

# Economic



## Traceability & Supply Chain Management

### Why It Matters

By adopting responsible and sustainable sourcing practices, we pursue our business objectives while minimising environmental impacts and promoting equitable outcomes for local communities.

This approach creates lasting value for the environment, supports the communities we serve and meets the expectations of our stakeholders.

### OUR APPROACH

#### Ensuring Traceability & Compliance in Our Palm Oil Mills

We prioritise complete traceability across the FFB production cycle, from planting seedlings to harvesting and transporting fruit. At our palm oil mills, CPO and PK are tracked through every stage of production, including FFB receipt, mill processing, transportation and delivery. This rigorous monitoring ensures full compliance with the MSPO MS2530-4-1:2022 Palm Oil Mill Including Supply Chain Requirements, which is renewed every five years for all our facilities.

#### Advancing Fair & Sustainable Sourcing Principles

Fairness, transparency and sustainability are the cornerstones of our procurement approach. All suppliers – including those in our Vendor Development Initiative (“VDI”) – are assessed objectively and treated equitably.

The Procurement Department oversees supplier selection using clearly defined criteria, covering capabilities, resources, and the quality and suitability of materials. Strong internal controls, including Tender Committee approvals and defined authority limits, safeguard impartiality throughout the process.

Sustainability is integrated at every stage, from pre-qualification and supplier registration to annual performance reviews. Suppliers, both new and existing, are expected to meet our established sustainability standards, covering ethical conduct, health and safety, environmental stewardship and human rights.

### OUR PERFORMANCE

In FY2025, we further strengthened responsible sourcing by conducting detailed sustainability assessments for our suppliers, with 0.5% of major vendors evaluated on key environmental and social criteria.

Procurement Assessments			
Item	2023	2024	2025
Percentage of suppliers screened using environmental criteria (%)	3	0.7	0.5
Number of suppliers assessed for environmental impacts	51	13	10
Percentage of suppliers screened using social criteria (%)	3	0.7	0.5
Number of suppliers assessed for social impacts	51	13	10



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## Integrity

Integrity continues to be the foundation of how we operate, guiding every decision and action across the organisation. The Group remains committed to fostering a workplace where ethical conduct, transparency and accountability are upheld at all levels, in line with regulatory expectations and stakeholder trust.

During FY2025, the Group placed strong emphasis on integrity awareness and capacity building to ensure that employees, management and the Board clearly understand their roles and responsibilities in upholding ethical standards. These initiatives were designed to reinforce compliance promote ethical decision-making and embed a culture of integrity across operations at headquarters, estates and mills.

As part of these efforts, the Group introduced an Integrity Ambassador initiative in FY2025. Selected employees were appointed to serve as integrity role models and advocates within their respective departments and locations, supporting integrity awareness, ethical conduct and adherence to the Group's policies and procedures at the operational level.

The key integrity awareness and training programmes conducted in FY2025 are summarised below:

### Key Integrity Awareness & Training Programmes in FY2025

- 7 and 28 February 2025

#### Briefing on Implementation of the Integrity Pact, Conflict of Interest and Supplier Code of Ethics

Audience: Procurement and Marketing Department Personnel

- 18–26 February 2025

#### OACP Development Workshop

Audience: Management

- 12 July 2025

#### Briefing on Disciplinary Procedures

Audience: Management and Executive

- 18 August 2025

#### Integrity Awareness Programme for the Board of Directors and Heads of Departments titled "Conflict of Interest and Bias"

Audience: Board and Management

- 17 September–19 December 2025

#### Organisation-wide Integrity Awareness Programme (Roadshow)

Audience: Management, Executive and Non-Executive (Technical)

## Whistleblowing

Our Whistleblowing Policy provides a secure and confidential channel for employees and stakeholders to report suspected breaches of ethical standards. By enabling concerns to be raised safely and without fear of retaliation, the policy reinforces a culture of accountability across the organisation.

The policy has since been revised to enhance reporting mechanisms and strengthen protections for whistleblowers. As part of these improvements, a new Whistleblowing Channel, managed independently by a third-party, was launched in FY2024 to ensure impartiality and confidentiality.

The effectiveness of the Whistleblowing Channel is supported by clear complaint management and investigation procedures, with appropriate escalation to the Board Audit, Risk and Governance Committee ("BARGC") and the Board of Directors ("Board"), where required, and continuous oversight by the Integrity and Governance Unit ("IGU"). The IGU also leads awareness programmes across headquarters, estates and mills, with a focus on encouraging employees to raise concerns and submit complaints through the Whistleblowing Channel, thereby reinforcing ethical standards and responsible conduct throughout the Group.

## Corruption Risk Assessments

TH Plantations Berhad remains committed to upholding governance excellence and ensuring regulatory compliance through the implementation of a robust set of Guidelines on Adequate Procedures. These measures are designed to safeguard the organisation, particularly in light of the requirements and implications under Section 17A of the Malaysian Anti-Corruption Commission ("MACC") Act 2009 (Amendment 2018).

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A comprehensive Corruption Risk Assessment (“CRA”) is conducted on a biannual basis to systematically identify, assess and mitigate corruption, integrity and governance-related risks across the Group’s operations. The CRA evaluates the adequacy and effectiveness of existing policies, procedures and internal controls, enabling the timely identification of potential issues. It encompasses bribery and fraud risks across all business units, with particular focus on procurement, human resource processes, conflicts of interest as well as financial and operational activities. The outcomes of the CRA are reported to the BARGC to support effective oversight, transparency and accountability in the management of key risks.

### Anti-Corruption Data

Anti-Corruption			
Item	2023	2024	2025
Number of confirmed corruption incidents	0	0 <sup>1</sup>	0 <sup>2</sup>
Percentage of operations assessed for corruption-related risks (%)	N/A <sup>3</sup>	100%	100%
Percentage of employees who have received training on anti-corruption (%)			
	2023	2024	2025
- Management	79	87	90
- Executive	75	86	79
- Non-Executive/Technical	29	51	75

**Notes:**

<sup>1</sup> One case reported and still under investigation by the Malaysian Anti-Corruption Commission (“MACC”).

<sup>2</sup> Two cases reported and still under investigation by the MACC.

<sup>3</sup> As we only began undergoing CRAs in FY2024, previous data is unavailable.



Organisation Anti-Corruption Plan (“OACP”) workshop was held at Premiera Hotel, Kuala Lumpur.

### Enhancing Cybersecurity & Data Privacy

#### Disaster Recovery

A resilient and secure digital environment is critical to maintaining stakeholder trust. We continue to invest in strengthening network security, improving data privacy measures and fostering a culture of cyber awareness across the organisation.

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At the core of these efforts is our Information Technology Disaster Recovery Plan (“IT DRP”), introduced in 2020. Aligned with Malaysia’s Personal Data Protection Act (“PDPA”) 2010, the General Data Protection Regulation (“GDPR”) and the Asia Pacific Economic Cooperation (“APEC”) Privacy Framework, the IT DRP underpins our cybersecurity framework, ensures regulatory compliance across all operating regions and is fully embedded in our operational processes.

## Cybersecurity & Access Controls

In 2025, the Group continued to strengthen its cybersecurity practices to support responsible digital stewardship and organisational resilience. Key efforts included implementing Multi-Factor Authentication (“MFA”) for critical systems and remote access, reviewing and cleaning up privileged user access, and enhancing network security through firewall hardening and configuration improvements. These measures help safeguard systems and protect sensitive information.

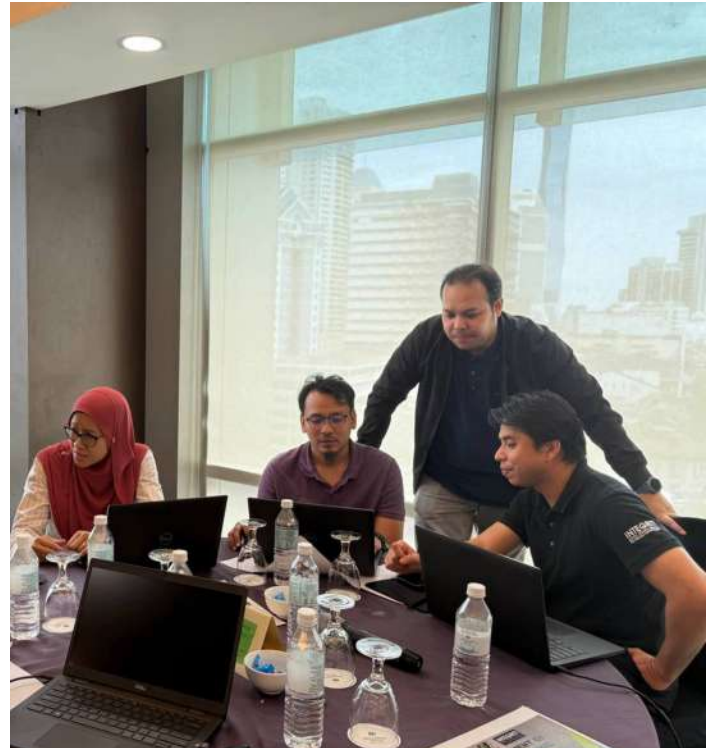
## Data Recovery & Business Continuity

During the year, the Group enhanced its data recovery practices to support business continuity and operational resilience. Key initiatives focused on maintaining reliable data backup processes for critical systems and periodically validating recovery readiness through structured reviews and exercises. Backup and recovery processes were monitored and tested to improve data availability, minimise potential operational disruptions and support the long-term sustainability of the Group’s digital operations.

## Data Management

Effective data management and security are central to our Enterprise Risk Management (“ERM”) framework. We collect data lawfully, maintain transparency on how it is used and apply rigorous controls to protect it.

For contractors and suppliers, information is stored securely in our Contractor Management System (“CMS”), with access restricted to authorised personnel. User activity is continuously monitored to prevent unauthorised access or misuse, and our data retention and destruction policy ensures information is kept only as long as necessary and disposed of securely when no longer needed.



A CRA workshop was held with the assistance of Malaysian Anti-Corruption Commission (“MACC”) personnel.

## Network Security

We continue to prioritise the security of our digital systems and infrastructure. Robust measures are in place to monitor activities, detect anomalies and prevent unauthorised access, ensuring a safe and reliable operating environment.

Our security frameworks are regularly reviewed and updated to align with current standards and evolving cyber threats. Users are supported through awareness and training programmes to recognise potential risks, such as phishing or other malicious activities, helping to maintain a strong culture of cybersecurity across the organisation.

### Cybersecurity

Item	2023	2024	2025
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	0	0	0