

# Our Environmental Stewardship



## Waste Management

### Why It Matters

Effective waste management and the responsible reuse of by-products are essential to minimising our environmental footprint and supporting the transition towards a circular economy.

### OUR APPROACH

#### Managing Hazardous & Non-Hazardous Waste

We are committed to responsible waste management through strict compliance with applicable environmental regulations and the implementation of best practices for waste handling, storage and disposal. Our approach covers both scheduled (hazardous) and non-hazardous waste streams and is aligned with Malaysia’s Environmental Quality (Scheduled Wastes) Regulations 2005.

In accordance with regulatory requirements, scheduled waste is stored on-site for not more than 180 days and is limited to a maximum of 20 MT at any one time. Across our operations, we generate an average of less than 10 MT of scheduled waste per month.

All hazardous waste is managed by third-party contractors approved by Malaysia’s Department of Environment (“DOE”), ensuring proper treatment and disposal. We monitor waste collection records provided by these contractors and submit detailed monthly reports to the DOE. For non-hazardous and domestic waste, we engage licensed waste collectors to ensure disposal is carried out in accordance with regulatory requirements.

Looking ahead, we aim to further strengthen our waste management practices by tracking and reporting total domestic waste collected, enabling improved performance monitoring and continuous improvement over time.

#### Waste Generation & Disposal Performance Data

In FY2025, generated waste reduced slightly by 1.15%, primarily due to lower FFB processing volumes at the mill compared with the previous year.

#### Waste Generation & Disposal

Item	2024	2025
Waste generated (MT)	462,616.00	457,314.00
Total waste diverted from disposal (MT)	388,597.44 (84%)	368,857.40 (81%)
Total waste directed to disposal (MT)	74,018.56 (16%)	88,456.94 (19%)

**Note:**

Waste sources include EFB, shells, fibres, scheduled (hazardous) waste and non-hazardous waste.

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## Reutilising Biomass Residue

Our waste-to-energy strategy aims to maximise the use of biomass from FFB processing, targeting an annual utilisation rate of 80% through PK shells and fibre for renewable energy, in addition to EFBs. This reduces reliance on fossil fuels, lowers emissions intensity and improves cost efficiency across our estates and mills, while promoting circular resource use within and beyond our operations.

### How We Reuse Biomass Residue

#### EFBs:

- Applied as a natural fertiliser through mulching in our West Malaysian plantations.
- Incinerated to produce bunch ash (Sarawak mills only), which is used to fertilise peatland areas.

#### Shells:

- Used as fuel for boiler systems.
- Sold to other plantations or industries as a renewable fuel source.

#### Fibres:

- Used as fuel for boiler systems.

### Total Biomass Residue Amount Produced (MT)

#### EFBs

2024	222,048
2025	217,190

#### Shells

2024	78,665
2025	76,731

#### Fibres

2024	160,876
2025	161,181

### Total Biomass Residue Amount Reutilised (MT)

#### EFBs

2024	147,384
2025	145,504

#### Shells

2024	78,665
2025	62,154

#### Fibres

2024	160,876
2025	161,181