

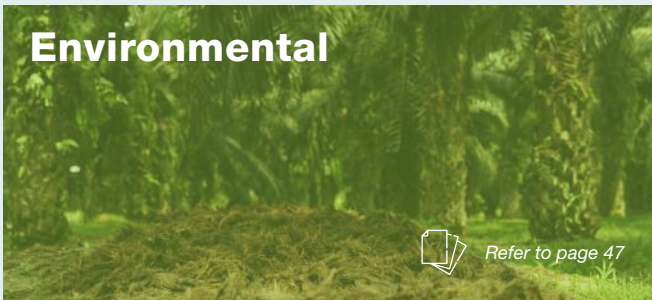
OUR APPROACH TO SUSTAINABILITY

ABOUT THIS STATEMENT

We are pleased to present our Sustainability Statement for the financial year ended 31 December 2025 (“FY2025”).

This statement provides a comprehensive overview of our sustainability strategy, key initiatives and performance across material environmental, social and governance (“ESG”) matters. It underscores the central role sustainability plays in strengthening our long-term resilience, competitiveness and ability to create sustainable value.

The statement is structured around three core dimensions of sustainability:



Morning shot at Ladang Bukit Belian.

REPORTING BOUNDARY & SCOPE

The disclosures in this statement cover TH Plantation Berhad’s (“THP Group”) core operations across East and West Malaysia. These include palm oil cultivation, Fresh Fruit Bunch (“FFB”) processing, as well as Crude Palm Oil (“CPO”) and Palm Kernel (“PK”) marketing activities, which together account for close to 100% of the Group’s revenue.

REPORTING FRAMEWORK

This statement has been prepared in accordance with Bursa Malaysia Securities Berhad’s (“Bursa Malaysia”) Sustainability Reporting Guide (3rd edition). In addition, our disclosures are aligned with the United Nations Sustainable Development Goals (“UNSDGs”), reflecting our commitment to contributing meaningfully to the global sustainable development agenda.

ASSURANCE

The selected common sustainability matters presented in this statement have been reviewed and subjected to limited external assurance by BSI Services Sdn. Bhd. to verify the accuracy of the data and the traceability of the source information. In addition, our internal audit team has reviewed the sources of these subject matters to ensure their appropriateness and adequacy.

FEEDBACK & CONTACT POINT

We value feedback from our stakeholders on our sustainability approach and reporting. For further information or to share your views, please contact us at: info@thplantations.com.

Our Approach to Sustainability

SUSTAINABILITY GOVERNANCE

Leadership

The Board of Directors (“Board”) provides overall stewardship of sustainability at THP Group, setting the strategic direction and exercising oversight over the Group’s sustainability priorities, risks and performance.

In advancing the sustainability agenda, the Board is supported by the Board Audit, Risk & Governance Committee (“BARGC”), the Chief Executive Officer (“CEO”) and the Sustainability Committee (“SC”). This governance framework ensures that sustainability considerations are systematically ingrained into decision-making and embedded across all levels of the organisation.

Board Audit, Risk & Governance Committee

The BARGC supports the Board by overseeing sustainability-related matters, including:

- 1 Reviewing sustainability issues to ensure alignment with ESG expectations and compliance with the requirements of relevant stakeholders.
- 2 Monitoring ESG risks and issues across the Group’s operations and providing strategic guidance where necessary.
- 3 Reviewing and advising on changes to ESG compliance in response to evolving market expectations.
- 4 Assessing sustainability disclosures in line with Bursa Malaysia’s reporting requirements.
- 5 Reviewing climate change-related matters, including climate risks, opportunities and related disclosures.
- 6 Delegating oversight responsibilities to the SC to supervise and manage sustainability implementation across the organisation.

Chief Executive Officer

The CEO plays a central role in driving sustainability execution by:

- 1 Providing regular updates to the Board on the Group’s sustainability performance and key developments, including the preparation of our annual Sustainability Statements.
- 2 Reviewing recommendations and progress updates from the SC and providing strategic direction where appropriate.

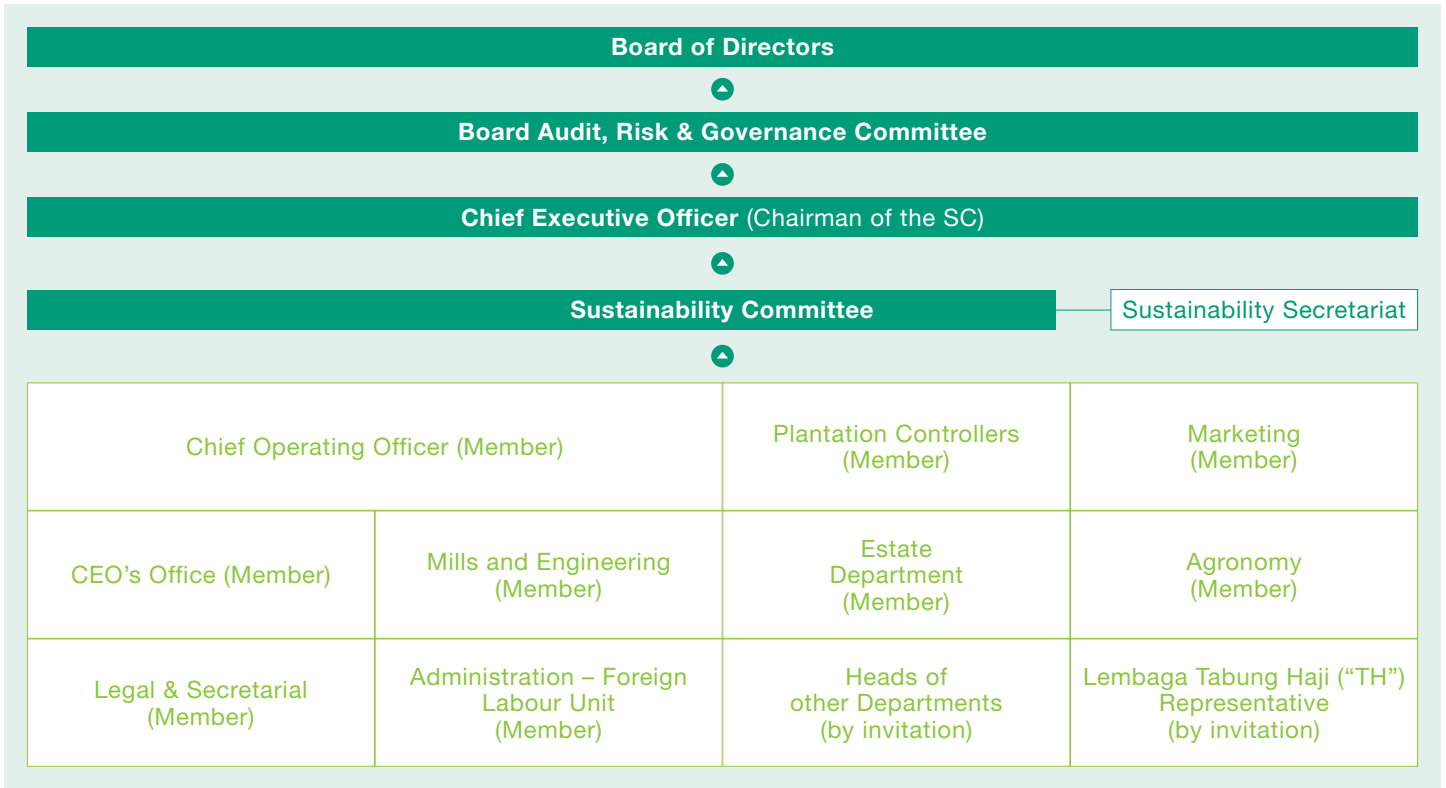
Sustainability Committee

The SC, established on 26 November 2020, is chaired by the CEO and comprises Heads of Departments from across THP Group. This cross-functional composition enables effective coordination, knowledge-sharing and integration of sustainability considerations into business operations.

The SC is responsible for:

- 1 Executing the Board’s strategic direction on sustainability and ensuring alignment with the Group’s overall strategies.
- 2 Promoting understanding and effective implementation of the Group Sustainability Policy across all levels of the organisation.
- 3 Effective coordination of sustainability-related action plans and decisions across departments.
- 4 Deliberating on sustainability matters during regular meetings, guided by the Chairman’s direction and recommendations.

Our Approach to Sustainability



Sustainability Department

In November 2020, THP Group established a standalone Sustainability Department (“SD”) to meet rising stakeholder expectations and regulatory requirements. The SD reports directly to the CEO and supports the structured implementation of sustainability initiatives across the Group.

The SD is organised into three specialised units:

- 1 **Malaysian Sustainable Palm Oil Certification and Sustainability Unit** – Ensures compliance with Malaysian Sustainable Palm Oil (“MSPO”) standards across all operations.
- 2 **Occupational Safety and Health Unit** – Implements Occupational Safety and Health (“OSH”) management systems in accordance with applicable policies, laws and regulations.
- 3 **Conservation and Biodiversity Unit** – Develops and implements conservation and biodiversity management strategies to support environmental protection and regulatory compliance.

The Head of Sustainability leads the SD and is accountable for coordinating and overseeing the execution of sustainability initiatives throughout the organisation.

Our Approach to Sustainability

Group Sustainability Policy

On 26 November 2020, the Board approved a revised Group Sustainability Policy to further embed sustainability into the Group's operations and culture. Aligned with the agricultural sector's No Deforestation, No Peat, No Exploitation ("NDPE") commitments and MSPO standards, the policy provides a clear operational framework to support long-term ESG performance alongside business objectives.

The policy is structured around three key focus areas:

Human Rights and Social Commitments

- Uphold human rights
- Maintain a safe and healthy workplace
- Enhance employee welfare and support career development
- Respect and uphold land rights
- Create shared value for local and national-level development

Environmental Responsibility Commitments

- Manage waste, effluent and air emissions responsibly
- Protect neighbouring water resources
- Implement zero-burning practices
- Promote biodiversity and conservation
- Adhere to our NDPE commitments
- Ensure efficient use of resources

Ethical Business Commitments

- Adhere to responsible procurement practices
- Ensure supply chain traceability
- Uphold corporate integrity



The Group Sustainability Policy is publicly accessible on our corporate website: <https://thplantations.my/>

Our Approach to Sustainability

OUR SUSTAINABILITY MILESTONES

2019

- Adopted the first version of our Group Sustainability Policy.
- Achieved MSPO certification for 100% of our Sabah and Sarawak operations.

2020

- Achieved 100% compliance with the MSPO Supply Chain Certification Standard (“SCCS”).
- Established our SC and SD.
- Adopted an updated Group Sustainability Policy.

2021

- Installed a solar-powered guard house at Gedong Estate, Sarawak.
- Developed a mechanisation and automation blueprint for selected operational processes.

2023

- Launched and commenced implementation of the conservation programme at Gunung Arong Forest Reserve, Mersing, Johor.
- Received Board approval for our 5-year Strategic Business Plan for 2024-2028, or AL-Falah 22/22, which emphasises growth opportunities alongside positive ESG outcomes.

2022

- Undertook a 4,300-hectare (“ha”) conservation and restoration initiative at Hutan Simpan Gunung Arong (“GAFR”), Mersing, Johor.
- Completed the installation of electrostatic precipitators across 100% of mills.
- Listed on Bursa Malaysia’s FTSE4GOOD Bursa Index (“F4GBM”) and the FTSE4GOOD Bursa Malaysia Shariah Index.

2024

- Signed a Shareholders’ Agreement with Cenergi RE Sdn. Bhd. to install an on-grid biogas plant at Bukit Lawiang Mill under the Feed-In Tariff (“FIT”) programme.
- Introduced electric vehicles (“EV”) in our estate operations.
- Engaged with Malaysian Palm Oil Green Conservation Foundation (“MPOGCF”) to address human-wildlife conflict mitigation.
- Established a Community Learning Centre (“CLC”) in Sabah for the children of our Indonesian workers.
- Received recognition as an Anchor Company under the Vendor Development Programme by the Malaysian Ministry of Entrepreneur and Cooperatives Development (“MECD”).
- Appointed 36 OSH Coordinators across all operating units to strengthen our OSH practices.
- Established a Corruption Risk Assessment (“CRA”) Plan through the Integrity Governance Unit (“IGU”) to reinforce our anti-corruption framework.
- Appointed a Certified Integrity Officer (“CeIO”) to further strengthen our stance against unethical business practices.
- Signed an organisation-wide Corruption-Free Pledge with the Malaysian Anti-Corruption Commission (“MACC”).

2025

- Achieved full compliance with MSPO 2.0 (MS2530:2022) requirements across all estates and mills, supported by High Conservation Value (“HCV”) and Social Impact Assessment (“SIA”)-certified internal assessors.
- Commissioned first Biogas Power Plant at Bukit Lawiang Mill.
- Strengthened biodiversity awareness through collaborative programmes with local non-governmental organisations (“NGO”) and relevant government agencies.
- Expanded the Badang Mechanical Buffalo EV initiative through the acquisition of an additional 15 units in our operations.
- Enhanced competency and skills development for local tractor drivers through a training programme by the Malaysian Palm Oil Training Centre (“PLASMA”) and Malaysian Palm Oil Board (“MPOB”).
- Certified personnel as Ergonomics Trained Persons for Advance Ergonomics Risk Assessment (“ERA”).
- Continued the adopted school initiative under the Promoting Intelligence, Nurturing Talent and Advocating Responsibility (“PINTAR”) Programme to support education and community development.
- Maintained inclusion in the FTSE4Good and FTSE4Good Shariah Indices.
- Established a five-year Organisational Anti-Corruption Plan (“OACP”) for 2025-2029.

Our Approach to Sustainability

STAKEHOLDER ENGAGEMENT

We pursue sustainability through the creation of shared, long-term value for both our business and our stakeholders, laying the foundation for inclusive and sustainable growth.

Regular and structured engagement enables us to better understand stakeholder expectations, assess emerging risks and opportunities, and integrate relevant insights into our strategies, policies and operational practices.

Stakeholder Groups & Engagement Platforms

Shareholders

Key Stakeholder Concerns & Relevant Disclosures

Engagement Platforms

- Annual General Meetings (“AGMs”)
- Quarterly announcements

- Chief Executive Officer’s Management Discussion & Analysis – pages 14 to 21
- Product Quality & Operational Efficiency – pages 37 to 41
- Audited Financial Statements – pages 151 to 255

Directors

Key Stakeholder Concerns & Relevant Disclosures

Engagement Platforms

- Quarterly and special Board meetings
- Quarterly and special Board Committee meetings

- Governance & Ethics – pages 43 to 46
- Corporate Governance Overview Statement – pages 110 to 133
- Statement of Risk Management & Internal Control (“SORMIC”) – pages 134 to 141

Management

Key Stakeholder Concerns & Relevant Disclosures

Engagement Platforms

- Operational and ad-hoc meetings

- Product Quality & Operational Efficiency – pages 37 to 41
- Traceability & Supply Chain Management – page 42
- Waste Management – pages 54 to 55
- Effluent & Water Discharge – pages 59 to 60
- Water Management – pages 61 to 62
- Safety & Health – pages 63 to 70
- Human Rights – pages 71 to 72
- Employee Welfare & Development – pages 73 to 79

Our Approach to Sustainability

Employees

Engagement Platforms

- Our 'open-door' policy
- Our Company intranet
- Special briefings
- Employee bulletins
- Training and development programmes

Key Stakeholder Concerns & Relevant Disclosures

- Governance & Ethics – pages 43 to 46
- Safety & Health – pages 63 to 70
- Human Rights – pages 71 to 72
- Employee Welfare & Development – pages 73 to 79

Customers

Engagement Platforms

- Regular emails and in-person engagements

Key Stakeholder Concerns & Relevant Disclosures

- Product Quality & Operational Efficiency – pages 37 to 41
- Traceability & Supply Chain Management – page 42
- Governance & Ethics – pages 43 to 46
- Biodiversity & Conservation – pages 47 to 52
- NDPE Commitments – page 53
- Local Communities/Community Investment – page 80

Local Communities

Engagement Platforms

- Informal grievance channels
- Community-based programmes
- Land management schemes

Key Stakeholder Concerns & Relevant Disclosures

- Biodiversity & Conservation – pages 47 to 52
- Effluent & Water Discharge – pages 59 to 60
- Local Communities/Community Investment – page 80
- Land Rights – page 81

Local Authorities

Engagement Platforms

- Monthly, annual and special reports
- Meetings and dialogues

Key Stakeholder Concerns & Relevant Disclosures

- Governance & Ethics – pages 43 to 46
- Waste Management – pages 54 to 55
- Effluent & Water Discharge – pages 59 to 60
- Water Management – pages 61 to 62
- Safety & Health – pages 63 to 70
- Human Rights – pages 71 to 72

Our Approach to Sustainability

We have since broadened and deepened our stakeholder engagement practices. Aligning with MSPO certification requirements, we enhanced our engagement framework by introducing structured stakeholder meetings at each operational complex and formal grievance mechanisms. These mechanisms provide stakeholders with accessible channels to raise concerns, lodge complaints or report suspected incidents, enabling timely resolution and continuous improvement in our sustainability performance

MATERIAL MATTERS

Our material matters represent the ESG issues that have a significant influence on our ability to create sustainable value for both our stakeholders and the business. These matters guide our sustainability strategy, risk management and disclosures.

Our material matters were first identified through a comprehensive materiality assessment conducted in 2017. Since then, we have undertaken periodic reviews to ensure continued relevance in light of evolving stakeholder expectations, regulatory developments and strategic priorities. Details of these reviews are outlined below.

2017

- Conducted a full-scale materiality assessment referencing Bursa Malaysia's Sustainability Reporting Guide and involving:
 - Our internal stakeholders (i.e., the Board, Management and Employees).
 - All our external stakeholder groups (i.e., Shareholders, Customers, Local Communities and Local Authorities).
- Identified and prioritised seven key stakeholder groups and 11 material matters.
- Reviewed these outcomes through the SC and obtained Board endorsement.

2020

- Reviewed our Materiality Matrix and stakeholders list through focus group sessions with Customers.
- Identified one additional material matter – NDPE Commitments – bringing the total number of material matters to 12.
- Reaffirmed the continued relevance of existing material matters.

2021

- Conducted further reviews of the Materiality Matrix and stakeholder list through focus group sessions with two external stakeholder groups (Management and Local Communities).
- Identified two additional material matters – Greenhouse Gas ("GHG") Emissions and Land Rights – increasing the total number of material matters to 14.
- Reaffirmed the continued relevance of existing material matters.

2023 - 2025

- Undertook a limited-scale materiality review with reference to Bursa Malaysia's Sustainability Reporting Guide, benchmarking the Group's material matters against those of local and regional industry peers.
- Concluded that all 14 material matters remained aligned with the Group's strategic priorities and stakeholder expectations.

Our Approach to Sustainability

MATERIALITY MATRIX



RISK MANAGEMENT

THP Group adopts an approach to risk management, identifying potential threats to our business and implementing mitigation measures in accordance with our Group-wide governance framework.

Guided by the Malaysian Code on Corporate Governance (“MCCG”) 2021, our risk management process enables the early detection and effective management of emerging risks. This is supported by an Enterprise Risk Management (“ERM”) framework, which integrates sustainability considerations across key risk categories, including environmental, strategic, compliance, corporate, financial and operational risks.

To maintain risks within the Group’s defined risk appetite, designated risk owners, together with the Risk and Compliance Department (“RCD”), continuously monitor and assess risk exposure. Progress and updates are regularly reported to the BARGC and the SC, ensuring timely oversight and informed decision-making.



For more details, please refer to the SORMIC in our Integrated Annual Report 2025, from pages 134 to 141.

Our Approach to Sustainability

SUSTAINABILITY FRAMEWORK

The UNSDGs comprise 17 “Global Goals” that provide a blueprint for creating a more sustainable, equitable and prosperous world. As a responsible corporate citizen, THP Group aligns its sustainability initiatives with the UNSDGs, prioritising areas where we can make meaningful and measurable contributions through our operations, programmes and stakeholder engagements.

At the national level, Malaysia’s Twelfth Malaysia Plan (“12MP”) 2021–2025 provides a strategic framework to enhance prosperity, inclusivity and sustainability. In support of these objectives, we are committed to cultivating a sustainability-focused culture within THP Group, empowering our employees to champion initiatives that deliver positive impact to communities, the environment and the nation at large.

<h3>Economic</h3> <ol style="list-style-type: none"> 1 Product Quality & Operational Efficiency 2 Strengthening Security, Wellbeing and Inclusivity 3 Advancing Sustainability <p>UNSDGs</p> 	<h3>Environmental</h3> <ol style="list-style-type: none"> 3 Advancing Sustainability <p>UNSDGs</p> 	<h3>Social</h3> <ol style="list-style-type: none"> 1 Resetting the Economy 2 Strengthening Security, Wellbeing and Inclusivity <p>UNSDGs</p> 
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Our Approach to Sustainability

SUSTAINABILITY PERFORMANCE SCORECARD

Our Sustainability Performance Scorecard provides a concise overview of our progress against key sustainability objectives. It aligns teams across the organisation and supports a unified roadmap for long-term value creation.

Material Matters	Targets	FY2025 Progress Against Targets	Progress Tracking Status
Economic			
1 Governance & Ethics (Anti-Corruption Practices)	Zero incidents of corruption annually	Zero incidents	
Environmental			
1 Waste Management	Reutilise up to 80% of biomass residue annually	81%	
2 Water Management	Maintain the water consumption rate below 1.5 m ³ per MT of FFB annually	1.5 m ³ /MT FFB	
3 GHG Emissions	FY2024 baseline <ul style="list-style-type: none"> • Scope 1 emissions: 157,907 tonnes of CO₂e • Scope 2 emissions: 2,063 tonnes of CO₂e • Scope 3 emissions: 628 tonnes of CO₂e • Total carbon footprint: 160,598 tonnes of CO₂e 	<ul style="list-style-type: none"> • Scope 1 emissions: 157,454 tonnes of CO₂e • Scope 2 emissions: 1,838 tonnes of CO₂e • Scope 3 emissions: 1,637 tonnes of CO₂e • Total carbon footprint: 160,929 tonnes of CO₂e 	 (Based on total emissions)
<i>Note: Please refer to the sub-topic GHG Emissions Data for the explanations</i>			
Social			
1 Human Rights	Zero substantiated complaints concerning human rights violations annually	Zero substantiated complaints	
2 Safety & Health	Zero fatalities annually	Zero fatalities or fatal accidents	

Legend: Progress tracking



On track to meeting set target.



Falling short on meeting target for one year; review current practices.



Falling short on meeting target for more than two years; review and revise target (if necessary).

ECONOMIC



Product Quality & Operational Efficiency

Why It Matters

Our focus on responsible sourcing and high product quality forms the cornerstone of our long-term success.

By consistently meeting customer expectations and optimising operations, we strengthen buyer trust and preference – critical drivers in achieving our business objectives and ensuring sustainable growth.

OUR APPROACH

Ensuring Customer Satisfaction

We foster strong, collaborative relationships with our customers through continuous engagement, enabling us to understand their needs and address challenges proactively. This close partnership positions us to deliver solutions that support sustained customer satisfaction.

Product quality is central to this commitment. Each batch of Crude Palm Oil (“CPO”) and Palm Kernel (“PK”) undergoes rigorous measurement and monitoring against stringent internal benchmarks, aligned with the Standard Quality Grade of the Malaysian Standards – MS814:2007 for CPO and MS236:2007 for PK – to ensure consistent quality.

Free Fatty Acid (“FFA”) management remains a key focus to preserve CPO quality and protect margins. Closer control over handling, processing and turnaround times supports consistent quality outcomes across our milling network.

In addition, we work closely with key customers by providing traceability documentation, including Traceability to Plantation (“TTP”) data and NDPE Integrated Risk Framework (“IRF”) survey forms, reinforcing transparency and confidence in our products.

Performance of CPO & Palm Kernel

CPO

Free Fatty Acid (%)

2023	3.79
2024	3.74
2025	3.84

Internal Target: ≤ 5.00

Deterioration of Bleachability Index (“DOBI”)

2023	2.52
2024	2.49
2025	2.51

Internal Target: ≥ 2.30

Moisture & Impurities (“M&I”) (%)

2023	0.16
2024	0.16
2025	0.17

Internal Target: < 0.25

PK

Moisture (%)

2023	6.33
2024	6.28
2025	6.00

Internal Target: < 7.00

Dirt & Shell (%)

2023	4.80
2024	5.99
2025	5.70

Internal Target: < 6.00

Economic

Driving Economic Performance

Economic performance underpins our strategy for sustainable growth. By anticipating market developments, maintaining financial resilience, adopting technological innovations and proactively managing risks, we are well positioned to capture growth opportunities and create value for our stakeholders through taxes, salaries, dividends and ongoing investments.

In FY2025, revenue from our core activities – including investment holdings, oil palm cultivation, Fresh Fruit Bunch (“FFB”) processing, and marketing of CPO, PK and FFB within Malaysia – totalled RM 961.24 million.

Key initiatives during the year further contributed to these results, including:

- 1 AL-Falah 22/22 strategy
- 2 High Impact Performance Enhancement Training & Workshop (“HIPETW”)

Economic Performance

Item	2023 (RM)	2024 (RM)	2025 (RM)
Economic value generated (i.e. revenue and other income)	773,285,000	905,959,314	970,743,000
Economic value distributed			
- Operating costs	484,971,000	549,278,314	565,851,481
- Employee wages and benefits	158,582,000	166,443,000	177,041,519
- Payments to providers of capital (i.e., dividends and financing costs)	88,120,000	82,425,665	92,829,458
- Payments to government (i.e., taxes and zakat)	33,470,000	54,023,000	53,822,000
- Community investments	119,600	54,000	51,000
Economic value retained	8,022,400	53,735,335	81,147,542

Note:

Number of beneficiaries for community investments in 2025 is 471.

Optimising Field Operations & Mechanisation

During the year, we focused on strengthening in-field operations through more structured working systems for harvesters and general workers. These improvements, supported by closer monitoring of field practices, aimed to improve field upkeep, expand harvesting coverage and minimise crop losses.

Mechanisation and automation continued to play a critical role in mitigating labour constraints and strengthening operational performance across our estates. In Sarawak, the expanded deployment of rubber track crawlers for peatland operations enhanced field mobility and delivered meaningful improvements in worker-level productivity under challenging soil conditions.

In Peninsular Malaysia, the introduction of Mechanical Buffalo EV units improved infield transport efficiency while achieving notable reductions in energy operating costs compared to diesel-powered alternatives.

Targeted technology trials were also undertaken to advance automation initiatives. Drone applications at Ladang Sungai Mengah Nursery and Ladang Gedong Nursery demonstrated reduced operating time and labour requirements for pest and disease control, supporting phased implementation at selected locations.

These initiatives reinforce our commitment to productivity enhancement, cost efficiency and sustainable estate operations.

Economic

Enhancing Good Agricultural Practices

We apply standard operating procedures (“SOPs”) based on Good Agricultural Practices (“GAP”) across our plantations, covering areas such as efficient water management, site-specific fertilisation, integrated pest management (“IPM”), weed control and the removal of unproductive palms. These practices support field productivity and long-term sustainability.



High Impact Performance Enhancement Training & Workshop (“HIPETW”) 3.0 was held in Sarawak.

In FY2025, we strengthened these practices through several initiatives:

INITIATIVE 1: PLANTING MATERIALS & SEEDS

We continued to strengthen our replanting programme through the use of high-quality planting materials and seeds, providing our estates with a solid foundation to achieve optimal productivity and uniform growth.

INITIATIVE 3: SLOW-RELEASE FERTILISER

Building on trials conducted in FY2024 in immature areas, we continued to use slow-release fertilisers to optimise nutrient efficiency and minimise environmental impact. This fertiliser technology reduces nutrient losses, lowers the frequency of application rounds, supports ESG compliance and enhances yield resilience, particularly in flood-prone areas, through more stable and controlled nutrient release.

INITIATIVE 5: RAT CONTROL USING BARN OWLS

We remained committed to the use of barn owls (*Tyto alba*) as a natural and environmentally responsible method for managing rat populations on our estates. In cases of severe infestation, first-generation rat bait is applied strictly as a secondary measure and only when necessary, ensuring a balanced pest management approach that safeguards barn owls and minimises chemical usage.

INITIATIVE 7: ESTATE PRODUCTIVITY BENCHMARKING

A Group-wide Benchmarking Programme enabled comparison of yields and key performance indicators (“KPIs”) across estates with similar age profiles. This facilitated targeted, cost-effective interventions and promoted consistent execution of agronomic best practices across the estate portfolio.

INITIATIVE 2: EFFECTIVE & INDIGENOUS MICROORGANISM APPLICATION

Effective Microorganisms (“EM”) were applied across our estates to improve soil fertility, enhance nutrient availability, strengthen plant growth and immunity, and reduce reliance on chemical inputs. In parallel, indigenous microorganisms (“IMO”) were applied prior to seedling transplantation, in accordance with SOPs updated in FY2025, to improve soil health and promote stronger, healthier plant establishment from the early growth stages.

INITIATIVE 4: EMPTY FRUIT BUNCH APPLICATION

Guided by SOPs updated during FY2025, we maintained the application of Empty Fruit Bunches (“EFB”) across our estates to enhance soil structure, improve moisture retention and increase nutrient availability, thereby supporting healthier soil conditions.

INITIATIVE 6: TARGETED TECHNOLOGY TRIALS

We conducted drone trials at the Ladang Gedong Nursery to evaluate automation for pest and disease control. Results demonstrated significant reductions in operating time and labour requirements. Following these findings, drone spraying was introduced at selected locations, supporting more efficient nursery operations and improved resource utilisation.

Economic



The Head of Agronomy briefing the estate operations team during an agronomy field visit.

Advancing Research & Development

Research & Development (“R&D”) is a cornerstone of our Agronomy Department, driving innovations that enhance both yield quality and quantity while upholding environmental sustainability. Our dedicated team of four R&D professionals focuses on optimising fertiliser use, conducting plantation-based research and exploring other initiatives that improve operational productivity.

Aligned with our vision to operate as an integrated and sustainable plantation company, we remain committed to sustaining investment in R&D and the continuous strengthening of internal quality controls. Simultaneously, we actively investigate new agricultural practices that boost yields and ensure the consistent delivery of high-quality products.

R&D Budget

Annual Expenditure Budget for R&D (RM Million)

2023	2.0
2024	1.2
2025	1.17

Economic

Maintaining MSPO Certification

MSPO Standards

As a producer of CPO and PK with an extensive network of business relationships, we recognise our responsibility to promote and advance the adoption of sustainable practices across our supply chain.

The MSPO standards define clear expectations of our operations in the following areas:

- 1 Management commitment and responsibility
- 2 Transparency
- 3 Compliance with legal requirements
- 4 Social responsibility, safety and employment conditions
- 5 Environment, natural resources, biodiversity and ecosystem services

To ensure consistent adherence to the required standards, we have established robust procedures across key areas, including management accountability, transparency, legal compliance, social responsibility, environmental stewardship, best practices and responsible development.

In parallel, we have enhanced support for our stakeholders – particularly FFB suppliers – in obtaining MSPO certification. This approach not only creates growth opportunities for our partners but also strengthens the long-term resilience of our supply chain.

MSPO 2.0 Implementation

The MSPO 2.0 standard (MS2530:2022) came into effect in January 2025 and applies to all THP-owned estates and mills. During the year, our Sustainability Department (“SD”) engaged closely with MSPO authorities to ensure compliance with the enhanced requirements of the standard.

Key topics covered in these engagements included:

- 1 Deforestation and land-use change
- 2 GHG Calculator implementation
- 3 Updated Social Impact Assessment (“SIA”) guidelines and training
- 4 High Conservation Value (“HCV”) guidelines and training
- 5 MSPO certification process for independent smallholders supplying FFB to THP mills

Key MSPO 2.0 Activities in FY2025

THP Management Meeting with the MSPO CEO

12 March 2025

THP Sustainability Meeting with the MSPO Chief Technical Officer

15 October 2025

MSPO 2.0 Certification Audit

- Sabah & Sarawak Region: **May 2025**
- Kluang Complex: **June 2025**
- Terengganu & Kota Bahagia Complex: **November 2025**



SIA Internal Assessor Training

5-7 November 2025



HCV Internal Assessor Training

16-18 December 2025



We are proud to report that we achieved full compliance with MSPO 2.0 (MS2530:2022) requirements across all estates and mills in FY2025, supported by HCV and SIA-certified internal assessors.

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

Economic

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).

Economic

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 ¹	0 ²
Percentage of operations assessed for corruption-related risks (%)	N/A ³	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:

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

² Two cases reported and still under investigation by the MACC.

³ 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.

Economic

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

OUR ENVIRONMENTAL STEWARDSHIP



Biodiversity & Conservation

Why It Matters

Protecting local ecosystems and biodiversity is crucial for maintaining environmental balance and promoting sustainable development.

As a responsible industry player, we recognise our duty to minimise impacts on habitats within and around our operational areas and their surrounding ecosystems.

OUR APPROACH

Preserving Riparian Reserves

Riparian reserves are vital conservation zones situated between land and rivers, providing crucial habitats for a diverse array of plant and animal species. They also play a critical role in maintaining soil stability and protecting water quality in surrounding areas.

Within our plantations, we have established buffer zones and riparian reserves covering 598 hectares (“ha”). To strengthen these areas, we plant legume cover crops (“LCCs”), which reduce soil erosion, suppress weed growth and enhance soil fertility.

We focus on maintaining and preserving riparian reserves, in line with applicable MSPO standards, aiming to demonstrate responsible environmental stewardship.

Conducting Environmental Impact Assessments

Before any replanting activities, we conduct comprehensive Environmental Impact Assessments (“EIAs”) in accordance with requirements set by the Malaysian Department of Environment (“DOE”), covering:

- 1 Soil erosion, slope stability and soil conditions
- 2 Water and noise pollution
- 3 Loss of flora, fauna and habitats
- 4 Waste disposal
- 5 Impacts of replanting and abandoned land
- 6 Socioeconomic and ecological effects
- 7 Safety and health concerns
- 8 Peat soil subsidence

These assessments are carried out by independent third-party consultants, with findings submitted to the DOE to ensure all environmental considerations are addressed before replanting commences.

Replanting decisions are guided by several factors, including palm age (with yields declining below 15 MT/ha for palms over 25 years), palm height (harvesting challenges arise for palms exceeding 45 feet) and areas where soil quality has deteriorated due to flooding or root diseases.

Our Environmental Stewardship

Managing Our Peatlands

We cultivate only on peatland designated by the Malaysian government for agricultural development, following strict guidelines to ensure sustainable use. Recognising the fragile nature of peat soils, we implement targeted practices to support responsible development.

Our Agronomy team provides technical guidance and advisory support, focusing on maintaining optimal water levels and managing excess drainage to prevent peat degradation. These measures are critical for safeguarding the long-term health and productivity of the land.

By the end of FY2025, we owned 44,749.27 ha of peatland, of which 14,924.84 ha remained unplanted and were preserved as biodiversity and conservation areas.

Integrated Pest Management

Pest management is a critical component of oil palm cultivation, supporting healthy yields and protecting plantations from damage. To balance operational needs with environmental stewardship, we prioritise integrated pest management (“IPM”) approaches that minimise reliance on chemical inputs.

Our IPM strategy emphasises the use of biopesticides and biological control agents, tailored to the specific conditions of each estate. This approach enables effective pest control while supporting environmental sustainability and ecosystem health.

Our efforts include:

- 1 Using barn owls (*Tyto alba*) to control rat populations
- 2 Shredding felled trunks into chips of acceptable size to suppress the breeding of rhinoceros beetles
- 3 Planting beneficial plants that provide shelter and food for predators and parasitoids of pests
- 4 Using *Bacillus thuringiensis*, a soil-dwelling bacterium, against insect pests such as *Tirathaba rufivena* and bagworm larvae

Conservation Of Coastal Forest & Peatlands in Gunung Arong Forest Reserve

Now in its third year, FY2025 activities for the conservation programme covering 4,300 ha within the Gunung Arong Forest Reserve (“GAFR”) in Mersing, Johor, were implemented in accordance with the approved work plan jointly developed by the Johor State Forestry Department (“JSFD”), the Global Environment Centre (“GEC”) and TH Plantations Berhad (“THP”), as part of the Group’s efforts to address climate

change and to support the national agenda towards Net Zero by 2050. Funded by Lembaga Tabung Haji (“TH”) with a total allocation of RM5 million, this seven-year programme (2022–2029) aims to preserve and conserve the forest ecosystem through strengthening carbon sequestration and enhancing the role of the area as a carbon sink, improved hydrology systems to maintain ecosystem functions, biodiversity protection and key ecosystem, controlling forest fire risks through prevention and mitigation measures, and empowering local communities through inclusive engagement and sustainable livelihood support. The work plan continues to serve as the guiding framework for key conservation initiatives, community engagement programmes and sustainable forest management efforts within GAFR and its surrounding areas, supporting environmental sustainability and ecosystem health.

Notable milestones and activities during the year include:

- 1 Successful Registrar of Societies (“RoS”) registration of local community group Pertubuhan Komuniti Pelindung Alam Sekitar (“KompAS”), Mersing (PPM-008-01-25072025), strengthening its role in leading community-driven conservation initiatives.
- 2 Operation of 10 canal blocks in identified fire hotspots to manage water levels, reduce fire risks and restore natural hydrology in peatland areas.
- 3 Installation of 11 piezometers with regular patrols and data recording to monitor fire risk; low water table readings indicate higher fire risk and dry peatland conditions.
- 4 Establishment of a community forest fire patrol team in GAFR, comprising three patrollers conducting four weekly patrols to prevent fires in high-risk forest compartments.
- 5 Installation of nine forestry enactment signages, five Fire Danger Rating System (“FDRS”) signages and four Peatland Fire Risk Markers with piezometers to enforce regulations and provide early fire risk warnings with real-time groundwater data.
- 6 Wildlife monitoring through camera traps and roadkill surveys confirmed the active presence of International Union for Conservation of Nature (“IUCN”)-categorised endangered and vulnerable species, highlighting GAFR’s role as a sanctuary.
- 7 Planting of 3,828 trees in collaboration with local communities, including *Hopea odorata*, *Calophyllum ferrugineum* and *Dipterocarpus oblongifolius*.
- 8 Organisation of scientific and outreach activities, including four community events and research paper presentations in collaboration with the GEC, to promote conservation awareness and highlight freshwater swamp and wetland ecosystems.

Our Environmental Stewardship

Restoration of GAFR



Tree-planting activities



These initiatives demonstrate meaningful progress in rehabilitation and conservation, with increasing local participation reflecting a growing sense of ownership. Collaborative actions between the community and relevant agencies have been instrumental in sustaining and strengthening GAFR conservation initiatives.

Restoration of GAFR through Tree-planting

On 14 October 2025, we conducted a tree-planting activity at GAFR as part of the Coastal Forest and Peatland Conservation Programme. The event brought together 33 participants, including 20 THP delegates, seven representatives from the Johor Timur District Forestry Department and GEC, and four KomPAS members.

A monitoring visit to previously planted plots allowed staff to assess growth and survival, informing adaptive management of ongoing conservation activities. This event reinforced our leadership in multi-stakeholder collaboration and commitment to restoring coastal and peatland ecosystems at GAFR.

Our Environmental Stewardship

Biodiversity & High Conservation Value Training

From 19–20 November 2025, we conducted a Biodiversity & HCV Training at Ladang Kota Bahagia, Pahang, involving staff from our oil palm estates across the Peninsular Region.

The programme:

- 1 Provided training on MSPO HCV guidelines and biodiversity conservation principles.



- 2 Included field activities along estate borders near rivers to identify critical conservation areas, observe wildlife habitats and evaluate ecological indicators.
- 3 Featured wildlife sightings, including hornbills, fish and various bird species.
- 4 Introduced tree species identification and camera trap use for monitoring wildlife.

HCV Internal Lead Assessor Training

In line with our commitment to sustainability and regulatory compliance, our personnel attended the MSPO HCV Internal Lead Assessor Training from 16 to 18 December 2025 at Hotel Seri Malaysia, Mersing, Johor. The programme enhanced participants' understanding of HCV principles and their practical application within the MSPO certification framework, covering both smallholder and plantation operations.

This capacity-building initiative strengthens internal competencies to conduct HCV assessments, supports compliance with regulatory requirements and ensures that biodiversity and conservation considerations are integrated into our plantation management practices.

Achieving Coexistence with Elephants

We actively supported elephant conservation and human-elephant conflict mitigation during the year through participation in the following key initiatives:

- 1 National Symposium on Asian Elephant Conservation and Management (16–18 November 2025, Felda Residence Tanjung Leman, Johor), organised by the Malaysian Palm Oil Green Conservation Foundation ("MPOGCF") in collaboration with the Department of Wildlife and National Parks Peninsular Malaysia ("PERHILITAN").



- 2 MEME Stakeholder Workshop and Online Course Launch (3 November 2025, University of Nottingham Malaysia), involving stakeholders such as FGV, SD Guthrie, Felda, Johor Plantations, Tradewinds, MPOGCF and Yayasan Khazanah.

We also supported field-based conservation efforts, deploying four camera traps at Ladang Gunung Sumalayang to monitor elephants, otters and dusky leaf monkeys, generating valuable data on wildlife behaviour.

Wildlife Conservation & Management Awareness Programme

In July 2025, we conducted a two-day Wildlife Conservation & Management Awareness Programme at Ladang Sungai Tenegang, Sabah. Participants included management personnel and field teams from the Sabah Region.

Key programme elements:

- 1 Delivered in collaboration with the Sabah Wildlife Department ("SWD"), Seratu Aatai and Orang Juga.
- 2 Covered elephant ecology, patrol and reporting procedures, orangutan management and measures to reduce conflict risks in plantation landscapes.
- 3 Included an awareness session at the Community Learning Centre ("CLC") with 50 student participants.
- 4 Recommended exploring elephant collaring near Tenegang to monitor movements, support mitigation planning, improve worker safety and contribute scientific insights.

Our Environmental Stewardship

Biodiversity Risk Assessments

In FY2025, all estates underwent internal biodiversity risk assessments to ensure continued MSPO compliance. Each estate’s operations team identifies, monitors and manages biodiversity-related risks.



Based on assessment outcomes, approximately 1,500 ha of land have been set aside as protected areas, providing habitats for 40 plant and animal species, identified according to the IUCN Red List of Threatened Species below.

Identified Species	NE (Not Evaluated)	DD (Data Deficient)	LC (Least Concern)	NT (Near Threatened)	VU (Vulnerable)	EN (Endangered)	CR (Critically Endangered)	CO (Collapsed)
Fauna								
1. Sumatran Rhinoceros							●	
2. Banteng							●	
3. Asian Elephant						●		
4. Orang Utan							●	
5. Sambar Deer					●			
6. Sun Bear					●			
7. Clouded Leopard					●			
8. Bearded Pig					●			
9. Crocodylus porosus			●					
10. Dogania sublpna			●					
11. Macacafascicularis						●		
12. Amaurornis phoenicurus			●					
13. Copsychus malabaricus			●					
14. Python reticulatus			●					
15. Varanus salvator			●					
16. Ayuthia spectabile	●							
17. Ceyxazureus			●					
18. Acridotheres tristis			●					
19. Cuculidae			●					
20. Paradoxurus hermaphroditus			●					

05 Our Sustainability Journey

Our Environmental Stewardship

Identified Species	NE (Not Evaluated)	DD (Data Deficient)	LC (Least Concern)	NT (Near Threatened)	VU (Vulnerable)	EN (Endangered)	CR (Critically Endangered)	CO (Collapsed)
Fauna								
21. Limnonectes Malesianus				●				
22. Hylarana Erythraea			●					
23. Cicadas			●					
24. Mantodea			●					
25. Phaenopharos struthioneus	●							
26. Coturnix			●					
27. Tragulus javanicus		●						
28. Ophiophagus					●			
29. Malayemys macrocephala			●					
Flora								
30. Caryota no			●					
31. Cycas		●						
32. Zingiberaceae	●							
33. Nenga spp				●				
34. Nepenthaceae		●						
35. Cymbidium Orchid		●						
36. Bird's nest fern		●						
37. Shores teysmanniana						●		
38. Cengal						●		
39. Belian					●			
40. Keruing					●			
21. Senduduk			●					

Our Environmental Stewardship



NDPE Commitments

Why It Matters

By upholding our commitments to No Deforestation, No Peat and No Exploitation (“NDPE”), we seek to prevent environmental degradation, protect vulnerable ecosystems, and respect the rights and wellbeing of people and communities.

This approach supports a more equitable and sustainable future for our business and contributes to the long-term resilience of the palm oil industry.

OUR APPROACH

Upholding the NDPE Commitments

Our NDPE commitments, as set out in our Group Sustainability Policy, guide how we balance economic growth with environmental stewardship and respect for human rights, in alignment with global sustainable development priorities.

No Deforestation

- We safeguard areas identified as High Conservation Value (“HCV”) and High Carbon Stock (“HCS”) by adhering to recognised national and international best practices.
- All plantation development activities are subject to the identification, assessment and protection of HCV areas and HCS forests, guided by internationally accepted standards.
- Where feasible, we work with technical experts and local communities to support natural forest restoration initiatives.

No New Development on Peat

- We prohibit any new plantation development on peatland, regardless of peat depth.
- Existing operations on peat are managed in accordance with strict Best Management Practices (“BMP”), aligned with national regulations, industry guidance and recommendations issued by MPOB.
- Peatland management is conducted in line with good agricultural practices as outlined in our internal policies and SOPs.
- Where feasible, we collaborate with experts and local communities to support the restoration of degraded peatland areas.

No Exploitation of People & Local Communities

We are committed to supporting the sustainable development of our people and local communities by:

- Respecting internationally recognised human rights.
- Providing a safe, healthy and inclusive workplace.
- Supporting employee welfare and career progression.
- Respecting land rights and ensuring fair treatment of landowners.

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.

Our Environmental Stewardship

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

Our Environmental Stewardship



GHG Emissions

Why It Matters

Climate change presents material risks to ecosystems, economies and communities worldwide, underscoring the need for collective and decisive action.

As part of this global challenge, we recognise our responsibility to contribute meaningfully to climate mitigation efforts.

As a player in the oil palm sector – an industry subject to heightened regulatory and public scrutiny – we take a proactive approach to managing climate-related risks and impacts.

OUR APPROACH

Managing Our Carbon Footprint

With FY2024 established as our baseline year for Scope 1, 2 and 3 emissions, FY2025 enables us to track performance trends and assess the effectiveness of our mitigation measures. The AL-Falah 22/22 framework continues to guide our climate actions and long-term decarbonisation objectives.

GHG Emissions Data

In FY2025, average total emissions increased slightly by 0.21%, due to a rise in Scope 3 emissions driven by a larger workforce and more frequent business air travel.

Total GHG Emissions Data

Item	2023	2024	2025
Scope 1 emissions (tCO ₂ e)	N/A	156,907	157,454
Scope 2 emissions (tCO ₂ e)	N/A	2,063	1,838
Scope 3 emissions (tCO ₂ e)	N/A	628	1,637
Total GHG emissions (tCO ₂ e)	N/A	160,598	160,929

Note:
Scope 3 emissions relate to business travel and employee commuting only.

Navigating Climate Change

In addressing climate change and reducing our GHG emissions, we are guided by our Environmental Policy and Climate Transition Strategy, which is embedded within the AL-Falah 22/22 Strategic Framework.

Our Climate Transition Strategy is underpinned by three strategic pillars that shape and support our decarbonisation journey:

Pillar 1: Managing Our Emissions

Efforts: Carbon Footprint Management

- Self-calculation of the Group’s carbon footprint to support systematic monitoring and the development of GHG mitigation strategies.

Efforts: Improving Energy Efficiency in Operations

- Bukit Lawiang and Kota Bahagia Mills were awarded contracts for the replacement of boilers and turbines, enhancing energy efficiency and reducing emissions intensity.

Our Environmental Stewardship

Pillar 2: Investing in Low-Emission & Green Technologies

- Installing biogas plants to capture methane emissions and generate renewable energy.
- Deploying rooftop solar photovoltaic systems across operational facilities, including office buildings, guardhouses, nurseries, loading ramps, stores and street lighting.
- The Rooftop Solar Panel on-grid project in Peninsular Malaysia has been awarded. Implementation will commence under the Solar Accelerated Transition Action Programme (“Solar ATAP”) in January 2026 to tackle Scope 2 emissions.
- Progressively adopting EVs to reduce reliance on fossil fuels and lower operational emissions.

Pillar 3: Utilising Biomass

- Utilising fibre and PK shells as renewable fuel for energy generation.
- Applying EFBs as a substitute for chemical fertilisers to enhance soil health and reduce environmental impact.

Pillar 4: Leveraging Partnerships & Collaborations

- Collaborating with a local NGO on a seven-year project (2022–2029) to restore approximately 4,300 ha of degraded GAFR land in Johor, focusing on biodiversity conservation and ecosystem restoration through nature-based solutions.

Cenergi Lawiang 1.2MW Biogas Power Plant

Biogas development forms an integral part of our emissions reduction strategy. By capturing methane generated during milling operations and converting it into energy, our biogas facility significantly reduces our GHG footprint while supporting more efficient operations. Given the scale of capital investment required, implementation is being pursued progressively over the long term.

In June 2024, we entered into a strategic partnership with Cenergi SEA Berhad (“Cenergi”), a subsidiary of UEM Lestra Berhad, to develop, construct and operate our first 1.2 MW Biogas Power Plant in Kluang, Johor. The plant was commissioned on 26 December 2025 and launched on 15 January 2026.

The project is designed to capture methane emissions from Palm Oil Mill Effluent (“POME”) and convert them into renewable energy. It is expected to help avoid approximately 20,000 tonnes of CO₂e (“tCO₂e”) annually, equivalent to the emissions generated by around 4,760 passenger vehicles in a year.



Our Environmental Stewardship



The Cenergi Lawiang 1.2MW Biogas Power Plant in Kluang, Johor.

Biogas Carbon Credits Project

A stakeholder consultation meeting was held on 7 October 2025 at the THP Kluang Complex Hall to fulfil project requirements. The session was attended by representatives from local communities, relevant government agencies and THP teams from our headquarters, estates and mills.

The meeting included a briefing by the Cenergi team, followed by an open dialogue session. Key topics discussed included project processes, approval requirements, safety considerations, local employment opportunities and grievance and communication mechanisms. The session concluded with positive stakeholder support for the project's implementation.

As at the reporting date, the biogas carbon credit project is undergoing a validation audit, a prerequisite for future carbon credit issuance.

Energy Consumption Data

In FY2025, total energy consumption increased by 6.60%, mainly due to higher biodiesel purchases, following a reduction in FFB processing volumes during the year.

Total Energy Consumption Data

Item	2024 (GJ)	2025 (GJ)
Non-Renewable Energy Fuel (Purchased & Consumed)	2,564.75	4,364.41
Non-Renewable Energy Electricity (Purchased)	6,371.73	9,211.77
Renewable Energy Fuel (Purchased/Acquired & Consumed)	157,752.56	175,731.10
Total Renewable Energy (Generated)	31,201.06	21,650.26
Total Energy	197,890.10	210,957.53

Our Environmental Stewardship



Effluent & Water Discharge

Why It Matters

Proper management of effluent and water discharge is critical to safeguarding shared natural resources, protecting surrounding communities and ensuring full compliance with environmental regulations.

OUR APPROACH

Treating POME is a critical part of FFB processing, as untreated effluent can have significant environmental impacts. To protect water quality and minimise environmental risks, we implement stringent internal controls and advanced monitoring to manage the biochemical oxygen demand (“BOD”) of effluent.

Our approach integrates natural and technological solutions. Several of our mills have installed advanced Tertiary Effluent Treatment Plants (“TETPs”), which treat effluents to the highest standards before discharge, while other mills are upgrading their systems in preparation for anticipated stricter regulations from Malaysia’s DOE. Ponding systems complement these technologies by harnessing biological processes to naturally break down pollutants over time.

Rigorous testing underpins our approach, ensuring all mills consistently comply with regulatory limits – <100 milligrams (“mg”) per litre (“ℓ”) BOD in West Malaysia and <20 mg/ℓ BOD in Sarawak and Sabah – with actual measurements consistently well below these thresholds.

During the year, the Cenergi Lawiang 1.2 MW Biogas Power Plant in Bukit Lawiang, Kluang, Johor was commissioned. Developed in partnership with Cenergi RE, this facility captures methane from POME, reducing GHG emissions while further improving effluent BOD before discharge into the flatbed system.

Our Environmental Stewardship

OUR PERFORMANCE

BOD Measurement Data (mg/ℓ)

Over the past three years, our mills have consistently maintained BOD levels within regulatory limits in both East and West Malaysia.

Bukit Lawiang, Johor

2023	54.00
2024	52.00
2025	64.00

Sungai Tenegang, Sabah

2023	10.07
2024	10.70
2025	12.16

Raja Udang, Sarawak

2023	15.38
2024	14.78
2025	14.79

Kota Bahagia, Pahang

2023	70.00
2024	84.00
2025	70.00

Mamahat, Sabah

2023	9.55
2024	13.58
2025	8.90

Gedong, Sarawak

2023	18.20
2024	18.05
2025	16.00

Total POME Generated (MT)

2023	492,034.00
2024	565,118.47
2025	527,157.96

Our Environmental Stewardship



Water Management

Why It Matters

Given the water-intensive nature of our plantation and mill operations, efficient water management is a key priority.

By optimising water use, we minimise environmental impacts, manage operational costs and sustain productivity across our sites.

OUR APPROACH

Optimising Water Usage

Processing FFB requires high-quality water, and at our mills, we treat natural water sources to meet operational standards. Our water consumption remains carefully monitored, with usage consistently within 1.5 m³ per MT of FFB, reflecting the effectiveness of our ongoing water efficiency initiatives.

Protecting Waterways

We recognise that our estates and mills share rivers with local communities, and safeguarding these waterways is central to our environmental stewardship. All mills conduct regular water quality monitoring, with monthly upstream and downstream samples analysed by accredited external laboratories and reported to Malaysia's DOE.

Through proactive monitoring, skilled operations management and strict oversight, there have been no incidents of water contamination near our operations. This demonstrates our commitment to maintaining clean, safe water resources for both the environment and surrounding communities.



A water catchment area at Gedong Complex.

Our Environmental Stewardship

OUR PERFORMANCE

In FY2025, total water consumption increased slightly by 0.62%, mainly as a result of suboptimal turbine operations at certain mills. Identified areas are now undergoing improvement measures to enhance operational efficiency.

Water Consumption in Mill Operations ('000 l)		
Mill	Water Consumption in Mill Operations ('000 litres)	
	2024	2025
Bukit Lawiang, Johor	296,810	322,100
Kota Bahagia, Pahang	189,963	187,478
Sungai Tenegang, Sabah	143,272	203,851
Mamahat, Sabah	81,538	69,763
Raja Udang, Sarawak	354,812	340,238
Gedong, Sarawak	283,359.30	234,737.03
Total	1,349,754.30	1,358,167.03

Total Volume of Water Used (megalitres)		Water Consumption Rate (m ³ /MT FFB)	
2023	1,176.032	2023	1.46
2024	1,349.754	2024	1.47
2025	1,358.167	2025	1.50

Maintaining Water Level in Peatlands

To ensure effective peatland water management, the Group has implemented an integrated system comprising drainage, irrigation and piezometer monitoring to maintain optimal water levels. Bund, water gates and flap gates have been constructed to prevent saline water intrusion into the fields. Standard Operating Procedures (“SOPs”) governing water level management have been established and consistently applied, supported by regular training provided to relevant staff on site.



A bund constructed at Ladang Mamahat (Terusan Division).

Our Social Commitments



Safety & Health

Why It Matters

Ensuring the safety and wellbeing of our employees, workers and contractors is a top priority.

A strong safety culture not only protects personnel from harm but also enhances productivity and strengthens workforce capability.

OUR APPROACH

Our Occupational Safety and Health (“OSH”) policies, including the OSH Policy and OSH for Chemical Substances Policy, are fully aligned with Malaysia’s OSH Act 1994 and its 2022 amendments. Through clearly defined SOPs and standards, we provide employees with appropriate personal protective equipment (“PPE”), training and supervision, while maintaining a strong focus on preventing workplace accidents and hazards.

Improving Our OSH System

During the year, we implemented several key initiatives to strengthen our OSH system, reflecting our commitment to safe, orderly and legally compliant operations.

Daily Tractor & Vehicle Inspections

All tractors and vehicles now undergo pre-operation checks covering brakes, tyres, lights, hydraulic systems and fuel and oil levels to ensure they are safe and functioning properly. Operators record conditions via a Pre-Operation Checklist, thereby reducing breakdowns and long-term maintenance costs while enhancing safety and ensuring smooth operations.

Safe Work Procedure Updates

Safe Work Procedures (“SWPs”) were revised for all tasks, with a focus on clear step-by-step instructions, proper PPE usage and adherence to safety guidelines. Refresher training was also given to all employees to reinforce understanding and compliance.

Hazard Identification, Risk Assessment & Risk Control Document Update

Hazard Identification, Risk Assessment and Risk Control (“HIRARC”) documents were revised using a systematic format. Hazards are categorised as physical, chemical, biological, ergonomic or psychosocial, and risk is assessed using a standard probability-severity matrix aligned with Malaysia Department of Occupational Safety and Health (“DOSH”) guidelines.

Our Social Commitments

Class H Licensing for Farm Tractor Operators

This year, we strengthened operational safety by ensuring all tractor operators held a Class H Driving Licence. A structured process was introduced to transition foreign workers to be qualified as local operators through recruitment, training, certification and performance monitoring. This initiative has enhanced operator competency, reinforced the safety culture, and improved the efficiency and safety of heavy machinery operations.

Facilitating Safety & Health Audits

Internal Audits

Our OSH unit conducts annual internal safety and health audits across all estates and mills. These audits assess each business unit's overall safety and health performance, identify potential risks to employee wellbeing and inform targeted recommendations to strengthen workplace OSH standards.

Our efforts include:

- 1 Reviewing all OSH-related records
- 2 Evaluating SOPs at worksites
- 3 Inspecting emergency response facilities and amenities
- 4 Assessing the adequacy and condition of PPE provided
- 5 Verifying systematic maintenance practices for equipment and machinery
- 6 Reviewing the availability and condition of worksite infrastructure and amenities

Audit findings are shared with Estate and Mill Managers, who are accountable for implementing corrective and preventive actions. The status of these actions is reviewed in the next audit cycle to ensure continuous improvement in workplace safety and health performance.

In FY2025, our OSH Unit completed compliance visits to all 30 estates and six mills to ensure alignment with Malaysia's Occupational Safety and Health (Amendment) Act 2022 and further strengthened our safety management systems. Overall compliance remains high and well controlled.

DOSH Inspections

In accordance with the Occupational Safety and Health (Amendment) Act 2022, all mills undergo inspections by Malaysia's DOSH at 15-month intervals. These inspections cover the Occupational Safety and Health Workplace Assessment ("OSHWA") and critical machinery, including boilers, Unfired Pressure Vessels ("UPVs") and hoisting equipment.

Holding Monthly OSH Coordinator Meetings

In accordance with Section 29A of the OSH (Amendment) Act 2022, employers with five or more employees are required to appoint an OSH Coordinator. Since 2024, the Company has appointed 36 OSH Coordinators across headquarters, estates and mills.

Throughout FY2025, monthly OSH coordinator meetings were held as a key platform for coordination, monitoring and information sharing on workplace safety and health matters. These meetings ensured compliance with legal requirements, internal policies and OSH best practices.



An OSH Inspection audit visit at Sungai Merchong Estate by the OSH unit from headquarters.

Our Social Commitments

Key discussions included:

- 1 Analysis of incidents and accidents
- 2 Status of corrective and preventive actions
- 3 Planning OSH awareness programmes
- 4 Addressing operational-level issues for prompt action

Objectives of the Monthly OSH Coordinator Meetings

- Monitoring OSH performance at each estate and mill.
- Identifying and assessing workplace safety and health risks, and recommending control measures.
- Coordinating corrective and preventive actions related to incidents.
- Ensuring compliance with OSH laws, Company policies and safety standards.
- Sharing information and best practices among OSH Coordinators.
- Planning and evaluating the effectiveness of OSH training and awareness programmes.

These meetings have strengthened communication between management and OSH Coordinators, contributing to a safer, healthier and more productive working environment.

Managing Noise Levels

Noise Exposure Limits

Noise levels at estates and mills are monitored to ensure compliance with the OSH (Noise Exposure) Regulations 2019. Controls include:

- 1 Daily Noise Exposure Level ("NEL") \leq 85 decibels ("dB")(A)
- 2 Peak Sound Pressure Level ("SPL") \leq 140 dB(C)
- 3 Maximum SPL \leq 115 dB(A) at any time

Employees working in areas where NEL exceeds limits are provided with appropriate hearing protection, such as earplugs, following DOSH Noise Risk Assessment ("NRA") recommendations.

Annual Audiometric Tests

Audiometric tests are conducted to:

- 1 Evaluate hearing sensitivity across frequencies and sound levels.
- 2 Detect early signs of hearing loss for timely intervention.
- 3 Monitor hearing changes over time, particularly in high-noise areas.
- 4 Establish baseline hearing records for long-term monitoring.

These practices fully comply with the OSH (Noise Exposure) Regulations 2019.

Monitoring Lost-Time Injury Rate

To further reduce risks and maintain a safe working environment, our HIRARC framework is reviewed annually and updated as necessary, particularly after incidents. This is reinforced by worker training initiatives and targeted safety briefings to strengthen awareness and encourage a proactive safety culture.

FY2025 Improved Safety Performance & Outcomes

- 1 Safety outcomes improved in terms of fatalities (zero) and total lost-time injuries cases ("LTIs") reduced by 4% compared to the previous year.
- 2 Employee lost-time injury rate ("LTIR") recorded a slight increase due to reduced hours worked, highlighting the importance of continued monitoring and proactive safety measures.
- 3 Total lost workdays decreased by 25% compared to the previous year.
- 4 Contractor safety improved substantially, with both LTIs and LTIR decreasing.

Our Social Commitments

LTIR Data

Work Injuries & LTIR										
	2023			2024			2025			Total
	Employees	Contractors	Total	Employees	Contractors	Total	Employees	Contractors	Total	
Total hours worked	11,814,153	753,855	12,568,008	16,860,674	1,582,809	18,443,483	13,782,031	419,651	14,201,682	
Number of fatalities	0	0	0	1	0	1	0	0	0	0
Number of LTI cases	377	2	379	297	5	302	290	1	291	291
LTIR	6.38	0.53	6.03	3.52	0.63	3.27	4.21	0.48	4.10	4.10

Providing Safety & Health Training

Targeted safety and health training is provided to ensure our employees stay up-to-date with operational processes while reinforcing a strong safety culture. Each employee and worker follows a training schedule tailored to their specific role, with attendance and participation continuously tracked.

To maintain effectiveness, our Operations Unit regularly reviews training plans, identifying opportunities for improvement to meet both the developmental needs of employees and the operational requirements of the business.

Our key annual training programmes are highlighted below.

Name of Training	Content of Training	Frequency of Training	Participants of Training
Emergency Response Action Plan Procedures	SOPs of Emergency Response Plan (“ERP”)	Once/year	All management, employees & workers
Basic Operational First Aider Training	Basic first aider training	Once/year	OSH Committee
Fire Extinguisher Safety & Fire Drill (Inspection & Training)	Potential sources of fire and fire management procedures	Once/year	All management, employees & workers
PPE Handling and Replacement Procedures	SOPs of PPE use	Five times/year	All management, employees & workers
SOP Training and Best Practices for Estates and Mill Operations	Briefing on our SOPs based on task/department	Four times/year	All management, employees & workers
Noise Exposure Training	Training, instruction and information regarding noise exposure	Once/year	Any employee subjected to excessive noise in the Noise Risk Assessment (NRA)

Our Social Commitments

Details of selected OSH-related training, courses, talks and programmes conducted during the year are provided below.

Basic Occupational First Aider Training

This programme equips employees with essential skills to provide prompt and effective first aid in the workplace, strengthening emergency preparedness and overall safety.

Objectives:

- Develop a solid understanding of fundamental first aid principles and workplace safety practices.
- Enable identification of common injuries and medical emergencies in occupational settings.
- Equip trainees to provide immediate assistance, stabilising affected individuals until professional help arrives.
- Ensure organisational compliance with OSH requirements for first aid readiness.



The training has been held annually at our headquarters since 2022. In 2025, the fourth edition (Series 4) was conducted from 11–12 November, attended by 30 staff from various departments.

Foreign Workers Safety Induction Training

Held in collaboration with the National Institute of Occupational Safety and Health (“NIOSH”) and the Social Security Organisation (“SOCSO”), this programme raises safety awareness among foreign workers and ensures understanding of workplace regulations in Malaysia.

Objectives:

- Provide general information about Malaysia.
- Explain SOCSO-administered benefits and compensation schemes.
- Introduce key legislation on occupational safety, health and environmental protection.



In 2025, training was conducted at two locations: Gedong Complex (20 August) and Ladang Ulu Chukai (21 August), with 30 participants at each location from the respective estates.

Our Social Commitments

Safe Motorcycle Riding for Workers Programme

In partnership with NIOSH and SOCSO, this programme promotes safe commuting and responsible riding practices for employees who use motorcycles.

Objectives:

- Explain legal requirements related to commuting and workplace transport.
- Identify riding-related hazards and introduce control measures.
- Improve skills and techniques for safe and defensive motorcycle riding.



The training was conducted at Kota Bahagia Complex from 27–28 August, attended by 30 estate workers.

Farm Machinery Tractor Driving Course

Organised with the Malaysian Palm Oil Training Centre (“PLASMA”) and Malaysian Palm Oil Board (“MPOB”) since 2024, this course enhances competency and safety awareness for our tractor operators in Peninsular Malaysia with Class H licenses.

Objectives:

- Understand prudent driving concepts and vehicle operation guidelines.
- Introduce farm machinery and basic driving techniques.
- Learn safety regulations and precautionary measures before, during and after operation.
- Operate machinery safely and efficiently under various field conditions.
- Complete practical driving training for Class H licence testing.



The course was held at PLASMA MPOB Keratong, Pahang, from 22–26 September, with 20 local tractor drivers participating.

Our Social Commitments

Programme Talk on OSHA 1994 & Amendment (2022) Acts

Organised by DOSH Kuala Lumpur, this session provided staff with comprehensive insights into Malaysia's workplace safety and health legislation.

Objectives:

- Deepen understanding of OSHA 1994 and its 2022 amendments.
- Raise awareness of employer and employee responsibilities.
- Highlight changes, including expanded scope, increased penalties and strengthened safety committee roles.
- Encourage compliance through systematic safety practices.



Held on 16 July 2025, the talk involved staff from multiple departments at our headquarters.

Fire Safety Training Programme

Conducted on 30 September 2025 in collaboration with Titiwangsa Fire and Rescue Station ("BOMBA"), this programme enhanced emergency response preparedness for Emergency Response Team ("ERT") Members and our Headquarters' OSH Committee.

Objectives:

- Strengthen the readiness of ERT members and the OSH Committee.
- Improve understanding of fire safety procedures and proper use of firefighting equipment.
- Evaluate competency and coordination via practical fire simulations.
- Promote a proactive safety culture and preventive action.
- Foster collaboration with fire authorities to enhance fire prevention measures.



Participants received both theoretical and practical training, including fire simulation exercises.

Our Social Commitments

OSH Integrity Pledge Programme

Implemented across all estates and mills, this initiative reinforces a safety culture and supports zero-accident goals.

Objectives:

- Strengthen a safe work culture through regular monthly commitments.
- Raise awareness of workplace risks and the importance of following OSH procedures.
- Ensure employees recognise their role in accident prevention.
- Support zero harm/zero accident initiatives through proactive approaches.
- Foster a safe, healthy and productive work environment.
- Embed safety values into operational processes and work practices.



Ergonomics Trained Persons for Advance Ergonomics Risk Assessment (“ERA 2”)

This training enhances technical capabilities in managing ergonomics risks and reducing musculoskeletal disorders (“MSDs”).

Objectives:

- Explain common ergonomics risk factors and related injuries.
- Emphasise the importance of advanced Ergonomics Risk Assessment (“ERA”).
- Familiarise participants with conducting ERA 2 assessments.
- Strengthen technical analysis skills using ergonomics tools and software.
- Reduce MSD risks through effective control measures.



The training was held at NIOSH, Bangi, from 5–8 May 2025. Two participants were certified as Ergonomics Trained Persons, representing our headquarters and the Sabah region.

Number of workers & contractors trained on health and safety standards

2023	6,282
2024	6,269
2025	6,391

Our Social Commitments



Human Rights

Why It Matters

Respect for human rights is a core value that underpins the wellbeing and satisfaction of our workforce – critical elements for the long-term success of our business.

Upholding the rights of all individuals fosters a fair, safe and dignified working environment while supporting sustainable and responsible business growth.

OUR APPROACH

Upholding Human Rights

Across our operations, we uphold the human rights of 6,352 employees and workers, including both local and foreign personnel.

This commitment is embedded in our THP Group Sustainability Policy, which outlines fundamental human rights principles, including:

- | | |
|----------------------------------|-------------------------------|
| 1 Fair wages | 6 Freedom of association |
| 2 No discrimination | 7 Workplace safety and health |
| 3 No child labour | 8 Social protection |
| 4 No compulsory or forced labour | 9 Employment security |
| 5 Equal opportunity | 10 Work-life balance |

We ensure these principles are actively implemented through continuous review and enhancement of our policies, practices and internal systems to mitigate potential negative impacts and safeguard employees' rights.

Supporting Our Foreign Workforce

Fair Hiring Practices

We extend fair and equal treatment to all workers, with additional safeguards for foreign employees transitioning from their home countries. Robust recruitment and worker welfare practices are in place, including a strict prohibition on hidden fees.

The recruitment process under this programme includes:

- 1 Quota approval: Securing quotas from the Ministry of Home Affairs ("MOHA") and the Ministry of Human Resources ("MOHR").
- 2 Arrival: Company representatives meet workers upon arrival in Malaysia.
- 3 Recruitment: Appointed agents manage recruitment, immigration processing and flight arrangements in Indonesia.
- 4 Costs: All associated costs, including levy fees, visas and flight tickets, are borne by us.

Our Social Commitments

Worker Support & Compliance

We prioritise the welfare of foreign workers by providing safe and secure accommodation near their work sites. Workers’ quarters have been progressively upgraded to meet legal requirements and improve overall living conditions. In addition, welfare and sports facilities are available for all estate and mill employees, aligning with International Labour Organization (“ILO”) standards.

We also strictly comply with Malaysia’s national minimum wage requirements. Since the implementation of the RM1,700/month Wage Order 2024 in February 2025, all employees across our estates have consistently earned above this threshold, reflecting our commitment to fair and equitable compensation.

OUR PERFORMANCE

Human Rights			
	2023	2024	2025
Number of substantiated complaints concerning human rights violations	0	0	0

Average monthly earnings per worker (RM)	
2023	1,874
2024	2,104
2025	2,496



Our Social Commitments



Employee Welfare & Development

Why It Matters

Supporting our employees through welfare initiatives and professional development is central to building a skilled, motivated and loyal workforce that drives our business forward.

By prioritising fair remuneration, career growth, skills development and overall wellbeing, we empower our people to contribute meaningfully to our strategic objectives and long-term sustainability goals.

OUR APPROACH

Creating an Enabling Workforce

Across our operations, we uphold the human rights of 6,352 employees and workers, including both local and foreign personnel.

We foster a fair, inclusive and supportive environment for all employees, ensuring their wellbeing throughout their employment journey from recruitment to retirement. Guided by our Group Sustainability Policy, we prioritise equal opportunities for everyone, regardless of gender, race, religion, age or nationality, while embedding diversity and inclusion as a core organisational value.

Wages & Career Progression

Employees receive competitive, gender-equal wages upon joining. Career progression, recognition and rewards are based solely on performance, reinforcing a merit-based culture across the organisation.

Employee Welfare & Benefits

We provide a comprehensive benefits package to support employee wellbeing, career growth and work-life balance. In addition to standard benefits such as annual leave and life insurance, our estate and mill employees receive housing, electricity, water and transportation allowances. Additional initiatives, including parental leave and programmes promoting personal and spiritual wellness, contribute to a holistic approach to employee welfare.

To support long-term security, we contribute to the Employees Provident Fund (“EPF”) and SOCSO on behalf of our employees. Most permanent employees also participate in our Retirement Gratuity Scheme, ensuring financial stability upon retirement.

Throughout the year, we organised social and sporting activities across our headquarters, estates and mills to strengthen camaraderie and foster a sense of community among employees.

Our Social Commitments

Employee Lifestyle Programmes 2025

JANUARY

- 10 JAN 2025**
 Recognition of Academic Excellence of THP Employees' Children or RECAL Programme.

FEBRUARY

- 14 FEB 2025**
 THP Supported Rumah Bakti Nur Ain: Corporate Social Responsibility ("CSR") Initiative Focused on Education.



MARCH

- 1 MAR 2025**
 THP Wakalah Zakat: Supported Asnaf and Provided Raya Contributions to asnaf from Rumah Bakti Nur Ain.



AUGUST

- 7 AUG 2025**
 Raja Udang Estate Staff Received Awards and Recognition.
- 28 AUG 2025**
 THP Participated in the ASEAN Green Job Career Fair 2025: Opportunities, Sustainability and Career Prospects.
- 31 AUG 2025**
 Merdeka Celebration held at Complex Pusa, Region 1.

SEPTEMBER

- 6 SEP 2025**
 Maulidur Rasul 2025/1447H Celebration held at Kompleks Sungai Tenegang: "Building a Madani Ummah".
- 24-26 SEP 2025**
 PERKAJUSA Student Camp: Community Learning Centre ("CLC"), Ladang Sungai Tenegang.
- 30 SEP 2025**
 TH Plantations Smart Programme Donated RM12,000 to SK Obah at Sabah.

OCTOBER

- 23 OCT 2025**
 TH Plantations Strengthened Rural Education Through the Sekolah Angkat MADANI ("SAM") Programme at SMK Pusa, Sarawak.



Our Social Commitments

APRIL

• 20 APR 2025

Back-to-School Programme in Supporting the Mission of Education, Building Hope at Malaysian Chinese Muslim Association (“MACMA”).

• 28 APR 2025

Launched of THP Protege-RTW (“Ready to Work”) Programme and Cadet Planter 2025: Nurturing New High-Potential Talent.



JULY

• 10-12 JUL 2025

High Impact Performance Enhancement Training & Workshop (“HIPETW”) Series 2: Driving Performance and Strengthening SOPs.

• 24-25 JUL 2025

Awareness Programme on Wildlife Conservation and Management.

• 31 JUL 2025

Promoting Intelligence, Nurturing Talent and Advocating Responsibility (“PINTAR”) Programme at SK Ladang Kota Bahagia.



NOVEMBER

• 9 NOV 2025

“One Day, Many Smiles”: A CSR Programme with children of Rumah Bakti Nur Ain at IOI City Mall.



DECEMBER

• 16 DEC 2025

THP Townhall Session by newly appointed CEO, Datuk Ts. Borhan Bachi, at our Headquarters, Menara TH Selborn.



Our Social Commitments

Supporting Employee Upskilling

We provide multiple avenues for employees to enhance their skills and knowledge, including job rotations, mobility programmes and targeted, role-specific training initiatives.

During the year, we conducted in-house training programmes addressing identified skill gaps. These focused on non-technical areas such as compliance, leadership development and personal effectiveness, ensuring employees were equipped to perform effectively and grow within the organisation.

For estate and mill workers, internal training sessions were tailored to specific job requirements. Additionally, we carried out our annual Training Needs Analysis (“TNA”) to identify skill gaps based on employees’ routines and job categories, enabling focused training interventions that enhance capabilities across all levels.

In FY2025, the following training programmes were conducted across our operations.

Training Programmes Conducted in FY2025

Training for Non-Technical Skills	Frequency of Training	Employees Who Attended the Training
Malaysian Palm Oil Board (“MPOB”) Seminar & Training	Frequent	1. Marketing 2. Strategy & Corporate Services 3. Marketing
Training conducted by Malaysian Institute of Chartered Secretaries and Administrators (“MAICSA”) and Companies Commission of Malaysia (“CCM”)	Frequent	1. Legal & Secretarial
Training Conducted by Malaysian Sustainable Palm Oil (“MSPO”)	Occasional	1. Sustainability 2. Operations
Basic Occupational First Aid	Yearly	1. Headquarters 2. Operations
Training conducted by Malaysia Anti-Corruption Academy (“MACA”)	Sometimes	1. CEO’s Office 2. Human Resource and Administration Department (“HRAD”)
Training conducted by Malayan Agricultural Producers Association (“MAPA”) & Employment Law with its Legislation	Rarely	1. HRAD
Training conducted by Malaysian Institute of Accountants (“MIA”)	Frequent	1. Finance
Palm Oil Conference (“POC”) conducted by East Malaysia Palm & Laurics Oils	Yearly	1. Estate Department 2. Marketing 3. Operations
Training conducted by National Institute of Occupational Safety and Health (“NIOSH”)	Frequent	1. Headquarters 2. Operations
Training conducted by The Incorporated Society of Planters (“ISP”)	Frequent	1. Headquarters 2. Operations

Our Social Commitments

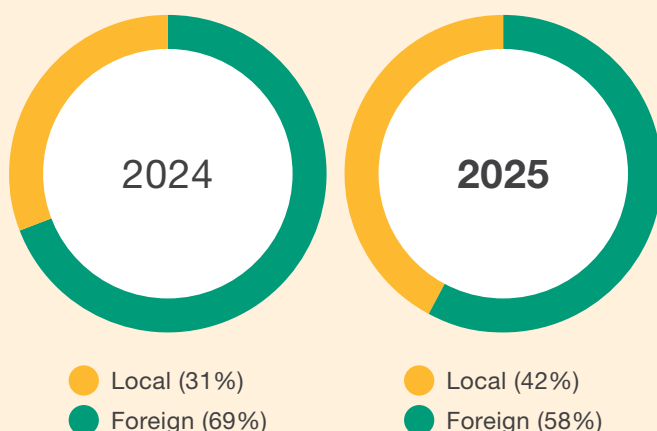
OUR PERFORMANCE

Employee Breakdown

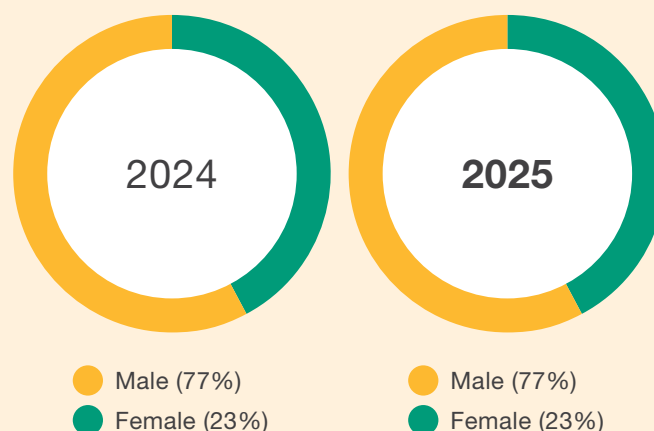
Total Number of Employees

2024	6,337
2025	6,352

Breakdown by Nationality (%)



Breakdown by Gender (%)



Gender Breakdown by Employee Category	2023		2024		2025	
	Male %	Female %	Male %	Female %	Male %	Female %

Employee Category

Management (Senior Management)	50	50	67	33	80	20
Employees (Management, Executives and Non-Executives)	73	27	72	28	71	29
Workers (Local)	78	22	79	21	79	21
Workers (Foreign)	77	23	77	23	77	23

Age Breakdown by Employee Category	2023			2024			2025		
	<30 %	30-50 %	>50 %	<30 %	30-50 %	>50 %	<30 %	30-50 %	>50 %

Employee Category

Management (Senior Management)	0	25	75	0	22	78	0	10	90
Employees (Management, Executives and Non-Executives)	11	70	19	11	68	21	13	68	19
Workers	32	58	10	30	60	10	29	62	9

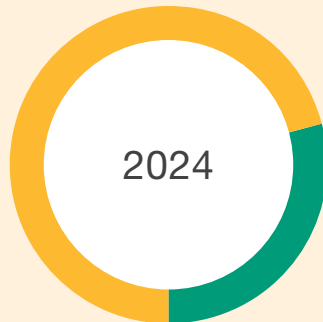
Our Social Commitments

Board Breakdown

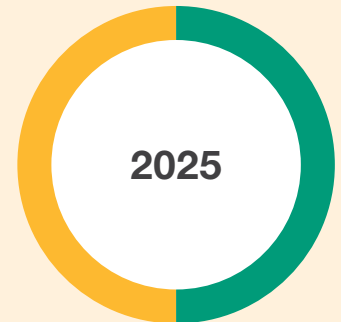
Breakdown by Gender (%)



- Male (78%)
- Female (22%)

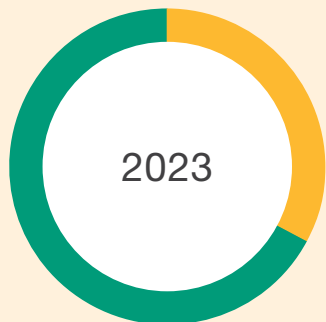


- Male (71%)
- Female (29%)

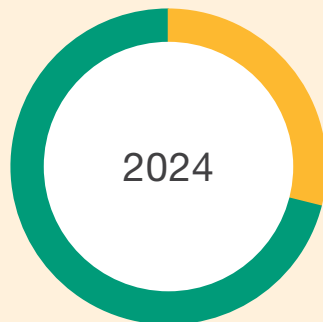


- Male (50%)
- Female (50%)

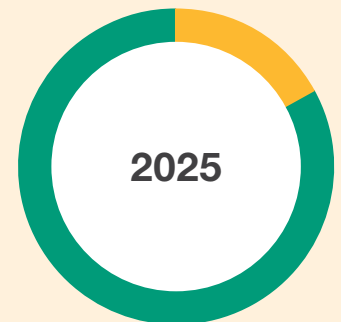
Breakdown by Age Group (%)



- <30 (0%)
- 30-50 (33%)
- 50+ (67%)



- <30 (0%)
- 30-50 (29%)
- 50+ (71%)



- <30 (0%)
- 30-50 (17%)
- 50+ (83%)

Parental Leave

	2023		2024		2025	
	Male	Female	Male	Female	Male	Female
Total number of employees who took parental leave	1	1	16	9	14	3
Total number of employees who returned to work in the reporting year after utilising their parental leave	1	1	11	3	14	3

Our Social Commitments

Training Hours

In FY2025, we continued to prioritise employee development, with total training hours increasing overall compared to the previous year. This demonstrates our ongoing commitment to enhancing skills, knowledge and professional growth.

Total Hours of Training by Employee Category	2023	2024	2025
Management	441	6,102	350
Employees	240	11,120	6,650
Workers	53,150	48,621	72,981

Employee Turnover

Employee Turnover by Employee Category	2023	2024	2025
Management	3	0	4
Employees	78	47	42
Workers	769	1,536	1,071

Percentage of Employees that are Contract or Temporary Staff



● Full-time (100%)
● Contract/
Temporary (0%)



● Full-time (100%)
● Contract/
Temporary (0%)



● Full-time (100%)
● Contract/
Temporary (0%)

Our Social Commitments



Local Communities/Community Investment

Why It Matters

Building strong and lasting relationships with communities surrounding our operations is essential for fostering trust, supporting local development and reinforcing our social licence to operate.

By creating employment opportunities and providing targeted support, we contribute to the socioeconomic progress of Malaysians, particularly those residing near our estates.

OUR APPROACH

We prioritise cultivating meaningful partnerships with local and indigenous communities, leveraging our resources to support sustainable development. These initiatives align with national priorities, including youth empowerment, local economic growth and regional sustainability.

Promoting Local Entrepreneurship

Vendor Development Initiative

Through our Vendor Development Initiative (“VDI”), we empower local communities by fostering entrepreneurship and generating business opportunities. Participants are guided in establishing their own businesses and equipped with the skills and knowledge needed to become THP Group partners. This approach ensures that economic value is shared within local communities, generating broader positive impacts for surrounding areas.

Supporting the participation of Bumiputera contractors remains a key focus of the VDI. In FY2025, contracts worth RM197 million were awarded under the initiative, of which 56% – valued at RM110 million – were allocated to Bumiputera-owned businesses.

Vendor Development Programme

In 2023, Lembaga Tabung Haji (“TH”) and SME Bank formalised a Memorandum of Understanding (“MoU”) to drive the growth of Bumiputera vendors in the manufacturing and services sectors. As a result, we were recognised as an Anchor Company under the Malaysian Ministry of Entrepreneur and Cooperatives Development’s (“MECD”) Vendor Development Programme. In this role, we collaborate closely with government agencies and programme partners to strengthen the capabilities and capacity of participating vendors, fostering their long-term success and sustainable growth.

Transforming Lives through Education

We continued to enhance educational opportunities for children of Indonesian workers through the Indonesian Community Learning Centre (“CLC”), launched in FY2024 at the Sungai Tenegang Complex, Sabah. The CLC now serves 95 children aged seven to fifteen, supported by two dedicated teachers. Its curriculum follows Indonesia’s national education standards, with tailored adjustments to meet the specific needs of children living in East Malaysia, ensuring a relevant, well-rounded and high-quality learning experience.

OUR PERFORMANCE

Proportion of spending on local suppliers (%)

2023	29
2024	53
2025	56

Our Social Commitments



Land Rights

Why It Matters

Strengthening relationships with local landowners and supporting indigenous communities in our operational areas is key to building trust and collaboration.

By emphasising fair and inclusive land management practices, we uphold sustainable operations while reinforcing our social licence to operate.

OUR APPROACH

Empowering Indigenous Landowners

In Sarawak, several of our estates operate under collaborative land management arrangements with indigenous communities, reflecting our ongoing commitment to respecting their rights and creating shared value through sustainable land use practices.

As part of Sarawak’s Native Customary Rights (“NCR”) Land Development Programme, facilitated by the Sarawak Land Custody and Development Authority, we work closely with native landowners to manage and develop plantation lands. Landowners receive biannual leasehold payments and incentives based on the land under our management, providing a consistent and fair income stream. In FY2025, 2,197 NCR landowners participated in the incentive payment programme, with disbursements made on schedule in June, coinciding with major local festivals.

Being involved within local communities also allows us to offer employment opportunities as machine operators and general workers across our plantations. These roles provide stable jobs, practical skills in agriculture and machinery handling and long-term career prospects. By hiring locally, we support economic growth, strengthen community ties and maintain a workforce familiar with the land and its operations, contributing to both productivity and sustainability.

To further empower communities, we have introduced a comprehensive training programme, focusing on sustainable agricultural practices and responsible land management. This initiative equips local participants with the knowledge and skills needed for sustainable farming, enhancing livelihoods while fostering environmental stewardship.

OUR PERFORMANCE

Incentives to Local Communities

Total number of beneficiaries

2023	2,162
2024	2,316
2025	2,197

Incentives paid as part of land management (RM)

2023	3,408,437.00
2024	4,221,919.00
2025	4,176,798.96

PERFORMANCE DATA TABLE

Indicator	Unit	2023	2024	2025	Targets
Economic Performance					
Economic value generated (ie., revenue and other income)	MYR	773,285,000	905,959,314	970,743,000	
Economic value distributed:					
- Operating Cost	MYR	484,971,000	549,278,314	565,851,481	
- Employee wages and benefits	MYR	158,582,000	166,443,000	177,041,519	
- Payment to providers of Capital (ie., dividend and financing cost)	MYR	88,120,000	82,425,665	92,829,458	
- Payment to government (ie., tax, zakat)	MYR	33,470,000	54,023,000	53,822,000	
- Community Investment	MYR	119,600	54,000	51,000	
Economic value retained	MYR	8,022,400	53,735,335	81,147,542	
Customer Satisfaction					
Free Fatty Acid (FFA) (%)	Percentage	3.79	3.74	3.84	≤5.00
Deterioration of Bleachability Index (DOBI)	Rate	2.52	2.49	2.51	≥2.30
Moisture & Impurities (M&I) (%)	Percentage	0.16	0.16	0.17	<0.25
Moisture (%)	Percentage	6.33	6.28	6.00	<7.00
Dirt & Shell (%)	Percentage	4.80	5.99	5.70	<6.00
Research & Development					
Budget for R&D: Annual Expenditure	MYR ('000 000)	2.0	1.2	1.17	
Fair Procurement Practices					
Percentage of suppliers that were screened using environmental criteria	Percentage	3	0.7	0.5	
Number of suppliers assessed for environmental impacts	Number	51	13	10	
Percentage of suppliers that were screened using social criteria	Percentage	3	0.7	0.5	
Number of suppliers assessed for social impacts	Number	51	13	10	
Anti-Corruption Practices					
Number of confirmed corruption incidents	Number	0	0	0	
Completion Rate - Training					
Management Level	Percentage	79	87	90	
Executive	Percentage	75	86	79	
Non-executive/Technical staff	Percentage	29	51	75	
Cybersecurity & Data Protection					
Number of substantiated complaints concerning breaches in customer privacy or data loss	Number	0	0	0	
Waste Generation & Disposal					
Waste generated	Metric tonnes	Nil	462,616	457,314	Reutilised Biomass residue by 80%
Total waste diverted from disposal	Percentage	Nil	84	81	
Total waste directed to disposal	Percentage	Nil	16	19	

Performance Data Table

Indicator	Unit	2023	2024	2025	Targets
Energy Consumption					
Non-renewable energy fuel (purchased & consumed)	GJ	5601.55	2,564.75	4,364.41	
Non-renewable energy electricity (purchased)	GJ	3,744.14	6,371.73	9,211.77	
Renewable energy (purchased/acquired & consumed)	GJ	153,917.28	157,752.56	175,731.10	
Total Renewable Energy (Generated)	GJ	49,970.81	31,201.06	21,650.26	
Total Energy	GJ	213,233.79	197,890.10	210,957.53	
GHG emissions					
Scope 1	tCO ₂ e	Nil	156,907	157,454	
Scope 2	tCO ₂ e	Nil	2,063	1,838	
Scope 3	tCO ₂ e	Nil	628	1,637	
Total GHG emissions	tCO ₂ e	Nil	160,598	160,929	
Palm Oil Mill Effluent (“POME”) and Biological Oxygen Demand (“BOD”) Measurements					
KS Bukit Lawiang	mg/L	54.00	52.00	64.00	<100 mg/L
KS Kota Bahagia	mg/L	70.00	84.00	70.00	<100 mg/L
KS Sungai Tenegang	mg/L	10.07	10.70	12.16	<20 mg/L
KS Ladang Mamahat	mg/L	9.55	13.58	8.90	<20 mg/L
KS Ladang Raja Udang	mg/L	15.38	14.78	14.79	<20 mg/L
KS Gedong	mg/L	18.20	18.05	16.00	<20 mg/L
Total POME generated	metric tonne	492,034.00	565,118.47	527,157.96	
Water Consumption					
Total Water Consumed at Mill Operations	Megalitres	1,176.032	1,349.754	1,358.167	
Health & Safety					
Employees					
Total Hours Worked	Hours	11,814,153	16,860,674	13,782,031	
Number of Fatalities	Number	0	1	0	
Number of Lost Time Injuries	Number	377	297	290	
Lost Time Incident Rate (“LTIR”)	Rate	6.38	3.52	4.21	
Contractors					
Total Hours Worked	Hours	753,855	1,582,809	419,651	
Number of Fatalities	Number	0	0	0	
Number of Lost Time Injuries	Number	2	5	1	
Lost Time Incident Rate (“LTIR”)	Rate	0.53	0.63	0.48	
Total					
Total Hours Worked	Hours	12,568,008	18,443,483	14,201,682	
Number of Fatalities	Number	0	1	0	
Number of Lost Time Injuries	Number	379	302	291	
Lost Time Incident Rate (“LTIR”)	Rate	6.03	3.27	4.10	
Number of workers and contractors trained on health and safety standards	Number	6,282	6,269	6,391	

Performance Data Table

Indicator	Unit	2023	2024	2025	Targets
Supporting Our Foreign Workforce					
Average monthly earnings per worker	MYR	1874	2,104	2,496	
Our People					
Total No. of Employees (%) - Men					
Management (Senior Management)	Percentage	50	67	80	
Employees (Management, Executives and Non-Executives)	Percentage	73	72	71	
Workers (Local)	Percentage	78	79	79	
Workers (Foreign)	Percentage	77	77	77	
Total No. of Employees (%) - Women					
Management (Senior Management)	Percentage	50	33	20	
Employees (Management, Executives and Non-Executives)	Percentage	27	28	29	
Workers (Local)	Percentage	22	21	21	
Workers (Foreign)	Percentage	23	23	23	
Diversity, Equity & Inclusion					
Total no. of employees by gender (including workers)					
Male	Percentage	77	77	77	
Female	Percentage	23	23	23	
Total percentage of employees by age category					
Management (Senior Management Team as per current)					
Age under 30	Percentage	0	0	0	
Age 30-50	Percentage	25	22	10	
Age Above 50	Percentage	75	78	90	
Employees (Management, Executives and Non-Executives)					
Age under 30	Percentage	11	11	13	
Age 30-50	Percentage	70	68	68	
Age Above 50	Percentage	19	21	19	
Workers					
Age under 30	Percentage	32	30	29	
Age 30-50	Percentage	58	60	62	
Age Above 50	Percentage	10	10	9	
Total percentage of BOD by gender					
Male	Percentage	78	71	50	
Female	Percentage	22	29	50	
Total percentage of BOD by age					
Age under 30	Percentage	0	0	0	
Age 30-50	Percentage	33	29	17	
Age above 50	Percentage	67	71	83	

Performance Data Table

Indicator	Unit	2023	2024	2025	Targets
Benefits for Employees and Workers					
Total no. of employees who took parental leave					
Men	Number	1	16	14	
Women	Number	1	9	3	
Total no. of employees who returned to work in the reporting year after parental leave					
Men	Number	1	11	14	
Women	Number	1	3	3	
Career Development and Training					
Total Hours of Training					
Management	Hours	441	6,102	350	
Employees	Hours	240	11,120	6,650	
Workers	Hours	53,150	48,621	72,981	
Total number of employee turnover					
Management	Number	3	0	4	
Employees	Number	78	47	42	
Workers	Number	769	1,536	1,071	
Serving the Local Communities and Land Rights					
Total amount of incentives paid to local communities, as part of land management	MYR	3,408,437.00	4,221,919.00	4,176,798.96	

VALIDATED DATA & BASIS - TABLE FOR BURSA

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FYE 31/12/2025

TH Plantations Berhad
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Anti-corruption	Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category	Percentage	90	—	External (Limited)	Management
—	—	Percentage	79	—	External (Limited)	Executive
—	—	Percentage	75	—	External (Limited)	Non-executive/Technical Staff
—	Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100	—	External (Limited)	
—	Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	Zero incidents of corruption annually	External (Limited)	
Community/ Society	Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	51000	—	Internal	
—	Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	471	—	Internal	
Diversity	Bursa C3(a) Percentage of employees by gender and age group, for each employee category	Percentage	0	—	External (Limited)	Senior Management Under 30
—	—	Percentage	10	—	External (Limited)	Senior Management Between 30-50
—	—	Percentage	90	—	External (Limited)	Senior Management Above 50
—	—	Percentage	13	—	External (Limited)	Management to Non-Executives Under 30
—	—	Percentage	68	—	External (Limited)	Management to Non-Executives Between 30-50

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TH Plantations Berhad
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
—	—	Percentage	19	—	External (Limited)	Management to Non-Executives Above 50
—	—	Percentage	29	—	External (Limited)	Workers (Local & Foreign) Under 30
—	—	Percentage	62	—	External (Limited)	Workers (Local & Foreign) Between 30-50
* —	—	Percentage	9	—	External (Limited)	Workers (Local & Foreign) Above 50
Footnote Sustainability Matter						
Age Group by Employee Category						
—	—	Percentage	80	—	External (Limited)	Senior Management Male
—	—	Percentage	20	—	External (Limited)	Senior Management Female
—	—	Percentage	71	—	External (Limited)	Management to Non-Executives Male
—	—	Percentage	29	—	External (Limited)	Management to Non-Executives Female
—	—	Percentage	79	—	External (Limited)	Workers (Local) Male
—	—	Percentage	21	—	External (Limited)	Workers (Local) Female
—	—	Percentage	77	—	External (Limited)	Workers (Foreign) Male
* —	—	Percentage	23	—	External (Limited)	Workers (Foreign) Female
Footnote Sustainability Matter						
Gender Group by Employee Category						
—	Bursa C3(b) directors by gender and age group	Percentage	50	—	External (Limited)	Male
—	—	Percentage	50	—	External (Limited)	Female

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Validated Data & Basis - Table for Bursa

Validated Data & Basis

- Table for Bursa

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TH Plantations Berhad
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
—	—	Percentage	0	—	External (Limited)	Under 30
—	—	Percentage	17	—	External (Limited)	Between 30-50
—	—	Percentage	83	—	External (Limited)	Above 50
Energy Management	Bursa C4(a) Total energy consumption	Megawatt	56599.36	—	Internal	
Health and Safety	Bursa C5(a) Number of work-related fatalities	Number	0	Zero Fatalities Annually	Internal	
—	Bursa C5(b) Lost time incident rate ("LTIR")	Rate	41	—	Internal	
—	Bursa C5(c) Number of employees trained on health and safety standards	Number	6391	—	Internal	
Labor Practices and Standards	Bursa C6(a) Total hours of training by employee category	Hours	350	—	Internal	Management
—	—	Hours	6650	—	Internal	Employees
—	—	Hours	72981	—	Internal	Workers
—	Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	0	—	Internal	
—	Bursa C6(c) Total number of employee turnover by employee category	Number	4	—	Internal	Management
—	—	Number	42	—	Internal	Employees
—	—	Number	1071	—	Internal	Workers

Validated Data & Basis - Table for Bursa

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TH Plantations Berhad
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
—	Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	Zero substantiated complaints concerning human rights violations annually	Internal	
Supply Chain Management	Bursa C7(a) Proportion of spending on local suppliers	Percentage	56	—	Internal	
Data Privacy and Security	Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	—	External (Limited)	
Water	Bursa C9(a) Total volume of water used	Megalitres	1358	Maintain the water consumption rate below 1.5 cubic metres ("m ³ ")/metric tonne ("MT") of FFB annually	External (Limited)	
Waste Management	Bursa C10 (a) Total waste generated and a breakdown of the following	Metric tonnes	457314	Reutilise up to 80% of biomass residue annually	Internal	
—	C10 (a) (i) Total waste diverted from disposal	Metric tonnes	36885740	—	Internal	
—	C10 (a) (ii) Total waste directed to disposal	Metric tonnes	88456.94	—	Internal	
Emissions Management	C11(a) Scope 1	Metric tonnes CO ₂ e	157454	Scope 1 emissions: 157,907 MT of carbon dioxide equivalents ("CO ₂ e") - Financial Year 2024 baseline	Internal	
—	C11(b) Scope 2	Metric tonnes CO ₂ e	1838	Scope 2 emissions: 2,063 MT of CO ₂ e - Financial Year 2024 baseline	Internal	
—	C11(c) Scope 3 (business travel and employee commuting)	Metric tonnes CO ₂ e	1637	Scope 3 emissions: 628 MT of CO ₂ e - Financial Year 2024 baseline	Internal	

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ASSURANCE STATEMENT

Assurance undertaken

In strengthening the credibility of the TH Plantations Berhad Sustainability Report 2025, selected indicators of this Report have been subjected to an internal review by the company's internal auditors.

Subject matter

All Common Sustainability Matters and accompanying Indicators identified by Bursa for FY2025

Scope

The boundary of the internal review includes all TH Plantations Berhad operations in Malaysia.

Type of Assurance	Material Matters	Subject Matter	Scope	Conclusion	
Internal Review	Our Sustainability Journey	Sustainability Governance Materiality Matrix	Operations assessed: • Malaysia	"Internal Audit has assessed the sources of the subject matter, the information reporting process, and the basis and methodology underpinning the disclosure, and is satisfied that they are appropriate and sufficient."	
	Product Quality & Operational Efficiency	Performance of CPO & Palm Kernel			
	Driving Economic Performance	Economic Performance Enhancing Good Agricultural Practice			
	Advancing Research and Development	R&D Expenditure			
	Traceability & Supply Chain Management	Procurement Assessment on Environmental, Social, and Governance (ESG)			
	Biodiversity & Conservation				Riparian Area Statement
					EIA
					Managing Our Peatlands
					Conservation of Coastal Forest & Peatlands
					Restoration of GAFR through tree planting
					Biodiversity & High Conservation Value (HCV) Training
					HCV Internal Lead Assessor Training
					Wildlife Conservation & Management Awareness Programme
					Biodiversity Risk Assessment
					NDPE
	Waste Management				Waste Generation & Performance
					Reutilising Biomass
	GHG Emissions				GHG Emissions
					Energy Consumption
	Effluent & Water Discharge	POME Generation			
Water Management	Water consumption for FFB processing				
Safety & Health		Safety & Health			
		Hazard Identification, Risk Assessment & Risk Control Document Update			
		OSH Internal Audit			
		Holding Monthly OSH Coordinator Meetings			
		Data LTIR			
		OSH-related training, courses, talks and programmes			
Human Rights	Human Rights Commitment Workers' Support & Compliance Check				
Employee Welfare & Development		Welfare & Upskilling workers			
		a) Parental Leave			
		b) Training Hours c) Employee turnover			
Local Communities/ Community Investment	Promoting Local Entrepreneurship				
Land Rights	Empowering Indigenous Landowners				

INDEPENDENT LIMITED ASSURANCE STATEMENT



INDEPENDENT ASSURANCE OPINION STATEMENT

To the Directors of TH Plantations Berhad

Holds Statement No: SRA840759

The British Standards Institution (**BSI**) has conducted a limited assurance engagement on the sustainability information (described in the "Scope") in the Sustainability Statement 2025 of TH Plantations Berhad.

Scope

The scope of engagement agreed upon with TH Plantations Berhad includes the following:

The assurance covers the information of the following subject matters in the TH Plantations Berhad's Sustainability Statement for 2025.

1. Anti-Corruption
 - Percentage of employees who have received training on anti-corruption by employee category
 - Percentage of operations assessed for corruption related risks
 - Confirmed incidents of corruption and action taken
2. Diversity
 - Percentage of employees by gender and age group, for each employee category
 - Percentage of directors by gender and age group
3. Data Privacy and Security
 - Number of substantiated complaints concerning breaches of customer privacy and losses of customer data
4. Water
 - Total volume of water used

The selected information is reported in accordance with ISAE 3000 (Revised) and Bursa Reporting Guidelines (3rd Edition).

Opinion Statement

We have conducted a limited assurance engagement on the sustainability information described in the "Scope" above. Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the accompanying Sustainability Information is not prepared, in all material respects, in accordance with ISAE 3000 (Revised) and Bursa Reporting Guidelines (3rd Edition).

INDEPENDENT LIMITED ASSURANCE STATEMENT

Methodology

Our assurance engagements were carried out in accordance with ISAE3000 (Revised) and Bursa Reporting Guidelines (3rd Edition). Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- a top-level review of issues raised by external parties that could be relevant TH Plantations Berhad policies to provide a check on the appropriateness of statements made in the report.
- discussion with managers and staff on TH Plantations Berhad approach to stakeholder engagement. However, we had no direct contact with external stakeholders.
- interviews with staffs involved in sustainability management, report preparation and provision of report information were carried out.
- document review of relevant systems, policies, and procedures where available.
- review of supporting evidence for claims made in the reports.
- visit of the headquarter office to confirm the data collection processes, record management and practices.

Responsibility

TH Plantations Berhad is responsible for the preparation and fair presentation of the sustainability information and report in accordance with the agreed criteria. BSI is responsible for providing an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

Independence, Quality Control and Competence

BSI is independent to TH Plantations Berhad and has no financial interest in the operation of TH Plantations Berhad other than for the assurance of the sustainability statements contained in this report.

This independent assurance opinion statement has been prepared for the stakeholders of TH Plantations Berhad only for the purposes of verifying its statements relating to the Scope above.

This independent assurance opinion statement is prepared on the basis of review by BSI of information presented to it by TH Plantations Berhad. In making this independent assurance opinion statement, BSI has assumed that all information provided to it by TH Plantations Berhad is true, accurate and complete. BSI accepts no liability to any third party who places reliance on this statement.

BSI applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17021-1:2015 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

BSI is a leading global standards and assessment body founded in 1901. The BSI assurance team has extensive experience in conducting verification over environmental, social and governance (ESG), and management systems and processes.

INDEPENDENT LIMITED ASSURANCE STATEMENT

Issue Date: 4 February 2026

For and on behalf of BSI:




Salmiah Hasbullah, Lead Assurer

Evelyn Chye, Managing Director BSI Malaysia

BSI Malaysia Suite 29.01, Level 29, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia.

Appendix A: Summary of Subject Matters Data for 2025 –TH Plantations Berhad

Subject Matters	2025	Units
Anti-Corruption		
A) Percentage of employees who have received training on anti-corruption by employee category		
• Management	90	%
• Executive	79	%
• Non-executive/Technical Staff	75	%
B) Percentage of operations assessed for corruption related risks	100	%
C) Confirmed incidents of corruption and action taken*	0	Number
<small>*Notes: In reference to the Bursa Reporting Guidelines (3rd Edition), a confirmed incident of corruption refers to a case that has been fully investigated and substantiated. Confirmed incidents do not include cases that remain under investigation during the reporting period. For 2025, two (2) cases were reported and are currently under investigation by the Malaysian Anti-Corruption Commission (MACC).</small>		

INDEPENDENT LIMITED ASSURANCE STATEMENT

Diversity		
A) Percentage of employees by gender and age group, for each employee category		
Gender group by employee category:		
• Management (Senior Management) - Men	80	%
• Management (Senior Management) - Women	20	%
• Employees (Management, Executives and Non-Executives) - Men	71	%
• Employees (Management, Executives and Non-Executives) - Women	29	%
• Workers (Local) - Men	79	%
• Workers (Local) - Women	21	%
• Workers (Foreign) - Men	77	%
• Workers (Foreign) - Women	23	%
Total percentage by gender (All employees including workers):		
• Male	77	%
• Female	23	%
Age group by employee category		
• Management (Current Senior Management Team) - Under 30	0	%
• Management (Current Senior Management Team) - Between 30-50	10	%
• Management (Current Senior Management Team) - Above 50	90	%
• Employees (Management, Executives and Non-Executives) - Under 30	13	%
• Employees (Management, Executives and Non-Executives) - Between 30-50	68	%
• Employees (Management, Executives and Non-Executives) - Above 50	19	%
• Workers - Under 30	29	%
• Workers - Between 30-50	62	%
• Workers - Above 50	9	%
B) Percentage of directors by gender and age group		
• Male	50	%
• Female	50	%
• Under 30	0	%
• Between 30-50	17	%
• Above 50	83	%
Data Privacy and Security		
Number of substantiated complaints concerning breaches of customer privacy or losses of customer data	0	Number
Water		
Total volume of water used	1,358.167	ML