BPB SUSTAINABILITY POLICY

Achieving strategic growth by safeguarding the environment and embracing the diversity of people

SCOPE OF POLICY
This Policy Statement applies to all companies within the Boustead Plantations Berhad (BPB) Group, which is located in Malaysia. This includes subsidiaries, joint ventures and companies in which we have management control. We expect all our contractors and third-party suppliers to adhere to our sustainability policy in their operations. We are building our internal capacity for implementation and enforcement, and are developing procedures for monitoring and acting on non-compliance with any element of this policy within the organization.

OUR SUSTAINABILITY VALUES
- We prioritize our employees as a key resource towards realizing our vision.
- We are committed to environmental protection and conservation of biodiversity through compliance with statutory guidelines and local regulations.
- We strive to conduct ourselves in line with good corporate governance with the highest standards of respect, integrity, teamwork and excellence.
- We are committed to creating value for the community as well as suppliers and contractors as our valued partners.
- We acknowledge and respect local cultures and values in all areas in which we have a presence.
- We strive to hold ourselves accountable to our stakeholders and communicate in a transparent manner on all matters relevant to our operations.
- We are committed to ensuring the sustainable long-term growth of the Group and delivering the highest returns to our shareholders.

OUR COMMITMENTS
Our Sustainability Policy is based on the following guiding principle:
- To certify our Business Unit with Sustainability associated certification
- To comply with all applicable federal and state laws and codes of practice.
- To adopt the Principle and Criteria of Sustainability associated certification as the foundations for our sustainability practices.
- To implement sustainability standards laid out in this policy for environmental development and social impact, traceability and transparency of supply chain, ensuring that all suppliers comply with our commitments as stated in this Sustainability Policy.
1. Environmental Management
   1.1. No deforestation
       1.1.1. Practice of no deforestation with application of any relevant social requirement and implementation guidance. For new development area, High Conservation Value (HCV) assessment will be carried out to determine the eligibility of the area. Priority for development will be given to areas with no demonstrable HCV, where Free, Prior and Informed Consent (FPIC) has been acquired from the right-holders.
   1.2. Biodiversity and HCV Management
       1.2.1. Conservation of biodiversity by identifying and monitoring High Conservation Value (HCV) areas and complying with New Planting Procedure (NPP) as set forth by the Roundtable on Sustainable Palm Oil (RSPO) and Malaysian Sustainable Palm Oil (MSPO).
       1.2.2. Prohibit the construction of structures on natural waterways in accordance with the Irrigation Areas Act 1953 (Amendment 1989) and the Guidelines for: Panduan Melibatkan Sungai dan Rizab Sungai, Department of Irrigation and Drainage Malaysia.
       1.2.3. Preservation of natural water resources by developing and maintaining existing river buffer areas with crops in accordance with Department of Drainage and Drainage guidelines.
       1.2.4. Educate employees and stakeholders through awareness programs on protecting the environment and conserving biodiversity as a shared responsibility.
   1.3. Peatland Management
       1.3.1. Practice of no new development of peatlands regardless of depth.
       1.3.2. Utilize appropriate management techniques for existing plantations on peat in line with Good Agricultural Practice (GAP) as defined in RSPO’s Principle and Criteria Malaysia National Interpretation (RSPO’s P&C MYNI).
   1.4. Steep slope Management
       1.4.1. Practice of no new development or replanting on steep slope of more than 25°, unless approved by state government, in line with RSPO requirement.
       1.4.2. Conservation and maintenance of ground cover crops on slopes and steep slopes of more than 25 degrees (25°).
       1.4.3. Developing plans for the management of areas which are unsuitable for oil palm replanting.
   1.5. Zero Burning and GHG Management
       1.5.1. Enforcement of a zero burning in operation in all our business units, for replanting purposes, unless approved by authorities, in accordance to Section 29AA, Environmental Quality Act 1974.
       1.5.2. Progressively reduce greenhouse gas (GHG) emissions, recycle or reuse palm biomass and generate renewable energy.
   1.6. Safe Handling of Pesticide
       1.6.1. Advocating the safe and judicious use of chemical and complying with all current local legislative requirements and GAP.
       1.6.2. Protect pregnant or breastfeeding women or others with medical restrictions from any work with pesticides in accordance with the Pesticides Act 1974 (Act 149) and Regulation 3 (c), Pesticides (Highly Poisonous Pesticides) Regulations 1996 (Amended 2004).
2. Recognize the Right of All Employees

2.1. No Exploitation of People

2.1.1. Respect and uphold the right of all workers, including contract, temporary and migrant workers, in accordance with the Universal Declaration Human Right (UDHR) and the International Labour Organization’s (ILO) core conventions.

2.1.2. Respect the right to freedom of association/collective bargaining in organizations that are not against the laws of the Malaysian government.

2.1.3. Implement responsible recruitment practices by preventing and eliminating the use of any form of forced labour, child labour, and human trafficking in accordance with ILO principles.

2.1.4. Practice no child exploitation and comply with Child & Young Person (Employment) (Amendment) Act 2019, where young persons were employed, they are not allowed from carrying out tasks involving any hazardous work or any employment other than those specified in the act.

2.2. Respect Human Rights

2.2.1. Respect women’s right to family planning, as well as the right to sexual and reproductive health as long as it does not violate the provisions of the law.

2.2.2. Comply with prevailing fair wages practices.

2.2.3. Provide fair and equal employment opportunities regardless race, nationality, religion, or gender, and practice no contract substitution. Training and development opportunities are provided based on business need, job requirements and individual qualification to ensure that employees are able to utilize their full potential.

2.2.4. Assure that there will be no threats, retaliation or violence against human rights defenders (HRD) regardless of individuals or groups. This guarantee is also given to our employees who are directly or indirectly involved in HRD activities in the workplace.

2.3. Safety and Health

2.3.1. Comply with all laws and regulations related to reproductive rights and sexual health, and be prepared to take the necessary steps to increase the level of awareness of all parties involved.

2.3.2. Nurture safe and healthy working environment free from sexual harassment including educate women on their rights also awareness program to the workforce.

2.3.3. Provide equipment and training on the implementation safety and health policy

3. Community Development and Social Impact

3.1. Social Value

3.1.1. Create value for local communities and contribute to the quality of life and wellbeing of the communities in which we operate.

3.2. Community Engagement

3.2.1. Engage effectively with local communities in an open and transparent manner. We also have a grievance procedure in place whereby issues can be resolved to the satisfaction of all stakeholders.

3.2.2. Support and facilitate the inclusion of smallholders in the palm oil supply chain and provide assistance as and when required to ensure that they comply with our Sustainability Policy.
3.3. **Land Rights**  
3.3.1. Respect and uphold the land tenure right of indigenous and local communities, including their right to give or withhold their Free, Prior and Informed Consent (FPIC) to operate on land to which they hold legal, communal or customary right in accordance with the United Nations Declarations on the Right Indigenous Peoples (UNDRIP)

4. **Traceability and Transparency of Supply Chain**  
4.1. **Traceable Supply Chain**  
4.1.1. Build a traceable and sustainable palm oil supply chain.  
4.1.2. Develop program of mill-level verification assessments, using risk assessment tools to identify risks and ensure adherence to Group’s sustainability commitments. Our phased supply chain traceability targets will be communicated in our time-bound implementation plan.

4.2. **Transparent Supply Chain**  
4.2.1. Required all our third-party suppliers of palm oil products to adhere to the commitments in this Sustainability Policy, including the requirements for new plantings relating to HCV, High Carbon Stock (HCS), peat and social impact.  
4.2.2. Continuously improve the effectiveness of the Quality Management System.

5. **Continuous Stakeholder Engagement**  
5.1. **Stakeholder Engagement**  
5.1.1. Recognize the importance of this policy and the fact that ensuring its effectiveness requires the support and co-operation of all stakeholders to meet the objectives of our sustainability commitments.  
5.1.2. Strive to continue to be an active supporter of the Sustainability initiative and will work to strengthen RSPO and MSPO standards and adherence to these standards.

5.2. **Transparency in Grievance and Complaint**  
5.2.1. Adopt an open and transparent approach to resolve any grievance or issues with the involvement of stakeholders. In tandem with this, we proactively engage with our stakeholders on new developments in sustainability policies and practices.  
5.2.2. Committed to reporting in a transparent manner in compliance to this Policy on a yearly basis or when required.  
5.2.3. Engage with stakeholders in the community to ensure that we listen, learn and take into account their views while dealing with them.

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ZAINAL ABIDIN SHARIFF  
Chief Executive Officer  
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