has increased every year in Field 86 after rehabilitation. This is clear evidence that the rehabilitation process is having positive effect.

Seedlings planted from 2011 - 2024



The number of tree seedlings planted in UP/PTSSS' rehabilitation areas between 2011 and 2024.



The fruit of *Ficus xylophylla* and the seed stored at the BioD's seedbank.

Ficus Tree For Rehabilitation Program

Fig trees (*Ficus* spp.) are ecologically important keystone species because they sustain many species of seed-dispersing animals that feed on their fruits. The BioD Team has recorded orangutan, gibbon, hornbill, bats, other small mammals and many bird species flocking to a single fruiting fig tree.

Considering the value of this group of trees, at an early state, BioD started propagating fig trees and outplant these in the rehabilitation areas. At the onset 4 species of fig trees were planted on the rehabilitation areas and, subsequently, 12 more species have been added, some of which are self-propagated, most likely through seed dropped from birds, or faeces from mammals and birds.

The record of “self-propagated” fig trees is an indication of how the recovery of an area is improving significantly by itself. The more tree diversity, the taller and denser the canopy, the more vertebrates are attracted to the areas, with the positive side effect of “importing” more seeds from a variety of other plant species, and the attraction of even more species diversity. This natural cycle helps accelerate

the recovering of the rehabilitation area(s) and by 2024 the BioD Team has recorded 16 fig species in Field 86.

Restocking The Ficus Trees

Considering the value of *Ficus* trees, The BioD team has increased the emphasise on propagating fig tree seedlings nurseries. In 2024, the BioD Team identified three new *Ficus* species; *Ficus glandulifera*, *Ficus xylophylla* and *Ficus delosyce*.

As many fruits as possible were collected and transferred to growth media. After sprouting and on one months’ growth, the seedlings were transferred to polybags, and at approx. 100cm height, they will be out-planted. Due to capacity limitations, not all seeds will be propagated at the same time, but stored for future use.

Conserving The Dipterocarp Mother Tree, Ketimpun (*Anisoptera marginata*)

The Ketimpun or *Anisoptera marginata* is a medium-sized to large tree up to 45 m tall. The trunk is branchless for 15-25 m and up to 135 cm in diameter, with buttresses

No	Species Name	Growth Method	
		Planted on Purpose	Natural Growth
1	<i>Ficus benjamina</i>	X	
2	<i>Ficus microcarpa</i>	X	
3	<i>Ficus spp.</i>	X	
4	<i>Ficus variegata</i>	X	
5	<i>Ficus acamptophylla</i>		X
6	<i>Ficus annulata</i>		X
7	<i>Ficus apiocarpa</i>		X
8	<i>Ficus aurata</i> (Miq.) Miq.		X
9	<i>Ficus caulocarpa</i>		X
10	<i>Ficus delosyce</i>		X
11	<i>Ficus fistulosa</i>		X
12	<i>Ficus kerkhovenii</i> Valetton		X
13	<i>Ficus paracamptophylla</i>		X
14	<i>Ficus scaberrima</i>		X
15	<i>Ficus spathulifolia</i>		X
16	<i>Ficus uncinata</i> (King) Becc.		X



*BioD Team collecting the Ketimpun (*Anisoptera marginata*) that have fallen to the ground.*



*Our team has successfully propagated about 4,000 seedling of Ketimpun (*Anisoptera marginata*) in Lada jungle tree nursery.*

up to 3m high and spreading out up to 1.5m. The wood durability varies from moderate to perishable. It is rapidly attacked and is unprotected. Ketimpun is a highly versatile timber, suitable for a variety of applications including furniture, construction, and joinery.

It is also a highly sought-after material, with many suppliers offering it from sustainable and legal sources. In the local community perspective, this tree is valuable and often targeted for wood extraction because of its profitability. Therefore, this species has become increasingly rare and is difficult to find and is listed as "Vulnerable" on the IUCN Red List.

The high demand for Ketimpun timber puts this species in danger of disappearing entirely from the area. Therefore, the BioD Team has put additional focus on conserving every Ketimpun mother tree found in our estate property.

Fortunately, some were left during the plantation development phase. Unfortunately, some of these are left entirely exposed as a single tree without adjacent vegetation.

The BioD Team will embark on replanting the adjacent space around these mother trees to minimize the risk of contracting diseases and suffering premature death.

In general, the dipterocarp family of trees produces large seed quantities during what is known as a period of mass flowering. This usually occurs once every 7-8 years, although this can be influenced by climatic variables. The Ketimpun trees in our estates first flowered and produced seeds in 2016.

This amazing event took place again 7 years later, when the trees began flowering at the end of 2023 for the fruits to ripen only in the middle of 2024. Because of such rare occurrences, the BioD Team collected as many seeds as possible to maximize the number of surviving seeds. In total the BioD Team collected 22,000 seeds of which the majority are being propagated in the nurseries and will be out-planted in rehabilitation areas.

Some seedlings are shared with local neighbouring communities as an investment for future biodiversity and timber.



*The mother tree of Ketimpun (*Anisoptera marginata*) standing majestically in the midst of an oil palm field.*



Ant sampling and a few species collected.

Diversity Of Ants In The Plantation Landscape

A comprehensive ant diversity study was undertaken in March to July 2024. This formed a collaboration between PT SSS and the Department of Biology at Padang State University (Universitas Negeri Padang). The Padang University team consisted of one of Indonesia’s leading ant specialists, Dr. Rizal Satria, along with two students, Mhd. Alfaris Pratama and Silvia Muharani.

Ant samples were collected from various types of habitats in PT SSS; peat swam forest, mangrove forest, freshwater swamp forest, dipterocarp forest, heath forest (kerangas) and oil palm planted areas. In total, the joint team collected ±3000 ants representing at least 80 species. Due to the complex taxonomy of invertebrates, the Padang team will

continue to identify and verify the samples at the university laboratory.

The ant baseline data for Borneo remains extremely limited, despite this group, together with termites, constitute the most important element in the decomposition process of a tropical rainforest. Therefore, the BioD Team feels it is essential to begin to contribute more to this monumental task, as well as to gain more knowledge about how leaf litter biodiversity determines regeneration speed and success of rehabilitation. There is little doubt that ant and termite diversity could also be important for the ecological process in the planted areas. Ants are already known to contribute significantly to aerating soil, dispersing seeds, consuming organic material, redistributing nutrients, and protecting plants.



Tetraponera



Camponotus



Tetramorium



Ponera



Dinomyrmex



Nylanderia



Senior Manager for Biodiversity, Mr. Muhd Silmi and research officer, Mr. Satrio at the 9th Asian Primate Symposium 2024.

Asian Primate Symposium In Medan, Indonesia

The 9th Asian Primate Symposium (APS) is one of the most prestigious national conservation events for academicians, practitioners, NGO's and government authorities. This event is the largest of its kind in Asia and the Medan event held from 23-27th November 2024 attracted 299 participants from 20 countries.

The BioD Team represented UP/PT SSS in this important event. Our Senior Manager Mr. Muhammad Silmi and research officer Mr. Satrio Nugroho participated, both contributing with oral presentation about primate research and conservation activities in PT SSS.

The titles were "Detectability of Borneo Orangutan Using Camera Traps on the Ground and In the Canopy" and "Assessing Activity Pattern Overlap among Four Primate Species in Plantation Landscape". For the general audience, it created enormous positive feed-back and, to many, surprise to experience that a plantation company is committed to this level of safeguarding biodiversity.

The event also exposed what has become almost customary in relation to both national and international biodiversity and conservation events that is, the UP/PT SSS was yet again the only team representing the palm oil sector. While it is a clear testament to the company's unwavering dedication to biodiversity, it is also glaringly obvious that the wider industry continues to fall far behind. The sentiments expressed at the event revealed plainly that the palm oil sector continues to be perceived as the main villain in the loss of biodiversity narrative.

The quality presentation from the BioD Team at the event turned out to be an eye-opener for many participants, who included the BioD Team in positive discussions related aiming at finding meaningful and effective conservation solutions and forge cross-sector partnerships.

Exposing the elusive biodiversity in the forest canopy

It is estimated that approximately half of all mammal species are arboreal that is, they live their entire lives in the forest canopy without ever descending to the forest floor. Despite this, the diversity of wildlife in the forest canopy is rarely studied and the species composition and intraspecific relationships remain little researched.

Understanding the complex ecological functioning of this part of the rainforest habitat is essential to exposing the intricacies of, especially, the interdependencies, symbioses and species composition that play vital roles in forest regeneration and resilience.

The primary reason for the limited canopy studies is obvious vis-à-vis, access is difficult and sampling 40-60m above the forest floor comes with an element of risk and requires specific training, safety equipment and skills.

It has long been on the BioD Team's priority list to undertake a comprehensive baseline study of the rainforest canopy in the UP/PT SSS landscape. After extensive tree-climbing training in Malaysia, Sabah, 2024 became the year when the planning and deployment of camera traps commenced in earnest.

The study took place in the HCV-areas of Kumai estate from May to July 2024. The BioD Team deployed 29 camera traps systemically in 1 km² grids and in varying heights from 8.5 – 20.3 meter above ground. The preliminary survey resulted in a total of 1,835 trap days, producing 18,196 photos in 7,570 independent events. In total, the BioD Team analyzed all photos and identified 28 species. Most were common in the area, such as Plantain squirrel, Orangutan, Long-tailed macaque and Pig-tailed macaque. We also detected rare species such as Giant squirrel, Slow loris and, especially, the very

elusive Pen-tailed tree shrew (*Ptilocercus lowii*). The find of this species confirms a single older record and is a new record for the species in the southern part of Borneo. The BioD Team is currently working on a short manuscript to publish this important finding.

The camera traps remain in the canopy, with the aim of capturing at least one annual cycle. It is also anticipated that more species will be recorded as time goes by.

Conservation Awareness Program

The success of conservation efforts largely depends on broad-based public support. However, the World is experiencing a growing separation between people and nature, primarily due to urbanization and modernization. This may decrease individual connection with nature and public support for conservation. Encouraging interactions between people and nature becomes of major importance. Therefore, the BioD undertakes regular visits to local elementary schools (Grade 5-6) with an aim to create fascination about nature, inspire coming generations to take interest and action, and teach them about the importance of biodiversity and humanity's dependence on biodiversity. During 2024, we visited five elementary school in five villages with an outreach to 276 students in total.

The UP/PT SSS outreach programme on biodiversity and conservation received tremendous support from schoolteachers at the respective schools. They and the pupils appreciate BioD's effort in sharing their knowledge and experiences about conservation in practice. Using real life examples, videos and photos of wildlife and plants from the area helped to inspire the pupils and encourage them to contribute to conservation action. To many teachers and pupils, the sheer species richness is awe-inspiring and something they never knew existed in their own backyard.

The programme also included an element of "thinking about the bigger picture", especially related to environmental carrying capacity and climate change. Both topics already have profound impact on peoples' livelihoods, and it is certain that it will become an even bigger concern in the future. Inculcating a sense of conservation awareness into children of this age constitute an essential investment in the future by forming the coming generations with a mindset that is more in tune with nature and equipping them with the incremental knowledge of nature-based solutions

Ministry of Environment and Forestry, Jakarta: Strategy meeting with the Director General KSDAE

At the national level, the responsibility to sustainably utilize and safeguard biodiversity falls under the Ministry of Forestry. The highest office that is specifically bestowed with the biodiversity conservation and protection mandate is the Unit for Natural Resources and Ecosystem Conservation (KSDAE). The KSDAE is headed by a Director General (DirJen KSDAE) who is also considered the Minister's most important advisor.

It is paramount to any conservation progress that all activities are undertaken with support from KSDAE that are represented in provinces by a sub-unit, BKSDA. The ongoing collaboration with the Provincial BKSDA in Pangkalan bun and UP/PT SSS has raised a lot of positive awareness in the Ministry. To help facilitate conservation efforts in the Kumai Estate landscape, the DirJen KSDAE extended an invitation to UP/PT SSS to present the conservation ideas for the extended landscape. The meeting took place at the Ministry in Jakarta on the 11th September 2024 and was chaired by DirJen KSDAE Prof. Dr. Satyawan Pudyatmoko with Director for Legal Affairs, Mdm Dewi Suyatman and Senior Manager for Biodiversity, Mr. Muhd Silmi representing UP/PT SSS.

The UP/PT SSS team made a presentation of their conservation initiatives, ongoing activities, and achievements before addressing the challenges in the area. UP/PT SSS requested support for the idea of conserving landscapes to support so-called meta population management of several endangered species in the area. Due to the extensive fragmentation of once large cohesive populations, many have become too small to sustain viable genetic diversity. Without active conservation intervention, these will go extinct due to, primarily inbreeding depression. There are two elementary options; either management authorities take actions to exchange individuals from different sub-populations at regular intervals, or let nature do the job by establishing ecological corridors where geneflow can take place naturally. Without any of those, sub-populations of larger vertebrates in UP/PT SSS' conservation areas will perish in the near future.

The proposal was well received, and the DirJen officially encouraged UP/PT SSS to continue the initiative and work closely with BKSDA in Central Kalimantan Province. The DirJen also envisioned that UP/PT SSS conservation areas should be a model of preservation forest that is in line with the new Laws of Indonesia No. 32 Year 2024 (Undang-Undang Nomor 32 Tahun 2024). Preservation forest refers to forest areas that are not legally gazette as national parks or enjoy any kind of other legal protection, yet that contain high biodiversity value.

The positive feedback from the DirJen KSDAE solidifies the ongoing relationship between the two parties and gives hope for the future, where UP/PT SSS and BKSDA Pangkalan Bun can strengthen existing joint activities and expand it with new projects in the future.



Dr. Carl Traeholt

UP Group Chief Environmental Advisor

and



Mr. Muhd Silmi

Senior Manager Biodiversity Division



Various types of wildlife photographed by our BioD Department.



An aerial view of UIE's Kingham-Cooper tree reserve, an oasis of flowering trees and fruits, shelter and food supply for birds and mammals.

Kingham-Cooper Lagoon Tree Reserve

The Kingham-Cooper Lagoon Tree Reserve was established in 2008 at our UIE Estate and has over the years developed into one of Malaysia's finest diverse collections of native jungle trees with over 250 species and 12,500 indigenous trees.

Spanning over 50 acres, this evolving sanctuary surrounds the lagoon and is stocked with varieties of fish, attracting fish eagles, the Malayan Otter, Monitor Lizards, King Fishers, bee-eaters, as well as a wide variety of smaller mammals. It has also become colonized by several species of monkeys such as the short and long tailed Macaques and the spectacled leaf monkey. Today, this has become our Group's indigenous tree seed-garden and the main gene bank for seed collection, propagation, and distribution of saplings to other Estates within our Group.

The establishment of our various tree reserves enables the collection of a wide variety of tree seeds for propagation at the UIE tree-nursery, which supplies ready-for-planting- trees to the other Estates in the Group. During the year a total of 365 trees across 24 diverse species has been delivered by UIE for plantings in the Alpha Bernam Division at Jendarata Estate to add biodiversity throughout the landscape here. None of this would have been possible without the late James Kingham, Malaysia's Tree Guru, to whom we are forever indebted for his generous contributions in assisting the Group establish a legacy for future generations.

During 2024, additional steps have been taken to further nurture this area. Not least through collaboration with Forest House, a reputable conservation landscaping oriented company, whose forest rangers helped identify and confirm new and rare species in our tree parks, one of which is the critically endangered *Dipterocarpus cornutus* of the Dipterocarpacea family and much sought after for its high value timber hardwood.

The Sungei Anak Macang Riparian Reserve

Serving as an example of UIE's role as the main gene bank for distribution of saplings within our Group, is the Sungei Anak Macang Riparian Reserve. This 5.85-kilometre strip of land covering 11 hectares was first planted in 2020 and has been established with a diverse variety of rare and endangered jungle trees, sourced from the Kingham-Cooper Lagoon Tree Reserve and the surrounding tree parks. Today, this serves a dual purpose as a well-maintained Riparian Reserve, which at the same time attracts a wide variety of birds and small mammals.

The Iversen-Jeremy Diamond Jungle Reserve

With the acquisition of Lima Blas Estate from Socfin in 2004, UP also inherited a beautiful jungle reserve of almost 100 hectares, which has since been enriched with native jungle tree seedlings from the Kingham-Cooper Tree Reserve. The estate's first manager during the establishment in 1928, Mr. Werner M. Iversen, played an instrumental role in safeguarding the jungle sanctuary. Atypical of that time, he described effective management as working together under conditions of mutual trust and respect with the local workforce. Many years later, the baton of preserving the jungle reserve was eventually passed on to Dato' Jeremy Derek Campbell Diamond, who retired from the UP Board of Directors in April 2023, after 22 years of loyal and dedicated service.

During his tenure as the Executive General Manager of Socfin, where he worked for 38 years prior to joining the UP Board, he also played a pivotal role in preserving the pristine jungle reserve, thereby allowing the natural habitat to thrive undisturbed. As he put it: *"Over the more than 20 years I visited Lima Blas with Comte de Ribes (Chairman of Socfin), I was asked each year if the jungle could be planted with oil palms. I always responded that the terrain was too steep and rocky. Gladly, this was always accepted"*.



Mr. Geoffrey Cooper, Estate Director, Downriver, confirming and identifying new and rare species at our tree parks at UIE. This is done in collaboration with Forest House, a reputable conservation landscaping company.



The Palm Oil Mill Effluent Biological Oxygen Demand (BOD) Polishing Plant at the Optimill helps to keep the BOD level below 50ppm after treatment.

Waste Management

To avoid contaminating the environment and prevent misuse of pesticide containers and other scheduled wastes we have been collecting and disposing of triple rinsed pesticide containers spent lubricants, used batteries and spent fuel filters through certified waste managers.

The waste managers will either safely recycle these items or dispose of them in accordance with government regulations. There is no deemed hazardous waste under the terms of Basel Convention Annex I, II, III and VIII, that were transported, imported, exported or treated.

Triple rinsed plastic pesticide containers (MT)	2024	2023	2022
Malaysia operations	16.8	16.4	14.5
Indonesia operations	5.0	4.0	3.2

Spent lubricants (litres)	2024	2023	2022
Malaysia operations	58,402.3	47,691	45,801
Indonesia operations	5,819	5,415	2,900

Used batteries (pieces)	2024	2023	2022
Malaysia operations	373	183	142
Indonesia operations	2	0	0

Spent fuel filters (pieces)	2024	2023	2022
Malaysia operations	5151	5,666	5,086
Indonesia operations	112	160	96

Water Management and Impacts

UP fully appreciates the importance of preserving and protecting water ways and manage the use of water throughout our organisation. In order to maximise the available water resources, our Group has since 1913 gone to great lengths to construct an extensive system of water gates, bunds, weirs, canals and drains hereby enabling us to harvest and optimise the usage of rain water.

In addition, leguminous cover crops are established in all our immature plantings to conserve moisture in the relatively open environment of immature plantings. In this context, it is important to mention that except for the nursery areas, none of UP’s planted areas under oil palms or coconuts are irrigated.

Indeed, all our areas are under rain-fed agriculture, thus making use of whatever water which comes naturally from above. We are continuously working to mitigate our water footprint related to mill waste, maintaining buffers along natural waterways, harvesting rainwater, frugal domestic water usage and judicious use of pesticides and weedicides.

The consumptive water use (evapotranspiration) ranges from 120-150 mm per month. To meet this requirement, the monthly rainfall should equal or preferably exceed this figure, failing which moisture stress would occur.

The rainfall in the UP Group ranges from 1,600 to 2,500 mm per year, with the average being 2,000 mm. Monthly distribution is reasonably uniform, but drought does occur when some estates receive less than 100 mm of rainfall over 2-4 months as experienced in past years. Weirs have been constructed across the collections drains to harvest rainfall and hold back water to raise the water table.

Water Weirs for Moisture Conservation

To conserve moisture during dry periods, a series of weirs are constructed across the collection drains to hold backwater and raise the water-table to within 50-75 cm from the surface. To regulate the height of the water table, wooden planks are slotted into the desired level. The density of weirs varies with the soil type, slope, rainfall and cropping system.

On average, one weir is provided for every 40 to 60 hectares or every 600-1000 meters along the collection drain. Assisted by the water gates at the discharge ends of the main drains, the weirs are very effective in minimising the adverse effects of the moisture stress. Our Research team is undertaking a Drainability Assessment in our peat areas which are due for replants in the next 5 years in accordance with RSPO Peat Drainability Guidance. This will help us better understand the hydrological characteristics of our peat areas.

Monitoring of Meteorological Parameters

Weather stations have been set up at strategically important locations throughout our Group. These provide a large amount of micro-climate information critical to, particularly, make accurate fire-risk predictions. Being able to predict the risk of fire allows the management in each estate to implement proactive measures, to prevent and minimise the risk of fire, as well as to be on high alert with firefighting equipment, in case of fire outbreak.

Water Management on Acid Sulphate and Peat Soils

Water management is particularly important on acid sulphate and peat soils. These soils are fragile and if over drained, they will rapidly deteriorate. On acid sulphate soils, the water level should be maintained up to the jarosite layer, thereby submerging the pyrite (FeS₂) and preventing it from oxidising to sulphuric acid, which can cause a steep drop in the soil pH.

Hydrology and Limnology

Clean water is critical to sustain all kinds of life form on Earth. In rural Indonesia thousands of local residents are dependent on water supplies from lakes and rivers. Maintaining a clean and uninterrupted supply of water constitutes one of the most critical components in sustainable palm oil production.

The Biodiversity team has developed a “Hydrology map” and identified a number of permanent sites for sampling water quality. Using state-of-the-art equipment, the team measures, and records organic, inorganic, and physical pollution parameters in the field. Potential trace elements and toxins are measured with a spectrophotometer in the laboratory. In the event of a sudden deterioration in water quality, the team will identify the source of pollution and initiate a process to rectify the problem.

Domestic Water Consumption (gallons per capita per day)	2024	2023	2022
Malaysian operations	88 (0.40m ³)	79 (0.36m ³)	81 (0.37m ³)
Indonesian operations	88 (0.40m ³)	77 (0.35m ³)	75 (0.34m ³)

This includes identifying any unusual organic contamination, usually due to empty fruit bunches that mistakenly have slid into a stream or if an unusual high level of inorganic contamination is detected, it is usually a result of excessive wash-out of fertilizer. Such information is communicated to the respective estate managers, allowing them to rectify a potential problem within a very short time period.

In our pursuit to conserve this depleting precious gift, every effort is being done to educate our residents to be frugal on water usage. Old water pipes, water tanks and faulty taps are being replaced from time to time to arrest leakages. In addition, by having various awareness programme on water and energy saving programmes, we aim to reduce our domestic water consumption by 10% from the average of 80 gallons per capita per day in 2025. The domestic water is sourced from either Government supply or our own treated water from river or reservoir. We will re-visit the target in 2025.

In 2024, there was an upward trend in the domestic water consumption for both Malaysian and Indonesian operations due to some leakages of the old underground piping in the worker quarters and the upgrading of piping is ongoing. We shall re-visit the target in 2025. The data could be seen from the table below.

Erosion Monitoring Plots

To better understand the dynamics of soil, water and nutrient loss that can occur on our property, several erosion monitoring plots measuring 6m x 20m were setup in one of our estates on slightly sloping land under mature oil palm. Thereafter the amount of soil loss, surface runoff and nutrient losses in each of these fractions are being closely monitored to determine the major routes of soil, water and nutrient loss. Such studies illuminate the areas of major loss through which mitigating measure can be developed to minimise the depletion of these vital natural resources.

Rain Harvesting

As part of our effort to conserve water resources and minimise wastage we have embarked on a programme to fit workers’ housing with tanks to store harvested rain water which is especially beneficial during periods of prolonged dry weather.

Mill Water Consumption Rate

We also monitor the water consumption for processing of FFBs and ensure optimum water consumption without unnecessary wastage. Any leakage in water supply will be repaired immediately. With this, we aim to reduce our mill water consumption by 10% in 2025 compared with the average of 1.6 MT water/MT FFB in 2020. We will re-visit the target in 2025.

Mill water consumption (MT water/MT FFB processed)	2024	2023	2022
Malaysia operations	1.7	1.7	1.5
Indonesia operations	1.4	1.2	1.2

United Plantations Palm Oil (Malaysian Operations*)	Soybean**			Sunflower**		Rapeseed**
	2024	2023	2022			
Pesticides / Herbicides (kg per MT oil)	1.209	0.744	0.620	3.95	28	3.73

*Includes palm oil+palm kernel oil (UP, 2022-2024 - Malaysian operations)
 **Data from FAO, 1996- Pesticide data for soybean and rapeseed updated in 2007/9 and 2010 respectively

Pesticides and Chemical Usage

Conducting our operations under the best principles of agricultural management is a key priority for the UP Group to reduce chemical and pesticides usage thereby minimising the impact to the natural environment.

Furthermore, our employees’ safety is a top priority and in this connection all sprayers are trained extensively and are required to use full Personal Protective Equipment.

According to CropLife International, a global federation representing the plant science industry, 42% of crop production throughout the world is lost as a result of insects, plant diseases and weeds every year. Indeed, in the tropics crop losses can reach as high as 75%.

Careful use of pesticides can deliver substantial benefits for our society by increasing the availability of good quality and more affordably priced food products. However, pesticides are inherently dangerous and it is in everyone’s interest to minimise the risk they pose to people and the environment.

Integrated Pest Management (IPM)

According to FAO, IPM means a pest management system that in the context of the associated environment and the population dynamics of the pest species, utilizes all suitable techniques and methods in as compatible a manner as possible and maintains the pest population at levels below those causing economically unacceptable damage or loss.

UP has a strong commitment to Integrated Pest Management (IPM), and in line with the Principles and Criteria of the RSPO we are continuously working on reducing the usage of pesticides. This commitment towards continuous improvements has resulted in minimising the usage of pesticides in relation to other major oil seed crops, primarily through Good Agricultural Practices and improvement in planting materials.

Flowering plants planted	Malaysia	Indonesia
<i>Cassia cobanensis</i>	42,406 planted	14,782 planted
<i>Tunera subulata/ulmifolia</i>	105,756 planted	91,691 planted
<i>Antigonon leptopus</i>	23,014 planted	97 planted
<i>Carambola sp</i>	3,554 planted	10 planted
<i>Others</i>	5,696 planted	8,634 planted
Total	180,426 planted	115,214 planted

United Plantations Palm Oil (Indonesian Operations*)	Soybean**			Sunflower**		Rapeseed**
	2024	2023	2022			
Pesticides / Herbicides (kg per MT oil)	0.363	0.336	0.273	3.95	28	3.73

*Includes palm oil+palm kernel oil (UP, 2022-2024 - Indonesian operations)
 **Data from FAO, 1996- Pesticide data for soybean and rapeseed updated in 2007/9 and 2010 respectively

Today, UP’s use of pesticide is 5-8 times lower per tonne of oil produced compared to Rapeseed and Soybean farmers and about 40-50 times lower compared to Sunflower growers.

Establishing Beneficial Flowering Plants

On the notion of IPM there has been a steady increase in the number of beneficial plants planted in our properties over the last few years to function as shelter and food source for the beneficial insects.

Today a total of 295,640 broadleaf flowering plants have been planted in our Malaysian and Indonesian plantations to encourage parasite and predator activities which is a vital part of our IPM programme.

Surveillance and Monitoring of Pest Outbreaks

Regular surveillance and monitoring of pest outbreaks is key to minimising both the economic impact of pest and the environmental impacts from excessive use of pesticides. Treatment is therefore only carried out when the damage exceeds established critical thresholds.

Census gangs are deployed on each estate to survey the extent of pest infestation. This is coupled with regular aerial reconnaissance in order to track and pre-empt pest build-up thereby more effectively treating potential outbreaks.

Use of Biological Pesticides and Pheromones

First line treatment against leaf i.e Nettle Caterpillar and Bagworm is biological treatment in the form of *Bacillus thuringiensis*. The use of pheromones to trap Rhinoceros Beetles and thereby reduce the dependency on chemical pesticides is also adopted on all estates.

Besides trapping out the beetles, pheromone traps also provide management with statistical information on the severity of the beetle problem and supplements the chemical spraying operations to minimise beetle damage.

Overpopulation of rats, beetles and various kinds of weeds can have a profound negative impact on production yields. The UP Group attempts to minimise the usage of chemical control-agents where possible and the BioD undertakes a number of research projects to maximise the usage of biological control agents where possible.

For example, the leopard cat (*Prionailurus bengalensis*) is one key -predators of rats and other small rodents, and preliminary studies on the effect of these cats as rat controllers in a plantation landscape is ongoing.

1) Integrated Pest Management

E.g. planting of beneficial plants to enhance the natural parasitic and predator activities against bagworm. A total of 295,640 beneficial broadleaf flowering plants have been planted in Malaysia and Indonesia.

2) On-going Monitoring

Census gangs deployed on each estate to take frond samples in a pre-determined pattern throughout the estate. These fronds are subjected to insect counts and damage assessments by trained personnel.

3) Aerial Surveillance

Regular aerial reconnaissance is carried out to better detect, pre-empt and treat potential outbreaks.

4) Use of biological control agents

E.g. Bacillus thuringiensis as the first line of treatment against an outbreak.

5) Final Resort

As a final resort and only when Steps 1 to 4 have proven to be futile in containing or controlling the natural equilibrium between pest and beneficial predator, our trained personnel intervene with the specific treatment through trunk injection.

The results have been very promising, and UP's biodiversity team is currently exploring ways to enrich the habitat conditions for leopard cats, to maximise the population density and thereby reduce rat damage.

Apart from leopard cats, the team also records ecological parameters along with the effect on rat populations of other predators such as barn owls (*Tyto alba*), Spitting cobras (*Naja sumatrana*) and water monitor lizards (*Varanus v. salvator*).

Monocrotophos and Metamidophos phased out completely

In 2020, we successfully phased out monocrotophos and metamidophos, which was a key milestone for the UP Group. Concerted efforts to source and evaluate alternatives for the Class 1A insecticides, monocrotophos and metamidophos, have been ongoing since 2006 through our collaboration with several multinational chemical companies, amongst them Bayer and BASF (Germany), Syngenta (Switzerland), Cheminova (Denmark), Sumitomo (Japan), Rainbow Agrosiences (China) and UPL (India).

For years numerous insecticidal compounds were evaluated for bagworm control with our partners with no success in matching the efficacy of monocrotophos and metamidophos. However, more recently our Research Department was able to test new formulations of an existing insecticide that hitherto gave inconsistent bagworm control.

Through those years, it was established that with these new formulations of the existing insecticide we are able to have a commercially viable and effective alternative to monocrotophos and metamidophos with a Class II toxicity rating which is a much safer product.

As a result, we have since September 2020 successfully phased out the use of monocrotophos and metamidophos for trunk injection to control bagworm. This is a significant achievement as our plantations can

thereby dispense with the use of WHO Class 1A or 1B pesticides for bagworm control and replace them with an equally effective but safer product.

Nonetheless, bagworm remains an endemic pest in Lower Perak and the Federal Government has gazetted this as a "Dangerous Pest" on 15 November 2013. It is an offence under the Plant Quarantine Act 1976 if this dangerous pest is left without any control and companies can be fined up to RM10,000. Outbreaks of bagworms continue to occur in the properties neighbouring UP in the State of Perak, West Malaysia.

This is of great concern as it is important that collaborated effort by the government authorities, neighbouring smallholders and other plantations are put in place to eradicate this serious pest. UP is working closely together with its neighbours as well as the authorities in the form of the Malaysian Palm Oil Board (MPOB) to achieve positive progress on this concerning issue.

UP has also extended as a service to the neighbouring plantations the use of its airstrips for aerial bagworm control and taking the plantation managers for aerial reconnaissance flights to monitor the extent of bagworm infestations in the region.

Overall, as can be seen in the table on the next page, the quantity of agrochemicals (fertilizer nutrients and pesticides/herbicides) per tonne of palm oil produced in UP over the last three years remain substantially lower than annual oilseed crops such as soybean, sunflower and rapeseed, which reflects of the resource utilisation efficiency of the oil palm.

The Pesticide usage in 2024 was higher than for the 2023 level in Malaysia with more herbicide used in the immature areas and due to an increased need to control leaf pests and rats in mature plantings. In our Indonesian operations, pesticide use in 2024 was slightly higher than the preceding year but it is still in the low range. The direct fossil fuel energy consumption per tonne oil produced in 2024 remained similar to 2023.

Agrochemical and Energy Inputs in the Cultivation of Oil Palm and Other Oilseed Crops

Input (per tonne oil basis)	Oil Palm*			Soybean**	Sunflower**	Rapeseed**
	2024	2023	2022			
Fertiliser nutrients						
Nitrogen (N-kg)	20	18	19	315	96	99
Phosphate (P ₂ O ₅ -kg)	8	8	9	77	72	42
Potash (K ₂ O-kg)	47	43	45	NA	NA	NA
Magnesium (MgO-kg)	8	7	7	NA	NA	NA
Pesticides/Herbicides (kg)	1.209	0.744	0.620	3.95	28	3.73
Energy (GJ)	0.594	0.56	0.56	2.90	0.20	0.70

* includes palm oil + palm kernel oil (UP, 2022-2024 - Malaysian Operations)

** Data from FAO, 1996- Pesticide data for soybean and rapeseed updated in 2007/9 and 2010 respectively

Biological Control Agents to Substitute for Chemical Insecticides

Leaf eating pest outbreaks in immature oil palms will need to be treated with insecticides. The use of biological insecticides such as *Bacillus thuringiensis* is therefore encouraged at this young crop stage to minimise collateral damage on beneficial insects in the field as well as to reduce dependency on chemical insecticides.

Fortunately, we have not had any severe infestation in neither our Malaysian operations nor in Indonesia over the last several years, hence there has been no use of *Bacillus thuringiensis*.

Quantity (kg) of <i>Bacillus thuringiensis</i>	2024	2023	2022
Malaysia operations	0	0	0
Indonesia operations	0	0	0

Moving of Harvesters' Path

Harvesters' path is mowed to maintain a flora which is favourable to natural enemies of crop pests and to minimise erosion. For this reason, blanket weeding is discouraged, whereas soft weeds with shallow root system which do not grow to excessive heights are encouraged outside the weeded palm circles.

Harnessing advances in pesticide technology to reduce herbicide inputs in mature oil palm

In the wet tropics, weed species rapidly cover the ground and compete with the palms for nutrients and water and interfere with field operations. Consequently, herbicides are an important tool to keep the palm circles weed free. Of the total pesticides used in a mature field, herbicides will therefore account for more than half of the total pesticide load.

Thus, any improvement in the length of control for weeds will contribute significantly to a reduction in pesticide use for mature palms. Over the years, UP has actively cooperated with leading agrochemical manufactures to evaluate a range of novel herbicidal compounds.

Arising from the close collaboration with Bayer Crop Science, a new compound, Indaziflam, with long lasting weed control was extensively tested in our fields and was found to be able to slash the number of herbicide applications from four rounds a year with standard herbicide mix to two rounds a year with the Indaziflam combination. This confers the clear benefit of almost halving the herbicide input in a field and greatly improving labour productivity where this herbicide can be applied.

Whilst introduction of Indaziflam has contributed to reducing the overall herbicide usage per hectare in our operations, there has been an upsurge in herbicide use in our Malaysian operations in 2024 due to a relative increase in newly mature fields which require more weeding rounds than the old mature fields. In contrast our Indonesian operations has been stable in herbicide use in the past year with more even weather conditions.

Herbicide usage (kg a.i/ha)	2024	2023	2022
Malaysia operations	6.06	3.85	3.27
Indonesia operations	1.87	1.85	1.46

Calibration for Pesticide Application Equipment

The Company engages the services of equipment suppliers to regularly monitor the calibration of our pesticide application equipment to avoid application error (under and over applications) and ensure the safety of our operators. Furthermore, regular training and refresher courses are implemented, all of which are audited by the MSPO/ ISPO/ RSPO accredited auditors every year.

Chemical Health Risk Assessment (CHRA)

In line with the Use and Standards of Exposure of Chemicals Hazardous to Health (USECHH) Regulations 2000, UP first appointed a certified assessor to conduct CHRA in 2004, for all chemicals utilized in the respective plantations, oil mills and refineries. This is being reviewed every 5 years by the assessor as stipulated in the Regulations and annual medical health surveillance is conducted on all spray operators.



Barn owls play a crucial role in integrated pest management for oil palm growers. This natural form of pest control reduces the need for harmful rodenticides, thereby promoting a healthier and more sustainable environment.

Biological pest control of rats

Rats thrive in the oil palm ecosystem with an abundance of food sources (palm shoots, fruit mesocarp, kernels, weevil grubs etc.) as well as plentiful harborage amongst the cut frond heaps. The common rat species encountered in an oil palm field are the Malaysian wood rat (*Rattus tiomanicus*), the padi field rat (*Rattus argentiventer*) and the house rat (*Rattus rattus diardii*).

With its prolific reproductive rate, whereby a sexually mature female can conceive multiple times a year and produce an average of 8 pups in each litter, rat populations can mushroom if given the right condition resulting in high crop losses. Various researchers have estimated crop losses caused by rats feeding on fruit mesocarps to be able to reduce oil yields by 5 – 10% (Wood, 1976; Liau, 1990). Badly gnawed male and female inflorescences, as well as young palms killed by rat attacks further contribute to crop loss.

Barn owls

The Barn owl is a much-loved countryside bird by oil palm planters as it predated on rats, resulting in major reduction of rodent damage. This bird is the best partner to growers due to its ability to adapt well to oil palm plantations. It survives on a staple diet of 99% rats, and it is estimated that a pair of barn owls together with its chicks consume about 800 to 1,000 rats per year.

The barn owls are medium sized (34-36cm) with long legs that have feathers all the way down to their grey toes. The owls have large, round heads without ear tufts and pale heart-shaped facial discs.

The owls ingest the rat whole and use their digestive juices to dissolve the nutrients of the fleshy parts. The tougher indigestible parts such as the bones and skulls are regurgitated out. Barn owl populations in tandem with preys’ availability can be expanded in the plantation by construction of nesting boxes at vantage points – about 5 meters from the ground and shaded by the palms’ canopies.

A zinc baffle or collar should be placed on the pole to prevent snakes etc. from predation of the owl’s eggs and new born chicks. These boxes should be inspected regularly and repaired where necessary in order to optimise their occupancy.

At United Plantations, the barn owl is the first line of defence against this serious pest. Where owls cannot cope with the high rat population, first generation rat baits such as warfarin are employed to selectively bring down the population. Warfarin baits are preferred as they are relatively safer to barn owls than second generation rat baits. Based on the low usage of rodenticides in the past years, we can infer that the barn owl programme has been fairly successful in keeping rats under control, augmented with rodenticide baiting in selected areas.

Barn Owl Data	2024	2023	2022
Total Boxes	2,865	2,785	2,765
Total Area Under Owl (Ha)	33,342	33,005	33,081
Box to land ratio in Scheme	11.64	11.85	11.96
% Occupancy in Scheme	39.12	42.55	46.65
Total Planted Area (Ha)	34,124	34,124	34,242
Box to land ratio over Total Planted Area	11.91	12.25	12.38
Rodenticide ai/planted Ha (kg/Ha)	0.0009	0.0006	0.0002



Leopard cats (Prionailurus bengalensis) serve as natural biological pest control, playing a crucial role in maintaining the balance of ecosystems by regulating rodent populations.

Leopard cats

Since its formation in 2011, the Biodiversity Division in UP/PT SSS has recorded a surprising number of leopard cats, *Prionailurus bengalensis*, in the estates. The species is common throughout Southeast Asia in undisturbed as well as altered habitats.

They are common in some oil palm estates however, little is understood about their role as rat predators in a plantation landscape although studies have shown that rats and mice constitute 93% of the leopard cat's mammalian diet (Rajaratnam et al., 2007).

Field observations demonstrate a negative relationship between cat numbers and the rat population, with high abundance of cats associated with low rat numbers and vice versa (Silmi et al., 2013).

Since 2015, nine individual leopard cats have been collared and continuously tracked for 23 months and aided by 40 camera traps set up in a 800m by 800m grid generated estimates of the cats' home-ranges and dispersal patterns.

With at least 2-4 individuals/km² the leopard cat density in oil palm estates is much higher than in the conservation forest where the density is less than 1 individual/km².

The cats are strictly nocturnal and prefer to hide and rest in thick bush, primarily consisting of sword-fern (*Nephrolepis* sp) during day-time, but forage both on the ground and in the palm canopy at night.

Some preliminary results conclude that leopard cats can feed, reproduce, and thrive in palm oil estates, with a mean home range (95% MCP) for male leopard cats of 1.39 km² (n = 5; SD = 1.40 km²) and a smaller mean home range of female cats of 1.26 km² (n = 4; SD = 0.36 km²).

In areas where rats constitute the main prey, leopard cats eat an average of 2-3 rats per day. Amphibians, snakes and birds are also on the menu.

With a body weight range of 2.5-4.0 kg leopard cats are expected to consume more food than the much lighter barn owl, a factor which may be favourable in its role as a rat control agent (Silmi et al., 2013).

Our observations reveal that leopard cats can reproduce rapidly with some females giving birth to 4 cubs, with a reproduction cycle every five to six months.



An intense scene from nature: A large King Cobra shows its predatory prowess as it consumes a monitor lizard in PTSSS Indonesia.



The Equatorial Spitting Cobra (Naja sumatrana) is a venomous snake known for its venom-spitting defence mechanism. It varies in colour and inhabits tropical forests, gardens, and urban areas and can be found on our Estates in Indonesia.



Our committed workers - Bp Karnoto and Ibu Subadriyah - cash gang loose fruit collectors at Arut Estate and Lada Estate, PT SSS whose important tasks are invaluable to our operations.

Social

UP's founder, Aage Westenholz, who established our company in 1906, was known for setting the highest standards for the workforce, within the conditions of the day. This legacy remains a hallmark of the UP Group to this day, where we are as committed as ever towards providing the best social amenities for our employees and their families, as well as advancing the economic and social conditions in the surrounding communities.

Our Employees

The success and achievements of our Group are built upon our employees, both past and present, who, through their hard work, honesty, respect and strong leadership, have loyally committed themselves to serving and dedicating their careers and livelihoods to UP. For them, we promote a working environment based on mutual trust and respect, where everyone takes responsibility for the performance and reputation of our Group, as "No one at the top is stronger than the pyramid of people who support them."

In this connection, it is most pleasing that UP has been recognised for our sustainable development solution initiatives being undertaken in Malaysia during the launch of The Malaysia Chapter of the UN Sustainable Development Solutions Network (UN-SDSN) in 2015. In the SDSN Malaysia Chapter, UP was identified as a "Business with a soul". This acknowledgement is indeed pleasing and indicates our commitment to being a leader

in economic, environmental and social sustainability. We recruit, employ and promote employees on the sole basis of the qualifications and abilities needed for the work to be performed and meritocracy is a hallmark of our Group. Our employees are the Groups' core assets, without which the success and stability of UP would not materialise. We are committed to diversity and have an equal employment opportunity policy.

Whilst we actively promote the employment of women at UP, we also recognise that some work on our plantations is potentially more suitable for men due to the heavy physical nature of the tasks. Male workers predominantly perform tasks such as harvesting fresh fruit bunches, crop collection and evacuation to the railway cages for transport to the mills, while women are assigned lighter work such as weeding, gardening and loose fruits collection. We provide crèches, playgroup classes and kindergartens at all operating sites to support our employees and their children.

Employees – Year 2022 to 2024

	2024	2023	2022
UP Bhd	4,813	4,832	4,513
Unitata Bhd. and UniFuji Sdn. Bhd.	305	304	305
PT SSS, Indonesia	1,403	1,488	1,563
Total	6,521	6,624	6,381

Summary of our Group's Employees Gender Mix

	UP Indonesia (PT SSS)	UP Malaysia	UP Group
Percentage Female Employees	20.67%	8.97%	11.49%
Percentage Male Employees	79.33%	91.03%	88.51%

Category of Employees (Malaysian) as at 31 December 2024

Employee Classification	Gender Classification		Age Classification			Ethnic Classification				Total
	Male	Female	18-30	31-50	>50	Malay	Chinese	Indian	Others	
Sr Management	1	-	-	-	1	-	1	-	-	1
Executive	116	27	17	91	35	29	22	91	1	143
Staff	176	134	59	151	100	75	3	226	6	310
Workers	471	287	192	334	232	219	2	534	3	758
Total	764	448	268	576	368	323	28	851	10	1,212

Category of Employees (Other Nationalities) as at 31 December 2024

Employee Classification	Gender Classification		Age Classification			Ethnic Classification					Total
	Male	Female	18-30	31-50	>50	Others*	Indonesia	Nepalese	Indian	Bangladeshi	
Sr Management	2	-	-	1	1	2	-	-	-	-	2
Executive	18	3	4	13	4	2	19	-	-	-	21
Staff	45	13	16	41	1	-	57	-	-	1	58
Workers - PT SSS	1,046	274	390	796	134	-	1,320	-	-	-	1,320
Guest Workers - Malaysia	3,897	11	1,448	2,387	73	-	340	9	607	2,952	3,908
Total	5,008	301	1,858	3,237	214	4	1,736	9	607	2,953	5,309

* Danish and British.

Grand Total = 6,521

Code of Conduct and Business Ethics

A key element of UP’s sustainability framework is our Code of Conduct & Business Ethics, and we implement responsible and ethical business policies and practices in all aspects of our operation.

The Government of Malaysia, in line with its anti-corruption drive has announced the S17(A) MACC Amendment Act (2018) which came into force on 1 June 2020.

To comply with this new enactment, the Code of Ethics & Governance Policy was reviewed and expanded to include all associated persons as defined under the Act.

The changes were made under the Business Integrity and Corruption section of this Policy as follows:

- UP has a zero-tolerance to fraud, bribery, and corruption and this applies to all dealings by our directors, employees, suppliers, consultants, agents, and any persons associated with UP.
- UP as a responsible corporate citizen has been and shall continue to give scholarships and donations to deserving cases on the condition that this is not corruptly given as defined under Section 17 A(1) of the MACC Amendment Act 2018. However, UP has a general policy of not giving political contributions to any political parties or candidates.
- UP does not prohibit the giving of meals and gifts in the course of business dealings as long as these are of reasonable value, not in cash and are not corruptly given.
- Corruption and bribery risk assessments are done and adequate procedures have been put in place to minimise the exposure to the Group. This risk like all other identified risks shall be periodically assessed and reported in the Statement On Risk Management and Internal Control.
- Directors and officers have been sent for training to familiarise themselves with S17A MACC Amendment Act (2018), and in-house anti-bribery training has been and will continue to be conducted in all operating units. Associated persons like contractors, agents, consultants, suppliers with bribery risks have been made aware and undertaken to comply with this Policy.
- The Internal Audit Manager has been appointed as the competent person responsible for anti-corruption compliance matters and he is to report all his findings to the Chairman of the Audit Committee who is an independent director. The Chairman of the Audit Committee shall after deliberation at the Audit Committee report the findings to the Board.

In addition to the above, all directors and employees who are vested with approval authorities on purchasing or entering into trades are to declare in the Annual Conflict of Interest Statement their compliance with the section on Conflict of Interest under this Policy.

Corruption Risk Assessment

The percentage of operations that underwent corruption risk assessments that covers all of our operations is as follows.

	2024	2023	2022
Percentage of operations that underwent corruption risk assessments	40%* (8/20)	55% (11/20)	70% (14/20)
Percentage of employees trained on corruption related requirements (Code of Conduct and Business Ethics)	95%	96%	76%
Number of confirmed corruption incidents	0	0	0

* In addition to the 8 scheduled assessments in 2024, there were 11 special audits conducted on a need basis to address specific material risks identified by the Management during the year.

Human Rights

It is important to acknowledge that running a business today requires a greater level of transparency compared to before. What a few years ago may have been considered to be enough is no longer adequate. Companies therefore have a choice:

To continue with the status quo and gradually move towards fossilization or to adapt to the changing business environment and consumer requirements shaping the landscape for tomorrow’s demand. In UP, we have chosen the latter option in accordance with our striving toward being recognized as second to none within the plantation industry.

Social care and strong emphasis on human rights for employees are increasingly seen as non-negotiable principles by global consumers worldwide. In line with our founding principle of setting the highest welfare standards, UP is fully committed to continuous human rights advancements, and we therefore engage closely with our customers and other stakeholders on new emerging standards and other requirements, in the spirit of shared responsibility.

This includes promoting fair labour practices and treating all individuals and communities with respect, not only as an ethical obligation but also as a social license to operate. By adhering to these principles, we aim to build our reputation as a responsible corporate citizen.

Human Rights Policy

Our Human Rights Policy provides the over-arching principles which we embed into our recruitment and standard operating procedures and systems to ensure that our human rights commitments are upheld and operationalised throughout all business functions. In addition to our own operations, our policy also encompasses requirements for our business relations such as our clients, suppliers and partners.

We adhere to the fundamental elements of the International Labour Organization (ILO) Convention and the United Nations Declaration on Human Rights, the Rights of Indigenous People and other core values as ratified by the countries in which we operate. We are also committed to the protection and advancement of human rights including prohibiting retaliation, intimidation, and harassment against Human Rights Defenders, whistleblowers, complainants, and community spokespersons, and we acknowledge and

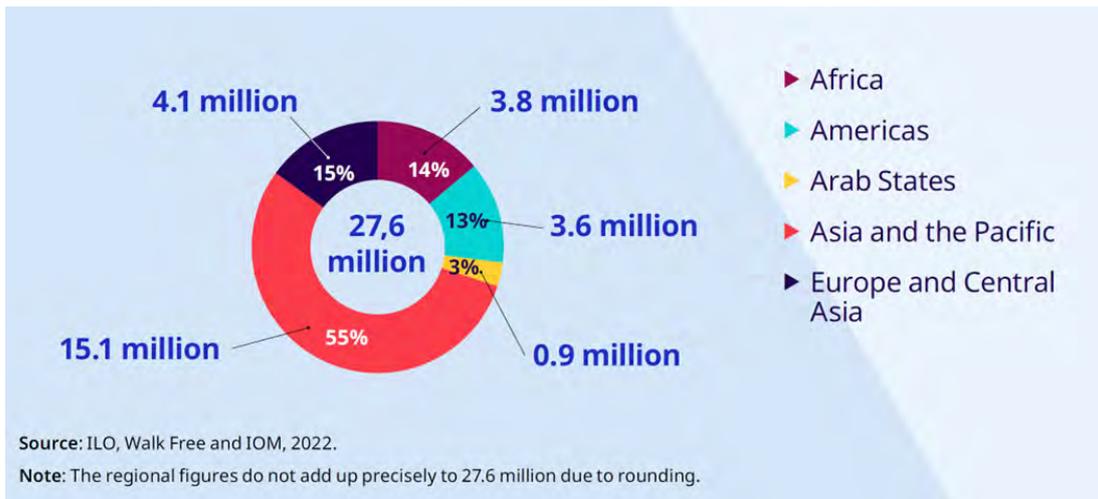
respect all universal human rights including prohibiting the use of child or forced labour in our operation.

In line with our continuous improvement approach, we are focusing on minimising risks of any human rights violations within our supply chain. Not least risk associated to forced labour, which is a critical yet complex area that is evolving rapidly and gaining significant international and local attention.

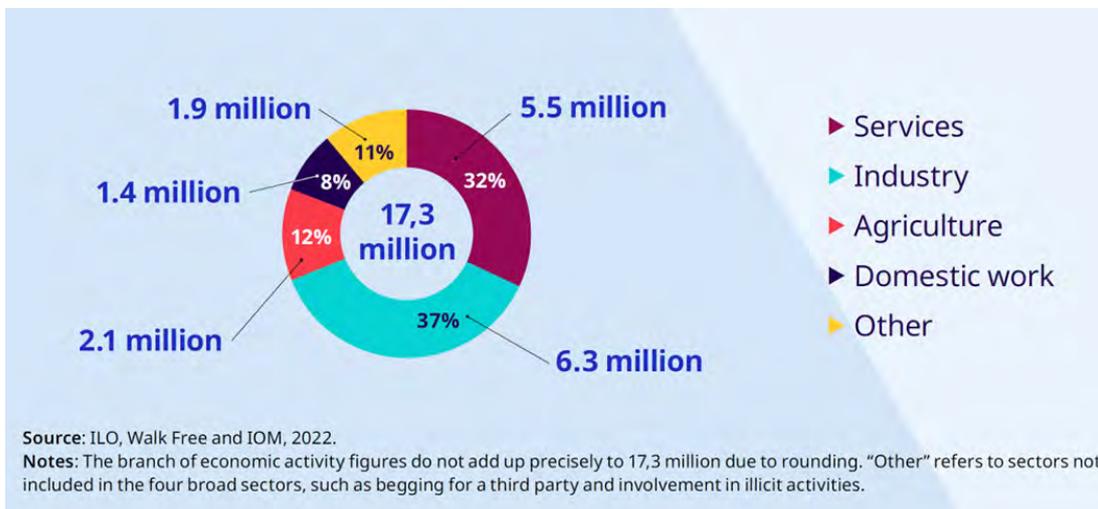
According to statistics by the ILO from September 2022, there are 50 million people globally in situations of modern slavery on any given day, either forced to work against their will or in a marriage that they were forced into.

This translates to nearly one of every 150 people in the world. Of this, forced labour accounts for 27.6 million, a number which has been increasing, and virtually touches all industries right from services, manufacturing and construction to agriculture and domestic work.

Number of people in forced labour, by region



Privately-imposed forced labour, by branch of economic activity



In this regard, the ILO's 11 forced labour indicators highlighted in the flywheel below, are important to help companies evaluate whether forced labour is taking place within their supply chains.



We recognise that it is of utmost importance to identify and address any such risks that may be present within our operations. It is our responsibility to mitigate the potential adverse impacts of these risks on our workers by ensuring that proper checks and balances are in place. This requires a strong implementation culture, systems as well as structures to assure that the risk mitigation initiatives are “built in” and not just “bolted on.”

Whilst UP is far from perfect, we dedicate a significant amount of management’s and the EXCOM’s time to keep ourselves abreast with the latest developments within this important field of forced labour.

In combination with a solid understanding of all our working environments and production processes this enables us to spot and thereby react on any warning signals before they materialise into systemic problems on the ground.

On 21 March 2022, Malaysia became the 58th country in the world, and the second ASEAN Member State to ratify the ILO Protocol of 2014 to the Forced Labour Convention, 1930 (No. 29). With this ratification, Malaysia commits to fight forced labour in all its forms, including human trafficking, and improving the access to legal remedies for victims of forced labour.

On top of this, the Ministry of Human Resources (MOHR) with the support of the ILO, have developed a National Action Plan on Forced Labour 2021-2025, which outlines the 5 years’ course of action focusing on awareness, enforcement, labour migration as well as access to remedy and support services with the aim

to eliminate forced labour in Malaysia by 2030. This is a testament to the government’s commitment to accelerate the efforts to eliminate forced labour, which we applaud and fully support in UP.

Strengthening human rights standards is a journey with no finishing line, and we remain totally committed to our partnership with “Dignity in Work for All”, a social rights NGO formerly known as Verité South East Asia, which began in 2020, and with whom we work closely to transparently address and improve human rights and safety gaps within our supply chain, in line with new emerging practices. Further in 2024, efforts were put in place to strengthen our internal ethical recruitment procedures in partnership with North-South Initiative through independent evaluation.

With partnerships and collaborations with key partners and through our “Reach and Teach, Reach and Remind” Roadshow sessions which are carried out meticulously, we aim to ensure a workplace that respects and promotes human rights for all regardless of religion, race, age, gender and nationality. Such points on Human Rights, Safety & Health and latest laws and regulations are also disseminated to all workers via Roadshows in their native languages.

One of the major efforts in addressing the Forced Labour indicator “Retention of identity documents” was the installation of individual passport lockers at the various accommodation facilities of our Guest Workers in the entire Group in 2024. In the past, each Guest Worker could choose to either utilize the centralized individual passport lockers provided by the Company or keep his/her passport in their own possession. With effect from July 2024, the centralized individual passport lockers have been removed and each Guest Worker has been given an individual passport locker in their respective accommodation facilities for the safekeeping of their passports. In addition, in July 2024, the EXCOM made a decision to provide financial assistance to reimburse passport renewal fees for all our existing Guest Workers.

Furthermore, as part of capacity building under the “Reach and Teach, Reach and Remind” programme, DIWA conducted training for all front liners on handling grievances in April 2024, and to further address issues on human rights, MAPA conducted a refresher course on managing workplace sexual-harassment complaints for the Gender Committee members. The training was conducted on 14 November 2024 and attended by key representatives of the Gender Committee in the UP Group.

Ethical recruitment of Guest Workers

The Malaysian Plantation sector remains reliant on Guest Workers, who provide about 80-85% of the industry’s labour requirement today. This is not at the expense of taking jobs away from local Malaysians as they prefer to work in urban cities and are just not interested in being employed as harvesters or to work with other field activities.



HRSSS team conducting the "Teach and Reach" & "Teach & Remind" programme during muster at Lima Blas Estate.

In UP, as of 31 December 2024, we have 4,438 Guest Workers – mainly from Bangladesh, India and Indonesia – whom we consider as guests, and they are vital partners in our business along with our local workers. In some of these countries, there are risks of systemic human rights abuses, which is an important topic that has escalated since 2021 through numerous reports and media articles, particularly on the corrupt practices of undisclosed middlemen as part of the Guest Workers' recruitment process.

In light of this, it has become evident that continuous efforts need to be put in place to safeguard migrant workers during their recruitment to prevent abuse of their inherent vulnerability through deception, thereby driving them into debt bondage. In combination with today's improved understanding of forced labour risks and indicators, we agree to the growing consensus that more needs to be done to safeguard Guest Workers during their recruitment journey, from potentially becoming victims of deception, abuse of vulnerability and debt bondage.

Reimbursement of retrospective recruitment costs

In the absence of a widely accepted multi-stakeholder framework to address the above-mentioned concerns and risks, we initiated an internal investigation and assessment of our own operations, which included interviews with more than 300 Guest Workers. This investigation, which was carried out with Verite SEA, now "Dignity in Work for All", was completed in January 2022 and established that our Guest Workers too had

paid undisclosed recruitment fees to third parties in exchange for a job in UP. Consequently, we have strengthened our recruitment procedures, updated our Guest Workers Policy and introduced the Employer Pays Principle, effective 31 December 2021, stating that no Guest Worker should pay for a job in UP.

Whilst strengthening our policies going forward, we also acknowledge that reasonable remediation of past recruitment practices plays an additional role in alleviating the risk of forced labour in our operations.

The investigation therefore also resulted in all active Guest Workers on 31 December 2021, recruited by UP from their respective home countries, receiving a full reimbursement payment for the undisclosed recruitment fees paid to third parties in the past. This payment was made on 5 December 2022, and amounted to RM 24.5 million in total. These initiatives have been discussed and worked on together with all our key customers, in the spirit of shared responsibility.

In addition, a total of 174 locally recruited Guest Workers has all been given RM3,000 as a goodwill payment towards the hardship faced in relation to their previous recruitment journey and employer. These are Guest Workers who fall under the Malaysian Government's programme to legalize undocumented migrant workers, thereby giving them an opportunity to be employed by qualified employers subject to stringent conditions.

UP has participated in this programme and paid all related recruitment fees and costs in line with our Ethical Recruitment Procedures. This has given them a second chance in the form of a job, free quality housing of high standards, social amenities, free medical coverage and subsidised water and electricity supply.

Finally, we have continued to invest time and resources in identifying eligible ex-Guest Workers through our Outreach Programme, for whom reimbursement funds have been set aside in a sinking fund of RM4.38 million. This is to cover the 635 Guest Workers who were active on 31 December 2021 but had left our Company (absconded, repatriated or on leave) before the payment was made on 5 December 2022. From this, a balance of 231 eligible ex-Guest Workers is yet to be reimbursed as of 31 December 2024.

Furthermore, there are also 166 locally-recruited ex-Guest Workers who have not been identified and are therefore included in the Outreach Programme.

The following activities from our outreach programme have been verified by our internal audit team and an independent third party:

1. Newspaper advertisement in the respective source countries.
2. Engagement with the source countries' Embassies and High Commissions
3. Identification and engagement through UP's Call Centre via contact details obtained by Estate management or friends who are still in UP.
4. Engagement of individuals in the source countries to search for our eligible ex-Guest Workers in the villages, followed by authentication by an appointed legal professional before payments are made.
5. Engagement with an Independent Human Rights Activist to use his vast network to contact the eligible ex-Guest Workers.

Recruitment of new Guest Workers

In May 2024, the Malaysian Government halted the recruitment of migrant workers, amidst allegations of exploitative recruitment practices such as high recruitment fees and workers not being given the jobs promised to them.

However, after appeal by the plantation sector, the Government allowed for a window period for recruitment with effect from July 2024.

Despite these challenges, UP managed to recruit 643 new Guest Workers during the year. This was guided by our

strengthened Ethical Recruitment Procedures, which are regularly assessed by Internal Audit, External MSPO & RSPO Audits, Social NGOs and Human Rights Activists. These procedures are explained in details below.

Firstly, whether recruitment is facilitated by our Guest Worker Recommend Guest Worker programme, or at the grassroot level via an Accredited Recruiting Agent (ARA) or Government bodies, we strive to ensure that all new Guest Workers are recruited in compliance with the ILO indicators of Forced Labour, as well as our Employer Pays Principle stating that no Guest Worker should pay for a job in UP.

Addressing forced labour and minimising recruitment risks is also about recognising and tackling the systemic issues that enable abuses. We have therefore decided to cut out several actors in both the sending and receiving countries, such as intermediaries as well as recruiting agencies in Malaysia, and instead spread information to new candidates in their villages through our in-house Call Centre to mitigate the risk of deception.

In this connection, our Call Centre continues to play a crucial role as the first point of contact with new candidates. The Call Centre staff who speak the candidates' respective native languages clarify the overall recruitment process and terms of employment with UP to reduce the new candidates' vulnerability and minimize the risk of deception.

In addition, the Call Centre helps to bridge the gap between the candidates in their villages and our Accredited Recruiting Agents located in the source countries' larger cities. This is to address the fact that a big part of the problem often lies here, with middlemen in the rural villages often charging exorbitant fees to the village folks in exchange for a job.

The Call Centre has been operational for over two years, and many positive outcomes have emerged, as evidenced by the feedback from new Guest Workers, who, through clear communication and expectation setting, are informed about their rights, entitlements, and precautions from the outset.

In recent years, we have introduced several new steps to further strengthen our Ethical Recruitment Procedures and mitigate the vulnerability of the new candidates prior to their arrival at UP based on our improved understanding of forced labour risks and gaps identified along the recruitment process:

1. Screening of the recommenders under the Guest Worker Recommend Guest Worker programme.
2. Call Center screening of new candidates to inform them of the job type, their rights, and to educate them on zero cost recruitment by UP to mitigate their vulnerability
3. Various notices are sent to the potential candidates



Briefing and orientation upon arrival at the airport for newly recruited Guest Workers from Bangladesh.

- throughout their recruitment process to raise their awareness.
4. Each new Guest Worker is provided all relevant documents and information about his employment and recruitment journey in a dossier.
 5. Verification upon arrival in Malaysia by the HRSS team to ascertain that all new Guest Workers have been briefed by the Call Centre and have gone through all steps of our Ethical Recruitment Procedures.
 6. Onboarding sessions by the HRSS team are carried out for all new Guest Workers to facilitate their integration into the environment on our estates and to brief them again on their terms of employment, company policies, safety at work, grievance redressal mechanism and other aspects. Furthermore, we also ensure they have received their free meals upon arrival, kit allowance, passport payments and that housing along with other amenities are in good conditions.
 7. Internal verification by the Internal Audit team 3-6 months after arrival to detect any red flags and mitigate the likelihood of debt bondage.
 8. In the event of any breach of our Ethical Recruitment Procedures, each case is thoroughly evaluated to determine accountability and remediation.

In addition, training on due diligence and audit of recruitment agencies were carried out by a team of subject-matter experts from "Dignity in Work for All" (DIWA), including a joint assessment of an ARA in Indonesia to evaluate and monitor their performance and processes. DIWA also conducted an in-house workshop for our Executives, Supervisors and Mandores, on grievance redressal procedures and fair treatment.

Further to the collaboration with DIWA, a new collaboration with Mr Jerald Joseph, an experienced independent Human Rights Consultant, in partnership with the social NGO North-South Initiative (NSI) was established, to observe, evaluate and provide additional guidance on our Ethical Recruitment Procedures in Malaysia as well as the source countries.

The results from the third-party assessment have been positive, with the assessors praising our efforts as a Company in combating and mitigating forced labour in our supply chain.

We have also received the observation findings of arrival of Guest Workers at KLIA by the Independent Human Rights Consultant Mr Jerald Joseph and of North South Initiative. This concludes the full cycle of our Ethical Recruitment audit by an Independent third-party assessor. Their recommendations have further enriched our Ethical Recruitment Procedures.

Through this collaboration, much time and effort have also been spent on evaluating our recruitment avenue in Bangladesh, where we continue to work closely with Bangladesh Overseas Employment and



Third party independent assessment of UP’s Guest Workers recruitment journey in progress, which is an important part of our Ethical Recruitment Procedures.

Services (BOESL). BOESL, who is not related to the recruitment agencies selected earlier between Malaysia and Bangladesh, is the only state-owned recruitment agency in Bangladesh, has a ‘no profit no loss’ strategy and works in a transparent manner.

To verify this, the above independent assessors joined us for an interview process in Dhaka during the year to ensure that our procedures have indeed been in place and followed.

Whistleblower Policy

We are committed to high standards of ethical, moral and legal business conduct, and with this policy we aim to provide an avenue for employees, that they will be protected from reprisals or victimisation for whistle blowing.

Paying Fair Wages and Employees’ Benefits

The average monthly earnings of our workers in Malaysia amount to approximately RM2,500, which includes productivity incentives and overtime. We practice gender equality policy on wages payment and remuneration for all our employees. From 1 February 2025, the minimum wage for Malaysia will increase from RM1,500 to RM1,700 as gazetted in the Minimum Wage Order 2024 taken into account the rising cost of living.

For our Indonesian operations, the average monthly earnings of the permanent workers amount to IDR4,061,149 which includes productivity incentives and overtime. The monthly minimum wage set by the

Indonesian Government in 2024 was IDR3,474,797. The minimum wage in Indonesia revised almost every year taking into account the rising cost of living in various regions within Indonesia. The average earnings per worker per month are reflected in the table below.

Total Average Earnings per worker per month	2024	2023	2022
Malaysia operations – Mills and Plantations	RM2,523	RM2,523	RM2,698
Malaysia operations – Refineries	RM2,739	RM2,414	RM2,414
Indonesia operations - Permanent Workers	IDR4,061,149	IDR3,820,271	IDR3,743,662
Indonesia operations - Temporary Workers	IDR3,535,686	IDR3,359,293	IDR3,547,633

Ratio of Basic Salary and Remuneration of Female Employees to Male Employees Living Wage (LW) Assessment

Region	Employee Category	Ratio
Malaysia operations	Executives	1:1.76
	Staff	1:1.20
	Workers	1: 1.12
Indonesia operations	Executives	1:1.38
	Staff	1:1.10
	Workers	1:1.36

*The salary and remuneration package varies based on the history of employment (length of service, performance, and designation).

The RSPO Secretariat is in the process of commissioning benchmarks for Malaysia and Indonesia for the palm oil sector and will develop methods to calculate and/or define LW applicability for all palm oil producing countries in which RSPO members operate.

In 2023, the RSPO Living Wage Working Group has changed the terminology of Decent Living Wage (DLW) to Living Wage (LW) with a stepwise approach. Each step of the Living Wage trajectory has assigned milestones and outcomes towards achieving a Living Wage payment to all workers in the sustainable palm oil sector.

In the past, UP has proactively worked with several large growers in the industry to engage Monash University for a fair and decent wage assessment and we will strive to commit our suppliers to live up to the payment of LW to their workers too. Until the national benchmark is established by the RSPO Secretariat, we are adhering to the applicable regulations in relation to the national minimum wages in the countries where we operate.

However, we are conducting the prevailing wage assessment as per the RSPO Prevailing Wage Calculation Guidance to understand and compare the benchmark of LW determined by the third-party assessment as mentioned above against the prevailing wage. Since 2024, RSPO Living Wage Task Force has initiated the revision of RSPO Prevailing Wage Calculation Guidance and the preliminary proposal is to rename the guidance as RSPO Prevailing Wage Calculation Procedure.

Guest Workers Repatriation and Leave

With more than 85% of our workforce being Guest Workers, there is a frequent turnover of employees within our Group. In this respect, we strongly promote freedom of movement, which can be seen in the table below.

Repatriation and Leave during the year	2024	Total number of guest workers (%)
Total number of guest workers	4,438	100
Repatriation	439	10
Gone on leave	880	20
Gone on leave and returned	723	16
Gone on leave and didn't/couldn't return	157	4

During 2024, 439 Guest Workers were repatriated upon completion of their employment tenure. Another 880 Guest Workers went back on leave to their respective home countries of which 723 have returned.

Freedom to form a Union

Our staff and workers have the right to form and become members of Labour Unions on a voluntary basis. Through these Unions, they are free to carry out collective bargaining as permitted under Malaysia and Indonesia laws to promote this option. We conduct regular briefings on our Human Rights Policy for all employees to raise awareness on this important Right.

UP Group (Malaysia)	2024	2023	2022
% of staff as members of All Malayan Estates Staff Union (AMESU)	75	75	74
% of workers as members of National Union of Plantations Workers (NUPW)	13	15	14
% of workers as members of Food Industry Employees' Union	40	37	49
UP Group (Indonesia)	2023	2023	2022
% of workers as members of Union*	11	11	9

**In Indonesia, the union committee has been re-established and membership drive is in progress.*

Grievance Redressal Procedure

UP commits to the highest level of transparency while dealing with grievances from our stakeholders. All requests, complaints, grievances, consultations for internal stakeholders are lodged in a standard template called Stakeholders Logbook and shall be addressed in a timely manner.

Request and Grievances	Malaysian Operations	Indonesian Operations
Housing repair and maintenance issues	316	74
Human rights violations	0	0
Corruption	0	0
Breaches of customer privacy and losses of customer data	0	0
Land dispute	0	0
Others	0	0
Total	316	74

We have also established an in-house helpline to deal with requests and grievances such as but not limited to the above aspects.

There were no human rights violation cases detected during our internal and external due diligence processes in 2024. However, despite the commitments and enforcement of our Ethical Recruitment Procedures, there were several red flags detected such as payment of recruitment fees to the recommenders and other personnel involved in the recruitment process in the source country.

These red flags have been addressed effectively and preventive actions have been taken to prevent the recurrence of similar red flags. However, this is an ongoing journey with no finishing line, and we remain open for further improvements wherever possible.

This will be done in collaboration with "Dignity In Work for All" by strengthening our Grievance Redressal Procedures and evaluating the effectiveness of our consultation and communication process with our workers and other affected stakeholders, amongst others. For more information on the grievance redressal procedure for internal stakeholders, please refer to www.unitedplantations.com/employees/#Grievance-Redressal-Procedure.

Social Commitments and Social Amenities

UP is committed towards providing quality housing and social amenities as well as maintaining the highest possible welfare standards for the families of our workforce. Improving and providing social amenities remains very much a hallmark within our Group, and continuous improvements were made during 2024 to provide our workforce with the best possible facilities which are significantly above the latest amendments to the Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990.

For babies and young children, UP continues to provide and maintain crèches for child care thereby ensuring that employees are comfortable about their children while at work.

Today, our Group has 9 Primary Schools and 7 Kindergartens which are maintained by the Company, providing education for more than 500 children ranging from ages of 5 to 12 years. Bus subsidies for school children above the age of 12 years old are also provided for. Finally, places of worship, Group Hospitals & Clinics, an Old Folks' Home to care for the unwell, aged and the homeless as well as a fully operational Danish Bakery are also part of our care and commitment towards the wellbeing of our employees.

In addition, 27 scholarships were granted to children of our employees during 2024 thereby enabling these students to pursue their tertiary studies. For more information of our social amenities, please refer to our website, www.unitedplantations.com/sustainability/

Training and Development

In UP, our human capital is the backbone of all our operations and to that end our "Reach and Teach & Reach and Remind" programmes are indispensable. Training schedules are therefore prepared for our employees annually in the respective Estates and other Departments to ensure that the various training modules are being carried out on a regular basis throughout the year.

Continuous efforts are also undertaken to educate and create awareness for the local workers and Guest Workers on Ethical Recruitment, Company Policies and Grievance Redressal Procedures. These trainings are done in the respective Guest Workers' native languages to help them understand the content in a clearer manner, and carried out in conjunction with the morning muster at each Estate and Department. Additionally, all workers are given a handout in their native language of the training.

This is monitored and verified by the HRSS team and also through external auditors during annual RSPO/MSPO/ISPO audits. At Staff and Executive levels, training is generally conducted on a group basis and these training modules cover Occupational Safety & Health, Human Rights, Best Agriculture & Management Practices, Industrial Laws and other relevant topics for our employees and stakeholders including our neighbouring communities.

At the end of the day, the competence and skills of our Group's employees are the main contributors to our operational success, and training programmes, conferences and seminars which are relevant to the Group's businesses are therefore identified on an ongoing basis for which the Company allocates a dedicated training budget.

As of December 2024, the average training hours for both Malaysian and Indonesian operations was 7.5 hours per employee per year.

Occupational Safety and Health

At UP we are committed to providing a safe and healthy workplace environment for our employees through the implementation of best preventive safety practices. These practices are monitored continuously based on the saying that "an ounce of prevention is worth a pound of cure".

This is of paramount importance for all employees and our respective Managers/Head of departments who are responsible for implementing and complying with our OSHA policy.

Social Commitments of the Group	2024 RM	2023 RM	2022 RM	Grand Total RM
Hospital & Medicine for Employees, Dependents & Nearby Communities	3,458,778	4,371,488	3,004,886	10,835,152
Retirement Benevolent Fund *	407,167	1,025,283	915,963	2,348,413
Education, Welfare, Scholarships & Other	310,744	280,754	344,857	936,355
Bus Subsidy for School Children	230,821	211,065	228,372	670,258
External Donations	497,683	748,563	135,620	1,381,866
New Infrastructure-Road, TNB and Water-Supply for domestic use	11,690,413	289,462	129,800	12,109,675
Employee Housing	7,839,010	7,793,775	8,460,864	24,093,648
Infrastructure Projects, Buildings, Community Halls, Places of Worship	8,056,144	2,309,937	1,881,688	12,247,769
Provision of Social Amenities	6,563,357	5,463,124	5,918,837	17,945,318
Total	39,054,117	22,493,451	21,020,886	82,568,455

* The above payments are in addition to the regulatory contributions by the Group to the Employees' Provident Fund, Social Security Contributions and other benefits.



Training on safety requirements for fire safety preparedness was conducted recently in Unitata by the local BOMBA (fire department). This program is to create awareness while increasing safety knowledge for all our employees.

Our Safety and Health Management system comprises of:

- Hazard Identification, Risk Assessment and Risk Control (HIRARC) conducted on all our operations to identify weak links and to raise the level of awareness of the risks before the occurrence of an accident.
- A well-planned occupational safety and health plan is established involving all the respective business units to ensure that UP’s safety programmes are carried out as planned.
- Impromptu safety audits in our mills, estates, research department and refineries are carried out by our competent safety and health officers to measure the level of compliance towards the safety management system.
- Our “Reach and Teach & Reach and Remind” training is an integral part of our behaviour-based safety program to create awareness while increasing the safety knowledge for our employees and to further inculcate a safety-oriented culture throughout all our respective business units.
- Quarterly safety meetings are carried out as a communication platform to discuss occupational safety and health matters with the participation of employers and employees from all levels.
- Occupational health services supplied through our two group hospitals and inhouse clinics at all respective estates to provide medical facilities for our employees under the guidance of visiting medical officer / occupational health doctors and assisted by hospital assistants.

Since 2020, we have established a dedicated safety division with five safety officers under the Human Resources, Sustainability and Safety (HRSS) Department to strengthen our commitment towards establishing a safe work environment.

In addition to this, we are appointing Safety and Health Coordinators throughout all our business units as an effort to reinforce safety management and to comply with the new amendment of the local workplace safety legislation, which has taken place in 2024. With this, we are pleased to inform that there were no occupational related fatal accidents within our Malaysian and Indonesian operations in 2024.

The leading cause of accidents in 2024, involved harvesting operations accounting for about 40% (injury from thorn pricks, debris falling into eyes during harvesting and pruning, injury from stalk cutting, and buffalo related accidents) followed by commuting accidents, slip and fall cases, and accidents related to locomotives/cages.

Fatal Accident Rate (FAR per 1000 employees)

	2024	2023	2022	2021
Malaysia operations	0	0	0	0
Indonesia operations	0	0	0	0.75

Lost Time Injury Frequency Rate (LTIFR per million hours worked)

	2024	2023	2022	2021
Malaysia operations	4.69	5.38	4.13	5.02
Indonesia operations*	86.5	115.2	97.10	87.41

*The differences of LTIFR between our Malaysian and Indonesian operations is due to 7.5 working hours per day for Malaysia while 7 working hours per day in Indonesia.

In addition to that, the OSHA of Indonesia stipulates that any accident regardless the manday lost shall be reported to JAMSOSTEK whereas OSHA of Malaysia stipulates that any accident with above 4 mandays lost shall be reported to DOSH/JKKP and SOCSO.

Our Communities

Our business provides livelihood to families, small businesses, and organisations in and around the plantations resulting in many people depending on our Group. Close bonds with our local communities are therefore a key priority to our organisation and we are committed to promoting socio-economic policies and progress in the local communities we operate in.

UP has an obligation to monitor and manage any impact our operations might have on these communities and at the same time ensure that they receive financial, social support enabling them to develop by creating jobs, paying taxes and doing business with local enterprises.

Continuous Stakeholder Engagement

UP engages - both formally and informally - with various stakeholders in and around our areas of operation. This is a key aspect of sustainable development and all enquiries by stakeholders are recorded and monitored in order to resolve any ongoing issues.

Grievance Resolution

Under our MSPO, ISPO and RSPO frameworks, we are obligated to deal with issues openly. The respective Principles and Criteria state the need for a commitment to transparency and that mutually agreed systems for dealing with complaints and grievances shall be in place and implemented. This procedure ensures that local and other interested parties understand the communication and consultation process when raising any issues with UP.

UP accepts its responsibility as a corporate citizen and wants local communities to be aware and involved in the communications and consultation methods it uses,

thereby aiming to resolve grievances (including those originating from employees) through a consultative process. Any system must therefore resolve disputes in an effective, timely and appropriate manner that is open and transparent to any affected party.

Recognising the value and importance of communication and consultation in clearing up misunderstandings/conflicts and or grievances or raising any issues with UP, the following procedure is adopted in an effective, timely and appropriate manner that is open and transparent to all affected parties.

Procedures for Handling External Stakeholders' Issues

All requests, complaints, grievances, and consultations for external stakeholders are lodged in a template called the Stakeholders Logbook. External stakeholders are considered to be Statutory Bodies, NGOs, Local Communities, Smallholders, Contractors, Third Party FFB Suppliers and Services Providers, whereas internal stakeholders are all employees of UP and their respective trade unions.

Alternatively, these enquiries/grievances can be submitted anonymously to the respective Estate Managers or Heads of Department or directly to the Company Secretary, in order to ensure the complainant does not face the risk of reprisal or intimidation. The complainant is free to appoint any independent legal and technical advisor as well as any individuals or groups to support them and/or act as observers, including a third-party mediator.

The Company Secretary of United Plantations Berhad is responsible for the handling of all external enquires and grievances against the Company. The Company Secretary's address is as follows:



The Company Secretary
 United Plantations Berhad
 Jendarata Estate
 36009 Teluk Intan
 Perak Darul Ridzuan, Malaysia
 Tel : 05-6411411; Ext – 215,334
 Fax: 05-6411876
 Email; up@unitedplantations.com

For further details on our grievance redressal procedures for external stakeholders, please refer to our website, www.unitedplantations.com/sustainability/.

Land Disputes and Free, Prior and Informed Consent (FPIC)

We are committed towards the principles of Free, Prior and Informed Consent (FPIC) and adhere to these principles in all our negotiations and interactions with stakeholders prior to any development or acquisition of land.

In Indonesia, land disputes are inevitable and part of managing plantations in the country. To minimise land issues, free, prior, and informed consent sessions with stakeholders are conducted as a vital part of sustainable plantation development.

UP has been involved with several thousand land deals with the local community and whilst most cases of disputes have been amicably resolved based on facts and full transparency in line with our Standard Operating Procedure (SOP) for Land Disputes Settlement as per FPIC.

We are pleased to inform that there is no pending land dispute case in our operations. All land dispute cases shall be addressed as per our Land Dispute Redressal Procedure.

For further details on or SOP for Land Disputes Settlement as per FPIC protocols, please refer to our website, www.unitedplantations.com/sustainability/.

Landscape Approach

A landscape approach is all about having communities discuss and agree on various sustainability issues to provide an optimal balance between community, commercial and conservation interests.

At United Plantations, we recognise that community-engagement, assessment and feedback are an integral part of our global sustainability strategy and initiatives. The community groups which are key to our operations and which have significant influence over the impacts of our business are carefully identified and engaged at various platforms and intervals throughout the year.

The community engagement process, which includes a proactive and both formal and informal approach, is carried out to fully understand their sustainability

concerns and issues with a view to ensuring that their key interests in these areas are aligned with that of our Group. Partnerships with the local communities are crucial to achieve success in Indonesia and it is therefore of utmost importance that the local communities also benefit from UP's development.

A Stakeholder meeting is held annually for all the business units within our operations to discuss and collate their feedback on the Social and Environment Impact Assessment (SEIA). This is reviewed annually with the participation of stakeholders.

For further details on our landscapes initiatives, please refer to our website, www.unitedplantations.com/sustainability/.

Plasma Schemes and Smallholders

At our Indonesian Plantations, we are actively involved with a government project known as the Plasma Scheme, designed to assist smallholders to become independent plantation growers.

With this, the Indonesian Government's objective is to ensure the establishment of Plasma Projects equivalent to 20% of a Company's planted area.

Under the Plasma Scheme, UP helps smallholders develop their land, including land preparation, for cultivation of oil palms. Once developed, the plantation is managed by the Company for one cycle after which it will be handed over to the smallholder for self-management. During the first cycle, proceed from the Plasma-areas minus development cost, is paid to the farmers by the Company.

We expect the scheme to provide more opportunities for the smallholders and help alleviate poverty, and with this programme, we also hope to steer them away from illegal logging, as well as slash-and-burn activities that can have a huge negative impact on the environment. In the early years of plantations development, before the oil palm trees reach maturity, the livelihood of smallholders is supported through employment by the Company.

Here, they typically work as employees on our plantations, while at the same time getting an understanding of oil palm cultivation and best management practices.

The Company provides the smallholders with sufficient resources and is committed to buying their FFB at government determined rates. To assist them further, we also provide vital training on plantations management practices and financial arrangements.

As of 31 December 2024, 1,377.83ha of Plasma have been developed for 850 Plasma Scheme smallholders and another approximately 250 Ha is expected to be provided and developed for 100 Plasma Scheme smallholders or communities surrounding the



On 30 November 2024, UP had conducted a Smallholders' Field Day and had participants from local districts visiting our plantation to get a better understanding on good agricultural practices, sustainability initiatives and environmental protection.

Company's properties in the coming years. The percentage of smallholders who participated in the programme was 94% (850 out of 900 scheme smallholders). This is externally verified by BSI.

Smallholders' Field Day

Oil palm smallholders have a critical role in helping us achieve our sustainability goals, as they are part of the supply chain providing an estimated 40% to 50% of the world's palm oil production. As part of our Company's commitment to sustainability, UP continuously engages with smallholders on an annual basis.

On 30 November 2024, we have also conducted a Smallholders' Field Day for the smallholders around our plantations. Here, 38 out of 48 independent smallholders participated, corresponding to about 80%. This is externally verified by BSI.

During the Smallholders' Field Day, we provide a better understanding on our sustainability commitments/policies, good agricultural practices, sustainability initiatives and environmental protection. They are given training sessions in safe handling of pesticides with appropriate Personal Protective Equipment (PPE), correct technique in spraying, effective use of pre-emergent herbicides for less chemical usage, various oil palm planting materials and integrated pest management (IPM).

Demonstrations on fire combat procedures are also carried out to further enhance the awareness of neighbouring smallholders. In case of fire incidences mainly due to El-Nino occurrences, they are informed

to contact UP for emergency assistance. Furthermore, we invited the Malaysian Palm Oil Board (MPOB) to provide a briefing on Good Agricultural Practices (GAP) as per their GAP Manual and MSPO certification for smallholders.

Food Security

According to the Food and Agriculture Organization of the United Nations, food security is a situation that exists when all people, at all times, have physical, social and economic access to sufficient, safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life.

In UP, we ensure that all our Estates' sundry shops provide adequate supply of healthy food to our workers at a reasonable price. Night markets are held in the Estate on a monthly- basis where the workers have access to more varieties of sundry goods. In addition, rice and cooking oil are offered to our workers at a subsidized rate.

All workers are also provided with land at the back of their houses to plant vegetables and a dedicated area within the housing complex to be planted with fruit trees. As far as local businesses are concerned, it is crucial for us to understand the impact of our operations on their livelihood.

In this connection, we conduct social and environment impact assessments with the participation of local communities and regular consultations regarding matters that affect both workers and local business owners.



A range of social amenities to cater for the needs of our employees, stakeholders and surrounding communities.

Sustainability Governance

Robust governance and risk management are key to our core principles of being a good corporate citizen, doing business responsibly and committing to a long-term perspective. Having received the world's first RSPO certificate in 2008, we continue to raise the bar for RSPO certified palm oil, which is recognised for the highest agricultural standards internationally.

Governance Structure

Strong risk management policies and procedures operationalised through effective sustainability governance in line with our core values are key for achieving long term success. The Board of Directors of UP is responsible for approving the direction and overall strategy for the UP Group and monitoring management's progress in connection with the financial objectives and strategic priorities. The Board receives a formal Sustainability Report at least once a year before it is reviewed and approved for release to the shareholders and public.

In relation to UP's overall sustainability objectives, targets and priorities, the Board of Directors has delegated the responsibility to the Executive Committee (EXCOM) headed by the Chief Executive Director (CED), Dato' Carl Bek-Nielsen. The Executive Committee reviews and approves UP's sustainability objectives and monitors progress and sustainability developments within the Group. The CED and EXCOM are assisted by the Group Sustainability Committee (GSC), chaired by the CED.

There is also the Group Sustainability Reporting Team (GSRT) headed by Mr. Martin Bek-Nielsen, Executive Director, Finance & Marketing and includes key personnel from Finance, Research, Human Resources, Sustainability and Safety, Share Registrar and Marketing Departments.

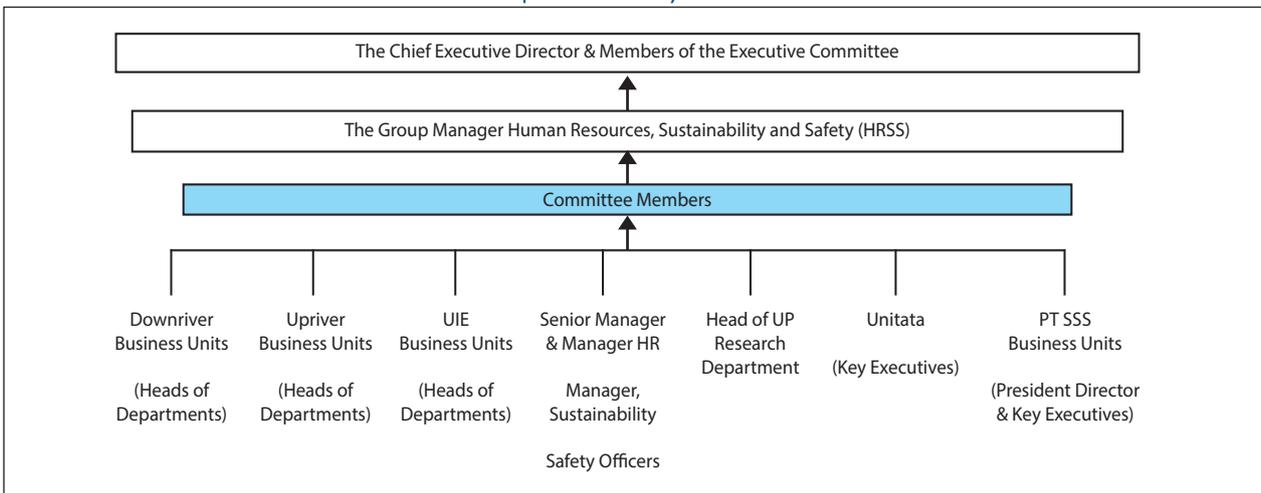
The GSRT collates all the information from the GSC, stakeholders' responses and prepares the Sustainability Report. Officially established in 2003, the GSC provides policy direction on strategic leadership on UP's Sustainability agenda, identifies our Group's most material issues in relation to risks and opportunities and monitors progress against targets set by the CED and EXCOM on a bi-annual basis.

Since the Sustainability Report became mandatory in 2016, Mr. Martin Bek-Nielsen has been briefing the Board, CED and EXCOM on the work of the GSRT and sustainability issues at every official meeting held. Sustainability is also a key aspect in the Group's Risk Management Structure which assesses various sustainability issues and developments in its annual Risk Assessment and Management process.

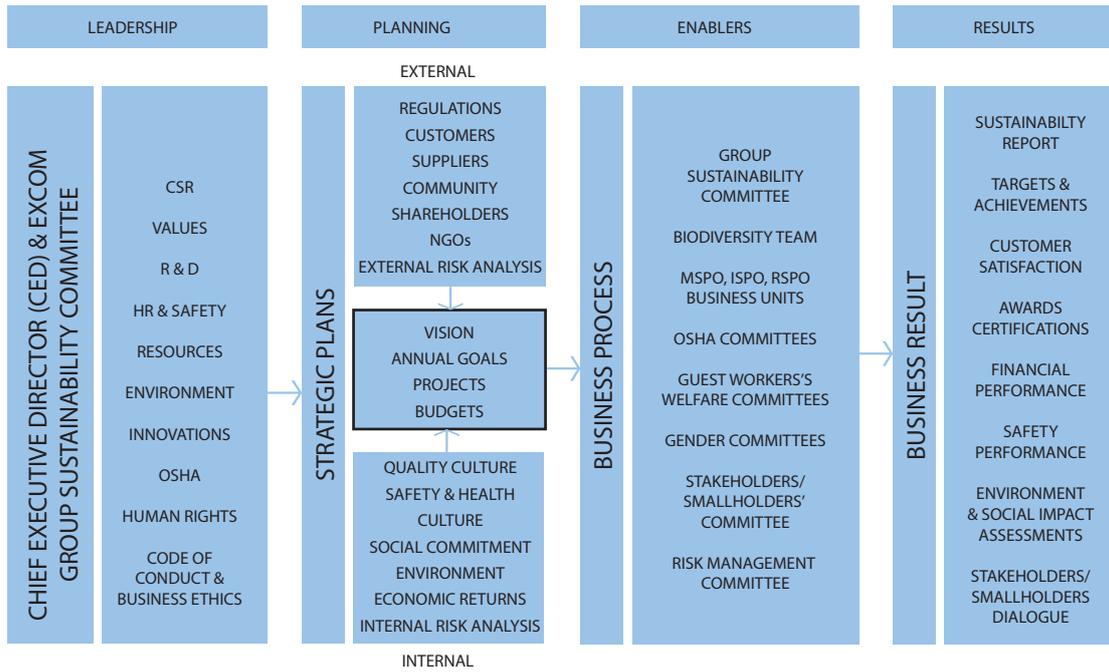
Sustainability Governance Management Structure



Group Sustainability Committee



Group Sustainability Systems Framework (GSSF)



UP's Group Sustainability Systems Framework (GSSF) is the system through which its commitment to environment and sustainable development including social and occupational safety & health matters are formalised. It is based on four key focus areas as follows:

Leadership of the Group Sustainability Committee is at the highest level of the company and is spearheaded by the Chief Executive Director Dato' Carl Bek-Nielsen. This committee provides policy directions on environment and sustainable development, occupational safety and health, allocation of resources and communications.

Planning encompassing external and internal needs that are formulated through the company's vision, policies, goals, projects, budgets, and risk analysis.

Enablers are various sub-committees and teams that ensure the adoption of environment and operational practices that are in line with current best practices and policies.

The MSPO, ISPO and RSPO business units and the various sub-committees are enablers of the GSSF and ensure that the environmental and operational policies are implemented. They are guided amongst others by the MSPO, ISPO and RSPO's Principles and Criteria and the following Manuals and SOP's:

- 1) MSPO, ISPO and RSPO Principles and Criteria

- 2) Field Management Manual
- 3) Standard Operating Procedures – Oil palm field practices
- 4) Standard Operating Procedures – Palm Oil Mill operations
- 5) Occupational Safety and Health and HIRARC Manual
- 6) Environment & Social Impact Assessments and its Management & Monitoring Plans
- 7) High Conservation Value, High Carbon Stock Assessments and its Management & Monitoring Plans
- 8) ISO9001:2015, HACCP and Quality Manual for our Refineries

Results are measured through customer satisfaction, safety performance, financial performance, environment protection and management and certifications.

The Group's Internal Audit Department, together with the Group's HRSS Department carry out audits on various sustainability issues and areas throughout the year to ensure compliance to the Group's sustainability policies and procedures.



Under the Plantations Sectoral awards, UP was awarded - Highest return on equity (ROE) over three years for the fourth consecutive year and Highest returns to shareholders over three years by the Edge Billion Ringgit Club.

Awards and Recognitions

Under the Plantations Sectoral category, UP was awarded the following awards by The Edge Billion Ringgit Club 2024, for companies below RM10 Billion Market Capitalisation.

- Highest return on equity (ROE) over three years, for the fourth consecutive year,
- Highest returns to shareholders over the three years.

Furthermore, we are pleased to inform that UP also received the following awards and recognitions:

- The Malaysian Palm Oil Industry Award for Palm Oil Mill Category - Jendarata Oil Palm Mill - Own Fresh Fruit Bunches (FFB) Supply.
- The Malaysian Palm Oil Industry Award for Oil Palm Plantation Category - Ulu Bernam Estate - Above 2,000 hectares
- SPOTT assessment 2024 – 96.1% and ranked as number one in the South East Asia and number two amongst over hundred companies globally.

Sustainability Certifications

Roundtable on Sustainable Palm Oil (RSPO) Certification

Whilst UP has focused on responsible agricultural production for generations, our formal journey towards being recognised as a certified producer of sustainable palm oil commenced in September 2003 when we were audited by ProForest and became the world’s first audited producer and processor of sustainability produced palm oil in accordance with the Swiss supermarket chain, Migros’ principles and criteria on sustainable palm oil.

Following that, UP was one of the initial signatories to the RSPO in 2004 and part of the stakeholders group involved in developing the principles and criteria to define sustainable palm oil.

Our entire landbank of oil palm plantations in Malaysia were then successfully certified in accordance with the RSPO Principles and Criteria



Recognition from MPOA for Palm Oil Mill Category - Jendarata Oil Palm Mill for FFB Supply and Palm Oil Plantations Category -Ulu Bernam Estate above 2,000 hectares.

on 26 August 2008 whereby we became the world’s first producer of certified sustainable palm oil.

This capability of supplying sustainably certified, traceable, and high-quality palm oil and palm kernel oil is an important part of our commitment to customers. Our total RSPO certified and traceable quantity available based on own production was approximately 233,028MT of palm oil and 48,654MT of palm kernels in 2024 for our Malaysian and Indonesian operations.

For our Indonesian operations, UP/PT SSS have successfully obtained the RSPO certificate for the entire HGU area of 6,717.62 Ha since December 2019. HGU refers to the certificate on land cultivation rights title issued by the Government of Indonesia.

The Time Bound Plan for the balance uncertified non- HGU areas will be in tandem with the issuance of HGU certificates by the Government of Indonesia which is expected to be obtained by 2025. We anticipate to receive HGU for some additional area by the first quarter of 2025, thereby enabling us to undergo RSPO Scope Extension Assessment in the last quarter of 2025.

For our Plasma scheme smallholders, the full certification is expected latest by 2025 subject to the issuance of individual land certificates by the local government. We have received Hak Milik (land title for the Plasma smallholders) in 2024 and we plan to conduct RSPO Scope Extension Assessment in the last quarter of 2025.

Today, all our estates and mills in Malaysia are fully certified against the new RSPO Principles and Criteria 2018 (Malaysian National Interpretation 2019) which demonstrates a stringent compliance with No Deforestation, No New Planting on Peat regardless its Depth and No Exploitation of Workers and Local Communities (NDPE).

We have been actively participating in the new RSPO Standards Review Task Force for the RSPO P&C 2024, which has now been finalized and officially endorsed during the RSPO General Assembly held in Bangkok in November 2024.

Supply outpacing RSPO certified demand

Whilst it is commendable that approximately 20% of the world production of palm oil is now certified by the RSPO, it is unfortunately a fact that the global uptake of RSPO certified palm oil was still approximately 65% in 2024, thereby outpacing demand.

This sends a negative message to responsible growers worldwide regarding the effort they put into producing the sustainable palm oil, and discourages the uncertified growers to participate in the RSPO certification. The RSPO certified oil not purchased will still end up in the supply chain being sold as conventional palm oil.

In this context, it is most pleasing that the concept of commensurate effort/shared responsibility is incorporated within the new RSPO P&C 2018, but more attention needs to be given to further raising the uptake of certified sustainable RSPO Palm oil by the consumer goods manufacturers (CGMs) and retailers, whose level of ownership is still not up to mark.

It is important for all RSPO members to step up and implement and operationalise the concept of “shared responsibility”, as sustainability is a collective mission, which requires critical individual changes.

Malaysian Sustainable Palm Oil (MSPO) Certification

The Malaysian Sustainable Palm Oil (MSPO) standard is a national certification standard created by the Malaysian Government and developed with input from stakeholders in the palm oil industry.

Today, all our mills and estates in Malaysia have successfully obtained the MSPO Certificates, and we are in the-midst of aligning our compliance towards the revised MSPO P&C 2022 in preparation for external audits in 2025.

For the refineries, our Sustainability Team has initiated the preparation of sites and documentation in line with the new MSPO P&C for refineries which stipulates that all refineries in Malaysia shall be certified against the revised MSPO P&C 2022 by the 3rd quarter of 2025.

Indonesian Sustainable Palm Oil (ISPO) Certification

In Indonesia, the Government established a mandatory certification scheme in 2011 called the Indonesian Sustainable Palm Oil Principles & Criteria (ISPO) to ensure that all producers live up to certain standards. We successfully obtained the ISPO initial certificate for the entire HGU area of 6,717.62 Ha in August 2019 and subsequently, Annual Surveillance Assessments (ASA) have taken place every year.

In May 2024, we have undergone ISPO Re-certification (2nd cycle) for PTSSS. We anticipate to receive HGU for some additional area by the first quarter of 2025, thereby enabling us to undergo RSPO Scope Extension Assessment in the last quarter of 2025.

Sustainable Palm Oil Transparency Toolkit (SPOTT)

UP participates in the Sustainable Palm Oil Transparency Toolkit (SPOTT) assessment conducted by Zoological Society of London (ZSL), which scores tropical forestry, palm oil and natural rubber companies annually against over 100 sector-specific indicators to benchmark their progress over time.

By measuring the transparency of companies in public disclosures of best practices and sustainability commitments via the RSPO Annual Communication of Progress (ACOP), RSPO New Planting Procedures (NPP), Public Notifications, Company Annual/Sustainability Reports and Company Websites, the assessment aims at promoting industry transparency and accountability to drive the uptake and implementation of environmental, social and governance (ESG) best practices in high biodiversity impact sectors.

In 2024, UP took a great leap forward and was ranked as number one in Malaysia and number two of all hundred companies globally with an improved score of 96.1% for our efforts related to environmental, social and governance matters and transparency and public disclosure of our policies.

Whilst this is a pleasing achievement, we remain committed to engage and collaborate actively with the Zoological Society of London to further improve wherever possible. For further details on SPOTT assessment for palm oil companies, please refer to SPOTT’s website, www.spott.org/palm-oil/.

International Sustainable Carbon Certification (ISCC)

ISCC is a globally applicable sustainability certification system and covers all sustainable feedstocks, including agricultural and forestry biomass, biogenic wastes and residues, circular materials and renewables. With currently over 12000 valid certificates in more than 130 countries, ISCC is among the world’s largest certification systems. It has been developed through an open multi-stakeholder process and is governed by an association with more than 300 members, including research institutes and NGOs.

As a no-deforestation standard with a strong commitment to protect forests, high-carbon stock lands and biodiversity, ISCC strives for a world where biomass and other raw materials are produced in an environmentally, socially and economically sustainable manner.

Since the 3rd quarter of 2023, our refineries (Unitata and UniFuji) have successfully completed the ISCC audits against the point of origin (waste and residues) standards for the Palm Acid Oil (PAO) and Spent Bleaching Earth (SBE). The annual surveillance audit is ongoing.



Unitata's commissioning in 1974, as the World's First Fully Integrated Inland Palm Oil Refinery, was a major milestone for the Company and for the evolution of the Malaysian Palm Oil Industry. This achievement was celebrated at Unitata's Club House on 18 January 2025.

Marketplace

United Plantations is committed to the world’s highest standards of sustainability, quality, and product traceability, right from the agricultural source in our upstream plantation operations to the final products from our downstream refining activities. We aim for continuous improvements and work towards building long-term relationships through proactive discussions about sustainability, global trends, health and nutrition with customers, suppliers, business partners and other stakeholders in the global marketplace, in the spirit of shared responsibility.

The strive for the highest possible global food safety, sustainability, and quality standards starts from the very beginning of the UP Group’s integrated business activities. By controlling all areas of the production, we are able to comply with the strictest international requirements, offering high-quality sustainable products with the lowest carbon footprints and contaminant levels in the world.

Today, we operate two state-of-the-art palm oil refineries, Unitata Berhad and UniFuji Sdn. Bhd., that are responsible for value-adding UP’s certified sustainable crude palm oil and crude palm kernel oil into high-quality processed products, which are shipped to our customers worldwide.

Unitata became the first integrated inland refinery in Malaysia in 1974 and has over the last 50 years become a well-recognised international supplier of specialty fats and vegetable oil fractions, not least due to our close collaboration with AAK, a world leader in specialty oils and fats.

UniFuji, our joint venture with Fuji Oil, was commissioned in late 2018 and is the first refinery in the world to run completely fossil fuel-free by using renewable energy produced from biomass waste, and provide full traceability from seed to finished fractions, based on supply from UP. A perfect example of the circular economy.

Edible Oil Refining and Specialty Fats Production

Attention to quality, investment in production facilities and ongoing product development are priorities in order for Unitata and UniFuji to meet challenging and changing customer demands. In order to cater for the growing demand of high-quality products our refineries are equipped with automated manufacturing processes such as Neutralization, Bleaching, Deodorization, Fractionation, Interesterification, and Packaging of specialty fats and oils. Thorough process controls and a disciplined manufacturing culture help ensure that quality assurance is in place to comply with customer requirements.

Consumers today are placing an increased focus on safety and health in relation to food production, and demand transparent and traceable supply chains based on processes that reduce processing aids, water, energy and the overall GHG footprint. Furthermore, social care and strong emphasis on human rights for employees are increasingly seen as non-negotiable principles, as well as protection of fragile ecosystems including peat land and forests.

In UP and all our subsidiaries, we are committed to being a part of this positive change by providing the highest quality of certified sustainable and traceable palm oil products and services to customers worldwide.

Commitment to Quality



Our commitment to quality is an integral part of UP’s corporate culture, and it is our strong objective to deliver premium quality products that are safe and based on the highest standards and level of responsibility.

As part of this commitment, and to uphold Unitata and UniFuji as premium oil quality producers, much emphasis is therefore placed on quality assurance throughout the various stages in both refineries, to meet the statutory and legal requirements for the total satisfaction of our valued customers worldwide.

This is evidenced through our continuous investments in the latest process technology and sophisticated analytical equipment that provide accurate and timely controls to ensure customer satisfaction as well as high product quality and food safety.

Our quality focus starts from our Research Department and continues through every stage of our agricultural, milling, and downstream activities until the final product is delivered to our customers.

This is in line with our philosophy of:

Upholding the name and reputation of UP as a top producer of premium quality palm products.

Nurturing a diligent work force who takes pride in contributing to the development of the Company.

Initiating and innovating positive, progressive work ethics, methods and incorporating a winning culture.

Training of personnel is the key to upgrading our skills and keeping in trend with the marketplace.

Ensuring that only high quality palm products are produced, to the satisfaction of our customers’ needs

Delivering decisive efforts in Research and Development to continuously improve our working methods, efficiency and product quality.

Low 3-MCPD and Glycidyl Esters

3-MCPD and Glycidyl Esters are contaminants formed during the processing (refining) of edible oils and fats. This has become a topic of concern for vegetable oil refiners and consumers based on a report published by the European Food Safety Authority (EFSA) in May 2016, in which the EFSA Panel on Contaminants in the Food Chain (CONTAM Panel) published the results of its assessment of the safety of 3-MCPD and Glycidyl esters with respect to human health.

In line with our focus on sustaining and improving the production of high-quality products within our Group much attention is directed towards reducing contaminants in our supply chain. This dedicated focus enables us to produce refined palm oil with levels of 3-MCPD and Glycidyl Esters that are amongst the lowest in the industry. This is a testimony to more than 5 decades of research activities undertaken at our Unitata refinery combined with our Group's dedicated quality commitment within all parts of our supply chain.

Low MOSH and MOAH

Of nearly equal repute in being a contaminant to final oils and fats is the new and emerging contaminant called Mineral Oil Hydrocarbons (MOH). It encompasses two main sub groups namely saturated hydrocarbons, generally present at a ratio of 80/20 with MOAH trailing behind MOSH.

MOSH is believed to accumulate in human tissue and cause adverse effects to the liver while MOAH, the

greater menace of the two, is reported to be genotoxic carcinogens and may cause damage to the DNA leading to cancer. Hitherto, there have been no binding threshold espoused by the EU. However, customers who once posited the ALARA approach (ALARA is for "As low As Reasonably Achievable") were prescient of legislation that likely would come into effect sooner.

In preparation for such legislations and concern over societal wellbeing, the demand for targeted thresholds on MOSH-MOAH is being pursued by customers with increasing voracity for tighter commitments.

The inception of the task force on MOSH-MOAH in 2018 has played a pivotal role to this end by formalising sustainable mitigation plans.

Baseline presence of contaminants have been determined through our very own state of the art analytical laboratories and mitigation efforts for further reduction have been carried out successfully throughout the plantations, mills, and the refineries.

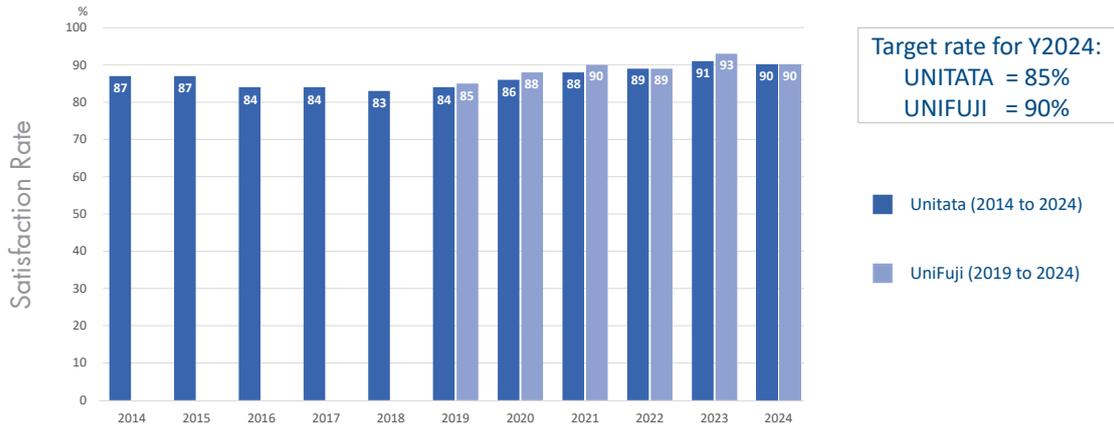
As a result of the goal-directed quality controls and assessments, UP, Unitata and UniFuji are today able to meet the ever tightening, threshold prerequisites for oils that will be used in a variety of food products, especially in the production of infant formula.

Overall, we aspire to be a wellspring of adaptive-competence when faced with new challenges, and hence, we are committed to further reducing the levels of novel contaminants that are detrimental to the human health.



Plant inspection by our Quality Assurance team in line with our commitment to the highest quality and food safety standards.

Customer Satisfaction Survey



Customer Satisfaction

At Unitata and UniFuji, the annual customer satisfaction survey is used to measure how our finished products meet our customers’ expectations. This is an important measure in relation to our continuous improvement attitude and provides us with an important understanding of our service and collaboration with our customers based on their valuable feedback.

Through interactions with customers and other stakeholders, a deep understanding of this responsibility has been developed and provides a healthy avenue for continuous improvements in quality and food safety by minimizing risks throughout the supply chain. Furthermore, UP has gained much knowledge on market trends and have become more capable of responding to them.

The survey focuses on three key areas which are:

- (i) Product quality
- (ii) Service quality
- (iii) Delivery timeliness

The results are analysed and tabulated in an appropriate graphical form for presentation at the management review meetings as well as during the various certification audits throughout the year. Besides that, Unitata and UniFuji also adopt an on-going communication method with customers to keep them engaged with their products.

Regular communication with customers enables Unitata and UniFuji to develop products and provide the necessary service to ensure continuous customer satisfaction, which cannot be taken for granted in the competitive business of refining.



Movement of tankers at the UniFuji Refinery before and after loading high-quality certified sustainable palm oil products to our global customers.

Food Safety and Certifications

Our commitment to food safety for sustainable and consistent high-quality products is endorsed by relevant international certification bodies, and to keep up with the increasing demand for supply chain traceability and quality, both refineries have obtained numerous local and international certifications as follows:

UNITATA:

ISO 9001, HACCP, Halal, Kosher, BRC, FDA, SEDEX, RSPO SCCS, MSPO SCCS, GMP, GMP+B2 Feed Safety, MeSTI, ISCC EU and MPCA.

UNIFUJI:

ISO 9001, HACCP, Halal, Kosher, FSSC 22000, FDA, SEDEX, RSPO SCCS, MSPO SCCS, ISCC EU and MeSTI.

As a requirement for the above-mentioned certifications, Unitata and UniFuji are audited annually by the various certification bodies and by customers. To improve and further strengthen our supply chain transparency, Unitata and UniFuji have been audited under SMETA (Sedex Members Ethical Trade Audit), a platform that encompasses four pillars of responsible practices, ie. Labour, Health and Safety, Environment and Business Ethics. In addition, Unitata and UniFuji are continuously auditing and assessing our key suppliers of raw materials, packaging items, and other ingredients based on our established risk assessment procedures.

All packed products are traceable to their raw materials including additives and packaging materials via batch and code numbers printed on the labels, which meet the requirements of the Malaysian Food Act and the requirements of the respective export markets. Furthermore, Unitata and UniFuji have established and validated our process controls to consistently minimize the risk of contaminants and meet the highest food safety standards.

Both refineries also emphasize on the element of food defence as part of product security. This assures the protection of our products from malicious contamination, adulteration, or theft, and in this connection, relevant food safety training is of high priority for all employees in order to keep abreast with the increasingly demanding food safety requirements.

MSPO and RSPO Supply Chain Certifications

In 2008, before the RSPO Supply Chain Certification was introduced, Unitata was the first company to ship refined RSPO certified segregated palm oil to customers worldwide. This was verified by independent surveyors. In December 2010, Unitata furthermore received its Supply Chain Certification and have since been able to handle and deliver first class certified sustainable and segregated palm and palm kernel oil solutions to customers worldwide based on the RSPO supply chain traceability system.

UniFuji received its RSPO Supply Chain Certification in September 2018 and is therefore also able to deliver high

quality certified and sustainable palm-based products under the segregated RSPO supply chain solution to all its customers.

RSPO cooperates with the traceability service provider UTZ, who through the RSPO Trace system ensures that the necessary traceability is in place in order for proper certification of the palm and palm kernel oil that are used in the refining process. The supply chain certification is the buyers' and consumers' guarantee that the palm oil or palm kernel oil used in the production of finished goods actually comes from the claimed RSPO source. This requires records to be kept to demonstrate that the volume of CPO or CPKO sold as sustainable oil does not exceed the amount produced by the upstream RSPO certified mills.

In November 2017, Unitata had its first verification audit by one of our key customers for supply of RSPO certified palm kernel oil materials. The audit, which was a full traceability audit on the origin of materials supplied by Unitata Bhd, was conducted independently by a third-party auditor appointed by the customer, who concluded that the material sourced by the customer is 100% traceable throughout the supply chain. In addition to the RSPO certifications, Unitata and UniFuji successfully achieved the MSPO supply chain certification in 2024.

Traceability

In the following section, we will be providing an overview of both our upstream (Plantations) and downstream (Refining) business activities in relation to our focus on improving traceability in our supply chain for the benefit of our global customers and stakeholders.

This entails our commitment to ensure that the certified sustainable palm oil and palm kernel oil used in the production of finished goods come from sustainable sources. As an important part of UP's traceability focus, we strive to ensure that our supply chain (direct and indirect suppliers) live up to our Group's commitment towards the No Deforestation, No New Development on Peat, and No Exploitation (NDPE) Policy. This is in line with the increasing interest for certified sustainable and segregated palm oil as many global brand manufacturers have now committed to only use RSPO certified and segregated palm oil solutions.

Upstream Traceability

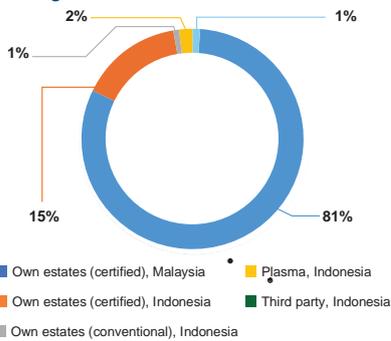
All CPO sourced in Malaysia is RSPO certified under the Supply Chain model of Identity Preserved (IP). In Indonesia, we have undergone RSPO certification for part of our plantations (with HGU certificates) and have successfully achieved RSPO certification for these areas in 2018. Currently the mill in Indonesia is RSPO certified under the Mass Balance Supply Chain model (MB).

Full certification and production of RSPO certified and segregated palm oil traceable to the mill and plantations is expected to be reached in 2025 for our Indonesian operations in tandem with the issuance of land use certificates by the local Government authority for our

properties (Inti) and Plasma land. In this connection, we are increasing awareness by retraining and carrying out audits within all operational areas of our Group. The results of these measures will be monitored and incorporated in our future reports or Company Website as part of our continuous improvement commitment.

UP's Mills	Percentage from own plantations (%)	Percentage from third party suppliers (%)	Traceable to plantations (%)
UIE	100	0	100
Jendarata	100	0	100
Ulu Bernam Optimill	100	0	100
Ulu Basir	100	0	100
Lada (PT SSS)	82.24	17.76	100

Origin of FFB Processed at UP Mills



The location of UP owned mills is tabulated below:

Name of Mills	GPS Coordinates	
	Latitude	Longitude
UIE	N 4°26'53"	E 100°43'11"
Jendarata	N 3°51'14"	E 100°58'06"
Ulu Bernam Optimill	N 3°46'19"	E 101°13'14"
Ulu Basir	N 3°43'28"	E 101°15'21"
Lada (PT SSS)	S 2°35'24"	E 111°46'16"

The location of third-party FFB suppliers for PT SSS is tabulated below:

Name of FFB Suppliers	GPS Coordinates	
	Latitude	Longitude
Koperasi Tani Bahagia	600918	9678406
Koperasi Karya Tunggal Jaya	589868	9728251
CV Inti Sawit Perkasa/ Bapak Iswanto	591276	9708506

As at 31 December 2024.

Downstream Operations - Unitata

At Unitata we are proud to be at the forefront of providing quality products to customer worldwide and have therefore made responsible sourcing and supply chain transformation a strategic priority.

One of Unitata's key commitments to its customers is to ensure that our finished products can be traced back to its origins, namely palm oil mills and further to the plantation level. This is particularly important in relation to the implementation of the EU Deforestation Regulation.

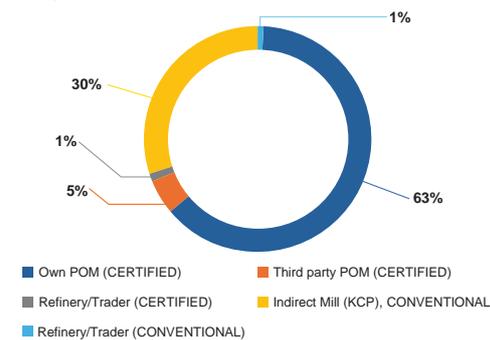
Given the need to extensively and transparently map chains of activities (including inhouse/intragroup) and collect and validate data throughout the supply chain, the original timeline of 30 December 2024 poses a significant challenge for many companies. Coupled with public scrutiny from various countries and organizations, the European Commission proposed a 12-month postponement to provide more time to prepare.

Following the EU legislative process, the EU Council approved the proposal to postpone. The European Parliament voted in favor and also included other material changes, including introducing a "no-risk" category for countries. For these changes to enter into force, the agreed text will have to be endorsed by both the Council and Parliament and published in the *EU Official Journal*. Unitata is currently in a favourable position to meet this growing demand due to the direct link with UP's supply of RSPO certified sustainable and segregated palm oil traceable to the plantations.

Traceability

Traceability plays a vital role in ensuring sustainable palm oil production across the supply chain, and at Unitata we therefore remain committed to delivering responsible and sustainable agricultural products that safeguard the well-being of the people and planet. The traceability of all our raw materials – CPO, CPKO, and PPO sourced during 2024 is summarised in the below chart:

Origin of raw material sourced at Unitata Bhd.



Origin of raw material sourced at Unitata Berhad. (%)

Own POM (Certified)	Third party POM (Certified)	Refinery/Trader (Certified)	Indirect Mill (KCP) (Conventional)	Refinery / Trader (Conventional)
63.30%	4.55%	1.55%	29.63%	0.97%

From this, it can be seen that the RSPO-certified percentage of all palm oil products handled/traded/ processed (tonnes) is 69.40% (63.30% + 4.55% + 1.55%).

The summary of the number of direct supplier mills supplying CPO and PK is tabulated below and shows a total of 6 mills, consisting of 4 of our own mills and 2 third party mills as at 31 December 2024. The summary of direct supplier mills supplying CPO and PK is tabulated below:

Raw material	Number of supplying mills	Traceable to plantations	Numbers of supplying mills sourced from own plantations	Percentage sourced from own plantations
CPO	own mills (4)	100%	own mills (4)	100%
	third party mills (1)	100%	third party mills (1)	100%
PK	own mills (4)	100%	own mills (4)	100%
	third party mills (1)	100%	third party mills (1)	100%

All of the above own and third-party supplying mills are covering 100% from their own plantations.

All palm oil products in Unitata are sourced from direct and indirect supplier mills as well as plantations in Malaysia.

Traceability To Plantation (TTP) for Conventional CPKO

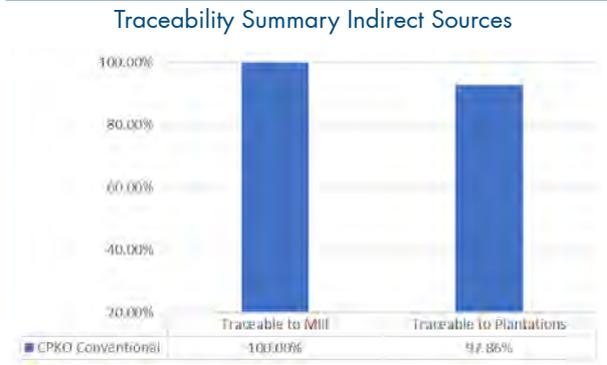
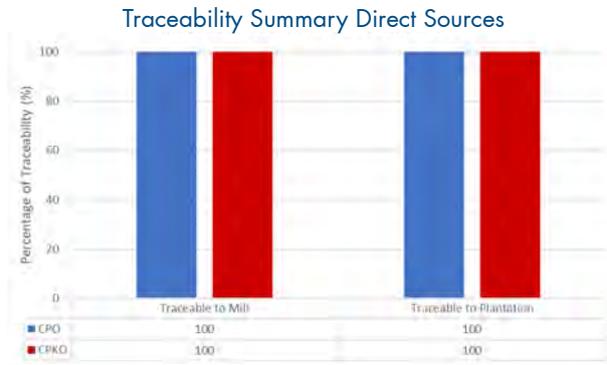
Our direct supplier mills for CSPO have been 100% traceable to plantations level since 2010, whereas our indirect supplier mills for CPKO via Kernel Crushing Plant (KCPs) have been 100% traceable to mill level since 2021.

In this context, we have made significant progress throughout the year towards achieving full traceability to the plantation level for CPKO. This has been done by engaging our KCPs to gather information on third-party indirect supplying mills including plantations, smallholders, and dealers in preparation for the European Union Deforestation Regulation (EUDR). As of 31 December 2024, our TTP score stands at 92.86% for conventional CPKO. This has been externally verified by BSI.

There is no industry recognized nor standardized definition for ‘Traceable to Plantation’ as of yet. Our approach on TTP is therefore based on a set of traceability indicators for suppliers.

Our TTP score for each mill is evaluated based on our internal prioritization of indicators i.e name of parent company, plantation name, GPS coordinates, status of RSPO & MSPO certifications, address (up to village), estimated volume of FFB supply to mill and polygon (for the plantations and smallholders above 4 hectares) in the traceability exercise.

We target to achieve 95% TTP by mid of 2025 and a minimum of 98% TTP by end of 2025. Please see below for an overview of the TTP score card for CPO & CPKO from direct and indirect sources.



NDPE Implementation Reporting Framework (NDPE IRF)

NDPE IRF is a tool designed by the Palm Oil Collaboration Group (POCG) to measure companies progress towards No Deforestation, No Peat and No Exploitation (NDPE) commitments across the entire supply chain. Since 2022, UP (including Unitata and UniFuji) has been an active member of POCG, utilising the tool to track our downstream supply chain’s progress on NDPE compliance and to communicate this to our stakeholders.

In this connection, NDPE IRF is increasingly relied upon by our customers as evidence that their supply chain complies with NDPE commitments. Since 2022, we have been tracking our progress and milestones towards meeting NDPE commitments as well as to ensure a traceable and transparent sustainable palm oil supply chain using NDPE IRF.

The percentage of deforestation-free FFB for certified palm oil and palm kernel oil is 100%. The percentage of deforestation-free FFB for conventional palm kernel oil as per NDPE IRF Version 6.0 is 85%.

We have established a time-bound roadmap, which is illustrated on the following page.



EUDR Readiness Assessment

During 2024, Unitata and UniFuji have completed an in-house EUDR Readiness Assessment by evaluating the evidences obtained from the suppliers, RSPO and MSPO reports. Furthermore, we have engaged BSI to conduct external verification on the shipping documents for the RSPO SG materials, EUDR due diligence reports as well as the monthly satellite monitoring reports.

This is to ensure only RSPO SG materials are shipped into the EU market and the products live up to the SOP on EUDR compliances and Traceability. This approach to utilize NDPE IRF Version 6.0 has been verified by BSI, thereby providing comfort that our refineries will be ready to comply with EUDR implementation by 31 December 2025.

Satellite Monitoring

In addition to our subscription to GeorSPO, Starling and Global Forest Watch (GFW) on the monitoring of deforestation activities in our concessions, we are strongly committed to monitor deforestation activities in all of our direct and indirect suppliers too.

Since December 2023, we have initiated a collaboration with a third-party satellite monitoring database service provider, palmoil.io to proactively monitor deforestation and peatland development in our suppliers' operations.

Currently, we are using the palmoil.io platform to conduct monthly deforestation monitoring for the polygons for the origin of SG materials.

For the supply chain of MB and conventional palm kernel oil, we are still in the midst of retrieving the polygons from JUPEM portal and improve the disclosure of traceability information by the indirect mills (via Kernel Crushing Plants).

The most challenging part is to obtain the traceability information from the dealers, who are supplying the FFB from smallholders to the indirect mills.

This proactive approach goes beyond simply complying with industry standards, and with that we aim to ensure 100% of our palm oil volumes achieve "Delivering" status under the NDPE IRF Version 6.0 by 2025, meaning absolutely no deforestation conversion in our supply chain.

Downstream Operations – UniFuji

UniFuji sources crude palm oil internally from UP, which ensures the availability of RSPO certified sustainable and traceable palm oil to produce value added palm fractions to our customers. The origin of the raw material sourced in 2024 can be summarized as per the table below.

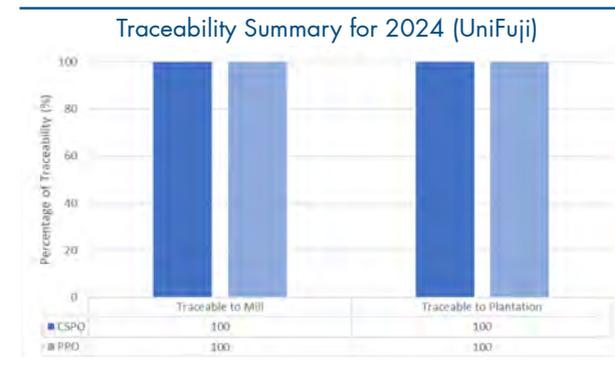
Direct Mill Suppliers:

Raw material	Number of supplying mills	Traceable to plantations	Numbers of supplying mills sourced from own plantations	Percentage sourced from own plantations
CPO	own mills (2)	100%	own mills (2)	100%

Indirect Mill Suppliers:

Raw material	Number of supplying mills	Traceable to plantations	Numbers of supplying mills sourced from own plantations	Percentage sourced from own plantations
PPO	9	100%	own mills (4)	90.11%

This can be further summarised and illustrated as follows:



Evaluation of Suppliers' Sustainable Commitment

As a part of our sourcing policy and continuous improvement focus, we engage with suppliers to improve practices on the ground and strengthen our supply chain, thereby ensuring positive developments insofar as sustainable palm oil production is concerned.

As an important step towards improving our sustainability credentials within the economic, environmental, and social areas of our business, we have invited our suppliers to join us on this journey. With this we aim to improve sustainability in our supply chain and ensure that our suppliers join us on this journey through close collaboration. Our approach to engagement includes meetings, self-assessment questionnaires (SAQ), supplier audits, on-site verifications and follow-ups related to food safety as well as MSPO and RSPO certifications. At the same time, we also assist our suppliers in improving the scores of their SAQ to meet the commitments in our Responsible Palm Oil Sourcing Policy and Code of Conduct.

Proportion of spending on local suppliers

In UP, we are committed to support the local suppliers in our supply chain.

Year	2024	2023	2022
Proportion (%)	99.87	99.90	99.97

Upstream Suppliers Evaluation

In UP, we have developed a Self-Assessment Questionnaire (SAQ) to evaluate our third party FFB suppliers within the upstream business area. Based on this, we discuss findings and explain and promote on an annual basis our policies on health and safety, workers' rights as well as our expectations on their adherence to our Suppliers' Code of Conduct and Responsible Sourcing Policy.

Furthermore, we conduct site visits and trainings to improve good agricultural practices and promote sustainable palm oil policies and its implementation on the ground. The training sessions include emergency response to accidents (first aid), safe handling of pesticides with appropriate Personal Protective Equipment (PPE), effective use of pre-emergent herbicides to reduce chemical usage, and integrated pest management (IPM) and mechanized harvesting in order to assist them with their agricultural interests.

In addition, demonstrations of fire combat procedures are carried out to further enhance the awareness of neighbouring smallholders in case of a fire incidence and they are informed to contact UP for emergency assistance if required. We also explain UP's company policies, specifically on our No Deforestation, No Peat, and No Exploitation (NDPE) commitment as well as our suppliers code of conduct. In 2024, we have conducted briefings and trainings for our third-party FFB suppliers including the Suppliers Code of Conduct, Self-Assessment Questionnaire (SAQ), Responsible Sourcing Policy and Best Management Practices. This is externally verified by BSI.

Downstream Suppliers Evaluation

At Unitata and UniFuji, we have also developed a Self-Assessment Questionnaire (SAQ), which is used annually to engage with our suppliers. In 2024, we managed to conduct on-site audits for 3 out of 5 Kernel Crushing Plants. For the RSPO certified mills in our supply chain, we have taken extra steps to conduct due diligence audits against their NDPE commitments, applicable legislations and deforestation monitoring as per EUDR requirements. This enables us to understand the current status of suppliers and their commitments to our Responsible Palm Oil Sourcing Policy, EUDR readiness as well as the commitments on MSPO and RSPO. This is externally verified by BSI. Through this engagement, we categorize them as high risk, medium risk, or low risk suppliers for further engagement.



Product bottling under stringent hygienic conditions in one of our filling plants at Unitata, in line with our Commitment to quality.

The SAQ is sent directly to the below raw material suppliers:

Unitata	UniFuji
Crude Palm Oil	Crude Palm Oil
Crude Palm Kernel Oil	Processed Palm Oil
Processed Palm Oil	
Processed Palm Kernel Oil	

In the spirit of collaboration and transparency, our Responsible Palm Oil Sourcing Policy is discussed with the above suppliers to ensure that they live up to our policies and code of conduct across their entire operations in order to minimize and mitigate sustainability risks. If a supplier in our supply chain is categorized as high-risk based on the mentioned SAQ, we will conduct on-site assessments and engage with the supplier to agree to a reasonable time-bound action plan including further engagement to improve their SAQ score and thereby meet our Responsible Palm Oil Sourcing Policy requirements and commitments.

In addition to the above, Unitata and UniFuji also carry out supplier audits on food safety and quality to evaluate risk materials, suppliers’ management systems, and to obtain their certificates to ascertain food safety and quality standards, as well as evaluate their hygiene and sanitation compliance.

In the event that any suppliers are found to be in violation or breach of the above policies or our Supplier Code of Conduct and thereby perceived as a high- risk supplier (self-assessment scores below 50%), UP/Unitata/UniFuji shall immediately request for corrective measures to be implemented with a 60 days time- bound action plan and further engagement to ensure that the supplier lives up to our Responsible Palm Oil Sourcing Policy.

We will moreover, through dialogue and cooperation, encourage, and coach the supplier to implement the action plan by providing necessary support to see how challenges can be overcome and implemented. If a supplier is unable

or unwilling to take the necessary actions to conform to the expectations outlined in our policy, UP/Unitata/UniFuji will as a last resort terminate the commercial relationship with the supplier.

Key elements and criteria of the suppliers assessments are as follows:

- a) Management System & Certifications
- b) Management Commitments
- c) Human Rights & Social Commitments
- d) Business Integrity Commitments
- e) Environmental Commitments
- f) Transparency & Traceability

The overview of suppliers that have been assessed as at 31 December 2024 is as follows:

Suppliers’ Assessment	Upstream	Downstream (Unitata)	Downstream (UniFuji)
Total number of suppliers assessed	3	10	3
Percentage of suppliers assessed	100%	100%	100%
Low risk supplier	100%	100%	100%
Medium risk supplier	0%	0%	0%
High risk supplier	0%	0%	0%

**As at 31 December 2024.*

Based on the above assessments, all our suppliers have lived up to our Responsible Palm Oil Sourcing Policy and Supplier Code of Conduct, and none of them have any significant negative environmental or social concern in their supply chain.



Our Unitata Refinery Officers, Mr. Nehru and Mr. Kalicharan, during an afternoon plant inspection.

Our Integrated Sustainable Value Chain

The UP Group’s commitment to the world’s highest standards of sustainability, quality, and product traceability is built into our DNA and forms the basis of our integrated value chain, from early R&D activities and seed production, to the final product. It is this commitment towards excellence across every aspect of the value chain that sets UP apart and enables us to produce the world’s finest palm oil with the world’s lowest footprint for our customers.

R&D

Through our Research Department established in the early 1950s, much focus is directed towards improving yields of future generation oil palms and coconut palms to increase our land productivity

1. Breeding



In our seed gardens, pollen from premium Pisifera palms are used to pollinate Deli Dura mother palms with high yield traits

2. High yielding seeds



High yielding Tenera seeds are produced from carefully selected mother palms under stringent quality requirements

3. Tissue culture



To increase our land productivity, we also complement traditional breeding with tissue culture & molecular technologies

4. Seeds planted in pre-nursery



Germinated seeds hand-planted in polybags & gently nurtured in the pre-nursery for 3 months. Seedlings emerge after 1-2 weeks

5. Main nursery growth spurt



Seedlings are transplanted into larger 20 kg. polybags at the main nursery, where they receive 9 months of meticulous care

GROWTH

After 12 months in the nursery, the young seedlings are planted in the fields. The oil palm is then considered immature until fruit bunches are produced after about 30 months

6. Immaculate field planting



Transfer of nursery seedlings to field, and manual planting in orderly and well-lined rows of about 143 oil palms per hectare

7. Establishing cover crop



Leguminous cover crop is established in newly replanted fields to fixate nitrogen, suppress weeds, conserve moisture and reduce erosion

POLLINATION

Oil palms have both male and female flowers and are pollinated through wind and insects. Each palm can produce about 12-14 fresh fruit bunches per year, each containing over thousand fruitlets

8. Insect pollination



Oil palms are both wind & insect pollinated, the latter being efficiently handled by the pollinating weevil *Elaeidobius Kamerunicus*

9. Harvesting of fruit bunches



Efficiency is key to maintain low harvesting rounds, high yields, and to keep the fields healthy and productive for generations

10. Tall palm harvesting



Harvesting (and pruning) of tall oil palms sometimes exceeding 15 metres is a manual task requiring skilled workers

HARVEST

The oil palm is a perennial crop, which must be attended to approximately every two weeks all year round. Timely harvesting intervals and fruit evacuation is crucial in order to achieve high yields and quality

11. Fruit bunch loading



Quick evacuation of fresh fruit bunches after harvesting ensures the highest quality for further processing at the palm oil mills

12. Gentle transport, low GHG footprints



UP's unique light Railway System facilitates an efficient, timely and gentle transport of fresh fruit bunches to the palm oil mill

13. Receiving fresh fruit bunches



Fresh fruit bunches are quality checked & railway wagons are weighted at the mill's weighbridge before further processing

MILLING

The milling process and operations are targeted at extracting as much crude palm oil and palm kernels as possible from the incoming fruit bunches, which ideally are no more than a day old upon processing

14. Sterilisation



Quick processing ensures high oil quality. Cages enter directly into the sterilisers, where fruits are cooked under pressure

15. Digestion & screw pressing



At the screw press station, crude palm oil from cooked fruitlets is extracted and separated from shells, nuts and fibre

PRODUCE

Whilst the extraction of crude palm oil and palm kernels often receives the most attention, it is also of great economical and environmental value to utilise all by-products

16. Palm fruit fractions



Crude palm oil (CPO) and palm kernels are extracted from the mill, and fibres, shells & empty bunches sent for further processing

17. Renewable energy



Fibres and shells are consumed in biomass boilers to produce green steam & electricity, which is used at the oil mills & refineries

18. Renewable energy from effluent



Under anaerobic conditions in the biogas plant, microorganisms convert mill effluent into renewable energy thus reducing GHGs

19. Consistent incoming supply



High quality crude oils are checked on arrival and pumped into designated and secured storage tanks for further processing

REFINING

Crude palm oil and other oils and fats are processed into value-added products by removing contaminants and undesired traits through the refining process, and by undergoing processes like blending, fractionation and interesterification

20. Refining



As a first step towards meeting customer requirements, most of the free fatty acids are removed by refining the crude oil

21. Bleaching & deodorisation



Automated bleaching and deodorisation remove remaining free fatty acids, colour, odour and other undesired impurities

22. Quality control



Quality control is carried out throughout all stages to ensure the highest product quality and food safety for our customers

PRODUCTS

Whether shipped in bulk or blended into packed specialty fat formulations, all products must strictly comply with the highest food safety and quality requirements before being shipped to customers worldwide

23. Product filling



Processed and refined oils are blended into specialty fats, and filled in automated filling lines under strict hygienic conditions

24. Delivery to customers



Bulk products are delivered in road tankers, ISO tanks or flexi-tanks, whereas packed goods are delivered in trucks or containers

This ESG Performance Data Table was generated from Bursa Malaysia's ESG Reporting Platform, and is included in this Sustainability Report as mandated by Bursa Malaysia's enhanced sustainability reporting requirements within the Main Market Listing Requirements.

Indicator	Measurement Unit	2024
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	95.00
Executive	Percentage	95.00
Non-executive/Technical Staff	Percentage	95.00
General Workers	Percentage	95.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	40.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	497,683.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	62
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	0.00
Management Between 30-50	Percentage	33.33
Management Above 50	Percentage	66.67
Executive Under 30	Percentage	12.80
Executive Between 30-50	Percentage	63.42
Executive Above 50	Percentage	23.78
Non-executive/Technical Staff Under 30	Percentage	20.38
Non-executive/Technical Staff Between 30-50	Percentage	52.17
Non-executive/Technical Staff Above 50	Percentage	27.45
General Workers Under 30	Percentage	33.91
General Workers Between 30-50	Percentage	58.75
General Workers Above 50	Percentage	7.34
Gender Group by Employee Category		
Management Male	Percentage	100.00
Management Female	Percentage	0.00
Executive Male	Percentage	81.71
Executive Female	Percentage	18.29
Non-executive/Technical Staff Male	Percentage	60.05
Non-executive/Technical Staff Female	Percentage	39.95
General Workers Male	Percentage	90.44
General Workers Female	Percentage	9.56
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	88.89
Female	Percentage	11.11
Under 30	Percentage	0.00
Between 30-50	Percentage	11.11
Above 50	Percentage	88.89
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	0.16
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.77
Bursa C5(c) Number of employees trained on health and safety standards	Number	6,521
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	45
Executive	Hours	2,460
Non-executive/Technical Staff	Hours	736
General Workers	Hours	32,923
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	2.17
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	0
Executive	Number	5
Non-executive/Technical Staff	Number	30
General Workers	Number	127
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	99.87
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	3,117.631957
Bursa (Waste management)		
Bursa C10(a) Total waste generated	Metric tonnes	949,108.00
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	945,997.00
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	3,111.00
Bursa (Emissions management)		
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	0.83
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	0.07
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	0.43
Internal assurance	External assurance	No assurance
		(*)Restated



INDEPENDENT ASSURANCE OPINION STATEMENT

Statement No.: SRA-MY 821131

United Plantations Berhad Sustainability Report 2024

The British Standards Institution is independent of United Plantations Berhad (hereafter referred to as "UP" in this statement) and has no financial interest in the operation of UP other than for the assessment and verification of the sustainability statements contained in this report.

This independent assurance opinion statement has been prepared for the stakeholders of UP only for the purposes of verifying its statements relating to its environmental, social and governance (ESG), more particularly described in the scope, below. It was not prepared for any other purpose. The British Standards Institution will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person by whom the independent assurance opinion statement may be read.

This independent assurance opinion statement is prepared on the basis of review by the British Standards Institution of information presented to it by UP. The review does not extend beyond such information and is solely based on it. In performing such review, the British Standards Institution has assumed that all such information is complete and accurate.

Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to UP only.

Scope

The scope of engagement agreed upon with UP includes the following:

1. The assurance covers the part of the report for the following sustainability subject matter and focus on systems and activities during the 2024 calendar year on the UPs headquarter and relevant operations.
 - Lost time injury frequency rate
 - Fatal accident rate
 - Mill water consumption in processing Fresh Fruit Bunches ("FFB")
 - Domestic water consumption
 - Traceability at refinery level (volume sourced and Traceability to Plantations)
 - Documentation on shipment, risk assessment and monitoring of deforestation for RSPO SG materials
 - Area planted on peat (hectarage as per the peat soil map from United Plantations Research Department ("UPRD"))
 - Percentage of suppliers (FFB, Crude Palm Oil ("CPO"), Crude Palm Kernel Oil ("CPKO") and processed palm oil) that has been self-assessed to the key elements of UP's Responsible Sourcing Policy
 - UP's Suppliers' engagement and assessment/programme to support suppliers (FFB, CPO, CPKO and processed palm oil)
 - Percentage of independent smallholders involved in Smallholder's Field Day and scheme smallholders involved in Plasma programme
2. Type 1 Moderate Level of Assurance in accordance with the AA1000 Assurance Standard v3 ("AA1000AS v3") evaluates the nature and extent of UP adherence to four reporting principles: Inclusivity, Materiality, Responsiveness and Impact. The specified sustainability performance information and data disclosed in the sustainability subject matter of the Report has been evaluated.

Opinion Statement

Based on our work described in the verification report, nothing has come to our attention that causes us to believe that data and information stated in the UP's Sustainability Report is not correctly presented or with omission, in any material respects or that Inclusivity, Materiality Responsiveness and Impact based on AA1000AS criteria are not correctly addressed.

We conclude that the sustainability subject matter of the report provides a fair view of UP's sustainability programmes and performance in the Reporting Year. We believe that the economic, social and environment performance indicators are accurate and are supported by robust internal verification processes.

Our work was carried out by a team of sustainability report assurers in accordance with the AA1000 Assurance Standard v3. We planned and performed this part of our work to obtain the necessary information and explanations. We considered to provide sufficient evidence that UP's description of their approach to AA1000 Assurance Standard was fairly stated.

Methodology

Our work was designed to gather evidence on which our conclusion is based. We undertook the following activities:

- a top-level review of issues raised by external parties that could be relevant to UP's policies to check on the appropriateness of statements made in the report.
- discussion with managers and staff on UP's approach to stakeholder engagement. We had no direct contact with external stakeholders.
- interview with staff involved in sustainability management, report preparation and provision of report information.
- review of key organizational developments.
- review of supporting evidence for claims made in the reports.
- an assessment of the UP's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness, and Impact as described in the AA1000 AccountAbility Principles Standard.

Conclusions

A detailed review against the AA1000AP Principles of Inclusivity, Materiality, Responsiveness, and Impact is set out below:

Inclusivity

The Report has reflected the fact that UP is seeking the engagement of its stakeholders. The participation of stakeholders has been initiated in developing and achieving an accountable and strategic response to sustainability. The reporting systems are being developed to deliver the required information. There are fair reporting and disclosure for economic, social and environment information in this report, so that appropriate planning and target-setting can be supported. In our professional opinion the report covers UP principle of Inclusivity.

Materiality

UP publishes sustainability information that enables its stakeholders to make informed judgments about UP's management and performance. In our professional opinion, the report adheres to the principle of Materiality and identifies UP's material aspects by using appropriate methods of materiality analysis and demonstrating material issues in a matrix form. Areas for enhancement of the report were adopted by UP before the issuance of this statement.

Responsiveness

UP has implemented practices that respond to the expectations and perceptions of its stakeholders. These include sustainability reporting for both internal and external stakeholders. In our professional opinion, UP adheres to the principle of Responsiveness. Areas for enhancement of the Report were adopted by UP before the issuance of this statement.

Impact

UP has demonstrated a process on identify impacts that encompass a range of environmental, social and governance topics, and fairly represented the impacts in the report. These processes enable UP to assess its impact and disclose them in the sustainability subject matter of the report. In our professional opinion, UP adheres to the principle of Impact. Areas for enhancement of the report were adopted by UP before the issuance of this statement.

Assurance Level

The Type 1 Moderate Level of Assurance provided is in accordance with AA1000 Assurance Standard in our review is defined by the scope and methodology described in this opinion statement.

Responsibility & Limitations

It is the responsibility of UP's senior management to ensure the information presented to BSI is accurate. The assessment is limited by information presented by UP. Our responsibility is to provide an independent assessment based on the scope and methodology described. This assessment opinion statement was a conclusion based on the assessment findings, results and our professional opinion.

Competency and Independence

The assurance team was composed of Lead Assuror who are experienced in industrial sector, and trained in a range of sustainability, environmental and social standards including AA1000, ISO14001, ISO14064, ISO 45001 and ISO 9001. BSI is a leading global standards and assessment body founded in 1901. The assessment is carried out in line with the BSI Fair Trading Code of Practice.



For and on behalf of BSI:

Ms Evelyn Chye, Managing Director
7 February 2025

Verifier of the Report:



Mr. Shaiful Rahman, Lead Assuror

GRI content index

Statement of use	United Plantations Berhad has reported the information cited in this GRI content index for the period of 1st January 2024 - 31st December 2024 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	United Plantations in Brief, Page 2
	2-2 Entities included in the organization's sustainability reporting	About This Report, Page 34
	2-3 Reporting period, frequency and contact point	About This Report, Page 34
	2-4 Restatements of information	About This Report, Page 34 (There is no structural change in the Annual Report 2024)
	2-5 External assurance	About This Report, Page 34
	2-6 Activities, value chain and other business relationships	Creating Value Through UP's Integrated Business Activities, Page 51
	2-7 Employees	Our Employees, Page 83
	2-8 Workers who are not employees	Information unavailable, Nil
	2-9 Governance structure and composition	Sustainability Governance, Page 98
	2-10 Nomination and selection of the highest governance body	Corporate Governance Overview Statement, Page 124
	2-11 Chair of the highest governance body	Corporate Governance Overview Statement, Page 124
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance Overview Statement, Page 124
	2-13 Delegation of responsibility for managing impacts	Sustainability Governance, Page 98
	2-14 Role of the highest governance body in sustainability reporting	Corporate Governance Overview Statement, Page 124
	2-15 Conflicts of interest	Corporate Governance Overview Statement, Page 124
	2-16 Communication of critical concerns	Sustainability Governance, Page 98
	2-17 Collective knowledge of the highest governance body	Corporate Governance Overview Statement, Page 124
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance Overview Statement, Page 124
	2-19 Remuneration policies	Remuneration Committee - Statement on Corporate Governance Overview Statement, Page 124
	2-20 Process to determine remuneration	Remuneration Committee - Statement on Corporate Governance Overview Statement, Page 124
	2-21 Annual total compensation ratio	Confidentially constraints, Nil
	2-22 Statement on sustainable development strategy	Environment, Social and Sustainability Governance, Page 51
	2-23 Policy commitments	Environment, Social and Sustainability Governance, Page 51
	2-24 Embedding policy commitments	Environment, Social and Sustainability Governance, Page 51
	2-25 Processes to remediate negative impacts	Remuneration Committee - Statement on Corporate Governance, Page 124
	2-26 Mechanisms for seeking advice and raising concerns	Our communities, page 94-96
	2-27 Compliance with laws and regulations	Remuneration Committee - Statement on Corporate Governance Overview Statement, Page 124
	2-28 Membership associations	Procedure for Handling External Stakeholders' Issues, Page 94
	2-29 Approach to stakeholder engagement	Code of Ethics and Business Conduct, Page 84
	2-30 Collective bargaining agreements	Profile of Directors, Page 10 - 12
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality, Page 44
	3-2 List of material topics	Materiality, Page 45
	3-3 Management of material topics	Materiality, Page 46
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Notes to the Financial Statement, Page 154
	201-2 Financial implications and other risks and opportunities due to climate change	Confidentially constraints, Nil
	201-3 Defined benefit plan obligations and other retirement plans	Notes to the Financial Statement, Page 197
	201-4 Financial assistance received from government	Confidentially constraints, Nil
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	"Paying Fair Wages and Employees' Benefits, Page 90"
	202-2 Proportion of senior management hired from the local community	Information unavailable, Nil
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Social Commitments and Social Amenities, Page 87
	203-2 Significant indirect economic impacts	Information unavailable, Nil
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	We endeavour to support local suppliers in the countries we operate in, which is Malaysia and Indonesia, Nil

GRI STANDARD	DISCLOSURE	LOCATION
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Internal Audit Function, Page 134
	205-2 Communication and training about anti-corruption policies and procedures	Internal Audit Function, Page 134
	205-3 Confirmed incidents of corruption and actions taken	Information unavailable,Nil
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Information unavailable,Nil
GRI 207: Tax 2019	207-1 Approach to tax	Audit and Risk Committee Report, Page 133
	207-2 Tax governance, control, and risk management	Audit and Risk Committee Report, Page 133
	207-3 Stakeholder engagement and management of concerns related to tax	Information unavailable,Nil
	207-4 Country-by-country reporting	Information unavailable,Nil
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Production and Level of Utilization of Oil Palm Biomass Residues in UP in 2024, Page 56
	301-2 Recycled input materials used	Fertilizer Equivalent of Oil Palm Biomass Residues Recycled on Land in UP in 2024, Page 57
	301-3 Reclaimed products and their packaging materials	Information unavailable,Nil
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Biogas to Grid Project, Page 55
	302-2 Energy consumption outside of the organization	"Carbon Footprint Initiatives and Climate Action, Page 53 - 58"
	302-3 Energy intensity	"Carbon Footprint Initiatives and Climate Action, Page 53 - 58"
	302-4 Reduction of energy consumption	"Carbon Footprint Initiatives and Climate Action, Page 53 - 58"
	302-5 Reductions in energy requirements of products and services	"Carbon Footprint Initiatives and Climate Action, Page 53 - 58"
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Impacts, Page 74 - 75
	303-2 Management of water discharge-related impacts	Water Impacts, Page 74 - 75
	303-3 Water withdrawal	Water Impacts, Page 74 - 75
	303-4 Water discharge	Water Impacts, Page 74 - 75
	303-5 Water consumption	Water Impacts, Page 74 - 75
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	"Partnership, Biodiversity and Conservation, Page 60 - 73"
	304-2 Significant impacts of activities, products and services on biodiversity	"Partnership, Biodiversity and Conservation, Page 60 - 73"
	304-3 Habitats protected or restored	"Partnership, Biodiversity and Conservation, Page 60 - 73"
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	"Partnership, Biodiversity and Conservation, Page 60 - 73"
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	"Carbon Footprint Initiatives and Climate Action, Page 53 - 58"
	305-2 Energy indirect (Scope 2) GHG emissions	"Carbon Footprint Initiatives and Climate Action, Page 53 - 58"
	305-3 Other indirect (Scope 3) GHG emissions	"Carbon Footprint Initiatives and Climate Action, Page 53 - 58"
	305-4 GHG emissions intensity	"Carbon Footprint Initiatives and Climate Action, Page 53 - 58"
	305-5 Reduction of GHG emissions	"Carbon Footprint Initiatives and Climate Action, Page 53 - 58"
	305-6 Emissions of ozone-depleting substances (ODS)	Not applicable,Nil
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	VORSEP Dust Collector System, Page 55
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Recycling of Pesticides Containers and Scheduled Wastes - Environment, Page 74
	306-2 Management of significant waste-related impacts	Information unavailable,Nil
	306-3 Waste generated	Waste Management, Page 74
	306-4 Waste diverted from disposal	Production and Level of Utilization of Oil Palm Biomass Residues in UP in 2024, Page 56
	306-5 Waste directed to disposal	Information unavailable,Nil
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Evaluation of Suppliers Sustainability Commitment, Page 110 - 111
	308-2 Negative environmental impacts in the supply chain and actions taken	Evaluation of Suppliers Sustainability Commitment, Page 110 - 111
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Our Employees, Page 83
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	"Paying Fair Wages and Employees' Benefits, Page 85"
	401-3 Parental leave	Information unavailable,Nil

GRI STANDARD	DISCLOSURE	LOCATION
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Website: www.unitedplantations.com/employees/#Demographic-of-Employees
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Safety and Health, Page 92
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Safety and Health, Page 92
	403-3 Occupational health services	Occupational Safety and Health, Page 92
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Safety and Health, Page 92
	403-5 Worker training on occupational health and safety	Occupational Safety and Health, Page 92
	403-6 Promotion of worker health	Occupational Safety and Health, Page 92
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Safety and Health, Page 92
	403-8 Workers covered by an occupational health and safety management system	Occupational Safety and Health, Page 92
	403-9 Work-related injuries	Occupational Safety and Health, Page 92
	403-10 Work-related ill health	Occupational Safety and Health, Page 92
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Information unavailable,Nil
	404-2 Programs for upgrading employee skills and transition assistance programs	Training and Development, Page 92
	404-3 Percentage of employees receiving regular performance and career development reviews	Information unavailable,Nil
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	"Paying Fair Wages and Employees' Benefits, Page 85"
	405-2 Ratio of basic salary and remuneration of women to men	"Paying Fair Wages and Employees' Benefits, Page 85"
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	"Paying Fair Wages and Employees' Benefits, Page 85"
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Evaluation of Suppliers Sustainability Commitment, Page 110 - 111
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Evaluation of Suppliers Sustainability Commitment, Page 110 - 111
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Evaluation of Suppliers Sustainability Commitment, Page 110 - 111
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Training and Development, Page 92
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Not applicable,Nil
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Land Disputes and FPIC, Page 95
	413-2 Operations with significant actual and potential negative impacts on local communities	Land Disputes and FPIC, Page 95
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Evaluation of Suppliers Sustainability Commitment, Page 110 - 111
	414-2 Negative social impacts in the supply chain and actions taken	Evaluation of Suppliers Sustainability Commitment, Page 110 -111
GRI 415: Public Policy 2016	415-1 Political contributions	Confidentially constraints, Nil
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Food Safety and Certifications, Page 106
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Food Safety and Certifications, Page 106
GRI 417: Marketing and Labelling 2016	417-1 Requirements for product and service information and labelling	Food Safety and Certifications, Page 106
	417-2 Incidents of non-compliance concerning product and service information and labelling	Food Safety and Certifications, Page 106
	417-3 Incidents of non-compliance concerning marketing communications	Food Safety and Certifications, Page 106
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Website: www.unitedplantations.com/wp-content/uploads/2020/03/Personal_Data_Protection_Policy.pdf

Sustainability Accounting Standards Board (SASB) Standards Content Index

Topic	Metric	Category	Unit of Measure	Code
Greenhouse Gas Emissions	Gross global Scope 1 emissions	Quantitative	1.36 mt CO ₂ eq Metric tons (t) CO ₂ -e	FB-AG-110a.1
	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	Page 66, Greenhouse Gas Emissions	FB-AG-110a.2
	Fleet fuel consumed, percentage renewable	Quantitative	Not applicable	FB-AG-110a.3
Energy Management	Operational energy consumed	Quantitative	Not applicable	FB-AG-110a.3
Water Management	Total water withdrawn	Quantitative	987564.77 m ³	FB-AG-140a.1
	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	Page 70, Climate Risk Assessment	FB-AG-140a.2
	Number of incidents of non-compliance associated with water quality permits, standards and regulations	Quantitative	Nil	FB-AG-140a.3
Workforce Health & Safety	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) seasonal and migrant employees	Quantitative	Malaysia LTIFR - 5.28 FAR - 0 Near miss - Nil Indonesia LTIFR - 115.2 FAR - 0 Near miss - Nil	FB-AG-320a.1
Environmental & Social Impacts of Ingredient Supply Chain	Percentage of agricultural products sourced that are certified to a third-party environmental and/or social standard, and percentages by standard	Quantitative	100% RSPO, MSPO, ISPO certified	FB-AG-430a.1
	Suppliers' social and environmental responsibility audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances	Quantitative	Page 105 - 106, Supplier Evaluation on Sustainable Commitment	FB-AG-430a.2
	Discussion of strategy to manage environmental and social risks arising from contract growing and commodity sourcing	Discussion and Analysis	Page 105 - 106, Supplier Evaluation on Sustainable Commitment	FB-AG-430a.3



Buffy Fish Owls (Ketupa Ketupu) are captivating birds with striking yellow eyes and ear tufts- known for their hunting skills, primarily catching fish and other aquatic prey. Their presence perched atop a tree branch at Jendarata Estate is a magnificent sight.

Glossary

Biodiversity (BioD)	The diversity (number and variety of species) of plant and animal life within a region.
Biological Oxygen Demand (BOD)	The amount of oxygen used when organic matter undergoes decomposition by micro- organisms. Testing for BOD is done to assess the amount of organic matter in water.
Carbon Footprint	A measure of the total amount of greenhouse gases, including carbon dioxide, methane and nitrous oxides, emitted directly or indirectly by an organisation, event, product or person.
Child Labour	According to the International Labour Organization (ILO) core labour standards, minimum age should not be less than 16 years old.
CO ₂ Equivalents	Carbon dioxide equivalents (CO ₂ eq) provide a universal standard of measurement against which the impacts of releasing (or avoiding the release of) different greenhouse gases can be evaluated.
Crude Palm Oil (CPO)	Oil produced from oil palm fruits in milling process.
Creating Shared Value (CSV)	A responsibility to manage our resources resourcefully and engage in activities that optimize return for shareholders and the society we operate in.
Deforestation	Defined by UP as direct human-induced conversion of forest to non-forests, with an exception for small scale low intensity subsistence conversion by indigenous peoples and forest dependent traditional communities (consistent with RSPO P & C as well as Indonesian laws, Environmental Impact Assessments (EIA) and High Conservation Value Assessment (HCV).
Effluents	Water discharged from one source into separate body of water, such as mill process water.
ERT	Emergency Response Team
Forced Labour	A person who is coerced to work under the threat of violence, intimidation, or undue stress of penalty.
Free, Prior and Informed Consent (FPIC)	The principle that a community has the right to give or withhold its consent to proposed projects that may affect the lands they customarily own, occupy or otherwise use.
Fresh Fruit Bunches (FFB)	Bunch harvested from the oil palm tree. The weight of the fruit bunch ranges between 10 kg to 40 kg depends on the size and age.
FDA	Food and Drug Administration
Global Reporting initiative (GRI)	A multi-stakeholder standard for sustainability reporting, providing guidance on determining report content and indicators.
Greenhouse Gas (GHG) emissions	Greenhouse gas or carbon emissions are gasses in an atmosphere that absorb and emit radiation within the thermal infrared range. This process is the fundamental cause of the greenhouse effect. The primary greenhouse gases in the Earth's atmosphere are water vapor, carbon dioxide, methane, nitrous oxide, and ozone.
HRSS	Human Resources Sustainability and Safety
High Conservations Value (HCV)	The concept of High Conservation Value Forests (HCVF) was first developed by the Forest Stewardship Council (FSC) in 1999 as their ninth principle. The FSC defined HCVF as forests of outstanding and critical importance due to their environmental, socio-economic and cultural biodiversity and landscape value.
High Carbon Stock (HCS)	The HCS Approach is a methodology to avoid deforestation in land development. The approach stratifies the vegetation on an area of land into different classes using analyses of satellite images and field plot measurements. Each vegetation class is validated through calibrating it with carbon stock estimates in the above-ground tree biomass.
Hak Guna Usaha(HGU)	The right to enjoy immovable property of another person with the obligation to pay the annual income to the landowner.
ILO (International Labour Organisation)	Is a tripartite world body representative of labour, management and government, and is an agency of the United Nations. It disseminates labour information and sets minimum international labour standards called "conventions", offered to member nations for adoption.
Integrated Pest management (IPM)	A pest management system that in context of the associated environment and the population dynamics of the pest species utilizes all suitable techniques and methods in as compatible a manner as possible and maintains the pest population at levels below those causing economically unacceptable damage and loss.
IUCN Red List	Based in Switzerland, the Intemational Union for Conservation of Nature and Natural Resources (also known as The World Conservation Union) is an organisation involved in the preservation of natural resources. IUCN publishes the Red Data Book, which lists the endangered species of every nation.
Identity Preserved/ IP	Certified sustainable palm oil is physically separated from other certified and non-certified palm oil throughout the supply chain, i.e from the RSPO mill through to the end-user.
Oil Extraction Rate	The amount of oil extracted from oil palm fruit at a mill. Crude palm oil (CPO) is extracted from the flesh; palm kernel oil (PKO) from the nut.
Mass Balance	Certified sustainable palm oil and non-certified palm oil is mixed to avoid the cost of keeping the two quantities controlled. The mass balance system is constructed in such a way that volumes of RSPO certified products shipped will never exceed volumes received by the end-user.
Mature Oil Palm	After planting, the oil palm tree is classified as immature until fresh fruit bunches are produced, which is approximately 30 months later, whereupon the oil palm tree is classified as mature.
MOSH	Mineral Oil Saturated Hydrocarbons
MOAH	Mineral Oil Aromatic Hydrocarbons
Non-Governmental Organisation (NGO)	Is used in this report to refer to grassroots and campaigning organisations focused on environmental or social issues.
Palm oil Mill effluent (POME)	By-product of processed fresh fruit bunch (FFB).
Peat	Peat is an accumulation of partially decayed vegetation matter. Peat forms in wetlands or peat lands, variously called bogs, moors, muskegs, pocosins, mires, and peat swamp forests.
Plasma schemes	A programme initiated by the Indonesian government to encourage the development of smallholders' plantations with the assistance and cooperation of plantation companies (the nucleus) which assist and support the surrounding community plantations (the plasma).
Palm Kernel (PK)	Seed of the oil palm fruit, which is processed to extract palm kernel oil and other by-products.
Roundtable on sustainable palm oil (RSPO)	A non-governmental multi-stakeholder organisation based in Kuala Lumpur, Malaysia. The organisation has developed a certification scheme for sustainable palm oil.
Social Impact Assessment	A process of analysing, monitoring and managing the intended and unintended, both positive and negative social consequences of planned interventions (policies, programs, plans, projects) and any social change processes invoked by the interventions. Its primary purpose is to bring about a more sustainable and equitable biophysical and human environment.
Segregated/ SG	Certified sustainable palm oil is physically separated from non-certified palm oil throughout the entire supply chain.
Stakeholders	Any group or individual who are affected by or can affect a company's operations.
Sustainability	A term expressing a long-term balance between social, economic and environmental objectives. Often linked to Sustainable Development which is defined as "Development that meets the need of current generations without compromising the needs of future generations"
Traceability	Traceability is the capability to track sustainable palm oil along the entire supply chain.
Toxicity	Toxicity measures the degree to which a substance is harmful to living organisms.