

ANNUAL REPORT 2024

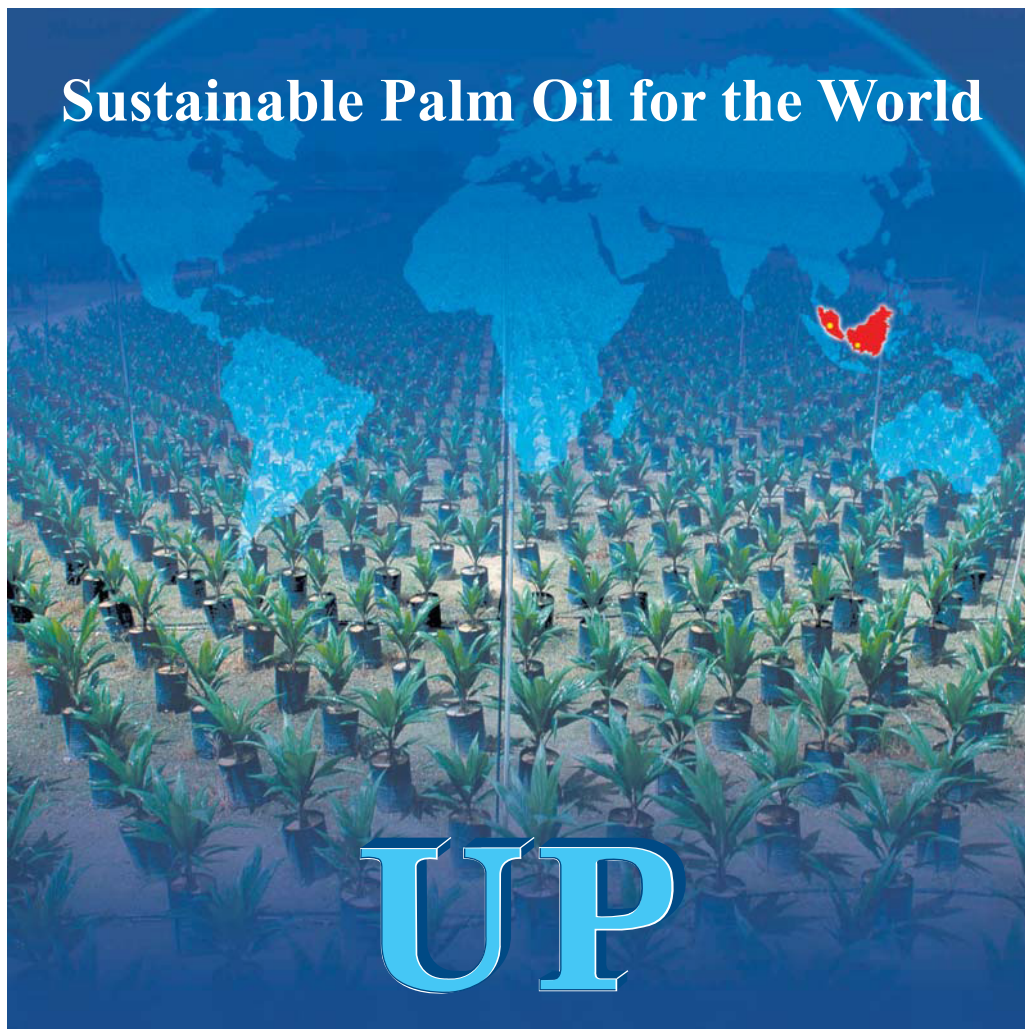


UP

UNITED PLANTATIONS BERHAD

(Company Registration No. 191701000045 (240-A))

Group Philosophy



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



Front Cover:

One of our many dedicated workers skillfully harvesting a fruitful oil palm tree.

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United Plantations in brief

Founded on Danish and Malaysian Expertise and Resources, United Plantations Berhad (UP) from a modest beginning in 1906, has over the years grown in size and stature.

Today UP is one of the larger medium sized plantation groups in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad with a market capitalization of approximately RM12.94 billion at the end of its financial year 31 December 2024.

UP's core business activity lies within the cultivation of oil palm and coconuts. Its total landbank covers approximately 62,500ha of which 51,000ha is cultivated in Malaysia (83%) and Indonesia (17%), supported by 6,521 employees across the Group.

UP possesses considerable know-how in plant breeding, agronomy and tissue culture through its R&D facilities established in the early 1950s, ensuring the development of new and improved planting materials as well as improved crop husbandry practices.

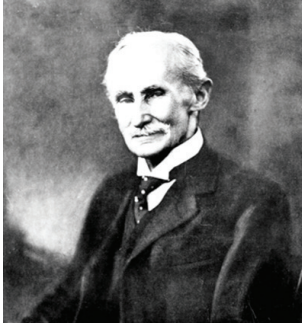
The Group is also engaged in several downstream activities such as edible oil refining as well as production and packaging of specialty fats based on certified sustainable palm oil and strong emphasis on high quality and food safety standards.

Through its focus on Corporate Social Responsibility and Creating Shared Value combined with sound managerial and technical expertise, UP is today recognised as a global leader in terms of sustainability, high yields, cost competitiveness and innovative practices that are operationalised throughout its plantations.



Corporate Social Responsibility and Creating Shared Value

The UP Legacy And Values



Aage Westenholz,
Chairman and Founder of UP Ltd
(1906-1935)



Commander William Lennart Grut,
Chairman of UP Ltd (1935-1949)



Tan Sri Dato' Seri B. Bek-Nielsen,
Chairman (1978-1982) and
Sr. Executive Director of UPB
(1971-2003)



Tan Sri Haji Basir bin Ismail
Chairman of UPB (1982-2002)

History and Responsible Agriculture

UP's commitment to sustainable agriculture originated with its founder, a Danish Engineer and Entrepreneur, Aage Westenholz who established UP in 1906.

Westenholz not only promoted a strong culture of innovation and imaginative approach to business strategy but also of ethical conduct within plantation agriculture.

He was known for his philosophical ideals of co-operative working and profit sharing and promoted the following concept: "capital and labour ought to co-operate as two hands on the same body guided by one brain."

Westenholz was also known for setting the highest standards for the workforce, within the conditions of the day, and had as early as 1928 established a well-functioning hospital with good facilities and medical personnel to cater for the needs of the employees and their families as well as the communities surrounding the estates.

Another key figure during the foundation of UP was Westenholz's brother-in-law, a navy officer, Commander William Lennart Grut.

The two stalwarts, Westenholz and Grut not only linked together in kinship, also shared common values of Vision, Compassion, Discipline and introduced the first jungle sanctuary (The Grut Sanctuary) as well as the concept of mulching to maintain soil fertility in the 1930s.

The focus on innovation and care for employees combined with ethical values laid down by our pioneers signifies the beginning of UP's early focus on Corporate Social Responsibility (CSR) which has become a part of the Company's DNA and emphasises the responsibility to manage our resources resourcefully and engage in activities that optimize returns for our shareholders and at the same time Creating Shared Value (CSV) for employees and the society we operate in.

The central premises behind CSV are that the competitiveness of our Company and the health of the communities around us are mutually dependent, thus enabling UP to create economic value by also creating societal value.

Building Bridges Between Two Nations

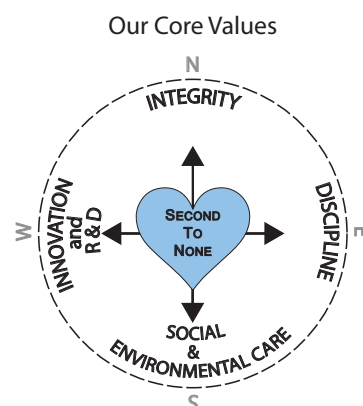
The late Tan Sri B. Bek-Nielsen who started his career with UP in 1951, continued the legacy of the early founders through hard work, discipline and being firm but fair throughout his career spanning more than 50 years. He was instrumental in expanding the Group through technical as well as agronomic innovation focusing on producing palm oil of superior quality.

In 1982, the late Tan Sri Haji Basir took over the chairmanship of UP and together with the late Tan Sri B. Bek-Nielsen ensured that solid bridge between two Nations, Denmark and Malaysia, galvanised further. Through this close collaboration the two stalwarts ensured that UP progressed into an internationally recognised Group.

Over the last 119 years since our foundation, UP has been focusing on maintaining social and environmental awareness and striving to the best of its abilities to create a balance between economy and ecology.




















This focus resulted in UP being awarded the world's first Roundtable on Sustainable Palm Oil certificate in 2008.

UP firmly believes "That no one person at the top is stronger than the pyramid of people who supports him or her". Emphasis on the attitude of continuous improvement combined with the values of Integrity, Discipline, being Innovative and focusing on Social and Environment care are key aspects of UP's unique culture which is best described through our motto "Second to None".



UP's Geographical Presence in Malaysia & Indonesia



Plantation & Mill (Malaysia)

- | | |
|---|---|
| ① Jendarata Estate & Mill |    |
| United Plantations Berhad
(Registered Office)
Jendarata Estate
36009, Teluk Intan
Perak Darul Ridzuan
Malaysia | |
| ② UIE Estate & Mill |    |
| ③ Kuala Bernam Estate |  |
| ④ Sungei Bernam Estate |  |
| ⑤ Ulu Bernam Estate & Mill |    |
| ⑥ Changkat Mentri Estate |  |
| ⑦ Ulu Basir Estate & Mill |    |
| ⑧ Charong Estate |  |
| ⑨ Seri Pelangi Estate |  |
| ⑩ Lima Blas Estate |  |
| ⑪ Tanarata Estate |  |


Plantation & Mill (Indonesia)

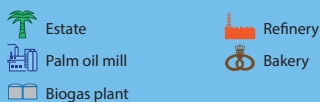
- | | |
|--|---|
| ⑫ PT SSS Estate & Mill |    |
| PT. Surya Sawit Sejati
(Registered Office)
Desa Sungai Rangit Jaya Sp. 6,
Kecamatan Pangkalan Lada
PO. BOX 1017 - Pangkalan Bun
Kalimantan Tengah 74101 | |

Resource-Based Manufacturing

- | | |
|----------------------------------|---|
| ⑬ Unitata (Subsidiary) |  |
| ⑭ UniFuji (Joint Venture) |  |

Others

- | | |
|---|---|
| ⑮ Bernam Bakery |  |
| ⑯ Bernam Advisory Services
(Sales & Marketing Office) | |



Total Landbank in Hectares

Location On Map		Oil Palm	Coconut	Other Crops	Conservation & Others	Buildings & Infrastructure	Plasma*	Total (Hectares)
Malaysia		37,507	4,627	22	389	1,879	0	44,424
①	Jendarata Estate (Perak)	5,202	772	22	-	340	-	6,336
②	UIE Estate (Perak)	8,950	789	-	91	535	-	10,365
③	Kuala Bernam (Perak)	-	811	-	-	19	-	830
④	Sungei Bernam (Selangor)	-	2,255	-	-	21	-	2,276
⑤	Ulu Bernam (Perak)	3,050	-	-	-	148	-	3,198
⑥	Changkat Mentri (Perak)	2,364	-	-	12	175	-	2,551
⑦	Ulu Basir (Perak)	3,738	-	-	129	124	-	3,991
⑧	Charong (Perak)	6,748	-	-	-	153	-	6,901
⑨	Seri Pelangi (Perak)	1,329	-	-	-	99	-	1,428
⑩	Lima Blas (Selangor)	2,745	-	-	99	48	-	2,892
⑪	Tanarata (Perak)	3,381	-	-	58	217	-	3,656
Indonesia		8,720	0	0	7,644	292	1,378	18,034
⑫	PT SSS (Central Kalimantan)	8,720	-	-	7,644	292	1,378	18,034
Total (Hectares)		46,227	4,627	22	8,033	2,171	1,378	62,458

* 20 Ha of plasma is currently in progress distribution.

Refineries & Others

- | | |
|---|---|
| ⑬ | Unitata Refinery (Perak) |
| ⑭ | UniFuji Refinery (Perak) |
| ⑮ | Bernam Bakery (Perak) |
| ⑯ | Bernam Advisory Services (Kuala Lumpur) |

GPS Location of Group Owned Palm Oil Mills

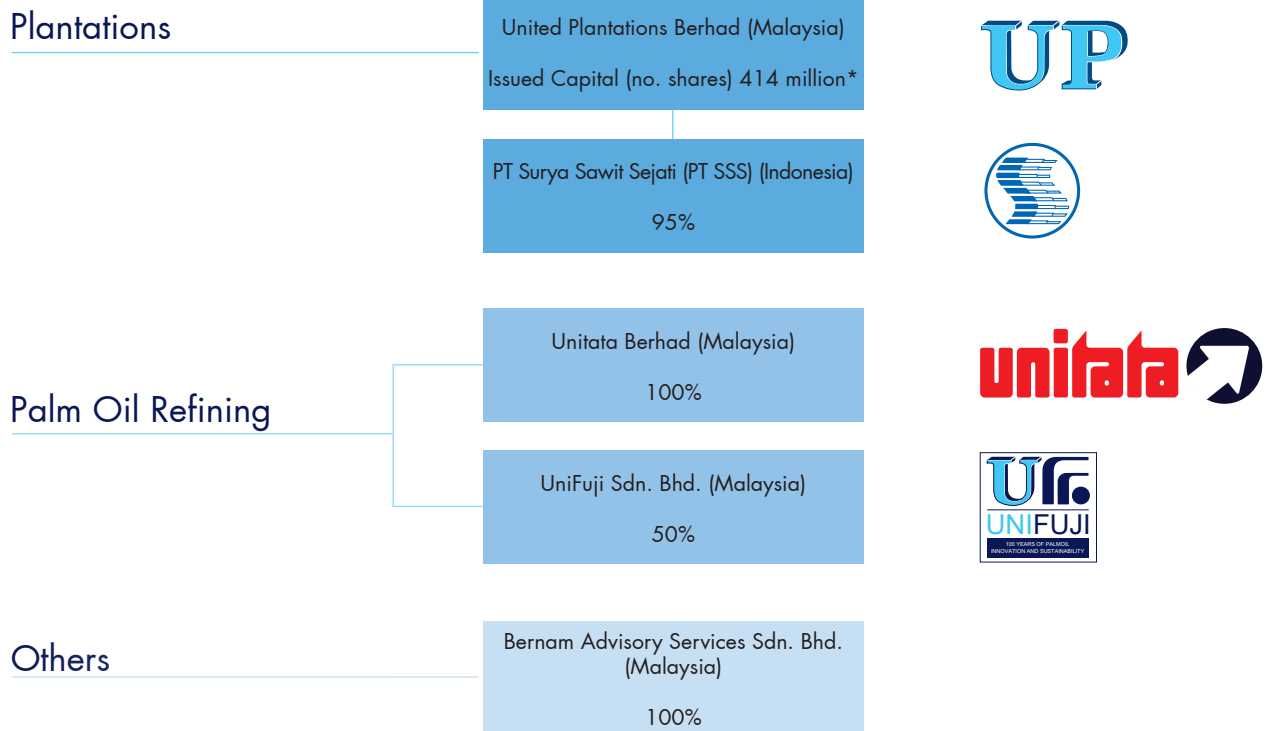
No.	Name of Mill Location	Latitude	Longitude
I	Jendarata	N 3°51'14"	E 100°58'06"
II	Ulu Basir	N 3°43'28"	E 101°15'21"
III	Ulu Bernam Optimill	N 3°46'19"	E 101°13'14"
IV	UIE	N 4°26'53"	E 100°43'11"
V	PT SSS	S 2°35'24"	E 111°46'16"



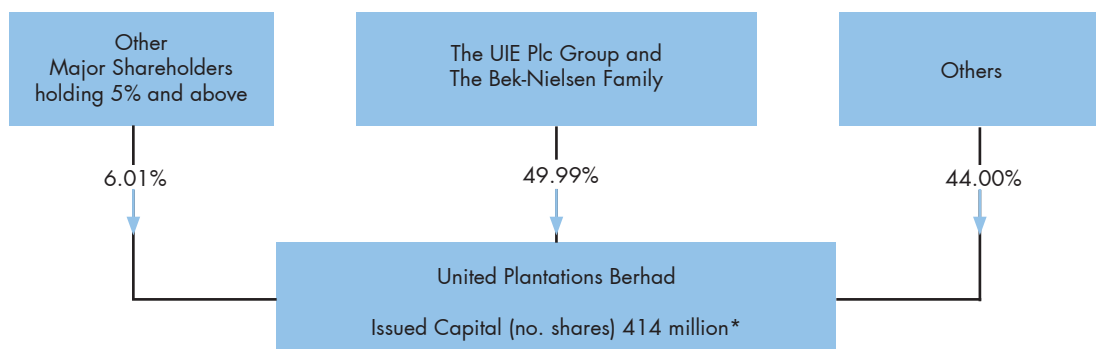
UP at a Glance



Group Structure as at 31 January 2025



General Shareholding Structure Group as at 31 January 2025



* Excluding treasury shares and before the bonus issue approved by the shareholders on 10 February 2025 with entitlement date on 26 February 2025. After the bonus issue the enlarged share capital will be 622 million.

Financial Highlights (5 Years)

	2024	2023	Change (%)	2022	2021	2020
Revenue (RM' Million)	2,198	2,014	9.14	2,515	2,033	1,340
Profit Before Tax (RM' Million)	939	933	0.64	846	683	506
Profit After Tax (RM' Million)	719	711	1.13	606	522	402
Earnings Per Share (Sen)	172	171	0.58	145	125	96
Total Net Dividend Per Share (Sen)*	171*	190	(10.00)	140	115	85
Dividend Payout Ratio	0.99	1.11	(10.81)	0.97	0.92	0.89
Dividend yield as at 31 December (%)	5.50%	10.67%	(48.45)	9.15%	8.29%	5.85%
Total Equity (RM' Million)	2,817	2,867	(1.74)	2,905	2,685	2,631
Return on Equity (%)	25.52%	24.80%	2.90	20.86%	19.44%	15.28%
Total Borrowings (RM' Million)	-	0.021	(100.00)	0.248	0.001	0.1
Non-Controlling Interests (RM' Million)	17.5	17.0	2.94	14.0	10.7	10.9
Cash Position (RM' Million)	487	634	(23.19)	779	478	465
Total Assets (RM' Million)	3,243	3,264	(0.64)	3,319	3,153	2,975
Total Liabilities (RM' Million)	426	396	7.58	414	468	344
Year-End Closing Share Price (RM)	31.08	17.80	74.61	15.30	13.88	14.52

* The Total Net Dividend Per Share in the above table is based on the existing number of shares, 416,268,532 (pre-bonus issue), as at 31 December 2024 for comparative purposes and is not based on the enlarged number of shares post-Bonus Issue.

At the EGM on 10 February 2025 the shareholders approved the Bonus Issue on the basis of 1 Bonus Share for every 2 existing UP shares with the entitlement date on 26 February 2025 bringing the enlarged number of shares issued to 624,402,798. The Total Net Dividend per Share based on the enlarged number of shares post-Bonus Issue will be 114sen per share. For more information, kindly refer to page 20.

Financial Graphs (5 Years)



Group Production & Yield

<p>CPO PRODUCTION</p> <p>256,009</p> <p>METRIC TONNES</p> <p>↓ 3.7%</p>	<p>PK PRODUCTION</p> <p>49,883</p> <p>METRIC TONNES</p> <p>↓ 9.7%</p>	<p>COCONUT PRODUCTION</p> <p>90.3</p> <p>MILLION NUTS</p> <p>↑ 8.0%</p>	<p>CPO YIELD</p> <p>5.93</p> <p>METRIC TONNES/HECTARE</p> <p>↓ 2.9%</p>
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Group Planted Areas (Ha)

<p>TOTAL OIL PALM</p> <p>MATURE 43,096</p> <p>IMMATURE 3,131</p>	<p>TOTAL COCONUT</p> <p>MATURE 4,121</p> <p>IMMATURE 506</p>
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Group Quarterly Results

In RM million unless otherwise stated	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter*	2024
Revenue	476,747	546,076	547,669	627,318	2,197,810
Operating profit	170,522	230,025	262,132	230,370	893,049
Investment and interest income	6,913	6,048	5,566	5,416	23,943
Interest expense	(8)	(10)	(108)	(721)	(847)
Share of results of joint venture	1,021	3,142	13,268	5,301	22,732
Profit before tax	178,448	239,205	280,858	240,366	938,877
Taxation	(44,913)	(52,071)	(65,036)	(57,448)	(219,468)
Profit after tax	133,535	187,134	215,822	182,918	719,409
Attributable to:					
Equity owners of the parent	132,872	185,936	215,031	181,242	715,081
Non-controlling interests	663	1,198	791	1,676	4,328
	133,535	187,134	215,822	182,918	719,409
Basic earnings per share (sen)	32.03	44.83	51.84	43.70	172.40
Profit before tax on segmental basis:					
Plantations	157,827	207,409	224,177	215,406	804,819
Refining	20,519	31,951	56,448	23,788	132,706
Other segments	102	(155)	233	1,172	1,352
	178,448	239,205	280,858	240,366	938,877
Profit for the period	133,535	187,134	215,822	182,918	719,409
Other comprehensive income:					
Currency translation differences arising from consolidation	(96)	(12,127)	(17,455)	6,313	(23,365)
- changes in fair value	(29,558)	6,578	(5,361)	(32,832)	(61,173)
- transfers to profit or loss	7,943	(1,669)	5,959	10,371	22,604
- others				159	159
Total comprehensive income	111,824	179,916	198,965	166,929	657,634
Total comprehensive income attributable to:					
Equity owners of the parent	111,165	179,325	199,047	164,937	654,474
Non-controlling interests	659	591	(82)	1,992	3,160
	111,824	179,916	198,965	166,929	657,634

* The Company has since 2015 with the approval of Bursa Malaysia dispensed with the fourth quarter announcement on the condition that the annual report is announced within two months from financial year-end. Nevertheless, for the benefit of shareholders, the Company has decided in this report to restate the quarterly results including the fourth quarter as shown above.

Financial Calendar

Announcements & Key Events				Payment of Dividends		
Annual Report 2024 & Notice of AGM	24 th	February 2025	Interim	Notice of Book Closure	13 th	November 2024
Annual General Meeting	23 rd	April 2025		Entitlement Date	27 th	November 2024
1 st Quarter Results	23 rd	April 2025		Payment Date	10 th	December 2024
2 nd Quarter Results	21 st	July 2025	Final	Notice of Book Closure	22 nd	February 2025
3 rd Quarter Results	12 th	November 2025		Entitlement Date	28 th	April 2025
Annual Report 2025 & Notice of AGM	23 rd	February 2026		Payment Date	9 th	May 2025 (Tentative)

Profile Of Directors



Dato' Mohamad Nasir bin Ab. Latif

*Chairman, Independent,
Non-Executive Director.*

Appointed director of the Company on 1 February 2020 and elected Chairman of the Board on 22 April 2021.

Dato' Mohamad Nasir bin Ab. Latif, born in 1958, a Malaysian, graduated in 1989 with a Bachelor's degree in Social Science (Economics)

from Universiti Sains Malaysia and obtained a Certified Diploma in Accounting and Finance from the Association of Chartered Certified Accountants in 1996. He holds a Master of Science in Investment Analysis from University of Sterling, United Kingdom in 1999.

His career at the Employees Provident Fund Board (EPF) spanned 37 years, starting out as a State Enforcement Officer, and rising through the ranks to becoming General Manager of the International Equity Department before becoming EPF's Investment Chief in 2013. He retired as Deputy Chief Executive Officer (Investment) from EPF on 31 December 2019.

He is the Chairman of PLUS Malaysia Berhad, RHB Islamic Bank, Malaysian Resources Corporation Berhad (MRCB) and the Investment Panel of Kumpulan Wang Persaraan (KWP). He also serves as a member of the Board of Directors of RHB Bank Berhad, Yinson Holdings Berhad and is the Investment Panel Member of Lembaga Pembangunan Langkawi (LADA).



Dato' Carl Bek-Nielsen

*Vice Chairman,
Chief Executive Director (CED),
Non-Independent, Director-in
Charge of Unitata Berhad*

Appointed director of the Company on 1 January 2000 and elected Vice Chairman on 8 March 2002 and appointed Chief Executive Director (CED) of United Plantations Berhad on 1 January 2013.

Dato' Carl Bek-Nielsen, born in Petaling Jaya in 1973, is a Danish citizen with a Permanent Resident status in Malaysia. He started his career with the Company in 1993 as a Cadet Planter leaving a year later to pursue his tertiary education in Denmark, graduating with a B.Sc. degree in Agricultural Science from the Royal Veterinary and Agriculture University of Denmark. In 1998 he returned to Malaysia to take up the position of Corporate Affairs Officer with the Company. He was promoted to the position of Executive Director (Corporate Affairs) on 1 March 2000. On 9 November 2004 he was appointed Director In-Charge of Unitata Berhad.

He is the Chairman of UIE Plc, a public listed company on the NASDAQ OMX Copenhagen A/S. He is also

a Board Member of the Schorling holding company, based in Stockholm.

He has been a Council Member of the Malaysian Palm Oil Association (MPOA) since 2005. For 9½ years from 2014 to 2023, he was appointed the RSPO Board of Governors as Co-Chair representing MPOA. He has also served as a Council member of the Malaysian Palm Oil Council (MPOC) from 2005 to 2020 and was appointed Chairman of MPOC on 1 May 2023. He was also on the Programme Advisory Committee to the Malaysian Palm Oil Board (MPOB) from 2008 to 2019.

On 19 April 2008, he was conferred Darjah Dato'Paduka Mahkota Perak (DPMP) which carries the title "Dato'" by Duli Yang Maha Mulia Paduka Seri, Sultan Perak Darul Ridzuan, Sultan Azlan Muhibbuddin Shah Ibni Almarhum Sultan Yussuf Izzuddin Shah Ghafarullahu-Lah.

On 21 April 2021, Her Majesty Queen Magrethe the II of Denmark appointed him as the Honorary Consul General of Denmark to Putra Jaya and Kuala Lumpur and Honorary Consul of Denmark to Perak, Johore, Malacca, Negri Sembilan, Pahang, Selangor and Terengganu.

On 11 December 2023, he was conferred the Darjah Kebesaran Datuk Paduka Mahkota Selangor (DPMS) award which carries the title of "Datuk" by Duli Yang Maha Mulia Sultan Selangor Darul Ehsan, Sultan Sharafuddin Idris Shah Al-Haj Ibni Almarhum Sultan Salahuddin Abdul Aziz Shah Al-Haj.

He is the brother of Mr. Martin Bek-Nielsen, and a Board representative of the Company's two major shareholders, UIE Plc and Maximum Vista Sdn. Bhd.. He is deemed interested in various related party transactions between the UP Group and certain companies carried out in the ordinary course of business as disclosed in Note 28 to the Financial Statements.



Mr. Martin Bek-Nielsen

*Executive Director,
Non-Independent,
Commercial Director, Unitata Berhad*

Appointed to the Board on 29 August 2000, Mr. Martin Bek-Nielsen, born in 1975, is a Danish citizen with a Permanent Resident Status in Malaysia. He served in The Jutland Dragoon Regiment of Denmark during 1994

after which he started his career with the Company as a Cadet Planter in 1995. In 1996, he left Malaysia to pursue his tertiary education in Denmark and graduated with a B.Sc. degree in Agricultural Economics from the Royal Danish Agricultural University of Copenhagen in 1999 and returned to United Plantations to take up the position of Corporate Affairs Officer. In 2001, he was appointed to the position of Executive Director and on 20 February 2003 was promoted to his current position of Executive Director (Finance and Marketing).

Profile Of Directors

On 9 November 2004, he was appointed Commercial Director of Unitata Berhad and in 2019 was appointed Commercial Director of Unifuji Sdn. Bhd.. He is the Deputy Chairman of UIE Plc, a public listed company on the NASDAQ OMX Copenhagen A/S.

He is the brother of Dato' Carl Bek-Nielsen, and is a Board representative of the Company's two major shareholders, UIE Plc and Maximum Vista Sdn. Bhd. He is deemed interested in various related party transactions between the UP Group and certain companies carried out in the ordinary course of business as disclosed in Note 28 to the Financial Statements.



Mr. Loh Hang Pai
*Executive Director,
Non-Independent.*

Appointed to the Board as Executive Director (Estates) on 1 January 2013, Mr. Loh Hang Pai, born in 1948, a Malaysian, graduated from the Serdang Agricultural College. He served Kumpulan Guthrie as Junior Assistant in 1969 and subsequently joined

United Plantations Berhad on 1 January 1973 as an Assistant Manager. He served the Company in various positions and was promoted to the position of Estates Director on 1 January 2004.

He is not on the Board of any other public listed companies. He was actively involved in various activities of the planting associations, having held the position of Chairman, Perak Planters Association, President of United Planting Association of Malaysia and Chairman of Malaysian Cocoa Growers Council.

Currently, he is Chairman, MPOA Security Services Sdn. Bhd.. He is a Council Member and President of the Malayan Agricultural Producers Association (MAPA). He had been actively involved in the negotiations on several MAPA/NUPW and MAPA/AMESU wage agreements.



Mr. R. Nadarajan
*Independent,
Non-Executive Director.
Chairman of the Remuneration &
Nomination Committees
Member of the Audit & Risk
Committee.*

Appointed director of the Company on 1 June 2013, Mr. R. Nadarajan, born in 1948, a Malaysian, joined United Plantations in 1977 as

a Management Accountant, after having qualified and worked in the UK in various capacities in management accounting and finance.

He was promoted to the position of Financial Controller in 1980 and to the position of Company Secretary/

Group Manager Finance in 2000. He retired in 2012 as Group Financial Adviser, a position he held since 2008 on retirement as Company Secretary/ Senior Group Manager Finance.

He is an associate member of the Chartered Institute of Management Accountants, United Kingdom (UK) and a member of the Malaysian Institute of Accountants.

He is also a director of a private limited company.



Mr. Jorgen Balle
*Non-Independent,
Non-Executive Director.
Member of the Audit & Risk Committee,
Member of the Remuneration &
Nomination Committees.*

Appointed director of the Company on 21 May 2018, Mr. Jorgen Balle, born in 1964, a Danish citizen, graduated in 2001 with a Masters in Business

Administration from SIMI/CBS Copenhagen.

He started his career with Aarhus Karlshamn AB as a Director (2000-2003) and was subsequently appointed to Managing Director of Aarhus Karlshamn A/S (2003 to 2010). He also held the position of VP Global CCF/LFC in the Business Unit of Aarhus Karlshamn AB for a duration of 5 years from 2005 to 2010.

From 2010 to 2019, he served as Executive Director of Frode Laursen Group of logistic companies. He is also a member of the Board of Directors of other private limited companies in Denmark.



**Ms. Belvinder Kaur a/p
C Nasib Singh**
*Independent,
Non-Executive Director*

Appointed as a director of the Company on 6 November 2021, Ms. Belvinder, a Malaysian, born in 1965, holds a Bachelor's Degree (Hons) in Communication from University Kebangsaan

Malaysia (1989). She also earned an MBA from the University of Strathclyde, Glasgow, United Kingdom and completed the Harvard Executive Programme in 2014.

Ms. Belvinder began her career at the Malaysian Palm Oil Council (MPOC) in 1994, steadily rising through the ranks. In 2017, she was appointed as Deputy Chief Executive and, on 15 February 2022, was promoted to Chief Executive officer. She plays a pivotal role in the global marketing and promotion of Malaysian palm oil, positioning Malaysia as a leading producer of certified sustainable palm oil.

Profile Of Directors



Mr. Yap Seng Chong
Independent,
Non-Executive Director.
Chairman of the Audit & Risk Committee
Member of the Remuneration &
Nomination Committees.

Appointed director of the Company on 26 April 2022, Mr. Yap Seng Chong, born in 1961, graduated with a Bachelor's Degree in Accounting from University Malaya in 1986.

His career with Ernst & Young Malaysia, spanned 35 years, two of which were in the London office of the said accounting firm, providing various types of assurance and business advisory services. He previously held positions as Head of Assurance practice, Professional Practice Director, ASEAN Regional and Country Independence Leader before his retirement in 2021.

He also serves as a Board member and Chairman of the Audit Committee of Malaysia Smelting Corporation Berhad, Hartalega Holdings Berhad, Malayan Cement Berhad and Apex Healthcare Berhad. Additionally he serves as a member of the Trustee Board of Yayasan Hartalega and Yayasan Nanyang Press.



Mr. Iwan Azlan bin Mokhtar
Non-Independent,
Non-Executive Director.

Appointed director of the Company on 24 April 2024. Mr. Iwan Azlan, born in 1967, a Malaysian, graduated with a Bachelor of Arts (Hons) in Law from the University of

Nottingham, United Kingdom in 1990.

Mr. Iwan has over 30 years of experience in human resources. He has held senior positions in Tenaga Nasional Berhad, MISC Berhad and the Shell Group. He joined EPF in 2021 and currently serves as the Chief Human Resources Officer, responsible for shaping the strategic direction of the human resources division, and overseeing the management of the People Matters Department and the EPF Learning Campus.

Note:

- Family Relationship with Director and/ or Major Shareholder**
Save for Dato' Carl Bek-Nielsen and Mr. Martin Bek-Nielsen, none of the other Directors have any family relationship with any Director and/or major shareholder of the Company.
- Conflict of Interest**
None of the Directors have any conflict of interest with the Company.
- Conviction for Offences**
None of the Directors of the Company have any conviction for offences within the past 10 years.
- Attendance of Board Meeting**
Details of the Directors' attendance at the Board Meetings are set out in the Corporate Governance Overview Statement on page 124 - 129.
- Gender**
UP's Board consists of one female director and eight male directors.
- Profile of Senior Management**
The Senior Management only comprises of the Executive Directors.

Senior Management

Executive Committee (EXCOM)

<p>Dato' Carl Bek-Nielsen Vice Chairman, Chief Executive Director (CED) Director In-Charge, Unitata Berhad</p>	
<p>Martin Bek-Nielsen Executive Director (Finance & Marketing) Commercial Director, Unitata Berhad</p>	<p>Loh Hang Pai Executive Director (Estates)</p>

Senior Executives

Finance & Corporate

<p>Ng Eng Ho Company Secretary / Sr Group Manager (Finance)</p>	<p>S. Chandra Mohan Group Manager Finance</p>	<p>Dr. K. Sanar Kumaran Deputy Group Manager, HRSS</p>	<p>Dewi Anita Suyatman Sr Manager, Legal & Corp Affairs PT SSS</p>
<p>Erwin Khor Siew Yan Manager, Internal Audit</p>	<p>Norhazizi bin Nayan Sr Manager, HRSS</p>	<p>Shirley Selvasingam Sr Manager, IT Systems</p>	<p>Rasmus Frederiksen Manager, Corporate Affairs Deputy Director Operations, UniFuji</p>
<p>Jeevan Dharmapalan Manager Human Resources, HRSS</p>	<p>Lee Kian Wei Manager Sustainability, HRSS</p>	<p>Lew Yoon Jing Manager, IT</p>	

Plantations

<p>Edward Rajkumar Daniels Estates Director, Upriver</p>	<p>Geoffrey Cooper Estates Director, Downriver</p>	<p>Choo Kah Leong President Director PT SSS</p>	<p>Nek Wahid bin Nek Harun Sr. Group Manager, Jendarata Estate</p>
<p>R. Siva Subramaniam Group Manager, Charong Estate</p>	<p>Azhar bin Yazid Group Manager, Tanarata Estate</p>	<p>Jason Joseph Deputy Group Manager, UIE</p>	<p>S. Chanthravarnam Sr Manager, Lima Blas Estate</p>
<p>Ridzuan Bin Md. Isa Sr Manager, Ulu Bernam Estate</p>	<p>Hee Vui Yong Sr General Manager, PT SSS</p>	<p>Patrick Kanan Sr Manager, Ulu Basir Estate</p>	<p>Mohd Faizol bin Md Haniba Sr Manager, PT SSS</p>
<p>S. Kumaresan Manager, Charong Estate</p>	<p>L. Makesyarang Manager, Changkat Mentri Estate</p>	<p>Khor Boon Wah Manager, Sungei Bernam Estate</p>	<p>Tan Sang Chun Manager, Kuala Bernam Estate</p>
<p>Nanta Kumar Acting Manager, Seri Pelangi Estate</p>			

Research

<p>Ho Shui Hing Director of Research</p>	<p>Dr. J. Vijiandran Research Controller</p>	<p>Dr. Kandha Sritharan Research Manager (Breeding)</p>
<p>Lim Chin Ching Research Manager (Biotechnology)</p>	<p>Wong Foo Hin Research Manager (Tissue Culture)</p>	<p>Appala Naidu Marie Research Manager, PT SSS</p>

Engineering

<p>P. Seker Director of Engineering, Upstream</p>	<p>Ir V. Renganathan Group Engineer, Downstream</p>	<p>G. Padmanathan General Manager Engineering, PT SSS</p>	<p>Ir Goh Kheng Wee Sr Resident Engineer, Unitata Berhad</p>
<p>N. Saravanaganes Resident Engineer, UIE</p>	<p>M.Arishanggaran Resident Engineer, Ulu Bernam Optimill</p>	<p>R. Nathan Resident Engineer Unitata Berhad</p>	

Palm Oil Refining and Others

<p>Jughdev Singh Dhillon Group Production Manager, Unitata Berhad</p>	<p>Dr. Andrew Nair Group Research & Quality Controller, Unitata Berhad</p>	<p>Allan Loh Teik Boon Sr Manager, Commerce Unitata Berhad</p>	<p>Senthamarai Selvi Kasi Sr Manager (Shipping & Logistics) Unitata Berhad</p>
<p>Kathy On Sr Sales Manager Unitata Berhad</p>	<p>Dev Ganesh Sr Manager, OPP Unitata Berhad</p>	<p>Muhammad Silmi Sr Manager, Biodiversity, PT SSS</p>	<p>Kapil Punj Refinery Manager, UniFuji Sdn. Bhd.</p>
<p>Suganthi Krishnan Manager, Quality Assurance Unitata Berhad</p>	<p>Hariato bin Hariharan@Zahari Manager, Solvent Plant UniFuji Sdn. Bhd.</p>	<p>Jayarama Reddy Manager, Bernam Bakery</p>	

Chairman's Statement

On behalf of the Board of Directors of United Plantations Berhad, it gives me much pleasure to present to you the Annual Report of our Group for the financial year ended 31 December 2024.

Reflecting on the past year, the global economy led by the US has been resilient amidst an environment of high interest rates introduced to curb inflation. Whilst this has impacted global growth and the supply and demand dynamics, the general tightening of monetary policies has helped bring down global inflation which in turn has enabled central banks to initiate a gradual reduction of interest rates for the first time in two years. These developments are indeed positive for the global growth. However, China's economy remains affected by the downturn in its property sector, and the escalation of geopolitical conflicts, particularly in Ukraine and the Middle East which continues to provide a degree of uncertainty in the global economy.

Group Performance

The UP Group has remained resilient amidst this global uncertainty and achieved a new record after-tax profit of RM719 million for the financial year 2024. This represents an increase of RM8 million equal to a 1.1% improvement when compared with the result of RM711 million in 2023.

This record result was primarily driven by the higher commodity prices achieved by UP, along with the continued efforts of our estates to optimize yields wherever possible using our in-house high-yielding planting materials and by further strengthening and implementing our proven management practices. Our upstream plantation sector achieved an oil yield of 5.93 MT CPO/Ha and a total palm oil production of 256,009 MT in 2024. Whilst this represents a decrease of 3.7% on our Group's CPO production, it is nonetheless a

pleasing achievement when taking into consideration the impacts of the subdued production industry-wide throughout Indonesia during the year, which for the first time dropped 2.9 million MT year on year compared to the average growth of 1.5 million MT every year for the last three years.

UP's plantations in Indonesia were also significantly compounded by this national phenomenon following weather conditions during the year where rainfall on most of our estates was 50-60% higher than the norm. This and others resulted in our production declining 11% in 2024 compared to 2023, thus impacting the overall group production for the year.

Our downstream refinery sector also encountered challenges in 2024, mainly in the form of increased competition from Indonesia and margin pressure. Even so, we achieved a commendable result, driven by our unwavering commitment and focus on high quality and sustainability, which has ensured stability and sustained partnerships with both local and global customers.

On the notion of stability, we were proud to once again receive The Edge Billion Ringgit Club award for "Highest Return on Equity and Highest Returns to Shareholders Over Three Years" in the plantation sector for the under RM 10 billion market capitalisation category in 2024. Furthermore, we were also honoured to win two categories at the newly introduced Malaysian Oil Palm Industry Award by MPOB: "Palm Oil Mill Category" (Own Fresh Fruit Bunch (FFB) supply, Peninsular) and "Oil Palm Plantation Category" (Above 2,000 hectares, Peninsular).



Taman Benedikte, established in 2006 on Jendarata, Div 3, amidst the tranquil setting of neatly replanted palms in the background.

Such recognitions and results underscore our commitment to the highest standards and continuous improvement, and for this I would like to place on record my sincere appreciation to management for their tremendous efforts and determination.

Palm Oil Prices

During the first half of 2024, Crude Palm Oil prices traded between a high of RM4,443/MT and a low of RM3,607/MT. Prices then rallied to RM5,200/MT for the third-month position in the final quarter, driven by Indonesia's announcement of their B40 biodiesel program and lower-than-expected production due to monsoon flooding. This has led to strong price recovery, average price for the year reached RM4,180/MT, compared to the average price of RM3,810/MT in 2023.

Capital Management

As of 31 December 2024, the Group's cash and cash equivalents stood at RM487 million compared to RM634 million in 2023. The decrease was mainly due to higher BMD deposits at the year end, higher receivables as well as larger capex expenditure during 2024. Nevertheless, the Group continues to maintain a conservative capital structure to have the flexibility to utilise internally generated funds for capital investments within the Group, sustain a stable dividend to shareholders and to have the capability to pursue new investments.

Dividends and Bonus Issue

The following write-up on dividends takes into consideration that the shareholders at the EGM on 10 February 2025 have approved the Bonus Issue of 1 share for 2 existing UP shares with the entitlement date on 26 February 2025. The number of shares issued will therefore increase from 416,268,532 to 624,402,798 post-Bonus Issue.

The Board of Directors is recommending to our shareholders a total final dividend payout of RM460 million for the year 2024 vs. RM456 million in 2023, representing an increase of RM4 million. The recommended total final dividend per share is as follows:

1. A final single-tier dividend of 47sen per share based on the enlarged number of shares post-bonus issue.
2. A final special single-tier dividend of 27sen per share based on the enlarged number of shares post-bonus issue.

For more information, kindly refer to the table on page 20.

The total final dividend of 74sen per share post-Bonus Issue, amounting to RM460 million, is in addition to the total interim dividend of RM249 million paid in December 2024.

Subject to approval by the shareholders at the forthcoming AGM, the total dividend in respect of 2024 will be RM709 million equivalent to a payout-ratio of 99%. This high payout-ratio is based on the exceptional result combined with the very strong cash position accumulated over the past years and should not be taken for granted as market conditions can change significantly due to commodity price volatility amongst others.

Our Chief Executive Director, YBhg. Dato' Carl Bek-Nielsen will in detail explain UP's financial performance in the Management Discussion and Analysis section on pages 18 to 30.

Sustainability

During 2024, the Board has continued to uphold and support the UP Group's commitment to responsible agricultural practices, focusing on sustainability, transparency, and good corporate governance.

This commitment was exemplified through the recognition received from the Zoological Society of London in their 2024 Sustainable Palm Oil Transparency Toolkit (SPOTT) assessment which evaluates 100 palm oil producers, processors, and traders on their environmental, social, and governance (ESG) disclosures. Building on previous efforts, we managed to further improve our final score and ranking, now being No. 2 globally and No. 1 among palm oil producers in South East Asia. This achievement highlights our commitment to sustainability as an ongoing journey with no finishing line, and it remains a top priority for our Group to continuously identify and address risks wherever gaps are identified.

2024 was also marked by significant efforts to prepare for the EU Deforestation Regulation (EUDR), which aims to limit global deforestation and forest degradation linked to EU consumption, production and trade. This represents a move from voluntary initiatives towards mandatory legislation, which will require companies to adopt higher standards and greater transparency in relation to products placed on the European market or exported from Europe. Initially set to take effect on 1st January 2025, the implementation was postponed by the European Commission for at least 12 months to 1st January 2026, as announced in October 2024. With this, there is more time, not least for the Malaysian Government to prepare especially smallholders as well as dealers and their supply chain and thereby reduce the risk of them being cut off from the EU Market after the new implementation date.

As a supplier of palm products into EU, UP is following these developments closely and whilst there are still many unanswered questions in relation to the legislation, we have been taking necessary and proactive steps to prepare for its implementation. In this context, I have been pleased to see not only the continued dedication, investments and initiatives undertaken during the year to reduce the UP Group's GHG footprints, but also our continued commitment to the Roundtable on Sustainable Palm Oil (RSPO), and our Policies on No Deforestation, No New Planting on Peat and No Exploitation, which are fundamental for creating shared value. Our strategy of operationalizing and galvanizing sustainability into our DNA remains a top priority, and we are committed to embedding it into our operations by striving to set the highest standards within the conditions of the day.

Lastly, it has been encouraging to see the continued focus on minimising risks related to Human Rights through our collaboration with social NGOs and other subject-matter experts to strengthen our practices on the ground to further mitigate the risks. More information on our many Sustainability initiatives and commitments to mitigating ESG risks is covered under our Sustainability Report on pages 34 to 122.

Outlook

During 2025, two key themes will likely shape the global economy: the normalization of inflation rates and the loosening of monetary policy, both of which should offer some support to GDP growth. Nevertheless, central banks remain cautious about loosening policies too rapidly as inflation is stickier than expected, which could indicate that rates may stay higher for longer.

Furthermore, the escalating conflicts in the Middle East and Ukraine as well as the slowdown in the Chinese economy may provide setbacks in global trade, which in turn would impact the supply and demand equation for vegetable oils, hereunder palm oil.

The recent price increase in vegetable oils must therefore not be taken for granted. In the UP Group we will therefore continue to focus on raising productivities and cost efficiencies to remain competitive when prices head south again.

With the Board and Management's focus I am confident that we will remain alert and adapt to the changing environment by having an open mind, remaining agile and by having the courage to innovate and stimulate progress whilst ultimately preserving our core values.

For this, I wish to once again express my appreciation to Management for the tremendous efforts across all corners of our estates, mills and refineries to address these challenges affirmatively.

Appreciation

Firstly, I would like to thank all Directors for their commitment, loyalty and insightful contributions throughout the year. On behalf of the Board, I would also like to welcome the appointment of Mr Iwan Azlan bin Mokhtar, who joined the board on 24 April 2024.

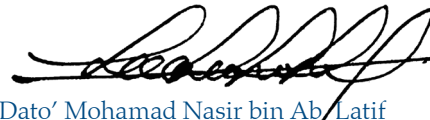
Mr Iwan Azlan has over 30 years of experience in human resources and has held senior positions in Tenaga Nasional Berhad, MISC Berhad, the Shell Group and now with the Employees Provident Fund (EPF). I am confident he will be a valuable addition to our Board.

In closing and on behalf of the Board of Directors, I would like to pay tribute to all United Plantations' employees for their loyal and dedicated service, which is so essential for the future growth and well-being of our Group.

In addition, I would also like to send a congratulatory message to our inland refinery Unitata and all her loyal and dedicated employees, both past and present, for reaching an important milestone of half a century since its commissioning in 1974.

All the best wishes for a successful future and continued supply of high-quality, certified sustainable and traceable products to the global market.

Finally, I would like to thank all our customers, business partners, government agencies and shareholders for their continued support and trust in our Group.



Dato' Mohamad Nasir bin Ab. Latif
Chairman



Freshly harvested crop being transported swiftly to the palm oil mill.



The timing of harvesting is crucial to ensure the optimal ripeness standard and oil extraction rate.

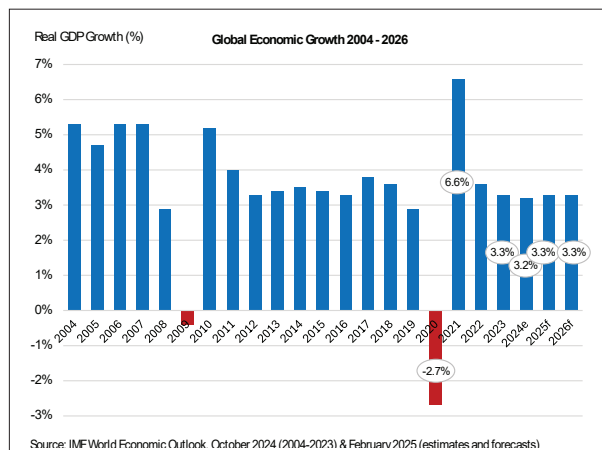
Management Discussion and Analysis

Summary of Global Operating Environment

As 2024 came to a close, the global economy showed resilience despite high interest rates aimed at curbing inflation. While these measures dampened growth, they also helped bring inflation down, thereby allowing central banks to lower interest rates for the first time in two years.

The US economy outperformed expectations with a strong consumer spending, while the Eurozone continued to struggle with weaker demand and high energy costs. China's economy remained sluggish as a function of its property downturn exacerbated by the higher savings rate amidst the growing instability and poorer economic outlook.

Finally, Global trade faced challenges from a trend of rising protectionism, supply chain shifts and geopolitical conflicts in Ukraine and the Middle East.



As 2025 progresses, global economic growth is projected to stabilize at 3.3% according to the IMF's latest World Economic Outlook. Inflation risks continue to dampen consumer sentiment and spending power aggravated by the prospects of rising living costs.

In this connection, we continue to keep a close eye on the policy change the new US administration under President Trump may bring as these could challenge status quo and bring about considerable changes in global trade, energy, interest rates and ultimately economic stability. This combined with many other factors will have an influence on the demand and supply outlook for vegetable oils, including palm oil.

Commodity Prices

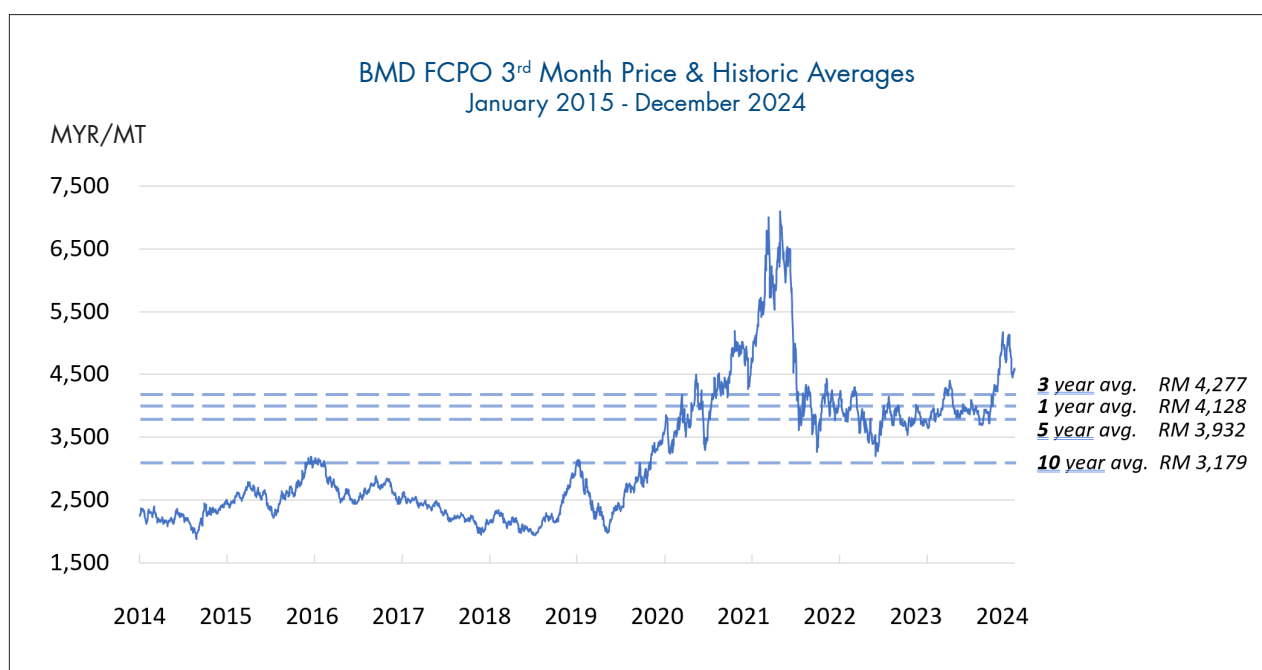
After stabilizing in 2023, Crude Palm Oil (CPO) prices in 2024 experienced slightly increased volatility, though not to the extreme levels seen during the COVID-19 pandemic in 2021 and 2022. Prices fluctuated between RM3,607/MT and RM5,200/MT, before closing the year at approximately RM5,100/MT for the third-month position.

Indonesia's production of palm oil declining by 6% or equal to a reduction of 2.9million MT year on year made headlines and sent shockwaves through the commodities markets as this was the first time ever that the world's largest palm oil producer experienced a drop in production of this magnitude.

Amidst the lower production arising from climatic extremities i.e. notably vastly higher rainfall in certain regions, the Indonesian Government announced plans to raise biodiesel production through the B40 programme triggering a price rally in Q4 2024.

However, larger global soybean production and higher stock levels combined with the consequences of higher premiums of palm oil over soybean oil and growing doubts over Indonesia's B40 rollout ultimately limited the price rally, causing a market reversal. With this, the average price for 2024 ended at RM4,128/MT for the third-month position.

As shown in the chart below, while the average market price for 2024 remained slightly below the 3-year average of RM4,277/MT, it remained above the 5-year average of RM3,932/MT and significantly higher than the 10-year average of RM3,179/MT, reflecting a market that, despite its volatility, remained strong.



Crude Palm Oil Production in Malaysia and UP

Crude Palm Oil production in Malaysia increased by 4.2% year-on-year, rising from 18.55 million MT in 2023 to 19.34 million MT in 2024. This growth was supported by higher Fresh Fruit Bunch (FFB) yields, which improved from 15.79 MT/ha in 2023 to 16.70 MT/ha in 2024, despite a slight decline in the Oil Extraction Rate (OER) from 19.86% to 19.67%.

On UP's estates in Malaysia, our CPO production decreased by 2.2% from 219,026MT in 2023 to 214,141MT in 2024. Indeed, whilst achieving the highest average FFB yield of 29.56MT/Ha equal to a 2% improvement over the yield of 28.94MT FFB/Ha in 2023 our CPO average yields declined by 1.3% to 6.22MT CPO/Ha. This was a function of poorer ripeness standards and overall losses arising from firstly the serious floods experienced in Q1 and Q4 2024, and secondly periodic labour shortages during the peak cropping season and lastly a menacing outbreak of rats on three of our estates.

UP's plantations in Indonesia were also affected by very adverse weather conditions during most of 2024 with overall rainfall being 40-60% higher compared to 2023. This amongst others lead to greater operational challenges resulting in a 10.8% lower production year on year i.e. from 46,947MT of CPO in 2023 to 41,868MT of CPO in 2024 thus mirroring the lower nationwide Indonesian production which declined by 6% or 2.9 million MT in spite of a larger planted up area under oil palms. As a function of this UP's yields on its Indonesian estates declined by 10.1% from 5.34MT/Ha to 4.80MT/Ha.

Overall, the UP Group's CPO production declined from 265,973MT in 2023 to 256,009MT in 2024 equal to a 3.7% decrease year-on-year. This also affected our Group's average CPO yield per hectare negatively seeing our

average yield declined from 6.11MT in 2023 to 5.93MT in 2024. With better climatic conditions and the new and strengthened management team in place in Indonesia we remain confident that this will improve in 2025.

2024 Financial Result

In spite of the lower production in 2024, higher commodity prices combined with innovations and a commendable managerial discipline including improved cost awareness, the UP Group achieved a record high profit after tax of RM719 million in 2024, equal to a 1.1% increase over the result of RM711 million in 2023. This result is viewed as most gratifying especially when taking into account the challenges mentioned above.

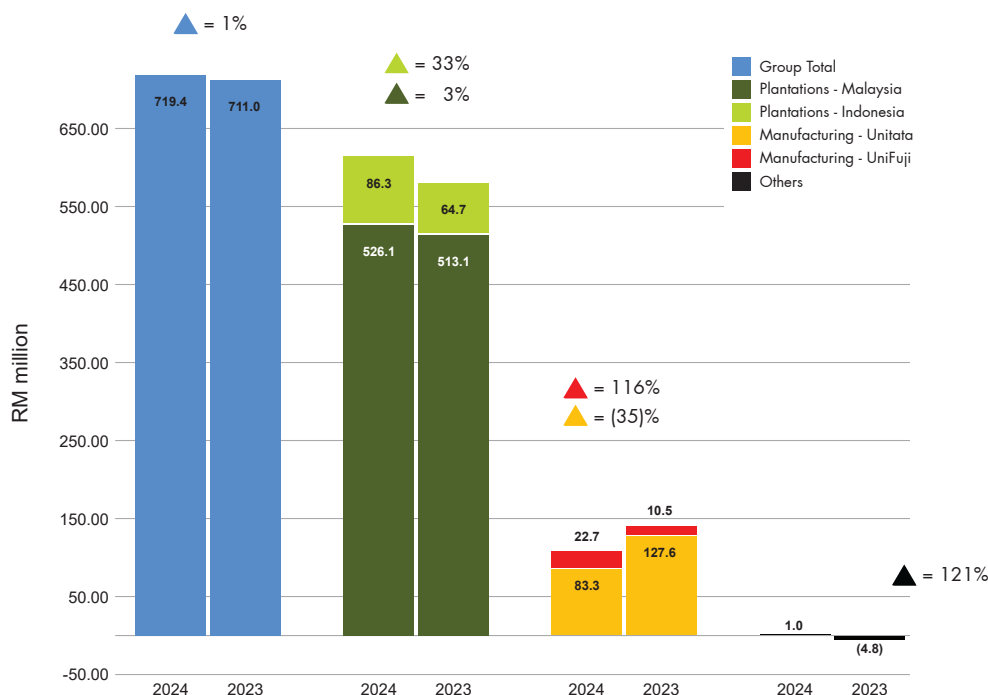
Indeed, during my numerous visits to our Estates this year I have again witnessed the tremendous dedication and effort put in by our managers, their staff, and employees, who have proactively taken ownership to achieve what, just a few years ago, seemed impossible.

In 2024, our downstream refinery sector also faced challenges, particularly from intensified competition from Indonesia as well as margin pressures, not least due to a strengthening of the MYR vis-à-vis the USD. Nevertheless, our strong partnerships with both local and global customers based on our unwavering commitment to quality and sustainability allowed us to achieve solid results.

Overall, the Group's profit before tax increased by 0.6% from RM933million in 2023 to RM939 million for the year 2024.

The Group's revenue also improved by 9.1% during 2024 reaching RM2,198million compared to RM2,014million in 2023 as a function of higher commodity prices supported by the sales revenue from our downstream refinery division.

Group Total and Segmental Contribution 2024 & 2023



Capital Structure

As of December 31, 2024, the Group's cash and cash equivalents totalled RM487 million, a decrease from RM634 million in 2023. This reduction primarily stems from increased BMD deposits due to our hedging activities, higher capital expenditures as well as higher receivables in the refinery sector. In this context, it is important to emphasize that the Group remains committed towards maintaining a conservative capital structure.

Such prudent approach towards capital management has served our Group well and will ensure that we can utilise internal funds for replanting and other capital expenditures required within our Group, sustain a stable dividend to shareholders and pursue new investments when the right opportunities arise, without having to be dependent on banks.

Dividends and Bonus Issue

The following write-up on dividends takes into consideration that the shareholders at the EGM on 10 Feb 2025 have approved the Bonus Issue of 1 share for 2 existing UP shares with the entitlement date on 26 Feb 2025. The number of shares issued will therefore increase from 416,268,532 to 624,402,798 post-Bonus Issue.

The Board of Directors is proposing a total final dividend payment of RM460 million equal to 74sen per share post-bonus issue, comprising of a final single-tier dividend of 47sen per share post-bonus issue, and a final special single-tier dividend of 27sen per share post-bonus issue. This is subject to the approval by shareholders at the forthcoming 104th Annual General Meeting on 23 April 2025.

The proposed total final dividend mentioned above is in addition to the total interim dividend of RM249 million paid in December 2024. This brings the total dividend payout for the financial year 2024 to RM709 million, a payout ratio of 99%. In comparison, the total dividend for the financial year 2023 was RM788 million, a payout ratio of 111%. The high dividend pay-out ratio in 2023 was due to an extraordinary dividend payment, which was not repeated

in 2024. The high dividend payout-ratio experienced in the past few years is based on the exceptional results achieved, combined with the very strong cash position accumulated over the past years, and should not be taken for granted as market conditions can change significantly due to commodity price volatility amongst others.

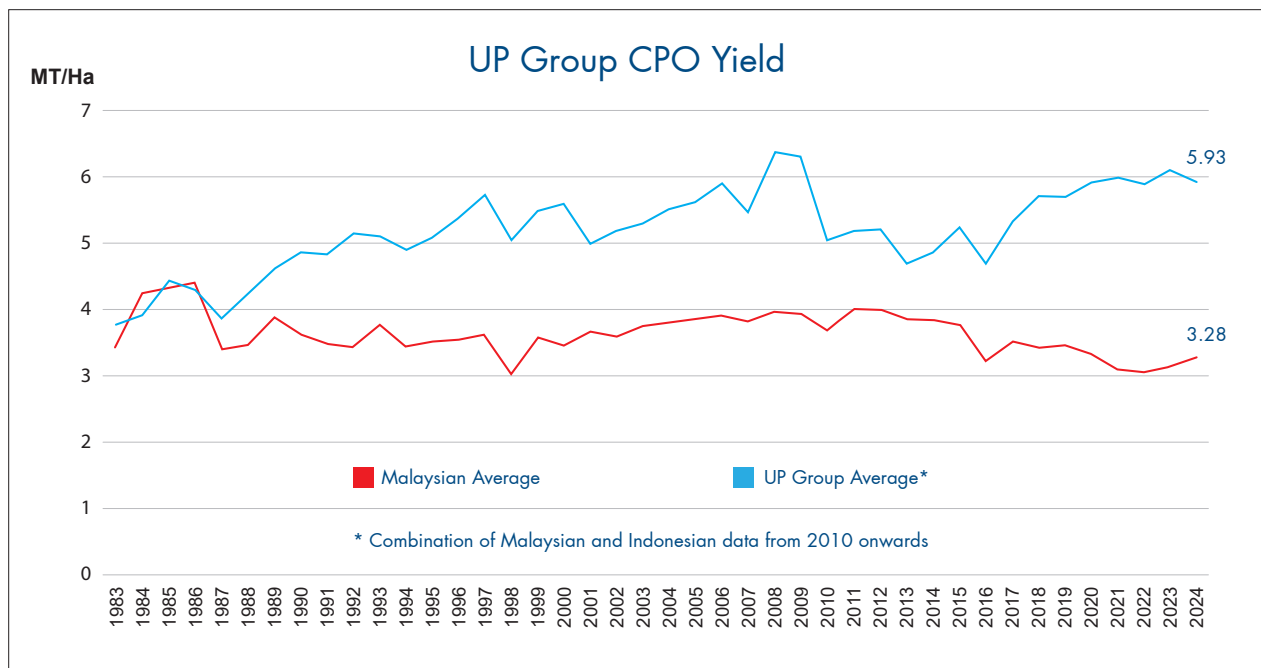
The below table summarizes and compares the dividends for the financial years 2024 and 2023, including the effect of the Bonus Issue.

Dividends for the year ended 31 December 2024/2023

	Post-Bonus Issue		Pre-Bonus Issue	
	2024	2023	2024	2023
Interim single-tier dividend declared and paid	26.7sen	26.7sen	40.0sen	40.0sen
Interim single-tier extraordinary dividend	-	26.7sen	-	40.0sen
Interim single-tier special dividend	13.3sen	-	20.0sen	-
Final single-tier dividend (proposed)	47.0sen	46.7sen	70.5sen	70.0sen
Final special single-tier dividend (proposed)	27.0sen	26.7sen	40.5sen	40.0sen
Total dividend	114.0sen	126.8sen	171.0sen	190.0sen

Capital Expenditure

The Group's 2024 capital expenditure for property, plant, and equipment (including bearer plants) and right-of-use assets was RM130.2million compared to RM108.9 million in 2023. During the year RM28.6million was spent on replanting 1,180 Ha of oil palms and coconuts on our Malaysian estates compared to 1,772 Ha in 2023. All capital expenditures were funded by internally generated funds.





A nursery employee diligently attending to our oil palm seedlings at the UPRD pre-nursery.

Replanting Policy and Yield Targets

The UP Group's long-term replanting policy remains a high priority, both in times of low as well as high commodity prices. Failure to implement this critical aspect of plantation management will inevitably lead to stagnating yields and declining production, thereby losing the competitive edge. All planting materials used for our replanting programme are produced at UP Research Department (UPRD) using proven germplasm of highest quality based on more than 70 years of proven plant breeding techniques with the ultimate goal of securing high yields.

In this connection, gratifying progress has been made at UPRD, notably in the Seed Production Unit, during the year of 2024, and concerted efforts are continuously made to enhance the Company's Breeding-Agronomy and Tissue Culture activities.

These developments remain of cardinal importance in terms of our Group's ability to further our agronomic productivities, thereby contributing to an overall more sustainable production with a shared goal of producing more edible oil with less land thereby being able to protect more.

The below table provides an overview of our targeted FFB and CPO yields per HA as well as OER, in Malaysia and Indonesia.

UP Group	FFB yields/Ha	OER	CPO yields/Ha
Malaysia	28.0MT	23.0%	6.5MT
Indonesia	26.0MT	25.0%	6.5MT

The difference in terms of FFB/Ha/year and the OER between the countries is caused by the variance in planting materials, soils, climate, and labour availability.

A total of 1,162 Ha was replanted with oil palms on our Malaysian properties during 2024 compared to 1,722 Ha in 2023. With this, a total of 15,600 Ha of oil palms have been replanted on our Malaysian estates over the course of the last 10 years (2015-2024), equal to 42% of the total area under oil palms today. This is absolutely necessary if we are to further improve the age profile of our established plantations and with that our average yields, which is of special importance in maintaining a favourable cost structure.

UP's Plantation Operations

The 3.7% decrease in our Group's overall CPO production to 256,009MT, was as mentioned earlier mainly due to adverse weather conditions in Malaysia but especially Indonesia as well as operational challenges in Indonesia. This also manifested itself in a decline in the overall PK production of 9.7%.

In terms of the average yield decline for the UP Group from 6.11MT CPO/Ha in 2023 to 5.93MT CPO/Ha in 2024, our Malaysian estates reached a yield of 6.22MT CPO/Ha from 6.30MT CPO/Ha in 2023, whereas the average yield on our Indonesian estates decreased from 5.34MT CPO/Ha in 2023 to 4.80MT CPO/Ha in 2024.

Whilst lower than 2023, these yields would not have been achieved without the concerted efforts and dedication displayed by our field officers, staff, and general employees alike, closely supported by our Engineering Departments and UPRD.

As of 31 December 2024, our Group's oil production, yields and age profile can be summarized as follows:

CPO Production in MT	2024	2023	Change
UP Malaysia	214,141	219,026	(2.2%)
UP Indonesia	41,868	46,947	(10.8%)
Total UP Group	256,009	265,973	(3.7%)

PK Production in MT	2024	2023	Change
UP Malaysia	40,892	44,967	(9.1%)
UP Indonesia	8,991	10,265	(12.4%)
Total UP Group	49,883	55,232	(9.7%)

Yields & Extraction Rates	2024	2023	Change
UP Group FFB average yield in MT/ Hectare including Indonesia	28.10	27.99	0.39%
UP Group average Oil Extraction Rates (OER) in %	21.11	21.82	(3.25%)
UP Group average Kernel Extraction Rates (KER) in %	4.11	4.53	(9.27%)
UP Malaysian Average Yield in MT CPO/Hectare	6.22	6.30	(1.27%)
UP Indonesian Average Yield in MT CPO/Hectare	4.80	5.34	(10.11%)
UP Group Average Yields in MT CPO/Hectare	5.93	6.11	(2.95%)
Malaysian National yield in MT CPO/ Hectare	3.28	3.14	4.46%

Total Oil Palm Area In Hectares	2024	2023	Change
UP Malaysia			
Mature Area	34,376	34,689	(0.9)%
Total Group Area having come into Maturity	849	1,583	(46.4)%
Oil palms between 2 1/2 - 5 years in age	7.74%	10.68%	(27.5)%
Immature Area	3,131	2,818	11.1%
Replanted Area	1,162	1,722	(32.5)%
Total Area under Oil Palm	37,507	37,507	0.0%
UP Indonesia			
Mature Area	8,720	8,720	0.0%
Immature Area	-	-	0.0%
Total Area under Oil Palm	8,720	8,720	0.0%
Grand Total for the Group	46,227	46,227	0.0%

* net of areas converted to Plasma and conservation.

Cost of Production of Crude Palm Oil

The total cost of production in Malaysia including depreciation and additional remuneration/bonuses for 2024 was RM1,588/MT CPO vs. RM1,646/MT in 2023.

This represents a decrease year-on-year, in spite of the impact of higher energy, inflation and labour costs as well as marginally lower yields.

This was mainly due to lower fertilizer prices but more so management's continued emphasis on curbing costs across numerous field and milling segments facilitated by a higher degree of mechanisation as well as other pragmatic solutions to raise productivities. These will continue to be fine tuned in 2025.

Selling Prices of CPO and Palm Kernels

The average Malaysian selling prices of Crude Palm Oil achieved during the year increased by 2% from RM4,130/MT in 2023 to RM4,207/MT in 2024 as a function of timely forward sales for a portion of the Group's production and the price rally experienced during the final quarter of 2024. UP's average sales price achieved in 2024 was thereby slightly above the MPOB average price of RM4,180/MT.

Our forward sales policy will usually result in UP achieving a lower average sales price vis-à-vis the MPOB average in a rising market, but a higher average sales price in a falling market.

This policy is in place to secure certain margins and to reduce our exposure to large price fluctuations, and is not in anticipation of being able to consistently predict future market prices, which is indeed impossible.

The average selling price for our Palm Kernels in Malaysia increased by 16% to 2,383/MT in 2024 compared with RM2,050/MT in 2023, mainly due to higher Palm Kernel Oil demand globally.

Unlike the case of CPO, we generally do not enter-into forward sales for PKO as the liquidity is significantly lower on that futures market.

Average Selling Prices						
RM	Crude Palm Oil			Palm Kernel		
	2024	2023	Change	2024	2023	Change
MPOB Avg price	4,180	3,810	10%	2,646	2,016	31%
UP's Avg price	4,207	4,130	2%	2,383	2,050	16%



High yielding yellow dwarf coconut palms.

Coconut Production

Our coconut production reached 90.3 million nuts in 2024 up 8% from the production of 83.6 million nuts in 2023. This was mainly a function of the higher demand for fresh coconuts experienced during the year as well as improved infield operations.

Nevertheless, growing competition from Indonesian nuts flooding the market is still a challenge and remains a serious concern for all coconut planters in Malaysia.

The average yield increased marginally from 21,101nuts/Ha in 2023 to 21,910 nuts/Ha in 2024 due to improved infield operations.

Sustainability

In UP, we have been focusing on economic development combined with social and environmental care since our foundation in 1906. Identifying and managing social risks and opportunities are fundamental to our

continued success and to our core principle of being a good corporate citizen through proper governance, doing business responsibly and committing ourselves to a long-term perspective.

Today, more than ever, our sustainability commitment is focused on continuous care, attention and responsibility towards our employees, the environment, the community, and the marketplace in which we operate.

We foresee this trend intensifying in years to come compelling everyone to understand that the sustainability journey is a shared responsibility yet demanding individual changes if we are to reach the goal. We must therefore all appreciate that transparency is the new normal and that everything is now discoverable.

Additional efforts must therefore be taken not just individually but collectively by all stakeholders in the global palm oil industry to further raise the bar within the sphere of sustainability by not only committing itself to a NDPE (No Deforestation, No New Peat Planting, No Exploitation) Policy, but operationalizing this in earnest, so we can be a part of the change by being a front-runner in the agricultural sector for setting science-based environmental targets.

In this context, the formal adoption of the European Union's new regulation on deforestation came into force on June 29, 2023.

The EU Deforestation Regulation (EUDR) is a legislative framework adopted by the European Union to fight deforestation and forest degradation caused by the production and consumption of certain commodities – namely soy, palm oil, cattle, wood, coffee, cocoa and rubber – and their derivatives.



Jungle sanctuaries represent dedicated areas set aside for the conservation and protection of biodiversity, in UP we have set aside more than 8,000 ha of land for conservation purposes.

It aims to ensure that products placed on the EU market, or exported from it, do not contribute to deforestation or forest degradation globally. In particular, its objectives are:

- To curb the EU's contribution to global deforestation and forest degradation.
- To promote sustainable production and consumption practices.
- To protect biodiversity and mitigate climate change.

This new regulation marks a shift from voluntary measures to compulsory legal requirements, which will compel companies to elevate their standards and enhance transparency and was originally set to take effect on 30 December 2024. Nevertheless, on 17 and 18 December 2024, both the European Parliament and Council adopted the updated proposal to extend the enforcement date of the EUDR by one year. This delay, which shifts the compliance deadline to 30 December 2025, gives companies some breathing room to ensure they have procedures in place to comply.

We welcome initiatives that aim to tackle the global challenge of deforestation and improved social standards. However, such initiatives must be based on a balanced approach to ensure small-scale farmers are not excluded from global supply chains and that developing countries in general also have the right to move up the ladder of development in-order to meet their basic needs and to have the opportunity to lead richer, more fulfilling lives. In addition, any such initiatives must ensure that all agriculture related commodities are subject to the same rules thereby operating on a level playing field without any form of discrimination.

As a supplier of palm products into EU (directly and indirectly), UP continues to follow these developments closely.

Human Rights

During 2024 further proactive steps have also been taken within the sphere of human rights, not least through our partnerships with "Dignity in Work for All", a social rights NGO formerly known as Verité Southeast Asia, other social NGOs and subject matter experts together with our customers Mars and Fuji Oil to identify and address any weaknesses within our operations.

These partnerships have enabled us to invest time and resources in our labour supply chain and engage in open and transparent dialogues for further improvements thereby strengthening our practices on the ground in order to mitigate the numerous risks within the area of recruitment.

Today, all new Guest Workers are recruited through our Ethical Recruitment Procedures, which include the Employer Pays Principle stating that no Guest Worker should pay for a job in UP.

The support and commitment by the Board of Directors, EXCOM and Management has been an important foundation for the progress made, and we remain committed to further develop and strengthen our commitments and policies, under the notion of continuous improvement. The details of our recruitment journey are described further in our sustainability report on pages 88 - 90.

Labour Shortages

During 2023 the labour situation had significantly improved in the Malaysian plantation sector since the challenges faced during the COVID-19 pandemic and most companies managed to effectively address their labour shortages. However, during 2024 the Government introduced a freeze on recruitment resulting in no new Guest Workers entering UP during June to September 2024.

This freeze did put pressure on our Malaysian estates and yet again caused some disruption to our operations notably during the peak cropping season. Nevertheless, with the dedicated efforts by our HRSS Department, new Guest Workers were recruited immediately through our Ethical Recruitment Procedures after the freeze was lifted for the plantation sector, which saw new guest workers arriving again from October 2024 onwards.

With this, a total of 643 Guest Workers were recruited in 2024, and as I write this message, I can confidently state that we have again reached a comforting level regarding our labour situation. This bodes well for the years to come; however, one must not forget nor underestimate the importance of directing sufficient resources towards upskilling our new Guest Workers through the never ending "Reach & Teach and Reach & Remind" programmes.

Similarly to previous years, we have also again in 2024 been advertising for vacancies for local workers on all our estates, however with little or no success despite potential field employees being able to earn a monthly salary which is considerably higher than the minimum wage in Malaysia.

In addition to this, employees will be given free housing, free water, free electricity, and free medical coverage. Yet local Malaysians by and large remain uninterested in joining the plantation sector prioritising work that is centred around the larger towns and industries requiring less outdoor work.

Performance of our Subsidiaries

PT SSS Indonesia

In Indonesia, our plantation subsidiary, PTSSS, today spans across over 8,720Ha of our own oil palm plantings, 1,378 Ha of plasma land for smallholders, and more than 7,500Ha of permanent conservation areas, and provides employment for around 1,400 employees.

During 2024 our Indonesian production dropped 11% from 46,947 MT CPO in 2023 to 41,868 MT CPO. This was disappointing and mainly caused by diverse weather conditions in early 2024, where rainfall on most of our estates was 50-60% higher than the norm, as well as operational issues on the ground.

However, due to significantly better market prices for CPO and Palm Kernels, PTSSS generated a record Group contribution of RM86.3 million in 2024 against RM64.7 million in 2023, representing an increase of 33%. This was most pleasing considering the downturn in production.

PTSSS has since October 2024 undergone a very pleasing transformation bringing back the UP operational standards through great efforts by the Estates Director Upriver and the new President Director Mr Choo Kah Leong who have 40 and 11 years of experience respectively within the UP Group. Duly supported by the Executive Director Finance & Marketing, I shall personally continue to oversee these changes closely, so we fine tune the operations and with that the yields on PTSSS thereby narrowing the gap to our Malaysian operations.

In this context it is with much satisfaction that after 19 years of operations since entering Indonesia, the efforts and commitment towards the difficult expansion process into Central Kalimantan is paying off not only financially but just as importantly from a socioeconomic and environmental point of view.

Indeed, the estates, the high-quality modern living quarters for our executives, staff and workers, their social facilities, upkeep standards, roads and drainage today resemble a world-class example of plantation development

in Indonesia. This would not have been possible without the commendable dedication and commitment of our Directors, Management and Employees, as well as our shareholders partners Dr. Soedjai Kastasmita and Bapak Suryadi to whom we also wish to extend our sincere appreciation for their support over the years.

The partnership with Copenhagen Zoo is also progressing well, and continued focus is being channelled towards improving our sustainable practices in line with the RSPO Principles & Criteria and beyond. Today, conservation areas make up about 40% of the concession area in our Indonesian operations consisting primarily of riparian reserves, peat swamps as well as degraded secondary forests recovering well, after the intense logging activities carried out in the past prior to UP acquiring the properties.

These sanctuaries are a testimony to our Group's commitment towards maintaining an important balance between economy and ecology and where conservation means development as much as it does protection of the environment. These assets are now overseen and managed by our Biodiversity Department in close cooperation with the advice given through our close collaboration with the Copenhagen Zoo.

Lastly, we continue working closely with the numerous Indonesian Government Departments across several Ministries to obtain the land titles (HGU) for the remaining land bank under PTSSS. In this connection, solid progress has been made during 2024, and we remain confident that we will get our HGU certificate for another 5,001Ha within the near future, resulting in PTSSS having HGU titles for more than 90% of its planted area.



The CED together with the Estates Director and the President Director as well as other key officers of Lada Estate during a recent visit to the employees housing site.



A picturesque view of our inland refinery, Unitata, which celebrated its Golden Anniversary milestone, half a century after its commissioning in 1974.

Manufacturing Division - Unitata & UniFuji

In our Group's manufacturing division, we are involved in various downstream processes, including the refining of edible oils and the production and packaging of specialty fats, ultimately targeting the world's highest sustainability, safety, and quality standards in a fully traceable manner right from our upstream plantations.

To achieve this target, our two state-of-the-art palm oil refineries, Unitata and UniFuji, are adding value to our certified sustainable crude palm oil and palm kernel oil by transforming them into high-quality processed products, serving key customers worldwide.

Consumers today place an increased focus on safety and health and demand transparent and traceable supply chains with reduced water, energy and carbon footprints. With UP being one of the most efficiently managed, certified sustainable and integrated plantation companies in the world, our refineries can ensure the highest quality and traceability by controlling all areas of the production, right from the agricultural source to the final products delivered.

Unitata Refinery

In 2024 Unitata celebrated 50 years of existence since the commissioning in 1974 as Malaysia's first inland refinery. Two companies namely United Plantations of Malaysia and the TATA Group of India had the courage and foresight to take this bold step which effectively helped pave the way of adding value to CPO leading to the development of Malaysia's Downstream Refinery Industry.

On behalf of the United Plantations Board of Directors, I wish to extend my heartiest congratulations to Unitata and all her loyal and dedicated employees for this admirable achievement.

During 2024, Unitata, our now wholly owned subsidiary, contributed RM83.3 million after tax to the UP Group vs RM127.6 million in 2023. This 35% reduction was due to increased competition from Indonesia, margin pressure and a stronger Malaysian Ringgit vs. USD resulting in a significantly tougher business environment.

In view of the market challenges, this result was nonetheless pleasing and mainly attributable to the sales of high quality, certified sustainable and traceable products through our long-term partnerships with both local and global customers.

The interest for high quality certified sustainable palm oil remains strong and at Unitata we are committed to providing tailor-made solutions to customers who demand palm fractions which go well beyond the sustainability criteria of the RSPO and standard quality parameters. In this context, customers who work with our Group can be assured of a consistent supply of high-end, fully traceable palm oil fractions encompassing the lowest possible levels of food contaminants such as 3-MCPD, GE and MOSH/MOAH in the edible oil industry today.

To accomplish this goal, and to prepare our Group for future opportunities, we continue to invest in technology and capable people that can successfully propel Unitata forward. In 2025, focus will again be channelled towards expanding our sales and marketing capabilities as we explore further opportunities to market our speciality fats directly through B2B arrangements with customers globally.



The well-laid out UniFuji refinery in Ulu Bernam, achieved a record profit in 2024, six years after its commissioning.

UniFuji Refinery

At our UniFuji Refinery, which is a 50:50 JV between UP and Fuji Oil, positive progress continues to be made since its commissioning in 2018.

The UniFuji complex, which today remains a perfect example of what the circular economy can look like by running without the use of fossil fuels, generated a record profit after tax of RM45 million in 2024 vs. RM21 million in 2023, an improvement of 116%.

This most pleasing result was mainly due to the favourable development in cocoa prices resulting in additional demand and higher margins for our speciality fats solutions, as well as improved efficiencies and production volumes.

Heading into 2025, the underlying business continues to develop positively with customer commitments remaining strong thanks to the dedication from all members of the UniFuji team who have contributed tirelessly to making the JV a success.

Prospects and Outlook for 2025

Looking at the current global operating environment, UP is respectful of the challenges which 2025 may bring, especially amidst the uncertainties around the ongoing geopolitical conflicts, the new US administration and the development of China and Europe's fragile economies all of which will impact global supply chains and the demand and supply outlook for vegetable oils.

With this in mind, we are preparing for times ahead when palm oil prices may soften based on expectations

of reduced demand and the likelihood of lower mineral oil prices and with that a less lucrative biodiesel market.

In addition to increasing labour costs, the high cost of energy, fertilisers, chemicals and building materials are expected to remain at high levels, and thereby exert upward pressure on our cost base.

Efforts are therefore being directed to address these challenges by pinpointing opportunities to enhance our cost efficiencies, boosting yields and improving our productivity without sacrificing quality.

This aim will be pursued through ongoing mechanization initiatives and through the replanting of older, less productive oil palm stands with the latest superior planting materials developed by our research department.

In 2025, we will also further strengthen our focus on safety awareness and take ownership of the challenges and risks associated with ESG, especially matters concerning human rights and Guest Workers as well as the environment. In all our dealings, we aspire to demonstrate leadership and act responsibly, and thereby do our part in terms of continuously raising the standards within the global agricultural industry.

To do so, more attention will therefore also be given to operationalise our sustainability commitments, so these are "built in" and not just "bolted on". This is essential if we wish to maintain our trajectory of positive development and value creation.

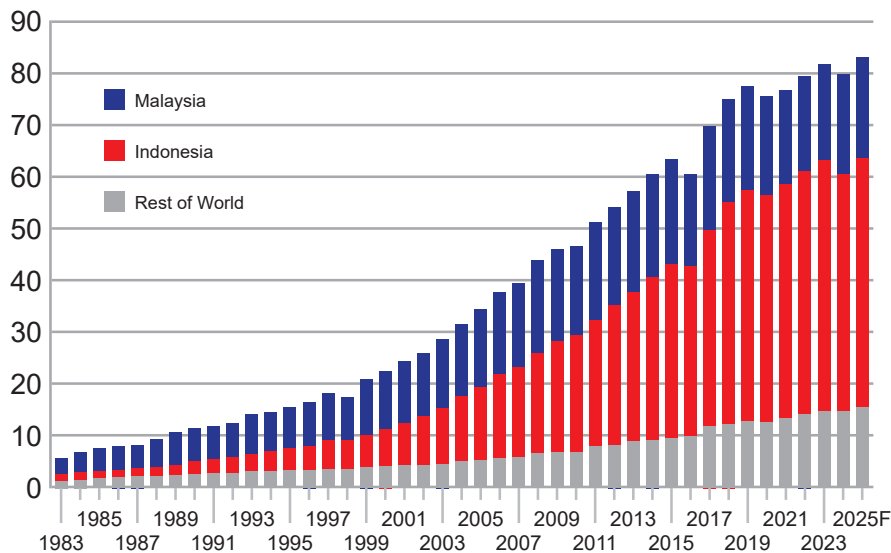
When it comes to the price outlook for 2025, there are 3 main factors which must be monitored closely, namely: The global production of vegetable oils and



A panoramic view of a newly replanted oil palm field, with vibrant cover crop, an enduring testament to the company's commitment to sustainable practices.

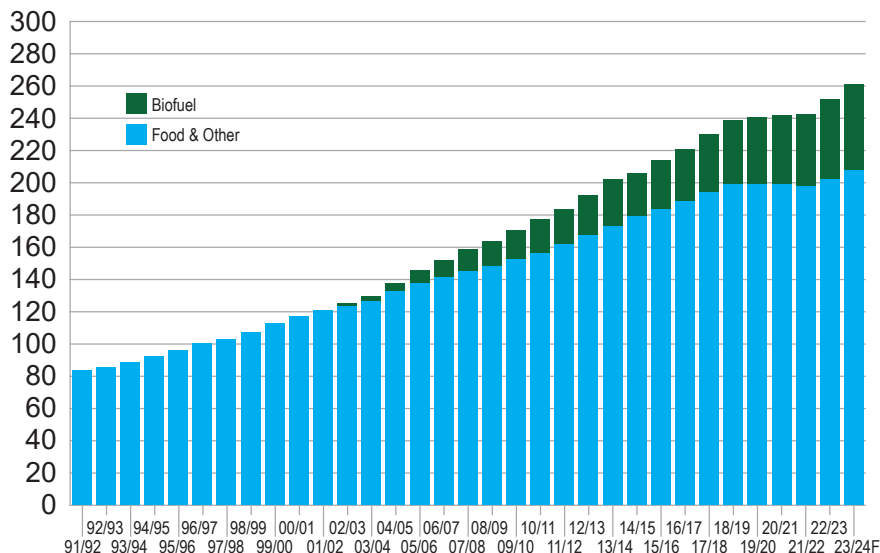


Palm Oil Production (1983 - 2025, Mn MT)



Source: Oil World 2025

17 Oils & Fats : World Consumption (Total Usage in Mn MT)



Source: Oil World 2025

specifically the potential recovery of palm oil production in Indonesia; the implementation of the B40 biodiesel mandate in Indonesia as well as the world production including HVO, which for the first time in many years is expected to stagnate or even decline; and lastly the global economic growth sentiments, which will affect business and consumer spending.

Overall, and in spite of the significant uncertainties relating to the 3 main factors mentioned above, we nevertheless believe that the UP Group will also be able to perform satisfactorily in 2025.

Acknowledgement

I would like to take this opportunity to thank all our customers, business partners, government agencies and shareholders for their continued support and confidence in our Group where we will continue to do our best to live up to your aspirations and demands.

In closing, I would like to also applaud Management for the various concerted efforts made in 2024 without which we would not have been able to make a new record profit after tax.

Indeed, I continue to be impressed with the dedication and loyalty displayed by our officers, staff and employees alike which is equalled only by very few organisations in the world today. For this, I would like to extend my admiration and heartfelt appreciation to all employees who have contributed in building this positive momentum towards our shared goal of being recognized as second-to-none.


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



A well landscaped modern housing complex at Lada Estate, Central Kalimantan. The amenities provided has greatly enhanced the quality of life for workers and contributed to a positive work environment.

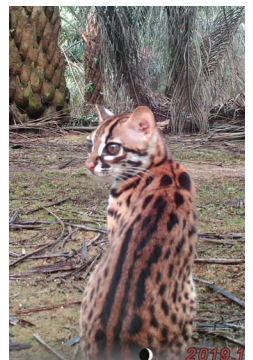


The Pongo pygmaeus, commonly known as the Bornean orangutan is a species native to the island of Borneo. These gentle giants, found in our conservation areas in PT SSS, are the largest tree living mammals in the world.

Sustainability Report 2024

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About This Report

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

External Assurance

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

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

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



Riparian reserves at Lada Estate, PT SSS.

Message From The CED



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

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

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

Environment

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

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

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

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

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

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

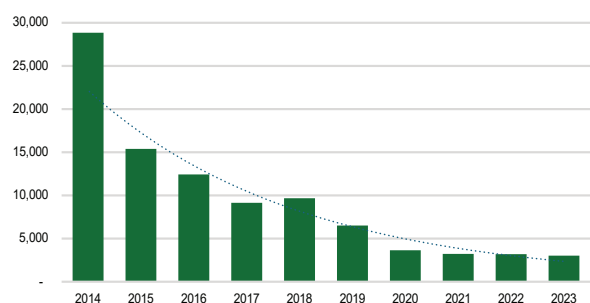
Forests have indeed been cleared. To put things into perspective, Malaysia has over the last 110 years established close to 5.6 million hectares of oil palm plantations, an area similar to what was cleared in Brazil in just 3 years between 2020 and 2023 to make way for soybean cultivation according to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

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

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

Malaysia primary forest loss in oil palm concessions

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



Source: Global Forest Watch 2025



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

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

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

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

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

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

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

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

Reducing our Carbon Footprint



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

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

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

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

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

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

Collaboration with Copenhagen Zoo



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

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

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

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

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

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

Social Responsibility & Human Rights

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

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

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

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

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

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

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

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

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

Safety

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

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

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

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

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

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

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

Community

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

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

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

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

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

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

Governance & Certification

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

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

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

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

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

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

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

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

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

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

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

Marketplace

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

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

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

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

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

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

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

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


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

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

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

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

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



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



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



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



Materiality

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

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

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

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

United Nations Sustainable Development Goals (UN SDGs)


















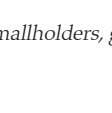
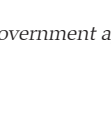
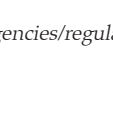



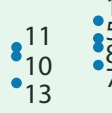
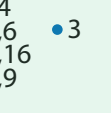

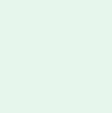
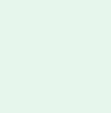
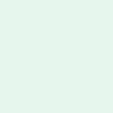


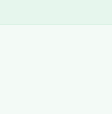
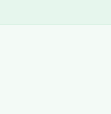
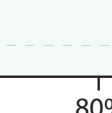

UP respects and recognises the importance of its role in this global initiative. As such, the Group has mapped the relevant SDGs with each materiality topic and identified seventeen (17) UN SDGs with their specific targets that are most relevant to its business operations as well as key concerned materiality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

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



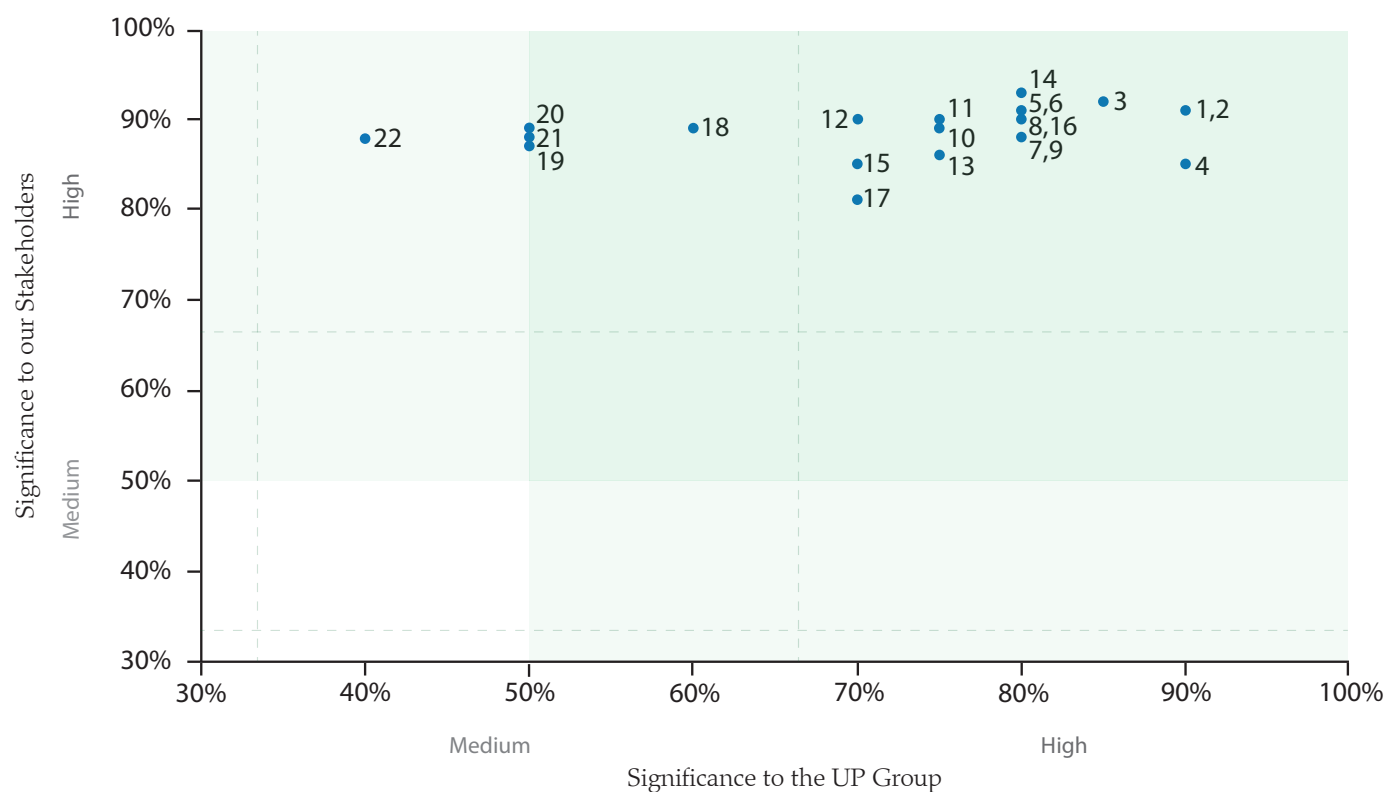
The Iversen-Jeremy Diamond Jungle Reserve at Lima Blas Estate kept in a pristine condition in line with UP's commitment to environmental care.

Summary of Materiality Matters

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

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

Materiality Matrix



Stakeholders Engagement

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

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

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

Overview of Stakeholder Engagement

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

Sustainability Framework

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

Our Philosophy

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

Focus Areas

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

Environment

We commit to being a leader within sustainable agricultural practices, and therefore strive towards reducing variables that impact the environment negatively.

Social

We adhere to the fundamental Conventions of the ILO and the UN Declaration on Human Rights, the Rights of Indigenous Peoples and other core values, ratified by the countries in which we operate.

Governance

Strong risk management policies and procedures operationalised through effective sustainability governance in line with our core values are key for achieving long term success.

Marketplace

We are committed to providing high quality certified sustainable and traceable Palm Oil products and services to customers worldwide.

Biodiversity
and
Conservation

Human rights protection,
child labour and
fair & decent wages

Commodity Prices

Product Quality

Deforestation/
High Carbon Stock

Occupational
Safety & Health

Code of Conduct,
Governance and
Anti-Corruption

Certifications for Food Safety,
Sustainability
and Others

Climate Change, GHG emissions,
Discharges & Waste
Management

Social commitments
and
Amenities

Business Ethics
and
Compliance

UP's Evaluation of Suppliers/
Contractors' Sustainability
Commitment

Fire and Haze

No Exploitation,
Free, Prior and Informed
Consent (FPIC)

Currency Fluctuation

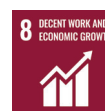
Peat Development

Talent retention,
Development



Water Impacts

Grievance Resolution



Pesticides
and
Chemical usage

Community Development
and Welfare



Smallholder and Plasma
Development



Aligned with UN SDGs

Performance Scorecard

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

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

Legend: Progressing
 Achieved



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

Our Value Creation Model

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

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

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

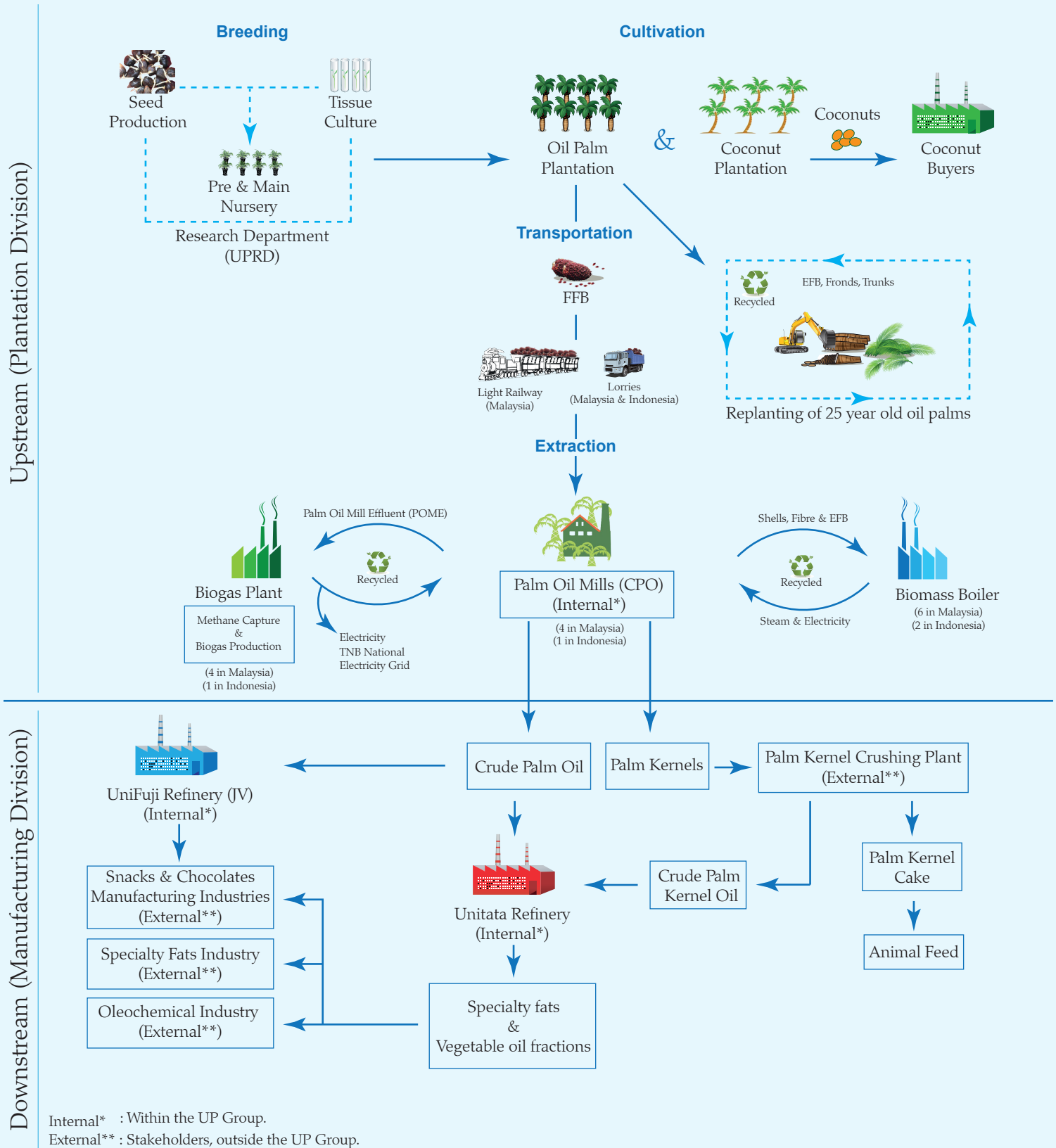
Our Integrated Business



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

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

Creating Value Through UP's Integrated Business Activities



Segmental Contribution 2024

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

Environmental, Social and Sustainability Governance

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

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

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

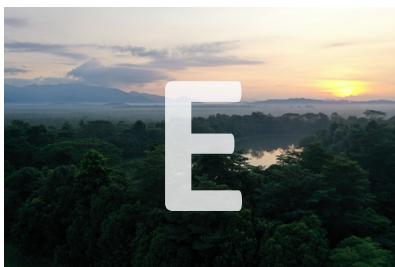
To achieve this goal, mitigating ESG risks through dedicated sustainability governance is an integrated part of our pursuit of long-term value creation and is of utmost importance to ensure we remain relevant in sustainable global supply chains and thereby continue to catalyse positive developments.

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

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

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

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



ENVIRONMENT



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

SOCIAL



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

GOVERNANCE



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

Environment



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

Climate Risk Assessment

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

Governance & Strategy

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

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

Metrics & Targets

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

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

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

Physical Risks

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

Carbon Footprint Initiatives

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

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

Life Cycle Assessment (LCA)

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

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

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

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

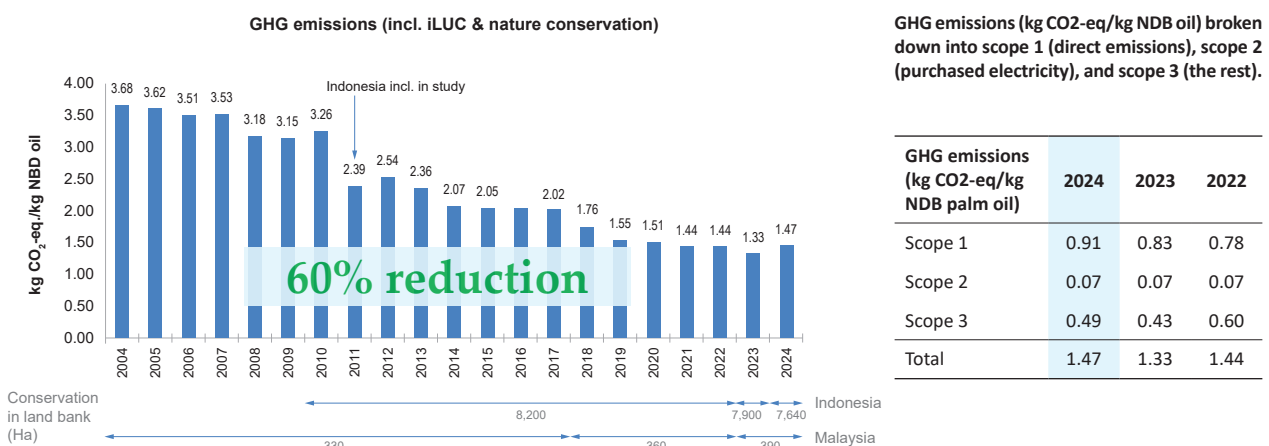
Significant reduction in UP's GHG emissions since 2004

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

2030 Combined Target for Scope 1, 2 & 3

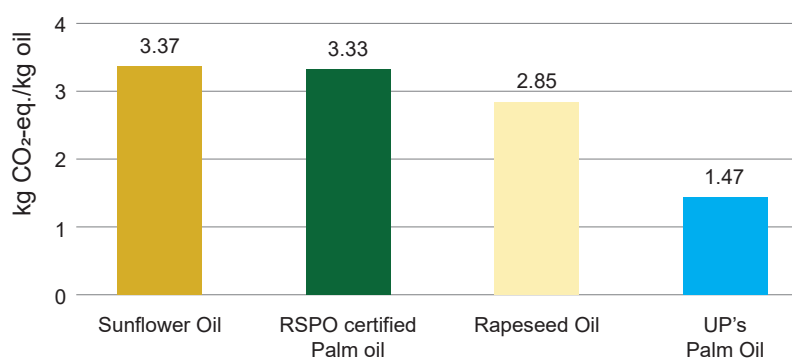
In 2021, we achieved our internal goal of reaching a 60% GHG emissions reduction per MT of refined palm oil produced by 2025 when compared to 2004 levels (with iLUC and nature conservation), four years ahead of time. However, in line with our Group's commitment to environmental leadership, we acknowledge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

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



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

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



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

Emissions Reductions & Biogas Plants

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

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

Biogas to Grid

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

Photovoltaic Cells

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

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

Biomass Reciprocating Boilers

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

Isokinetic Monitoring of Gaseous Emissions from the Palm Oil Mills

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

VORSEP Dust Collector System

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

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

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

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

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

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

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

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

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

Biomass utilisation and economic value

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

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

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

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

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

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

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

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

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

Malaysia Operations

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

Indonesia Operations - Lada and Runtu estates

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

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

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

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

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

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

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

Fighting the Haze and Preventing Fires

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

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

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

Hectares Burnt in Fires

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

Outer Ring Range of ≤500 m

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

No Deforestation and No New Planting on Peat

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

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

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

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

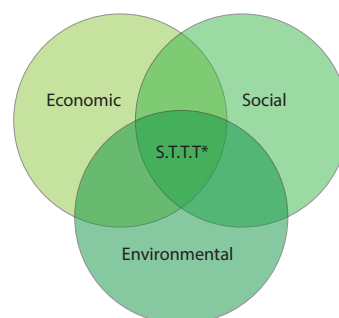
Key milestones of our Environment and Biodiversity Policy are summarised below and we expect our employees, contractors, suppliers, trading partners and stakeholders to adhere to this policy too, thereby further enhancing sustainability within our supply chain based on transparency, traceability, and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

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

Key environmental milestones achieved are as follows:

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

Sustainable Development



*Sustainability through Transparency, Traceability & Trust

New EU Legislation on Deforestation

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

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

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

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

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

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

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

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

New Planting Procedure (NPP) and Responsible Land Use Planning

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

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

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

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

Peat Developments

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

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

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

Environmental Commitments of the Group

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



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

Partnership, Biodiversity and Conservation



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

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

Biodiversity Department

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

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

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

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

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

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

Biodiversity Department's activities

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

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

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

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

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

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

Biodiversity activities during 2024 in PT SSS

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

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

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

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

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

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

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

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

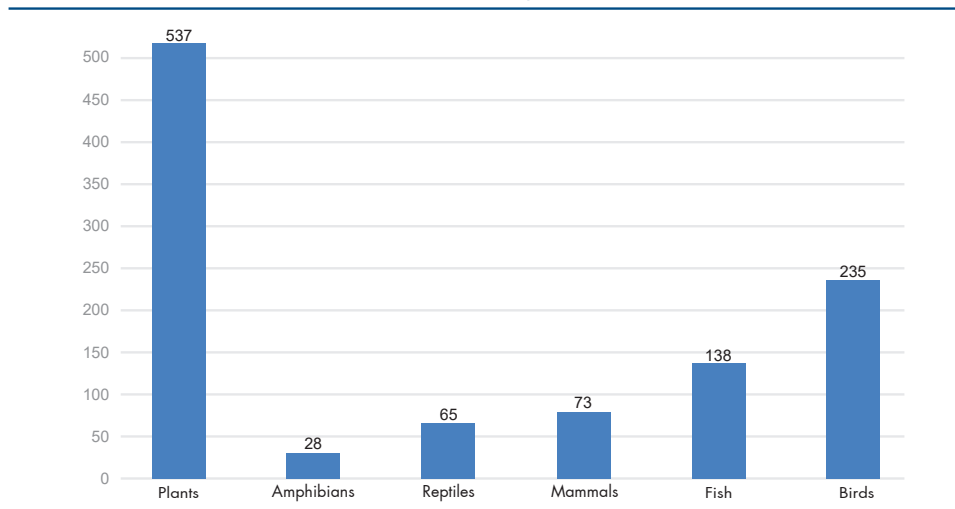
Most of the BioD's work, however, is far less evident. Working from an idea that "what can be measured can be managed", BioD has focused primarily on data collection where this can be directly related to measuring the biological impact from the operation of palm oil production.

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

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

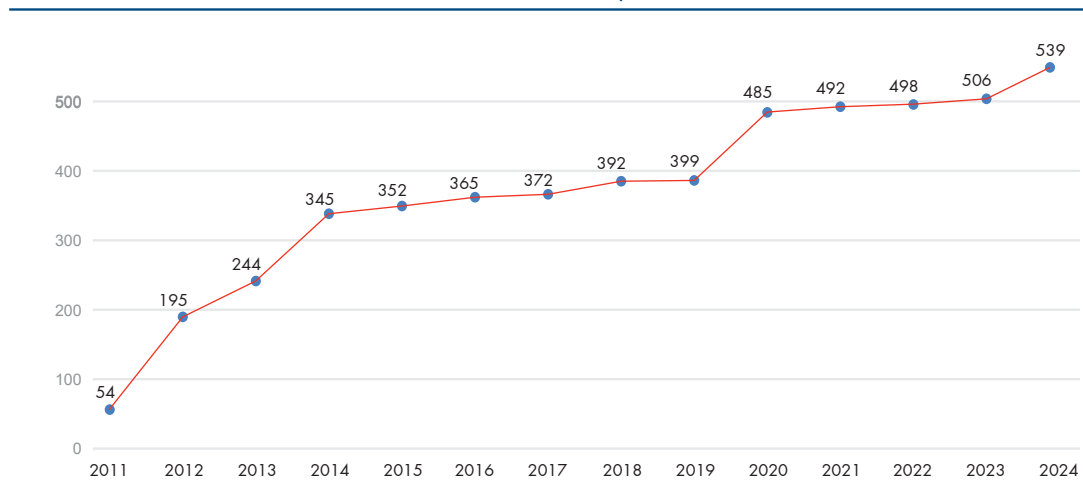
The enormous work undertaken at PT SSS has not gone unnoticed. At the end of 2024, BioD enjoys a very positive and progressive collaboration with the local Forestry Department (BKSDA). BioD's senior manager has visited the Forestry Ministry Headquarters in Jakarta on several occasions, and engaged in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

Number of Species



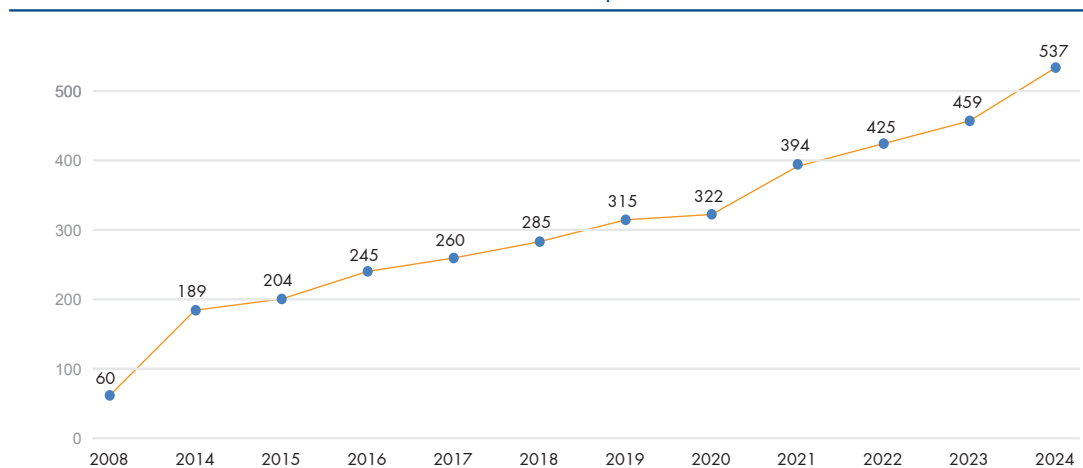
Vertebrate and plant species that have been recorded in PT SSS' conservation areas.

Cumulative Animals Species



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

Cumulative Plants Species



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

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

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

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

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

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

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

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

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

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

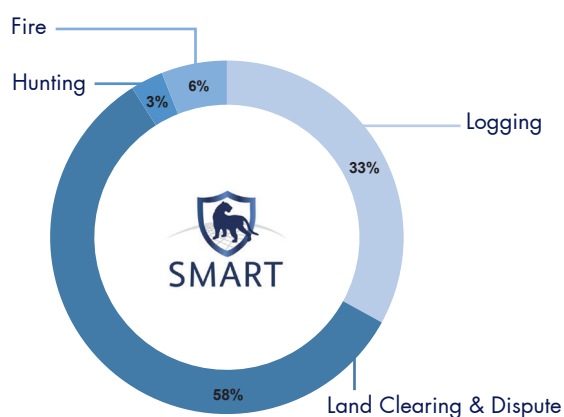
Smart Patrol

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

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

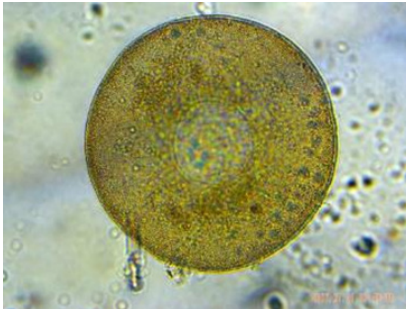
This was due to the teamwork by the BioD, estate and fire patrol teams who worked together for extended hours, often into the night, to contain fires. A combination of observation from estate towers and aerial observations by drone provided an effective combination as early warning to detect fires. This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

SMART Patrol Report



(THREAT HCV REPORT 2024)

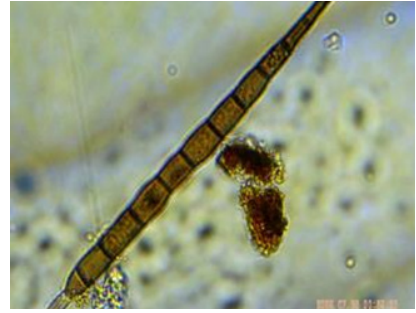
Threat	Activities
Logging	12
Land Clearing	21
Hunting	1
Fire	2
Fishing	0
Others	0
n=36	



Arcella vulgaris



Bambusina rebissoonii



Aulacoseira granulata

Water Quality Monitoring And The Plankton Diversity

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

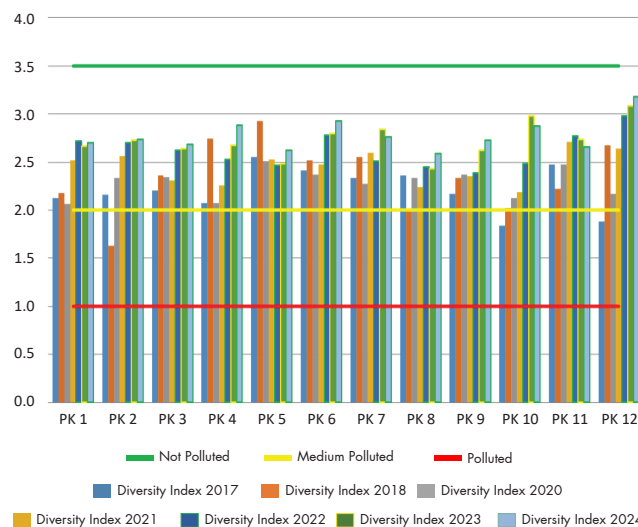
The BioD Team has continuously monitored the water quality in PT SSS' property to ensure actual water conditions in the water bodies across the estates remain as pristine as possible, and to improve the conditions of degraded systems. For this, the BioD Team focuses on aquatic microorganisms as indicators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

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

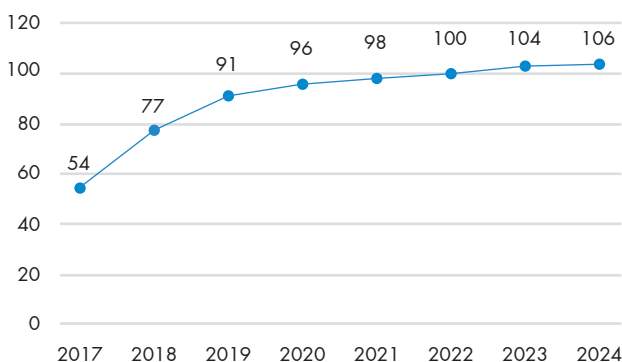
Based on the plankton diversity from sampling in Kumai, Lada and Runtu estates the water condition in the rivers in and surrounding the estates fall into the "medium condition" category. This means that the water is slightly polluted but showing signs of improving. The rehabilitation of riparian forest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

Diversity Index in Kumai Estate

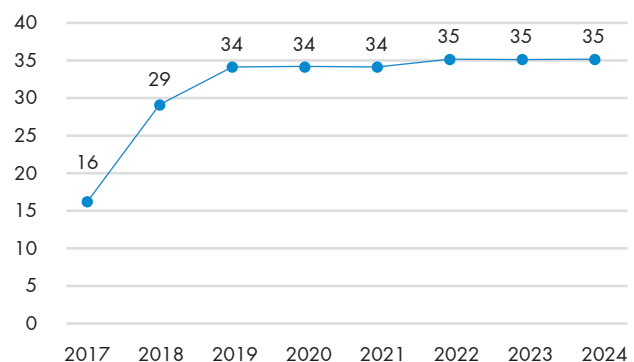
Plankton diversity index used to evaluate the quality of water bodies.



Cumulative Phytoplankton



Cumulative Zooplankton



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



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



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

Bird Diversity In A Rehabilitation Area

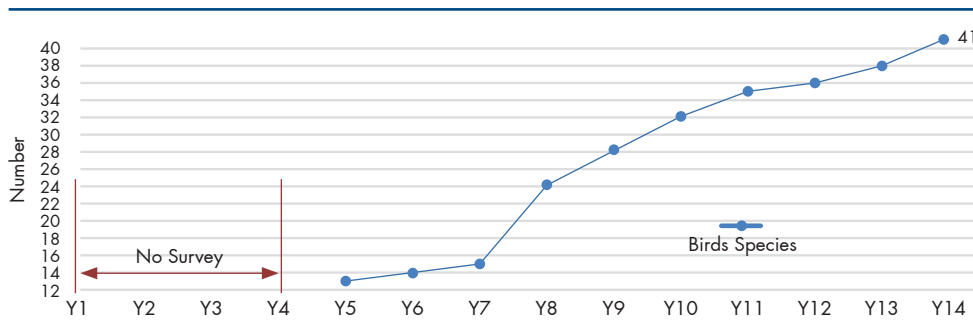
Rehabilitation activities in Lada Estate have been ongoing since 2011. The first phase of habitat rehabilitation was to plant as many native trees in degraded areas as possible to recreate a natural canopy cover. The BioD Team assumed that a good tree diversity with extensive canopy cover will attract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

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

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

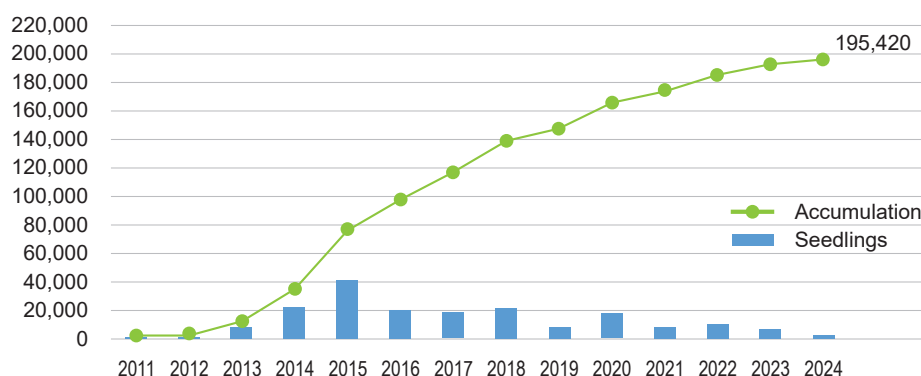
Subsequent monitoring reveals an increasing number of bird species throughout the years. From merely 13 species in 2015, the BioD Team recorded 41 bird species in 2024. This is another testament to a successful rehabilitation process. It is expected that the bird diversity will continue to increase in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

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

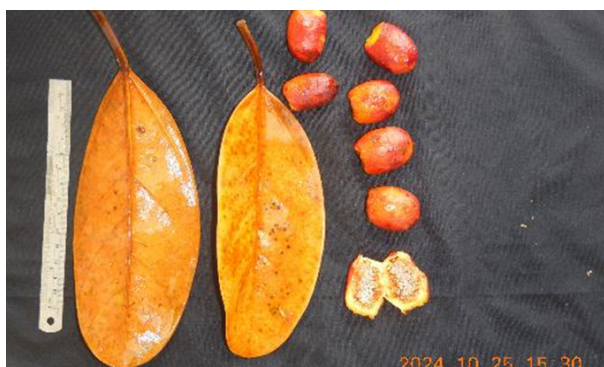


The number of bird species has increased every year in Field 86 after rehabilitation. This is clear evidence that the rehabilitation process is having positive effect.

Seedlings planted from 2011 - 2024



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



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



Ficus Tree For Rehabilitation Program

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

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

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

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

Restocking The Ficus Trees

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

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

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

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

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



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



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

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

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

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

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

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

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

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

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



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



Ant sampling and a few species collected.

Diversity Of Ants In The Plantation Landscape

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

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

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

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



Tetraponera



Camponotus



Tetramorium



Ponera



Dinomyrmex



Nylanderia



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

Asian Primate Symposium In Medan, Indonesia

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

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

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

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

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

Exposing the elusive biodiversity in the forest canopy

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

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

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

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

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

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

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

Conservation Awareness Program

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

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

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

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

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

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

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

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

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



Dr. Carl Traeholt

UP Group Chief Environmental Advisor

and



Mr. Muhd Silmi

Senior Manager Biodiversity Division



Various types of wildlife photographed by our BioD Department.



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

Kingham-Cooper Lagoon Tree Reserve

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

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

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

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

The Sungei Anak Macang Riparian Reserve

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

The Iversen-Jeremy Diamond Jungle Reserve

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

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



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



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

Waste Management

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

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

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

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

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

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

Water Management and Impacts

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

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

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

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

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

Water Weirs for Moisture Conservation

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

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

Monitoring of Meteorological Parameters

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

Water Management on Acid Sulphate and Peat Soils

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

Hydrology and Limnology

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

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

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

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

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

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

Erosion Monitoring Plots

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

Rain Harvesting

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

Mill Water Consumption Rate

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

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

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

*Includes palm oil+palm kernel oil (UP, 2022-2024 - Malaysian operations)

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

Pesticides and Chemical Usage

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

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

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

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

Integrated Pest Management (IPM)

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

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

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

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

*Includes palm oil+palm kernel oil (UP, 2022-2024 - Indonesian operations)

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

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

Establishing Beneficial Flowering Plants

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

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

Surveillance and Monitoring of Pest Outbreaks

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

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

Use of Biological Pesticides and Pheromones

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

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

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

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

1) Integrated Pest Management

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

2) On-going Monitoring

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

3) Aerial Surveillance

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

4) Use of biological control agents

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

5) Final Resort

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

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

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

Monocrotophos and Metamidophos phased out completely

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Biological Control Agents to Substitute for Chemical Insecticides

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

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

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

Moving of Harvesters' Path

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

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

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

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

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

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

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

Calibration for Pesticide Application Equipment

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

Chemical Health Risk Assessment (CHRA)

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



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

Biological pest control of rats

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

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

Barn owls

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

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

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

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

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

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



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

Leopard cats

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

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

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

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

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

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

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

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

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

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



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



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



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

Social

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

Our Employees

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

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

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

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

Employees – Year 2022 to 2024

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

Summary of our Group's Employees Gender Mix

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

Category of Employees (Malaysian) as at 31 December 2024

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

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

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

* Danish and British.

Grand Total = 6,521

Code of Conduct and Business Ethics

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

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

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

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

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

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

Corruption Risk Assessment

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

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

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

Human Rights

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

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

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

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

Human Rights Policy

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

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

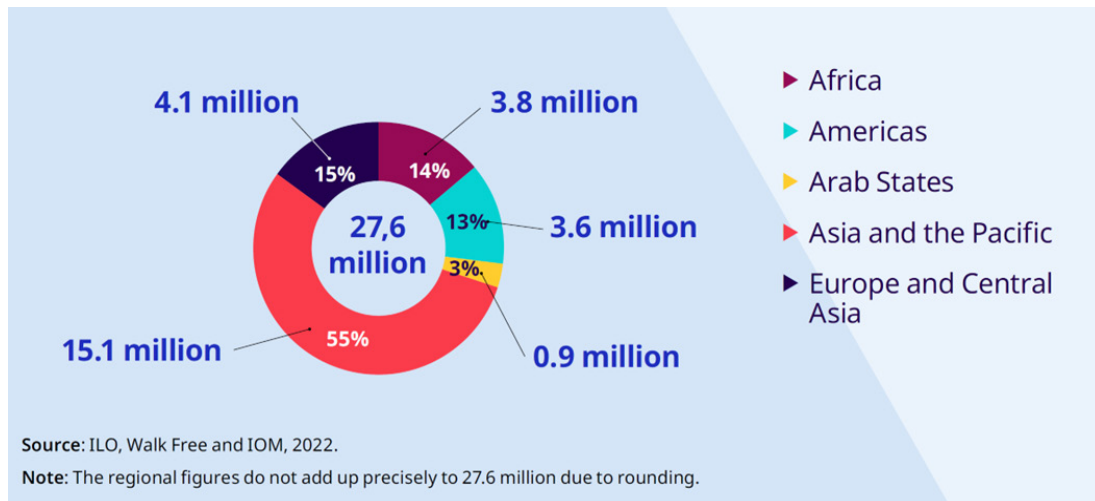
respect all universal human rights including prohibiting the use of child or forced labour in our operation.

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

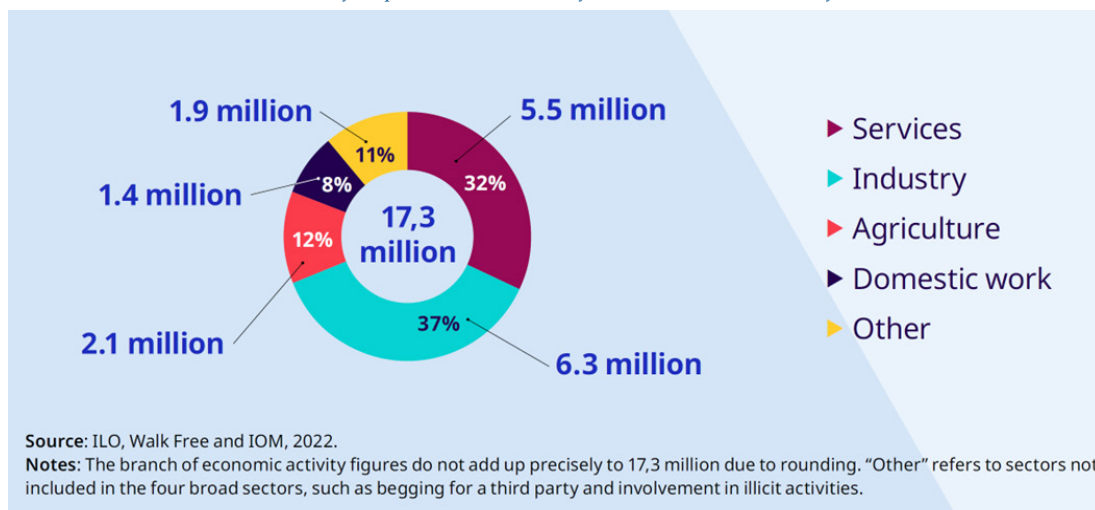
According to statistics by the ILO from September 2022, there are 50 million people globally in situations of modern slavery on any given day, either forced to work against their will or in a marriage that they were forced into.

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

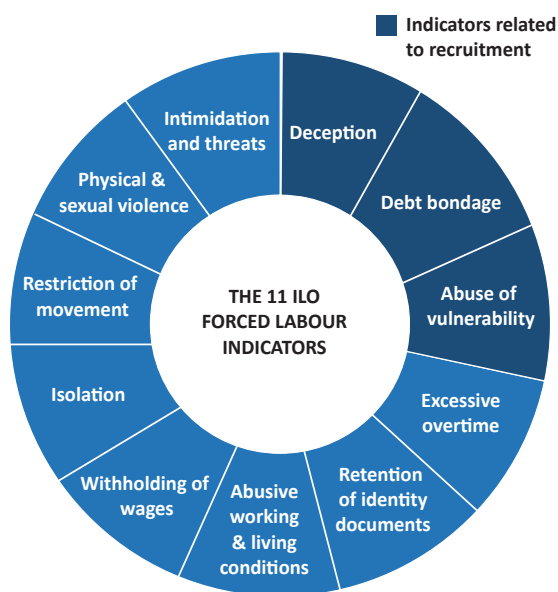
Number of people in forced labour, by region



Privately-imposed forced labour, by branch of economic activity



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



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

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

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

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

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

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

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

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

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

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

Ethical recruitment of Guest Workers

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



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

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

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

[Reimbursement of retrospective recruitment costs](#)

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

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

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

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

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

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

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

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

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

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

Recruitment of new Guest Workers

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

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

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

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

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

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

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

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

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

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

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



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

throughout their recruitment process to raise their awareness.

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

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

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

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

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

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



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

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

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

Whistleblower Policy

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

Paying Fair Wages and Employees' Benefits

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

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

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

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

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

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

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

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

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

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

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

Guest Workers Repatriation and Leave

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

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

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

Freedom to form a Union

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

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

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

Grievance Redressal Procedure

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

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

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

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

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

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

Social Commitments and Social Amenities

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

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

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

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

Training and Development

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

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

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

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

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

Occupational Safety and Health

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

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

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

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



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

Our Safety and Health Management system comprises of:

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

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

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

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

Fatal Accident Rate (FAR per 1000 employees)

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

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

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

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

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

Our Communities

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

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

Continuous Stakeholder Engagement

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

Grievance Resolution

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

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

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

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

Procedures for Handling External Stakeholders' Issues

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

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

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



Spending happy times with neighbours-these interactions can enrich lives and strengthen the fabric of our community.

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

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

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

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

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

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

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

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

Landscape Approach

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

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

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

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

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

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

Plasma Schemes and Smallholders

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

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

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

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

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

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

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



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

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

Smallholders' Field Day

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

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

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

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

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

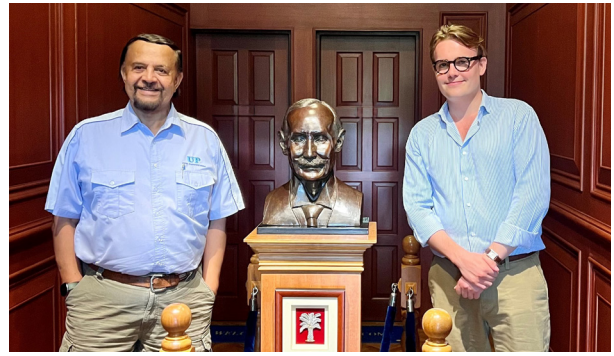
Food Security

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

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

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

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



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

Sustainability Governance

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

Governance Structure

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

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

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

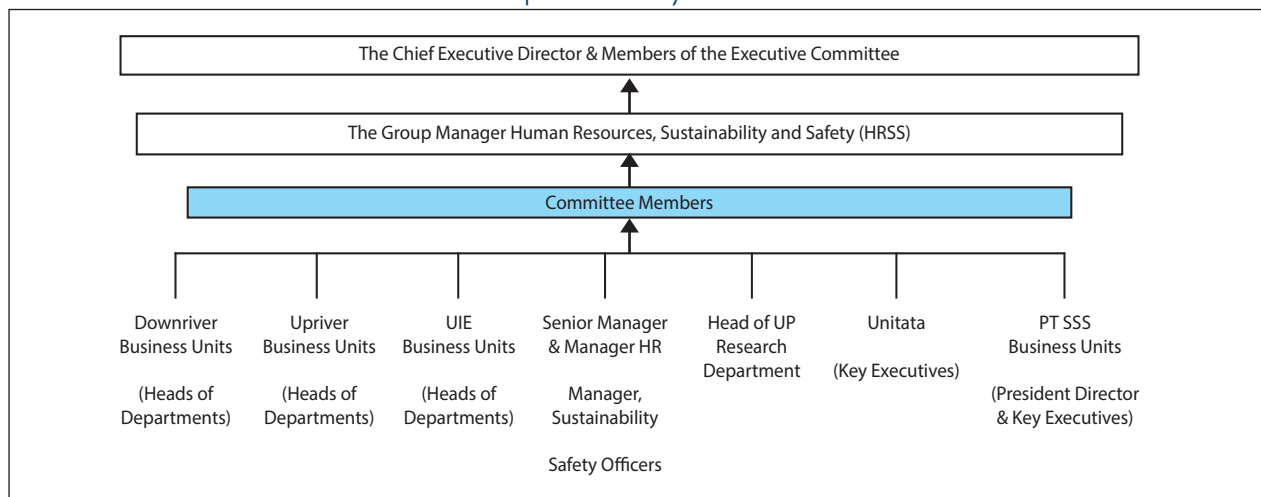
The GSRT collates all the information from the GSC, stakeholders' responses and prepares the Sustainability Report. Officially established in 2003, the GSC provides policy direction on strategic leadership on UP's Sustainability agenda, identifies our Group's most material issues in relation to risks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

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

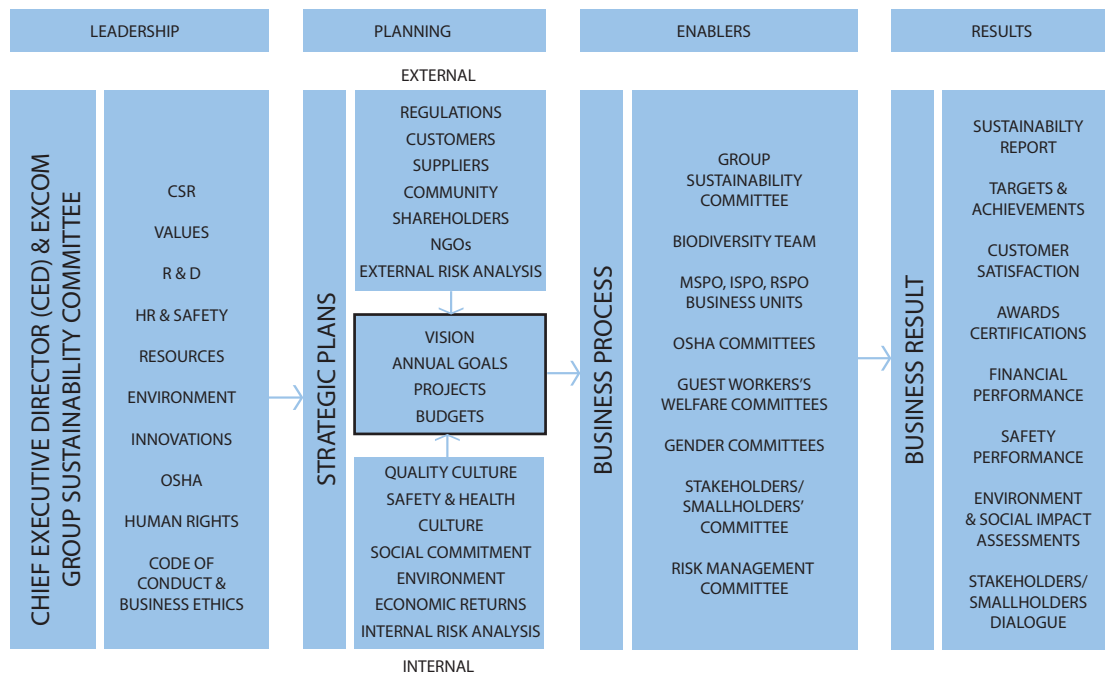
Sustainability Governance Management Structure



Group Sustainability Committee



Group Sustainability Systems Framework (GSSF)



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

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

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

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

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

- 1) MSPO, ISPO and RSPO Principles and Criteria

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

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

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



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

Awards and Recognitions

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

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

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

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

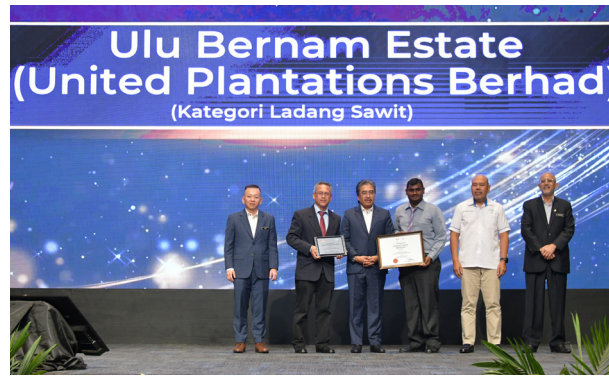
Sustainability Certifications

Roundtable on Sustainable Palm Oil (RSPO) Certification

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

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

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



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

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

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

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

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

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

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

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

Supply outpacing RSPO certified demand

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

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

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

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

Malaysian Sustainable Palm Oil (MSPO) Certification

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

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

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

Indonesian Sustainable Palm Oil (ISPO) Certification

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

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

Sustainable Palm Oil Transparency Toolkit (SPOTT)

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

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

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

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

International Sustainable Carbon Certification (ISCC)

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

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

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



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

Marketplace

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

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

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

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

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

Edible Oil Refining and Specialty Fats Production

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

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

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

Commitment to Quality



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

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

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

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

This is in line with our philosophy of:

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

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

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

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

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

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

Low 3-MCPD and Glycidyl Esters

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

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

Low MOSH and MOAH

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

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

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

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

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

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

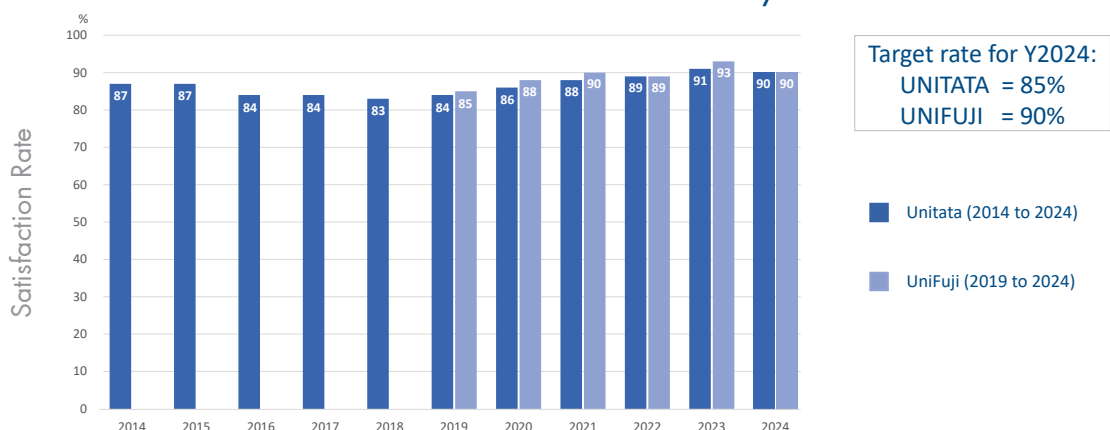
As a result of the goal-directed quality controls and assessments, UP, Unitata and UniFuji are today able to meet the ever tightening, threshold prerequisites for oils that will be used in a variety of food products, especially in the production of infant formula.

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



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

Customer Satisfaction Survey



Customer Satisfaction

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

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

The survey focuses on three key areas which are:

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

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

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



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

Food Safety and Certifications

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

UNITATA:

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

UNIFUJI:

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

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

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

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

MSPO and RSPO Supply Chain Certifications

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

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

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

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

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

Traceability

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

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

Upstream Traceability

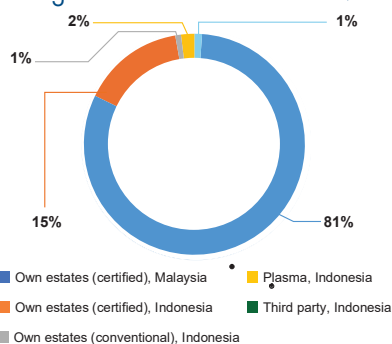
All CPO sourced in Malaysia is RSPO certified under the Supply Chain model of Identity Preserved (IP). In Indonesia, we have undergone RSPO certification for part of our plantations (with HGU certificates) and have successfully achieved RSPO certification for these areas in 2018. Currently the mill in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

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

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

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

Origin of FFB Processed at UP Mills



The location of UP owned mills is tabulated below:

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

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

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

As at 31 December 2024.

Downstream Operations - Unitata

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

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

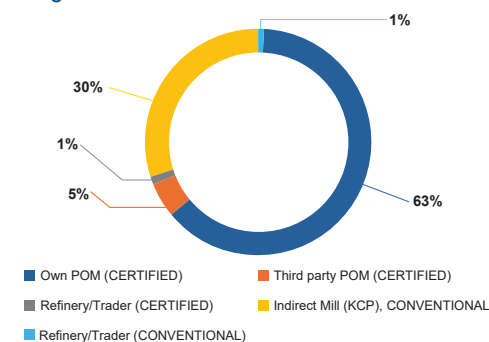
Given the need to extensively and transparently map chains of activities (including inhouse/intragroup) and collect and validate data throughout the supply chain, the original timeline of 30 December 2024 poses a significant challenge for many companies. Coupled with public scrutiny from various countries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

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

Traceability

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

Origin of raw material sourced at Unitata Bhd.



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

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

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

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

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

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

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

Traceability To Plantation (TTP) for Conventional CPKO

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

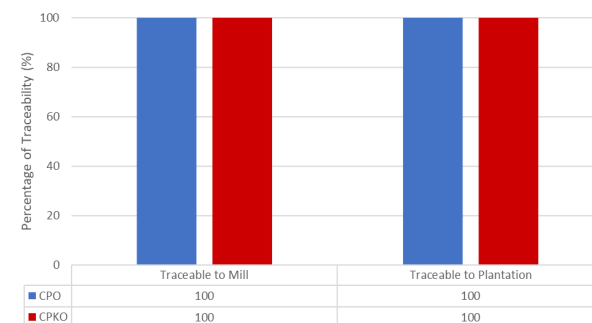
In this context, we have made significant progress throughout the year towards achieving full traceability to the plantation level for CPKO. This has been done by engaging our KCPs to gather information on third-party indirect supplying mills including plantations, smallholders, and dealers in preparation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

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

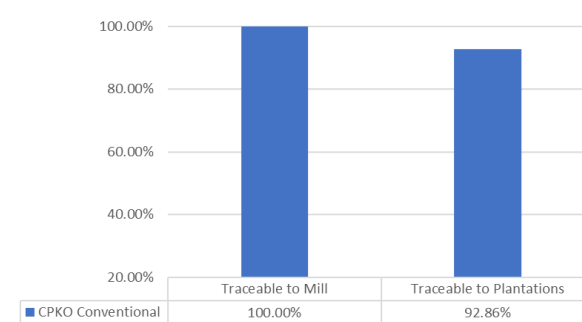
Our TTP score for each mill is evaluated based on our internal prioritization of indicators i.e name of parent company, plantation name, GPS coordinates, status of RSPO & MSPO certifications, address (up to village), estimated volume of FFB supply to mill and polygon (for the plantations and smallholders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

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

Traceability Summary Direct Sources



Traceability Summary Indirect Sources



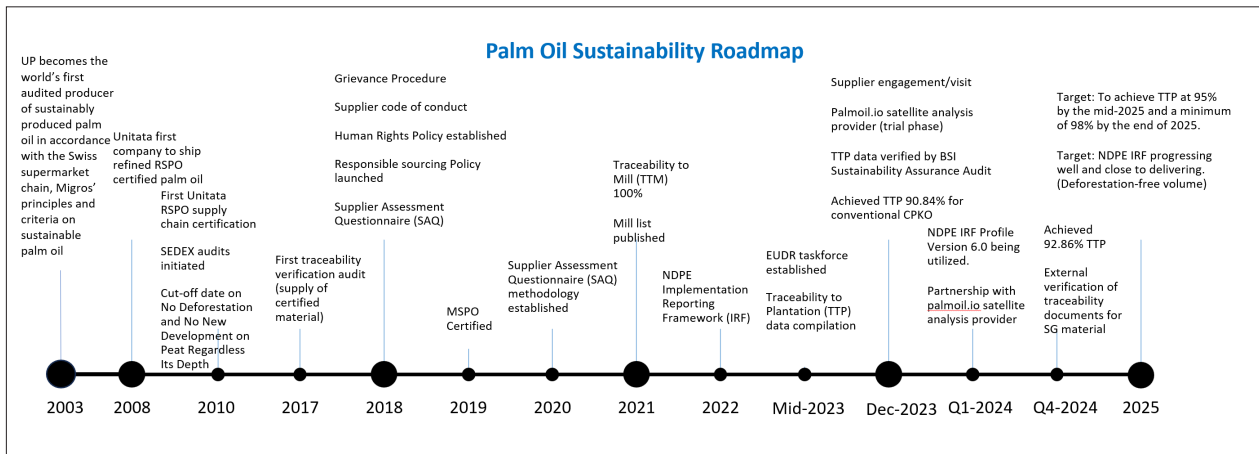
NDPE Implementation Reporting Framework (NDPE IRF)

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

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

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

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



EUDR Readiness Assessment

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

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

Satellite Monitoring

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

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

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

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

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

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

Downstream Operations – UniFuji

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

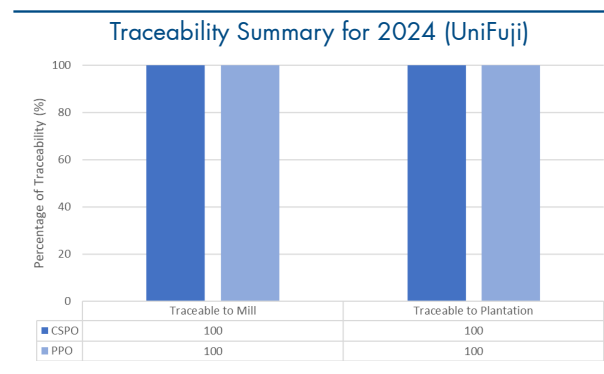
Direct Mill Suppliers:

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

Indirect Mill Suppliers:

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

This can be further summarised and illustrated as follows:



Evaluation of Suppliers' Sustainable Commitment

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

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

Proportion of spending on local suppliers

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

Year	2024	2023	2022
Proportion (%)	99.87	99.90	99.97

Upstream Suppliers Evaluation

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

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

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

Downstream Suppliers Evaluation

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



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

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

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

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

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

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

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

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

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

- Management System & Certifications
- Management Commitments
- Human Rights & Social Commitments
- Business Integrity Commitments
- Environmental Commitments
- Transparency & Traceability

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

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

**As at 31 December 2024.*

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



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

Our Integrated Sustainable Value Chain

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

R&D

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

1. Breeding



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

2. High yielding seeds



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

3. Tissue culture



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

4. Seeds planted in pre-nursery



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

5. Main nursery growth spurt



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

GROWTH

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

6. Immaculate field planting



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

7. Establishing cover crop



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

POLLINATION

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

8. Insect pollination



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

9. Harvesting of fruit bunches



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

10. Tall palm harvesting



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

HARVEST

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

11. Fruit bunch loading



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

12. Gentle transport, low GHG footprints



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

13. Receiving fresh fruit bunches



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

MILLING

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

14. Sterilisation



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

15. Digestion & screw pressing



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

PRODUCE

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

16. Palm fruit fractions



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

17. Renewable energy



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

18. Renewable energy from effluent



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

19. Consistent incoming supply



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

REFINING

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

20. Refining



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

21. Bleaching & deodorisation



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

22. Quality control



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

PRODUCTS

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

23. Product filling



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

24. Delivery to customers



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

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

Indicator	Measurement Unit	2024
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	95.00
Executive	Percentage	95.00
Non-executive/Technical Staff	Percentage	95.00
General Workers	Percentage	95.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	40.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	497,683.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	62
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	0.00
Management Between 30-50	Percentage	33.33
Management Above 50	Percentage	66.67
Executive Under 30	Percentage	12.80
Executive Between 30-50	Percentage	63.42
Executive Above 50	Percentage	23.78
Non-executive/Technical Staff Under 30	Percentage	20.38
Non-executive/Technical Staff Between 30-50	Percentage	52.17
Non-executive/Technical Staff Above 50	Percentage	27.45
General Workers Under 30	Percentage	33.91
General Workers Between 30-50	Percentage	58.75
General Workers Above 50	Percentage	7.34
Gender Group by Employee Category		
Management Male	Percentage	100.00
Management Female	Percentage	0.00
Executive Male	Percentage	81.71
Executive Female	Percentage	18.29
Non-executive/Technical Staff Male	Percentage	60.05
Non-executive/Technical Staff Female	Percentage	39.95
General Workers Male	Percentage	90.44
General Workers Female	Percentage	9.56
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	88.89
Female	Percentage	11.11
Under 30	Percentage	0.00
Between 30-50	Percentage	11.11
Above 50	Percentage	88.89
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	0.16
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.77
Bursa C5(c) Number of employees trained on health and safety standards	Number	6,521
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	45
Executive	Hours	2,460
Non-executive/Technical Staff	Hours	736
General Workers	Hours	32,923
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	2.17
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	0
Executive	Number	5
Non-executive/Technical Staff	Number	30
General Workers	Number	127
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	99.87
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	3,117.631957
Bursa (Waste management)		
Bursa C10(a) Total waste generated	Metric tonnes	949,108.00
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	945,997.00
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	3,111.00
Bursa (Emissions management)		
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	Metric tonnes	0.91
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	Metric tonnes	0.07
Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting)	Metric tonnes	0.49
Internal assurance	External assurance	No assurance
(*) Restated		

INDEPENDENT ASSURANCE OPINION STATEMENT

Statement No.: **SRA-MY 821131**

United Plantations Berhad Sustainability Report 2024

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

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

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

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

Scope

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

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

Opinion Statement

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

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

Our work was carried out by a team of sustainability report assurors in accordance with the AA1000 Assurance Standard v3. We planned and performed this part of our work to obtain the necessary information and explanations. We considered to provide sufficient evidence that UP's description of their approach to AA1000 Assurance Standard was fairly stated.

Methodology

Our work was designed to gather evidence on which our conclusion is based. We undertook the following activities:

- a top-level review of issues raised by external parties that could be relevant to UP's policies to check on the appropriateness of statements made in the report.
- discussion with managers and staff on UP's approach to stakeholder engagement. We had no direct contact with external stakeholders.
- interview with staff involved in sustainability management, report preparation and provision of report information.
- review of key organizational developments.
- review of supporting evidence for claims made in the reports.
- an assessment of the UP's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness, and Impact as described in the AA1000 AccountAbility Principles Standard.

Conclusions

A detailed review against the AA1000AP Principles of Inclusivity, Materiality, Responsiveness, and Impact is set out below:

Inclusivity

The Report has reflected the fact that UP is seeking the engagement of its stakeholders. The participation of stakeholders has been initiated in developing and achieving an accountable and strategic response to sustainability. The reporting systems are being developed to deliver the required information. There are fair reporting and disclosure for economic, social and environment information in this report, so that appropriate planning and target-setting can be supported. In our professional opinion the report covers UP principle of Inclusivity.

Materiality

UP publishes sustainability information that enables its stakeholders to make informed judgments about UP's management and performance. In our professional opinion, the report adheres to the principle of Materiality and identifies UP's material aspects by using appropriate methods of materiality analysis and demonstrating material issues in a matrix form. Areas for enhancement of the report were adopted by UP before the issuance of this statement.

Responsiveness

UP has implemented practices that respond to the expectations and perceptions of its stakeholders. These include sustainability reporting for both internal and external stakeholders. In our professional opinion, UP adheres to the principle of Responsiveness. Areas for enhancement of the Report were adopted by UP before the issuance of this statement.

Impact

UP has demonstrated a process on identify impacts that encompass a range of environmental, social and governance topics, and fairly represented the impacts in the report. These processes enable UP to assess its impact and disclose them in the sustainability subject matter of the report. In our professional opinion, UP adheres to the principle of Impact. Areas for enhancement of the report were adopted by UP before the issuance of this statement.

Assurance Level

The Type 1 Moderate Level of Assurance provided is in accordance with AA1000 Assurance Standard in our review is defined by the scope and methodology described in this opinion statement.

Responsibility & Limitations

It is the responsibility of UP's senior management to ensure the information presented to BSI is accurate. The assessment is limited by information presented by UP. Our responsibility is to provide an independent assessment based on the scope and methodology described. This assessment opinion statement was a conclusion based on the assessment findings, results and our professional opinion.

Competency and Independence

The assurance team was composed of Lead Assuror who are experienced in industrial sector, and trained in a range of sustainability, environmental and social standards including AA1000, ISO14001, ISO14064, ISO 45001 and ISO 9001. BSI is a leading global standards and assessment body founded in 1901. The assessment is carried out in line with the BSI Fair Trading Code of Practice.



For and on behalf of BSI:

Ms Evelyn Chye, Managing Director
7 February 2025

Verifier of the Report:



Mr. Shaiful Rahman, Lead Assuror

GRI content index

Statement of use	United Plantations Berhad has reported the information cited in this GRI content index for the period of 1st January 2024 - 31st December 2024 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	United Plantations in Brief, Page 2
	2-2 Entities included in the organization's sustainability reporting	About This Report, Page 34
	2-3 Reporting period, frequency and contact point	About This Report, Page 34
	2-4 Restatements of information	About This Report, Page 34 (There is no structural change in the Annual Report 2024)
	2-5 External assurance	About This Report, Page 34
	2-6 Activities, value chain and other business relationships	Creating Value Through UP's Integrated Business Activities, Page 51
	2-7 Employees	Our Employees, Page 83
	2-8 Workers who are not employees	Information unavailable, Nil
	2-9 Governance structure and composition	Sustainability Governance, Page 98
	2-10 Nomination and selection of the highest governance body	Corporate Governance Overview Statement, Page 124
	2-11 Chair of the highest governance body	Corporate Governance Overview Statement, Page 124
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance Overview Statement, Page 124
	2-13 Delegation of responsibility for managing impacts	Sustainability Governance, Page 98
	2-14 Role of the highest governance body in sustainability reporting	Corporate Governance Overview Statement, Page 124
	2-15 Conflicts of interest	Corporate Governance Overview Statement, Page 124
	2-16 Communication of critical concerns	Sustainability Governance, Page 98
	2-17 Collective knowledge of the highest governance body	Corporate Governance Overview Statement, Page 124
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance Overview Statement, Page 124
	2-19 Remuneration policies	Remuneration Committee - Statement on Corporate Governance Overview Statement, Page 124
	2-20 Process to determine remuneration	Remuneration Committee - Statement on Corporate Governance Overview Statement, Page 124
	2-21 Annual total compensation ratio	Confidentially constraints, Nil
	2-22 Statement on sustainable development strategy	Environment, Social and Sustainability Governance, Page 51
	2-23 Policy commitments	Environment, Social and Sustainability Governance, Page 51
	2-24 Embedding policy commitments	Environment, Social and Sustainability Governance, Page 51
	2-25 Processes to remediate negative impacts	Remuneration Committee - Statement on Corporate Governance, Page 124
	2-26 Mechanisms for seeking advice and raising concerns	Our communities, page 94-96
	2-27 Compliance with laws and regulations	Remuneration Committee - Statement on Corporate Governance Overview Statement, Page 124
	2-28 Membership associations	Procedure for Handling External Stakeholders' Issues, Page 94
	2-29 Approach to stakeholder engagement	Code of Ethics and Business Conduct, Page 84
	2-30 Collective bargaining agreements	Profile of Directors, Page 10 - 12
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality, Page 44
	3-2 List of material topics	Materiality, Page 45
	3-3 Management of material topics	Materiality, Page 46
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Notes to the Financial Statement, Page 154
	201-2 Financial implications and other risks and opportunities due to climate change	Confidentially constraints, Nil
	201-3 Defined benefit plan obligations and other retirement plans	Notes to the Financial Statement, Page 197
	201-4 Financial assistance received from government	Confidentially constraints, Nil
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	"Paying Fair Wages and Employees' Benefits, Page 90"
	202-2 Proportion of senior management hired from the local community	Information unavailable, Nil
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Social Commitments and Social Amenities, Page 87
	203-2 Significant indirect economic impacts	Information unavailable, Nil
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	We endeavour to support local suppliers in the countries we operate in, which is Malaysia and Indonesia, Nil

GRI STANDARD	DISCLOSURE	LOCATION
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Internal Audit Function, Page 134
	205-2 Communication and training about anti-corruption policies and procedures	Internal Audit Function, Page 134
	205-3 Confirmed incidents of corruption and actions taken	Information unavailable,Nil
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Information unavailable,Nil
GRI 207: Tax 2019	207-1 Approach to tax	Audit and Risk Committee Report, Page 133
	207-2 Tax governance, control, and risk management	Audit and Risk Committee Report, Page 133
	207-3 Stakeholder engagement and management of concerns related to tax	Information unavailable,Nil
	207-4 Country-by-country reporting	Information unavailable,Nil
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Production and Level of Utilization of Oil Palm Biomass Residues in UP in 2024, Page 56
	301-2 Recycled input materials used	Fertilizer Equivalent of Oil Palm Biomass Residues Recycled on Land in UP in 2024, Page 57
	301-3 Reclaimed products and their packaging materials	Information unavailable,Nil
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Biogas to Grid Project, Page 55
	302-2 Energy consumption outside of the organization	"Carbon Footprint Initiatives and Climate Action, Page 53 - 58"
	302-3 Energy intensity	"Carbon Footprint Initiatives and Climate Action, Page 53 - 58"
	302-4 Reduction of energy consumption	"Carbon Footprint Initiatives and Climate Action, Page 53 - 58"
	302-5 Reductions in energy requirements of products and services	"Carbon Footprint Initiatives and Climate Action, Page 53 - 58"
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Impacts, Page 74 - 75
	303-2 Management of water discharge-related impacts	Water Impacts, Page 74 - 75
	303-3 Water withdrawal	Water Impacts, Page 74 - 75
	303-4 Water discharge	Water Impacts, Page 74 - 75
	303-5 Water consumption	Water Impacts, Page 74 - 75
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	"Partnership, Biodiversity and Conservation, Page 60 - 73"
	304-2 Significant impacts of activities, products and services on biodiversity	"Partnership, Biodiversity and Conservation, Page 60 - 73"
	304-3 Habitats protected or restored	"Partnership, Biodiversity and Conservation, Page 60 - 73"
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	"Partnership, Biodiversity and Conservation, Page 60 - 73"
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	"Carbon Footprint Initiatives and Climate Action, Page 53 - 58"
	305-2 Energy indirect (Scope 2) GHG emissions	"Carbon Footprint Initiatives and Climate Action, Page 53 - 58"
	305-3 Other indirect (Scope 3) GHG emissions	"Carbon Footprint Initiatives and Climate Action, Page 53 - 58"
	305-4 GHG emissions intensity	"Carbon Footprint Initiatives and Climate Action, Page 53 - 58"
	305-5 Reduction of GHG emissions	"Carbon Footprint Initiatives and Climate Action, Page 53 - 58"
	305-6 Emissions of ozone-depleting substances (ODS)	Not applicable,Nil
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	VORSEP Dust Collector System, Page 55
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Recycling of Pesticides Containers and Scheduled Wastes - Environment, Page 74
	306-2 Management of significant waste-related impacts	Information unavailable,Nil
	306-3 Waste generated	Waste Management, Page 74
	306-4 Waste diverted from disposal	Production and Level of Utilization of Oil Palm Biomass Residues in UP in 2024, Page 56
	306-5 Waste directed to disposal	Information unavailable,Nil
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Evaluation of Suppliers Sustainability Commitment, Page 110 - 111
	308-2 Negative environmental impacts in the supply chain and actions taken	Evaluation of Suppliers Sustainability Commitment, Page 110 - 111
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Our Employees, Page 83
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	"Paying Fair Wages and Employees' Benefits, Page 85"
	401-3 Parental leave	Information unavailable,Nil

GRI STANDARD	DISCLOSURE	LOCATION
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Website: www.unitedplantations.com/employees/#Demographic-of-Employees
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Safety and Health, Page 92
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Safety and Health, Page 92
	403-3 Occupational health services	Occupational Safety and Health, Page 92
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Safety and Health, Page 92
	403-5 Worker training on occupational health and safety	Occupational Safety and Health, Page 92
	403-6 Promotion of worker health	Occupational Safety and Health, Page 92
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Safety and Health, Page 92
	403-8 Workers covered by an occupational health and safety management system	Occupational Safety and Health, Page 92
	403-9 Work-related injuries	Occupational Safety and Health, Page 92
	403-10 Work-related ill health	Occupational Safety and Health, Page 92
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Information unavailable, Nil
	404-2 Programs for upgrading employee skills and transition assistance programs	Training and Development, Page 92
	404-3 Percentage of employees receiving regular performance and career development reviews	Information unavailable, Nil
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	"Paying Fair Wages and Employees' Benefits, Page 85"
	405-2 Ratio of basic salary and remuneration of women to men	"Paying Fair Wages and Employees' Benefits, Page 85"
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	"Paying Fair Wages and Employees' Benefits, Page 85"
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Evaluation of Suppliers Sustainability Commitment, Page 110 - 111
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Evaluation of Suppliers Sustainability Commitment, Page 110 - 111
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Evaluation of Suppliers Sustainability Commitment, Page 110 - 111
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Training and Development, Page 92
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Not applicable, Nil
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Land Disputes and FPIC, Page 95
	413-2 Operations with significant actual and potential negative impacts on local communities	Land Disputes and FPIC, Page 95
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Evaluation of Suppliers Sustainability Commitment, Page 110 - 111
	414-2 Negative social impacts in the supply chain and actions taken	Evaluation of Suppliers Sustainability Commitment, Page 110 - 111
GRI 415: Public Policy 2016	415-1 Political contributions	Confidentially constraints, Nil
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Food Safety and Certifications, Page 106
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Food Safety and Certifications, Page 106
GRI 417: Marketing and Labelling 2016	417-1 Requirements for product and service information and labelling	Food Safety and Certifications, Page 106
	417-2 Incidents of non-compliance concerning product and service information and labelling	Food Safety and Certifications, Page 106
	417-3 Incidents of non-compliance concerning marketing communications	Food Safety and Certifications, Page 106
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Website: www.unitedplantations.com/wp-content/uploads/2020/03/Personal_Data_Protection_Policy.pdf

Sustainability Accounting Standards Board (SASB) Standards Content Index

Topic	Metric	Category	Unit of Measure	Code
Greenhouse Gas Emissions	Gross global Scope 1 emissions	Quantitative	1.36 mt CO ₂ eq Metric tons (t) CO ₂ -e	FB-AG-110a.1
	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	Page 66, Greenhouse Gas Emissions	FB-AG-110a.2
	Fleet fuel consumed, percentage renewable	Quantitative	Not applicable	FB-AG-110a.3
Energy Management	Operational energy consumed	Quantitative	Not applicable	FB-AG-110a.3
Water Management	Total water withdrawn	Quantitative	987564.77 m ³	FB-AG-140a.1
	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	Page 70, Climate Risk Assessment	FB-AG-140a.2
	Number of incidents of non-compliance associated with water quality permits, standards and regulations	Quantitative	Nil	FB-AG-140a.3
Workforce Health & Safety	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) seasonal and migrant employees	Quantitative	Malaysia LTIFR - 5.28 FAR - 0 Near miss - Nil Indonesia LTIFR - 115.2 FAR - 0 Near miss - Nil	FB-AG-320a.1
Environmental & Social Impacts of Ingredient Supply Chain	Percentage of agricultural products sourced that are certified to a third-party environmental and/or social standard, and percentages by standard	Quantitative	100% RSPO, MSPO, ISPO certified	FB-AG-430a.1
	Suppliers' social and environmental responsibility audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances	Quantitative	Page 105 - 106, Supplier Evaluation on Sustainable Commitment	FB-AG-430a.2
	Discussion of strategy to manage environmental and social risks arising from contract growing and commodity sourcing	Discussion and Analysis	Page 105 - 106, Supplier Evaluation on Sustainable Commitment	FB-AG-430a.3



Buffy Fish Owls (Ketupa Ketupu) are captivating birds with striking yellow eyes and ear tufts- known for their hunting skills, primarily catching fish and other aquatic prey. Their presence perched atop a tree branch at Jendarata Estate is a magnificent sight.

Glossary

Biodiversity (BioD)	The diversity (number and variety of species) of plant and animal life within a region.
Biological Oxygen Demand (BOD)	The amount of oxygen used when organic matter undergoes decomposition by micro- organisms. Testing for BOD is done to assess the amount of organic matter in water.
Carbon Footprint	A measure of the total amount of greenhouse gases, including carbon dioxide, methane and nitrous oxides, emitted directly or indirectly by an organisation, event, product or person.
Child Labour	According to the International Labour Organization (ILO) core labour standards, minimum age should not be less than 16 years old.
CO ₂ Equivalents	Carbon dioxide equivalents (CO ₂ eq) provide a universal standard of measurement against which the impacts of releasing (or avoiding the release of) different greenhouse gases can be evaluated.
Crude Palm Oil (CPO)	Oil produced from oil palm fruits in milling process.
Creating Shared Value (CSV)	A responsibility to manage our resources resourcefully and engage in activities that optimize return for shareholders and the society we operate in.
Deforestation	Defined by UP as direct human-induced conversion of forest to non-forests, with an exception for small scale low intensity subsistence conversion by indigenous peoples and forest dependent traditional communities (consistent with RSPO P & C as well as Indonesian laws, Environmental Impact Assessments (EIA) and High Conservation Value Assessment (HCV).
Effluents	Water discharged from one source into separate body of water, such as mill process water.
ERT	Emergency Response Team
Forced Labour	A person who is coerced to work under the threat of violence, intimidation, or undue stress of penalty.
Free, Prior and Informed Consent (FPIC)	The principle that a community has the right to give or withhold its consent to proposed projects that may affect the lands they customarily own, occupy or otherwise use.
Fresh Fruit Bunches (FFB)	Bunch harvested from the oil palm tree. The weight of the fruit bunch ranges between 10 kg to 40 kg depends on the size and age.
FDA	Food and Drug Administration
Global Reporting initiative (GRI)	A multi-stakeholder standard for sustainability reporting, providing guidance on determining report content and indicators.
Greenhouse Gas (GHG) emissions	Greenhouse gas or carbon emissions are gasses in an atmosphere that absorb and emit radiation within the thermal infrared range. This process is the fundamental cause of the greenhouse effect. The primary greenhouse gases in the Earth's atmosphere are water vapor, carbon dioxide, methane, nitrous oxide, and ozone.
HRSS	Human Resources Sustainability and Safety
High Conservations Value (HCV)	The concept of High Conservation Value Forests (HCVF) was first developed by the Forest Stewardship Council (FSC) in 1999 as their ninth principle. The FSC defined HCVF as forests of outstanding and critical importance due to their environmental, socio-economic and cultural biodiversity and landscape value.
High Carbon Stock (HCS)	The HCS Approach is a methodology to avoid deforestation in land development. The approach stratifies the vegetation on an area of land into different classes using analyses of satellite images and field plot measurements. Each vegetation class is validated through calibrating it with carbon stock estimates in the above-ground tree biomass.
Hak Guna Usaha(HGU)	The right to enjoy immovable property of another person with the obligation to pay the annual income to the landowner.
ILO (International Labour Organisation)	Is a tripartite world body representative of labour, management and government, and is an agency of the United Nations. It disseminates labour information and sets minimum international labour standards called “conventions”, offered to member nations for adoption.
Integrated Pest management (IPM)	A pest management system that in context of the associated environment and the population dynamics of the pest species utilizes all suitable techniques and methods in as compatible a manner as possible and maintains the pest population at levels below those causing economically unacceptable damage and loss.
IUCN Red List	Based in Switzerland, the International Union for Conservation of Nature and Natural Resources (also known as The World Conservation Union) is an organisation involved in the preservation of natural resources. IUCN publishes the Red Data Book, which lists the endangered species of every nation.
Identity Preserved/ IP	Certified sustainable palm oil is physically separated from other certified and non-certified palm oil throughout the supply chain, i.e from the RSPO mill through to the end-user.
Oil Extraction Rate	The amount of oil extracted from oil palm fruit at a mill. Crude palm oil (CPO) is extracted from the flesh; palm kernel oil (PKO) from the nut.
Mass Balance	Certified sustainable palm oil and non-certified palm oil is mixed to avoid the cost of keeping the two quantities controlled. The mass balance system is constructed in such a way that volumes of RSPO certified products shipped will never exceed volumes received by the end-user.
Mature Oil Palm	After planting, the oil palm tree is classified as immature until fresh fruit bunches are produced, which is approximately 30 months later, whereupon the oil palm tree is classified as mature.
MOSH	Mineral Oil Saturated Hydrocarbons
MOAH	Mineral Oil Aromatic Hydrocarbons
Non-Governmental Organisation (NGO)	Is used in this report to refer to grassroots and campaigning organisations focused on environmental or social issues.
Palm oil Mill effluent (POME)	By-product of processed fresh fruit bunch (FFB).
Peat	Peat is an accumulation of partially decayed vegetation matter. Peat forms in wetlands or peat lands, variously called bogs, moors, muskegs, pocosins, mires, and peat swamp forests.
Plasma schemes	A programme initiated by the Indonesian government to encourage the development of smallholders' plantations with the assistance and cooperation of plantation companies (the nucleus) which assist and support the surrounding community plantations (the plasma).
Palm Kernel (PK)	Seed of the oil palm fruit, which is processed to extract palm kernel oil and other by-products.
Roundtable on sustainable palm oil (RSPO)	A non-governmental multi-stakeholder organisation based in Kuala Lumpur, Malaysia. The organisation has developed a certification scheme for sustainable palm oil.
Social Impact Assessment	A process of analysing, monitoring and managing the intended and unintended, both positive and negative social consequences of planned interventions (policies, programs, plans, projects) and any social change processes invoked by the interventions. Its primary purpose is to bring about a more sustainable and equitable biophysical and human environment.
Segregated/ SG	Certified sustainable palm oil is physically separated from non-certified palm oil throughout the entire supply chain.
Stakeholders	Any group or individual who are affected by or can affect a company's operations.
Sustainability	A term expressing a long-term balance between social, economic and environmental objectives. Often linked to Sustainable Development which is defined as “Development that meets the need of current generations without compromising the needs of future generations”
Traceability	Traceability is the capability to track sustainable palm oil along the entire supply chain.
Toxicity	Toxicity measures the degree to which a substance is harmful to living organisms.

Governance

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UP's Executive Committee (EXCOM) consists of 3 Board Members namely, our CED, Dato Carl' Bek-Nielsen, Mr. Martin Bek- Nielsen, Executive Director, Finance & Marketing and Mr. Loh Hang Pai, Executive Director (Estates). The Executive Committee is a standing committee that often acts as a steering committee for the full Board.

Corporate Governance Overview Statement

The Board of Directors recognizes the importance of good corporate governance and continues to be committed to ensuring that high standards of corporate governance are practiced throughout the Group to deliver long term sustainable value to the shareholders and other stakeholders. With this in mind, the Board of Directors is pleased to present the Corporate Governance Overview Statement for 2024 ("CG Overview Statement").

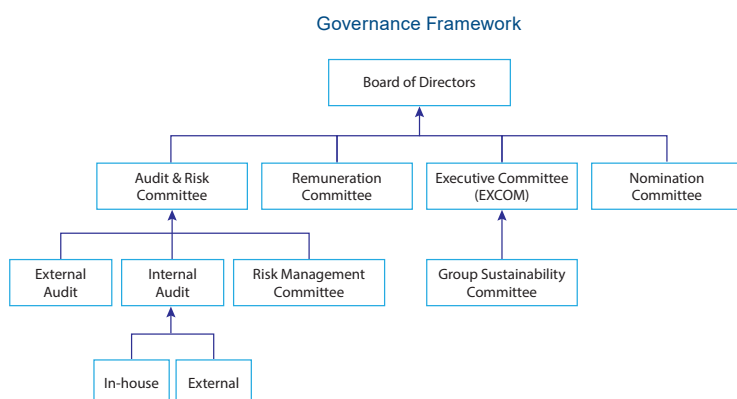
This CG Overview Statement explains the Board's recognition of corporate governance as a vital element contributing to the long-term sustainability of the Group's businesses and performance. The Board in pursuit of this objective, dedicates substantial efforts to identify and formalize best practices, ensuring high standards of corporate governance across the entire Group. This commitment is based on the conviction that robust and effective corporate governance practices are fundamental to the efficient, and transparent operation of the Group enhancing long-term shareholders' value, instilling investor confidence, and safeguarding stakeholders' interests.

This CG Overview Statement outlines how UP Group has adhered to the following three principles outlined in the Malaysian Code on Corporate Governance 2021 ("MCCG"):

- Board leadership and effectiveness;
- Effective audit and risk management; and
- Integrity in corporate reporting and meaningful relationship with stakeholders.

This document is to be read in conjunction with the Corporate Governance Report ("CG Report"), published on the Company's website, www.unitedplantations.com which provides further elaboration on the application or departure of each practice as prescribed in the Code. Explanations including measures taken and the timeframe to achieve the intended outcome are given for the departure practices.

The Group's Governance Framework is outlined below.



A) Board Charter

The Board Charter sets out the Board's strategic intent and outlines the Board's roles and responsibilities. The Charter elaborates the fiduciary and leadership functions of the Board and serves as a primary reference for prospective and existing Board members and senior management. The Charter is reviewed periodically to ensure it complies with current legislation and best practices. The Board Charter was reviewed and updated on 24 February 2024 to ensure that it remains relevant and appropriate for the Board in discharging its duties. The Fit and Proper Policy which serves as a guide for the assessment of Directors and candidates for the Board was also reviewed and updated on 24 February 2024. The Board Charter and the Fit and Proper Policy can be viewed at the Company's website at www.unitedplantations.com.

B) Strengthen Composition

Specific responsibilities are delegated to Board Committees where appropriate. The Board Committees comprise of Nomination Committee, Remuneration Committee, Audit and Risk Committee and Executive Committee. Each Committee operates within its respective Terms of Reference which have been approved by the Board. The Terms of Reference of the Nomination Committee, Remuneration Committee and Audit and Risk Committee are disclosed at the Company's website at www.unitedplantations.com.

B1.1 Nomination Committee

The Nomination Committee is responsible to make recommendations to the Board regarding the appointment of directors, evaluation of the skills, experience, competencies of the Directors, diversity of the Board's composition. The Nomination Committee consists of 3 members, majority of whom are Independent, Non-Executive Directors. The full report of the Nomination Committee can be found from pages 137 to 139 of this Corporate Governance Overview Statement 2024.

B1.2 Remuneration Committee and Directors Remuneration

The Remuneration Committee consists of two (2) independent non-executive directors, and one (1) non-independent, non-executive director. Its primary function is to review and recommend the remuneration for the Company's executive directors and to review the fees, benefits, and allowances of Non-Executive Directors.

The members of the Remuneration Committee are stated here below:-

Mr. R. Nadarajan
(Independent, Non-Executive Director)

Mr. Jorgen Balle
(Non-Independent, Non-Executive Director)

Mr. Yap Seng Chong
(Independent, Non-Executive Director)

It is the Remuneration Committee's usual practice to draw information on the Company's remuneration policy from the Executive Committee to assist them with their duties. Executive directors do not participate in the deliberations of the Remuneration Committee.

Only the executive directors have contracts of service which are normally reviewed every three years. The executive directors' salaries are linked to their position, seniority, experience, and the Company's overall profitability which would vary from year to year.

The salary components are determined in accordance with the Company's established remuneration policy for executive directors, this policy was last reviewed in March 2020. The remuneration packages are sufficiently attractive to attract and retain executive directors.

All directors are paid annual fees, the Chairman, the vice Chairman and members of the Audit and Risk Committee receive additional fees taking into account the nature of their responsibilities. Members of other Board committees do not receive any additional fees. The directors' fees are reviewed by the Board only when it deems necessary, subject however to approval by the shareholders at the Annual General Meeting.

The amount of fees payable to each Director is related to their level of responsibilities. Periodical review of the fees is undertaken based on market information on directors' fees. A fixed daily meeting attendance allowance is paid for all attendances at Board and Board Committee meetings except for the Executive Committee meetings. The Remuneration Committee held one (1) meeting in early 2025 to deliberate on the new service contract of one executive director as

well as bonuses for the executive directors and made their recommendation to the Board. The aggregate remuneration for the year for the following directors is as shown in the table below.

B1.3 Audit and Risk Committee

The Audit and Risk Committee consists of two (2) independent non-executive directors, and one (1) non-independent, non-executive director. All three (3) members are non-executive directors as required under the Main Market Listing Requirements. The scope and functions of the Audit and Risk Committee are as spelt out under the Terms of Reference. The activities of the Audit and Risk Committee during the financial year 2024 have been described at length in a separate statement in this Annual Report. (pages 133 to 136).

B1.4 Executive Committee

The Executive Committee consists of executive directors only. The scope and functions of the Executive Committee are as stated in the Terms of Reference approved by the Board. It is responsible to oversee the day-to-day management of the Group's operations which includes reviewing of the annual revenue and capital budgets before presenting to the Board, reviewing the monthly, quarterly and annual results of the Company and Group and comparing them with the respective business units budgets and taking remedial actions for budget variances, implement policies and procedures approved by the Board, implement recommendations of the Audit and Risk Committee, identify key risks annually and implement mitigating actions where practicable, recommend expansion and diversification plans, implement policies for succession,

	Directors' Fees		Salary*	Bonus	Benefits-in Kind	Other Benefits	Meeting Attendance Allowance	Total
	Company	Subsidiaries						
	(RM)	(RM)	(RM)	(RM)	(RM)	(RM)	(RM)	(RM)
Ybhg, Dato' Mohammad Nasir bin Ab. Latif (Chairman, Independent, Non-Executive) (wef 22 April 2021)	210,000	-	-	-	-	17,280	6,000	233,280
Ybhg, Dato' Carl Bek-Nielsen (Chief Executive Director)	145,000	30,000	2,040,000	156,000	72,288	364,560	6,000	2,813,848
Mr. Martin Bek-Nielsen (Executive Director)	130,000	25,000	1,920,000	150,000	68,058	343,410	6,000	2,642,468
Mr. Loh Hang Pai (Executive Director)	130,000	-	1,176,000	102,000	44,208	221,160	6,000	1,679,368
Mr. R. Nadarajan (Independent, Non-Executive)	145,000	-	-	-	-	-	15,000	160,000
Mr. Jorgen Balle (Non-Independent, Non-Executive)	145,000	-	-	-	-	-	15,000	160,000
Ms. Belvinder Kaur a/p C Nasib Singh (Independent, Non-Executive)	130,000	-	-	-	-	-	6,000	136,000
Mr. Yap Seng Chong (Independent, Non-Executive)	160,000	-	-	-	-	-	15,000	175,000
Tunku Alizakri bin Raja Muhammad Alias (Non-Independent, Non-Executive) (res wef 19 February 2024)	17,760	-	-	-	-	-	-	17,760
Mr. Iwan Azlan bin Mokhtar (Non-Independent, Non-Executive)	89,508	-	-	-	-	-	4,500	94,008
Total	1,302,268	55,000	5,136,000	408,000	184,554	946,410	79,500	8,111,732

* including additional remuneration

labour recruitment, ensure continuity of business, review of replanting programmes and replacement of plant and machinery, and the review of research policies and projects.

The Executive Committee has established the Group Sustainability Committee which reviews sustainability issues concerning the environment, social/community, employees, and market place. The Sustainability Report has been included in a separate statement in this Annual Report. The Executive Committee has access to the services of the Company Secretary who records and maintains minutes of Executive Committee meetings.

The Executive Committee met formally 2 times during 2024, and the minutes thereof were included in the Board file for information and deliberation by the Board. All the executive directors attended all 2 meetings. The Executive Committee also met informally on more than 20 occasions during the year to deal with matters that required prompt response and decisions.

C. Reinforce Independence

C.1 Board Balance and Independence of Directors

The Company has an effective Board entrusted with leadership responsibilities by its shareholders. It is headed by a Chairman who is independent of management and whose key role is the stewardship of the Board. The Chief Executive Director on the other hand is the head of management whose key responsibilities are to run the business and implement the policies and strategies approved by the Board. Due to their contrasting roles at the head of the Company, the two roles are not combined.

Following this division of responsibilities at the head of the Company we have in the Board's composition included a balance of executive and independent non-executive directors so that no one group would dominate the decision-making process.

For the financial year 2024, your Board consists of nine (9) directors, three (3) of whom are executives who have an intimate knowledge of the business. Amongst the remaining six (6) non-executive directors, four (4) of them are independent directors. The Board is satisfied that the current board size fulfils its requirements adequately and would review this as and when necessary.

The composition of the Board reflects a mix of skills and experience and other qualities which non-executive directors should bring to the Board. Due to the diversified backgrounds and their independence, the non-executive directors are ably engaged in healthy discussions and debates with the executive directors at the Board meetings which are conducive for an effective Board. The independent directors play a pivotal role in the Board's responsibilities. However, they are not accountable and responsible

for the day to day running of the business, which is the role of the executive directors. The independent non-executive directors and non-independent non-executives directors are actively involved in various Board committees and contribute significantly to areas such as performance monitoring and enhancement of corporate governance by providing independent assessment and opinions on proposals put forward by the executive directors and act as a check and balance for the executive directors. The Board has established in the Board Charter a formal and transparent policy for the role of the executive and non-executive directors.

Biographies of the Directors as given in this Annual Report, show the necessary depth to bring experience and judgment to bear on the collective decision-making processes of the Board. The Board's composition fairly represents the ownership structure of the Company with appropriate representatives from the two largest shareholders. There are adequate number of representatives on the Board who fairly reflect the interests of the minority shareholders.

The Board has established position descriptions for the role of each of the executive directors who has specific management responsibilities for the day-to-day running of the business. The Company has also included a Group Philosophy Statement in the inside cover of this Annual Report and it has clearly described its objectives on sustainability to which the Board is deeply committed.

One of the recommendations of the MCCG states that the tenure of an independent director should not exceed a cumulative term of nine (9) years. In 2024, the long serving independent director is Mr. R. Nadarajan, who had served on the Board for eleven (11) years.

At the last AGM, the resolution for retention of Mr. R. Nadarajan as independent director for another term was tabled to the shareholders and approved with 87.31% majority. Mr. R. Nadarajan has indicated his intention to retire from the Board at the forthcoming AGM.

The Board notwithstanding the view that diversity should be in tandem with expertise, experience and skills and not gender alone acknowledges the importance of gender diversity. The Board in recognition of this has updated the relevant article of the Board Charter in 2022. Additionally, the Nomination Committee has been tasked to look for suitably qualified female candidates when there is a vacancy.

In compliance with Main Market Listing Requirements, the Company has at least one woman director on the Board. Ms. Belvinder Kaur was appointed to the Board on 6 November 2021 and remains on the Board to-date. The Board shall continue to increase woman board representation on the Board.

D. Foster Commitment

The Non-Executive Directors are expected to commit approximately 30 to 45 days in a year of his/her time to the Group. Time spent includes not only formal board meetings but also preparation for meetings, Board committee meetings, discussion with management, dealing with the authorities when necessary, attending professional and educational conferences and Company functions. The Board is satisfied with the level of time commitment given by each of the directors towards fulfilling their roles on the Board and Board Committees.

The Board meets not less than four (4) times a year to review and approve the quarterly and annual results for announcements. The Board meetings for the ensuing year are fixed in advance. Notice of meetings and the agenda are given in a timely manner.

Standard matters set out in the agenda for the Board meetings are as follows:-

- 1) Matters arising from the previous minutes of the Board and Committees of the Board
- 2) Monthly, Quarterly and Yearly Financial Statements and financial forecasts/projections
- 3) Matters relating to the business namely finance, land matters, staff & labour, succession planning, budgets, production, marketing, ESG, safety, sustainability and others
- 4) New Investments
- 5) Subsidiary Companies and Joint Venture Company
- 6) Sustainability Issues
- 7) General

During the year under review four (4) Board meetings were held and the directors' attendances thereat are summarised here below:-

Directors	No. of Meetings	
	Attended	Held
YBhg. Dato' Mohamad Nasir bin Ab. Latif -Chairman	4	4
YBhg. Dato' Carl Bek-Nielsen	4	4
Mr. Martin Bek-Nielsen	4	4
Mr. Loh Hang Pai	4	4
Mr. R. Nadarajan	4	4
Mr. Jorgen Balle	4	4
Ms. Belvinder Kaur a/p C. Nasib Singh	4	4
Mr. Yap Seng Chong	4	4
Mr. Iwan Azlan bin Mokhtar*	3	4

*Appointed on 24 April 2024

The Directors are also mindful of their continuous training requirements. Directors are encouraged to attend various external and internal professional programs relevant and useful in contributing to the effective discharging of their duties as directors.

The Company Secretary facilitates programme registration for interested directors and would maintain such records of the programmes and their attendance thereat. All directors are allowed to choose courses/ seminars of relevance in discharging their duties.

The Board, with the input from the Company Secretary, assessed the training needs of individual directors and satisfied that all directors have met their training needs. Relevant training programmes, seminars and conferences attended by Directors during the financial year ended 31 December 2024 were:

- 1) What Amounts to a Conflict of Interest by organised by RHB Compliance (virtual) -11 January 2024.
- 2) PwC Global- 2023 year end audit committee organised by PwC Global(virtual) - 12 January 2024.
- 3) PwC Global- 2023 IFRS year end accounting organised by PwC Global (virtual) - 26 January 2024.
- 4) Insights into Securities Commission Malaysia's Maqasid Al-Shariah Guidance organised by Securities Commission Malaysia -27 February 2024.
- 5) Pwc Global- Risk & Responsible Artificial Intelligence organised by PwC Global (virtual) -29 February 2024.
- 6) Risk Management Workshop organised by Axcelasia (virtual) - 16 March 2024.
- 7) KPMG Global -Navigating the ESG reporting requirements in Asia Pacific organised by KPMG Global - 19 March 2024.
- 8) Seminar on Understanding and Addressing Conflict of Interest organised by MICG - 25 March 2024.
- 9) Cybersecurity organised by Firmus Sdn. Bhd. (virtual) - 27 March 2024.
- 10) PwC Global - Finance transformation powered by generative Artificial Intelligence organised by PwC Global -4 April 2024.
- 11) Hajjah and Darurah - Shariah Operational Issues for Islamic Finance organised by Cert Events Sdn. Bhd. -30 April 2024.
- 12) PwC Global -2024 Q1 PwC quarterly accounting organised by PwC Global (virtual)- 1 May 2024.

- 13) PwC Global -Talking ESG: Building effective sustainability reporting governance organised by PwC Global- 16 May 2024.
- 14) Managing non-financial risks as driver for organisational performance organised by Institute of Enterprise Risk practitioners – 10 June 2024.
- 15) Mandatory Accreditation Programme (Map) Part 1 organised by ICDM – 10 & 11 June 2024.
- 16) Recent Developments with the Listing Requirements, including Conflict of Interest Amendments organised by Bursa Malaysia – 2 July 2024.
- 17) Director's Liabilities with Their Respective Institution's AML Framework organised by Asian Institute of Bankers (AICB) – 3 July 2024.
- 18) Bursa Academy on Conflict of Interest (COI) and Governance of COI organised by SKRINE & CO – 10 July 2024.
- 19) Navigating capital gains tax organised by KPMG Malaysia -17 July 2024.
- 20) Ikhlas Capital Annual Conference organised by Ikhlas Capital (Private Equity) -19 July 2024.
- 21) KWAP INSPIRE Conference 2024- Advancing Circular Transformation for Climate Smart Malaysia organised by KWAP – 6 August 2024.
- 22) Mandatory Accreditation Programme (MAP) Part 2: Leading for Impact organised by ICDM - 6 & 7 August 2024, 9 & 10 October 2024.
- 23) Climate reporting, a knowledge sharing session organised by Deloitte Malaysia – 3 September 2024.
- 24) Building Sustainability Credibility; Assurance, Greenwashing, and the Rise of Greenhushing organised by ICDM -24 September 2024.
- 25) Geopolitical Economy Report- Goodbye, Dollar dominance: BRICS plans on "Multi-currency" system to transform global financial order – organised by ACCA Global- 18 October 2024.
- 26) Leveraging AI for audit efficiency and quality organised by MICPA – 7 November 2024.
- 27) Conflict of Interest- Navigating The Grey Areas: Ethics and COI in Modern Governance organised by ICDM- 26 November 2024.
- 28) PwC 2024 Global Q3 accounting organised by PwC Global – 6 December 2024.
- 29) PLUS Safety Day Program 2024 organised by PLUS Malaysia Bhd -26 November 2024.

E. Sustainability

The Board recognises UP's long history of embedding sustainable practises in its operations and is responsible for approving the overall sustainability strategy and direction through effective governance.

During the year under review, the Board has assessed the sustainability performance and management's progress in operationalising sustainability within various areas of our Group.

These areas are summarised as follows:-

- Annual RSPO and MSPO audits as evaluation of sustainability performance.
- Materiality assessment involving various groups of stakeholders.
- Annual suppliers risk assessment.
- Annual stakeholders meeting.
- Improving Human Rights and Ethical Recruitment Procedures.
- CPH ZOO Collaboration and Biodiversity focus .
- Cascading sustainability policies to all level of our workforce through "Reach and Teach, Reach and Remind" programmes.

The Board also formalises our Sustainability Policy for the purpose of communicating our commitment to stakeholders. The Sustainability Policy is available on the Company's website at www.unitedplantations.com.

Further details on our sustainability reporting can be found in the Sustainability Statement as disclosed on pages 34 to 122 of this Annual Report.

F. Integrity in Financial Reporting

The Board in compliance with paragraph 15.26a of Bursa Malaysia's Main Market Listing Requirements issues a Statement explaining its responsibility for preparing the annual audited financial statements.

The Board is required by law to prepare financial statements for each financial year which will give a true and fair view of the state-of-affairs of the Group and of the Company at the end of the financial year in a manner which is comprehensive and transparent.

In the preparation of the financial statements, the directors will consider compliance with all applicable Financial Reporting Standards in Malaysia and the provisions of the Companies Act 2016.

F.1 Internal Control

The Board recognises its responsibility for the group's system of internal controls. In this connection, the Audit and Risk Committee conducts an annual review of the adequacy and effectiveness of the system of internal controls and renders a statement to the shareholders to this effect.

In this connection, the Audit and Risk Committee is assisted by an in-house internal audit department and an external independent professional firm who conducts regular reviews of the internal controls and report to the Audit and Risk Committee directly. The external auditors are appointed by the Board to review the Statement of Internal Control and to report thereon.

F.2 Relationship with the Auditors

The Board maintains a formal procedure of carrying out an independent review of all quarterly reports and annual audited financial statements by the Audit and Risk Committee, at its meetings.

The external auditors and representatives of the management are present to answer questions and provide explanations to the Audit and Risk Committee. The activities of the Audit and Risk Committee have been reported at length in a separate statement given in this Annual Report.

G. Recognise and Manage Risks

The Board, assisted by the Audit and Risk Committee, reviews the risk management policies formulated by management, headed by the Executive Director, Finance & Marketing, and makes relevant recommendation to the management. The Group continues to maintain and review its internal control policies and procedures to ensure, as far as possible, to protect the Group's assets. The Board has established internal audit function, complimented by an in-house team and an external professional firm.

Both the internal and external audit teams report directly to the Audit & Risk Committee. Details of the Group's internal control system and framework are set out in the Statement on Risk Management and Internal Control.

H. Timely and High Quality Disclosures

The Group has in place a procedure for compliance with the Listing Requirements. The Company Secretary reviews all announcements to ensure accuracy and compliance. The Board reviews and approves all quarterly and other important announcements. The Board is mindful that information which is material is announced immediately.

The Group has designated the executive directors as spokespersons in the handling of discussions and disclosures with investors, fund managers, and the public. The Company has a website www.unitedplantations.com where all the Company's announcements, corporate information and updates are posted.

I. Strengthen Relationship Between the Company and Shareholders

I.1 Communications and Investor Relations

The Board acknowledges the need for an effective communication policy with shareholders and investors as the same intimate relationship that exists with

management is usually lacking with shareholders with the exception of the controlling shareholders who are represented on the Board.

The Company's website: www.unitedplantations.com and the stock exchange websites: www.bursamalaysia.com are used as a forum to communicate with shareholders and investors where they can access corporate information, company announcements, corporate proposals, quarterly and annual reports, etc..

The Company's executive directors usually hold bi-annual briefings at its corporate office in Kuala Lumpur or virtually with institutional investors, market analysts and fund managers after announcement of the quarterly results. Questions relating to the quarterly announcements can be directed to Mr. Martin Bek-Nielsen, Executive Director (Finance & Marketing).

The Board believes that the Company's Annual Report is a vital source of essential information for shareholders and investors and other stakeholders. The Company strives to provide a high level of reporting and transparency as an added value for users of the company's annual report.

I.2 The Annual General Meeting (A.G.M.)

The A.G.M is an excellent forum for dialogue with all shareholders for which due notice is given. The shareholders are given opportunity to vote on regular business of the meeting, viz. consideration and approval of final dividend, consideration and approval of directors and auditors fees, re-election of Directors, appointment of auditors and special business if any.

The Chairman explains the electronic voting procedure before the commencement of the A.G.M. The participating shareholders are given the opportunity to present their views or to seek more information. The resolutions passed at the meeting are released to Bursa Malaysia in a timely manner.

Kindly take note that pursuant to paragraph 2.19 of the Main Market Listing Requirements and Article 162 of the Company's Constitution and in line with UP's "Go Green" initiatives, the Notice of A.G.M., Proxy Form, Statement to Shareholders and Request Form for hardcopy of Annual Report can be downloaded from our website at www.unitedplantations.com.

All Board members, Senior Management from the Finance Department and the External Auditors are present to respond to questions from the shareholders during the A.G.M..



Dedicated workers attending to well established palm seedlings at the Research Department nursery.

Statement On Directors' Responsibility As At 31 December 2024

The Board is required under paragraph 15.26(a) of the Main Market Listing Requirements of Bursa Malaysia to issue a statement explaining its responsibility for preparing the annual audited financial statements.

The Directors are required by law to prepare financial statements for each financial year which give a true and fair view of the financial position of the Group and of the Company as at the financial year end and of the results and cashflows of the Group for the financial year then ended.

The Directors consider that, in preparing the financial statements of United Plantations Berhad for the financial year ended 31 December 2024 the Group has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgment and estimates. The Directors also consider that all applicable Financial Reporting

Standards in Malaysia have been complied with and confirm that the financial statements have been prepared on a going concern basis.

The Directors are responsible for ensuring that the Company keeps accounting records which disclose with reasonable accuracy at any time the financial position of the Company and which enable them to ensure that the financial statements comply with the provisions of the Companies Act, 2016.

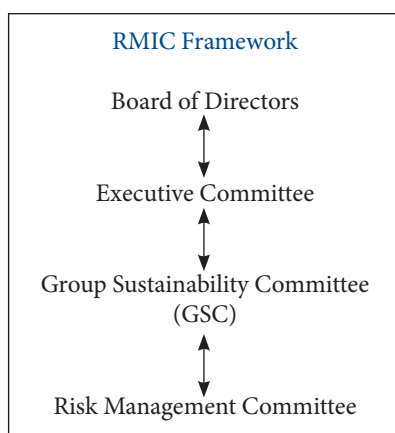
The Directors are also responsible for taking such steps that are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The Auditors' responsibilities are stated in their report to the shareholders.

Statement On Risk Management and Internal Control

The Board of Directors ("the Board") of United Plantations Berhad ("the Group") recognises its responsibility for the Group's system of Risk Management and Internal Control (RMIC) for the review of its adequacy and effectiveness, whilst the role of management is to implement the Board's policies on risks and controls. A sound system of RMIC includes the establishment of an appropriate control environment and framework, encompassing financial, operational and compliance controls and management of risks throughout its operations in order to protect its shareholders' value and the Group's assets as well as other stakeholders' interests, at the same time.

The Risk Management Framework is embedded in its culture as documented in the Group Sustainability System Framework as illustrated below. The Risk Management Framework overlaps with the Sustainability Governance Management Structure.



RMIC Approach

Because of the limitations that are inherent in any system of RMIC, such systems are designed to manage and mitigate risks that may impede the achievement of the Group's business objectives. Accordingly, the system of RMIC provides only reasonable and not absolute assurance against material misstatement, error or loss. The concept of reasonable assurance also recognises that the cost of control procedures should not exceed the expected benefits.

Assurance from Management

The Board has received assurances from the Chief Executive Director and the Executive Director, Finance & Marketing, that the Group's system of RMIC is operating adequately and effectively in all material aspects.

Internal Control And Risk Management

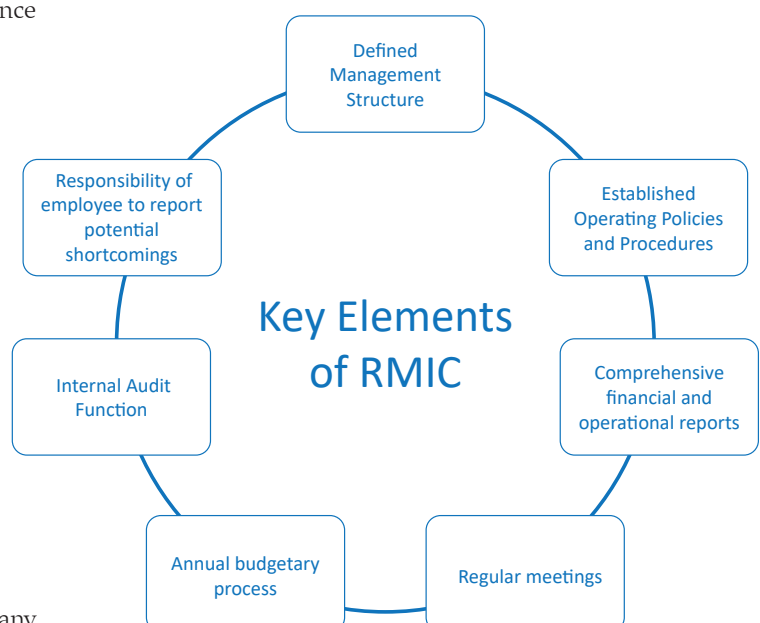
The Board regards risk management as an integral part of business operations. There is in place a formal process to identify, evaluate and manage significant strategic, operational, financial, tax-related and legal risks faced by the

Group. This includes examining principal business risks in critical areas, assessing the likelihood of material exposures and identifying the measures taken and the time frame to mitigate and minimise these risks.

The process is undertaken by a Risk Management Committee headed by the Executive Director, Finance & Marketing and comprises senior executives of the Company and a written report is submitted to the Board. Management proactively reviews the measures taken to manage those identified risks on a timely and consistent manner.

Other Key Elements Of RMIC

Other key elements of the Group's system of internal control are as follows:



In addition to the above chart, each subsidiary of the group is (as a minimum requirement) subjected annually to scrutiny of its financial statements by an external auditor, any comments relating to this external audit are passed on to the management in the form of a "management letter". No significant shortcomings in internal controls have been found in the past.

The Audit and Risk Committee, on behalf of the Board, receives reports from both the internal and external auditors and regularly reviews and holds discussions with management on the actions taken on identified RMIC issues. The role of the Audit and Risk Committee is further elaborated in the Audit and Risk Committee Report on pages 133 to 136. There is no material joint venture that has not been dealt with as part of the Group for the purpose of Statement on Risk Management and Internal Control.

Risk Management Activities

No major weaknesses in the system of internal controls were identified during the year, nor have any of the reported weaknesses resulted in material losses or contingencies requiring disclosure in the Group's Annual Report. Those areas of non-compliance with the procedures and policies and those which require improvements as highlighted by the internal and external auditors during the period have been, or are being addressed. The Board confirms that its risk management and internal control systems which were operational throughout the financial year and up to the date of approval of the Annual Report are adequate and effective to safeguard the Group's assets.

The Board remains committed towards operating a sound system of RMIC and therefore recognises that the system must continuously evolve to support the type of business and size of operations of the Group. As such, the Board, in striving for continuous improvement will put in place appropriate action plans, when necessary, to further enhance the Group's system of RMIC.

The significant risks identified for the financial year 2024 are outlined in the chart below:

Review of the Statement by External Auditors

The external auditors have performed limited assurance procedures on this Statement on Risk Management

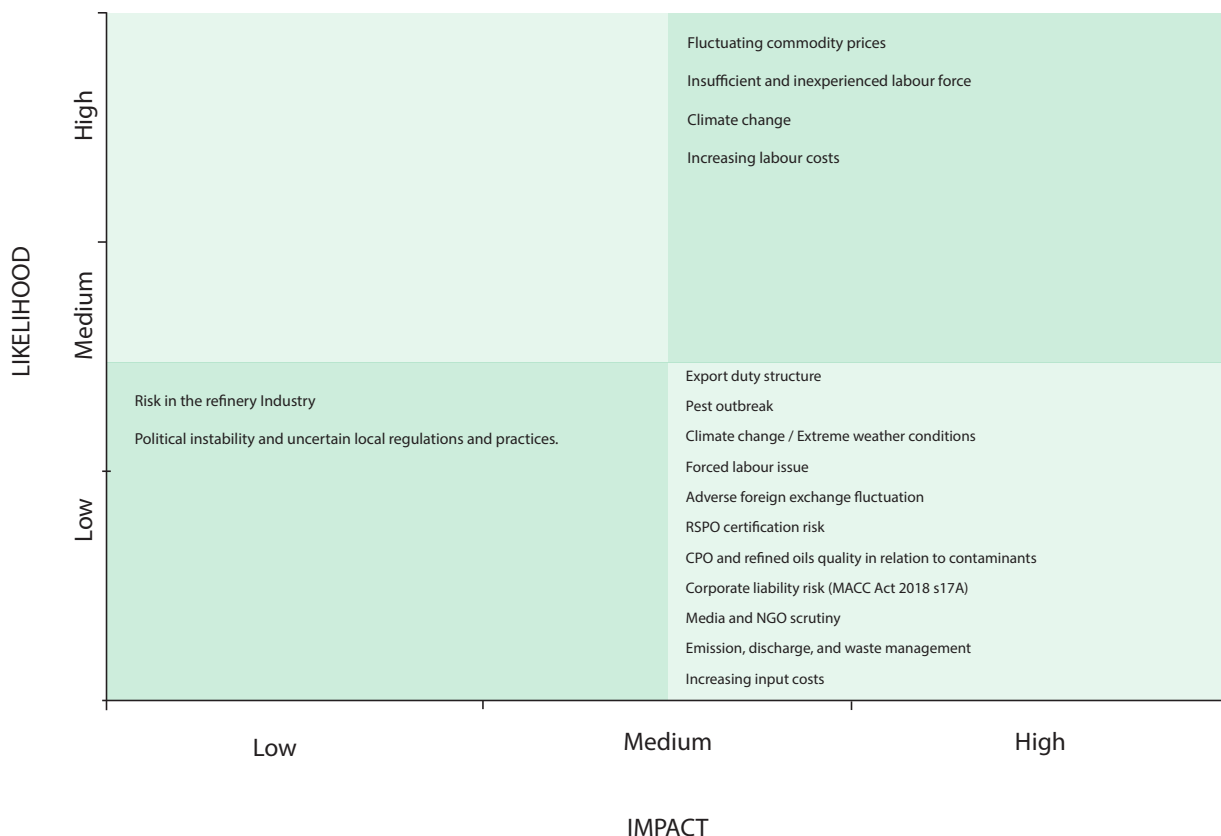
and Internal Control in accordance with audit and assurance practice guide ("AAPG") 3 Guidance for Auditors on Engagement to Report on the Statement on Risk Management and Internal Control issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the Group's Annual Report for the year ended 31 December 2024 and reported to the Board that nothing has come to their attention that causes them to believe that the statement intended to be included in the Annual Report is not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Guidelines, nor in the Statement factually inaccurate.

AAPG 3 does not require the External Auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Groups' risk management and internal control system including the assessment and opinion by the Directors and management thereon.

The report from the External Auditors was made solely for and directed solely to the Board of Directors in connection with their compliance with the listing requirements of Bursa Malaysia Securities Berhad and for no other purpose or parties.

The External Auditors do not assume responsibility to any person other than the Board of directors in respect of any aspect of this report.

2024 Risk Chart



Audit and Risk Committee Report

Members of the Audit and Risk Committee:

Mr. Yap Seng Chong

(Chairman - appointed as a member on 26-4-2022 and assumed the chairmanship on 27-4-2023)
(Independent, Non-executive Director)

Mr. R. Nadarajan

(appointed on 1-6-2013)
(Independent, Non-executive Director)

Mr. Jorgen Balle

(appointed on 27-4-2023)
(Non-Independent, Non-executive Director)

The Audit and Risk Committee (ARC) consists 2 independent non-executive directors and 1 non-independent, non-executive director. The independent non-executive directors are Mr. Yap Seng Chong and Mr. R. Nadarajan who are both members of the Malaysian Institute of Accountants. The non-independent, non-executive director is Mr. Jorgen Balle.

This meets the requirement of the Bursa Securities Listing Requirements which requires the composition of the ARC to have majority independent, non-executive directors and at least one qualified accountant as a member of the ARC.

1) Objectives

The Committee operates under the Terms and Reference of Audit and Risk Committee containing requirement as spelt out by Bursa Malaysia and the Terms of Reference is posted under Corporate Governance Information section of the Company's website at www.unitedplantations.com.

The Terms of Reference prescribes the Committee's scope of responsibilities and the primary objectives of the Committee are:

- a) To assist in discharging the Board's responsibilities as they relate to the Group's management including risk management, internal controls, accounting policies and financial reporting;
- b) To provide, by way of regular meetings, a line of communication between the Board and the external and internal auditors;
- c) To oversee and review the quality of the audits conducted by the external and internal auditors; and
- d) To enhance the perceptions held by interested parties, such as shareholders, regulators, creditors, and employees, of the credibility and objectivity of the financial reports.

2) Activities of the Audit and Risk Committee during the year

The Committee held five (5) meetings in 2024 to conduct and discharge its functions in accordance with the Terms of Reference mentioned above. Details of Directors' attendances at Audit and Risk Committee meetings are as follows:

Name of Directors	No. of Meetings	
	Attended	Held
Mr. Yap Seng Chong	5	5
Mr. R. Nadarajan	5	5
Mr. Jorgen Balle	5	5

The Audit and Risk Committee met on a scheduled basis. The Financial Controllers were invited to attend the meetings. The internal and external auditors were also invited to discuss their audit findings, management letters, Audit Planning Memorandum and other matters deemed relevant. During the scheduled meetings, the members of the ARC also had two (2) sessions with the outsourced internal auditors and two (2) sessions with the external auditors without the presence of the Management.

During the year, the Committee carried out the following activities:

- a) Internal Audit (IA) (Both in-house and outsourced)
 - i. Reviewed the annual audit plans for 2024 to ensure adequate scope, coverage of the activities of the Company and the Group and the resource requirements and budget of in-house Internal Audit department to carry out its functions;
 - ii. Reviewed the Internal Audit reports, audit recommendations and Management's responses to these recommendations (further details are provided under item 3);
 - iii. Reviewed the status report on corrective actions implemented by Management to rectify the outstanding audit issues to ensure control lapses are addressed;
 - iv. Instructed the conduct of investigations on activities within its terms of reference;
 - v. Evaluated the performance and effectiveness of the outsourced internal auditors, KPMG Management & Risk Consulting Sdn. Bhd. ("KPMG") and the in-house internal auditors;
 - vi. Reviewed and assessed the trading manual limits for the Group;
 - vii. Reviewed the carry forward capital expenditure to date listing with explanation if expenditure to date is less than 25% of carry forward budget;
 - viii. Reviewed the debtors ageing listing with explanation if overdue;
 - ix. Reviewed the risk assessment on the Group exposure under S17(A) MACC Amendment Act 2018 and the adequate procedures implemented;
 - x. Review the Group safety report.

b) External Audit

i. Reviewed with the external auditor:-

- The Audit Planning Memorandum and scope of work for the year; and
- The Results of the audit, the relevant audit reports, and Management Letters together with the Management's responses and comments to the findings.

ii. Assessed the independence and objectivity of the external auditors during the year and prior to reappointment. The assessment is based on the private discussions, quality of issues raised in their report and their level of participation on issues discussed during the meetings they attended. The Committee also received from the external auditors their policies and written confirmation regarding their independence and the measures used to control the quality of their work;

iii. Evaluated the performance and effectiveness of the external auditors and made recommendations to the Board of Directors on their reappointment and remuneration.

c) Financial Reporting

Reviewed the quarterly unaudited financial results and the annual audited financial statements of the Company and the Group prior to recommending them for approval by the Board of directors.

The Committee, in the current year, reviewed only the first three quarters of the unaudited quarterly financial results as the fourth quarter announcement had been dispensed with as approved by Bursa since 2015, the approval is on condition that the full financial report is announced within two months from the close of the financial year end.

The review was to ensure that the financial reporting and disclosures are in compliance with:

- i. Provisions of the Companies Act 2016;
- ii. Listing Requirements of Bursa Malaysia Securities Berhad;
- iii. Applicable approved accounting standards in Malaysia; and
- iv. Other legal and regulatory requirements.

d) Related Party Transactions

During the year the Management had reported to the ARC the related party transactions which were

recurrent in nature as disclosed under Note 28 of the financial statements. There were no other related party transactions entered into by the Company and the Group.

e) Annual Report

- Reviewed with the external auditors, their evaluation and report of the state of risk management and internal control of the Group and reported the results thereof to the Board of Directors.

- Reviewed the Audit and Risk Committee Report, Overview Statement on Corporate Governance, Corporate Governance Report and Statement on Risk Management and Internal Control and recommended the reports to the Board for publication in the 2024 Annual Report.

f) Risk Assessment and Management

Reviewed and discussed with Management the outcome of the exercise to identify, evaluate and manage significant strategic, operational, financial, hedging, trading, tax-related and legal risks faced by the Group. The report was compiled annually and presented to the Audit and Risk Committee for further deliberations on the adequacy and effectiveness of the actions taken.

3) Internal Audit Function

The Committee is supported by the in-house Group Internal Audit Department and the outsourced internal auditors, KPMG in the discharge of its duties and responsibilities.

The internal auditors provide independent and objective assessment on the adequacy and effectiveness of the risk management and internal controls. The in-house internal auditors also carry out investigative audits whenever improper, illegal and dishonest acts are reported.

The Group Internal Audit Department is headed by a qualified accountant and supported by two (2) executives with experiences in the audit and estate operations. The Internal Audit programs are tailored specifically based on the risk areas identified by the Executive Committee and Audit and Risk Committee with emphasis on operational weaknesses identified and prevalent in the plantation industry. This will ensure that the audit programs add value to management decision making.

The internal auditors review the effectiveness of the internal control structures of the Group's activities focusing on high-risk areas as determined using a risk-based approach.

All operating units (including foreign operations) are audited at least once over a two-year period by the in-house internal auditors, and at least once over a three-year period by the outsourced internal auditors (excluding foreign operations). However, the in-house internal audit was not able to complete the audit of all operating units within 2023/2024 due to more audit focus on the Compliance of Ethical Recruitment policy.

The internal audits cover the review of the adequacy of risk management, operational controls, compliance with established procedures, guidelines and statutory requirements, quality of assets and management efficiency, amongst others. These audits are to ensure that the established controls are appropriate, effectively applied and achieve acceptable risk exposures consistent with the Group's risk management policy. In performing such reviews, recommendations for improvement and enhancements to the existing system of internal controls and work processes are made.

All auditing activities are conducted in line with the Group's objectives and policies, in accordance with applicable laws and regulations, and as guided by Code of Ethics and International Standards for the Professional Practice of Internal Auditing.

For the year 2024, the activities undertaken by the internal auditors were as follows:

- a) Developed an audit plan using risk-based approach, and carried out the assignments according to the audit plan for the year;
- b) Conducted ad-hoc assignments as instructed by the Audit and Risk Committee and the Executive Committee;
- c) Recommended improvements and enhancements to the existing system of internal controls and work procedures / processes;
- d) Conducted investigation into activities or matters as instructed by the Audit and Risk Committee and Management;
- e) Performed a review and assessment exercise to identify, evaluate and manage significant strategic, operational, financial, hedging, trading, tax-related and legal risks faced by the Group; and
- f) Preparation of Audit and Risk Committee Report and Statement on Risk Management and Internal Control for the Company's Annual Report.
- g) Conducted four (4) sessions of Reach & Teach to the various estates/departments based on audit findings including trainings on MACC S17(A).

A total of 14 (2023: 15) audit engagements (in-house internal audits) were completed in 2024. The in-house internal audit team visited 1 estate, 1 mill and 1 refinery (2023: 1 estate, 2 mills and 1 refinery) in 2024 to conduct internal auditing on the financial and operational aspects of the operations with particular emphasis on cash management, stock, reporting, SOPs compliance and fixed assets.

In addition, 11 special audits (2023: 11) were conducted primarily focusing on SOPs on guest workers recruitments, CCTV reviews, review of procurement price and review of tractor repair costs among others. (2023: SOPs compliance, checking on the operations and management of estates, mills and refinery, review of the workers attendance, review and checking of the coconut counting operations, review of costings in the bakery and review of payments among others).

The findings include among others identification of weaknesses in the SOPs compliance, stock management and recording, lapses in plant and vehicle maintenance records, lapses in recording of workers attendance, and guest workers recruitments' SOPs. (2023: weaknesses in the SOPs compliance, stock management, recording of workers attendance, coconut counting operations and guest workers recruitments).

For the outsourced internal audits, 5 (2023: 7) audit engagements were completed in 2024, encompassing 2 estate audits, 1 mill audit, 1 bakery audit and 1 refinery audit (2023: 4 estate audits, 2 mill audits, and 1 refinery audit).

The audit objectives are to independently assess the system of internal control as established by Management, the adequacy and integrity of such internal control system versus the objectives served, and to make appropriate recommendation thereof. These also include determining the extent of adherence to internal controls by personnel responsible for the function.

Material findings include among others are weaknesses in the mill operations, lapses in the stock count procedures, weaknesses in the fire safety and prevention control, weaknesses in the checkroll processing, lapses in the fixed asset management, weaknesses in the safety and environment management. (2023: weaknesses in the checkroll system, monitoring of harvesting timeliness, monitoring of FFB grading process, improvement in inventory management system, weaknesses in the procurement process and enhancement to the monitoring of the plant and vehicle maintenance).

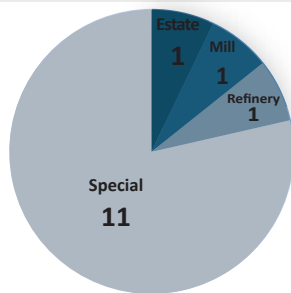
The audit engagements are performed on a rotational basis to ensure that all business units will be audited at least once every 3 years.

Any control and procedural weaknesses identified were discussed with Management and remedial measures instituted to address the weaknesses identified. The Audit and Risk Committee will review the audit report presented and the Management's responses to ensure that material

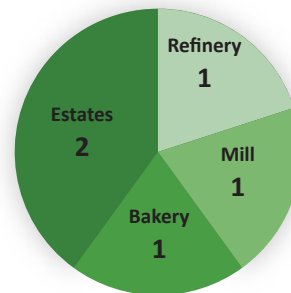
findings are adequately addressed. Some follow up audit works were done subsequently for material findings to ensure adherence to the audit recommendation if any.

A total of 19 (2023: 22) audit engagements (combined in-house and outsourced internal audits) were completed in 2024, categorized as follows:

Internal Audits completed in 2024 by
In-house Internal Audit Team



Internal Audits completed in 2024 by
Out-sourced Internal Auditors, KPMG



The Audit and Risk Committee members with the Company Secretary in attendance at a meeting with our auditors Ernst & Young.

Nomination Committee Report

The members of the Nomination Committee (NC) as at the end of financial year 2024 were as follows:-

Mr. R. Nadarajan (Chairman)

(Independent, Non-Executive Director)

Mr. Jorgen Balle

(Non-Independent, Non-Executive Director)

Mr. Yap Seng Chong

(Independent, Non-Executive Director)

The principal function of making recommendations for new appointments to the Board is delegated to the Nomination Committee. The Nomination Committee consists entirely of non-executive directors as required under the Main Market Listing Requirements, the majority of whom are independent directors.

The Committee has access to the services of the Company Secretary who would record and maintain minutes of meetings and obtain information for the purpose of meeting statutory obligations as well as obligations arising from Bursa Malaysia's Main Market Listing Requirements.

Objectives

The primary objectives of the Committee are:

- a) To assist the Board in fulfilling its responsibilities related to the Group's board renewal and succession planning;
- b) to assess the effectiveness of the Board and Committees; and
- c) to assess the contributions of individual directors.

Terms of Reference

The duties of the Committee:

1. To consider, in making its recommendations to the Board, candidates proposed by any director or shareholder or consultant, for all directorships. In making the recommendations, the NC shall consider the candidates':
 - skills, knowledge, expertise and experience;
 - professionalism;
 - integrity; and
 - in the case of candidates for the position of independent directors, the NC shall also evaluate the candidates' ability to discharge such responsibilities or functions as expected from independent non-executive directors.

2. To recommend to the Board, the directors to fill the seats on Board Committees.
3. To review annually the Board's required mix of skills and experience and other qualities, including core competencies that the Board members should bring to the Board and Committees to best serve the business and operations of the Group as a whole.
4. To assist the Board by formulating and periodically reviewing the criteria and procedure to be carried out by the Committee for assessing the effectiveness of the Board and Board Committees as a whole.
5. To assess the board balance by reviewing the size, structure, and composition of the Board.
6. To assess the independence of the independent directors annually and to recommend to the Board whether an independent director may continue to serve on the Board as an independent director after his tenure has exceeded a cumulative term of nine years.
7. To consider directors who are due to retire on rotation at the AGM and recommend their re-election.
8. To develop, review and monitor the policies and approach toward boardroom diversity.
9. To review and assess the effectiveness of the Board's succession plan.
10. To review the adequacy of the Terms of Reference in the light of new practices and regulatory requirements to ensure that the Committee is operating at maximum effectiveness, and to recommend changes as and when required.
11. To perform such other functions relating to the foregoing as the Board may, from time to time, request.

Board Members' Selection Criteria

Selection of candidates to be considered for appointment as directors is facilitated through recommendations from members of the Board and/or shareholders, industry acquaintances, consultants, etc. to gain access to a wide pool of potential candidates.

The Nomination Committee will normally meet with the proposed candidates to assess their suitability in terms of age, qualifications, experience, expertise, any potential conflict of interest, and leadership quality before recommending them for appointment to the Board.

Activities of the NC during the year

In 2024, the NC met once (1) and the attendance of members of the Committee was as follows:-

Name of Directors	No. of Meetings	
	Attended	Held
Mr. R. Nadarajan (Chairman, Independent, Non-Executive)	1	1
Mr. Jorgen Balle (Non-Independent, Non-Executive)	1	1
Mr. Yap Seng Chong (Independent, Non-Executive)	1	1

The Nomination Committee had in 2024 undertaken various activities in the discharge of its duties and these are summarised as follows:-

A) Evaluated and recommended suitable Candidates for appointment to the Board

The Nomination Committee met up with Mr. Iwan who was nominated by EPF (Employee Provident Fund) to replace Tunku Alizakri bin Raja Muhammad Alias on the Board. Mr. Iwan, aged 57, holds a Bachelor of Arts (Hons) in Law from the University of Nottingham, UK, graduating in 1990.

Mr. Iwan has over 30 years of experience in human resources. He has held senior positions in Tenaga Nasional Berhad, MISC, and the Shell Group. He joined EPF in 2021 and currently serves as the Chief Human Resources Officer, responsible for shaping the strategic direction of the human resources division, and overseeing the management of the People Matters Department and the EPF Learning Campus.

The Nomination Committee after interviewing Mr. Iwan found him to be suitably qualified, honest, and possessing the right attitude for a board position in UP. After deliberation, the Nomination Committee unanimously resolved to propose to the Board to consider appointing him as a non-independent director.

B) Review of Board Charter and Terms of Reference of Nomination Committee

The Nomination Committee had in line with the amendments to Bursa Malaysia Securities Berhad Main Market Listing Requirements in relation to Conflict of Interest and other Areas as circulated to all listed issuers on 26 May 2023 reviewed and made recommendations to the Board to update the relevant sections of the Board Charter as well as Fit and Proper Policy.

The Board, in recognizing the importance of compliance with the amended listing requirements and upholding a high standard of corporate governance approved the recommendation of

the Nomination Committee. With the approval of the Board obtained on 24 February 2024, the Board Charter as well as the Fit and Proper Policy were subsequently updated and are available at our website www.unitedplantations.com.

C) Annual Assessment

- Reviewed and assessed the performance of individual Directors during the year. When deliberating on the performance of a particular Director who is also a member of the Nomination Committee, that member has abstained from the discussions. The criteria used for such assessment are competency, skill, knowledge, and preparedness. For independent directors, they are also being assessed on their abilities to exercise independent judgement.
- Conducted assessment and made recommendation to the Board to support and table to the shareholders for approval to re-elect the Directors who were retiring under Article 107 of the Company's Constitution at the 104th A.G.M.
- Conducted the annual assessment of the effectiveness of the Board and the Board Committees. The criteria used for such assessment are the composition with regard to the required mix of skills, knowledge, and experience, and the effectiveness of the Board and Committees in discharging their respective duties.
- Reviewed the composition of the Board based on the required mix of skills, experience and other qualities considered important for the Board.
- Reviewed the composition of the Board Committees based on the provisions of the relevant guidelines and regulations including annual review of succession planning and boardroom diversity.

In addition to the above, the Nomination Committee has also like in past years carried out an independence assessment on all Independent Directors to evaluate whether the Independent Directors are able to exercise independent judgements without being unduly influenced.

The Nomination Committee has after evaluation found that all Independent Directors have discharged their duties to the satisfaction of the Committee. When the evaluation involved a member of the Nomination Committee, the particular member has abstained from the deliberation.

During the year, there was one (1) independent director who had exceeded the nine (9) years tenure on the Board, namely Mr. R. Nadarajan.

The Nomination Committee, with the abstention of Mr. R. Nadarajan, had reviewed the attendance records of Mr. R. Nadarajan, his participation in Board deliberations, including Board Committees, and concluded that he remains objective and independent and his length of service does not interfere with his exercise of independent judgement and accordingly recommended to the Board to propose to the shareholders to retain him as an independent director based on the following justifications.

- a) He fulfils the criteria of an independent director pursuant to the Main Listing Requirement,
- b) He has wide experience relating to the Company's business operations,
- c) He has devoted sufficient time and attention to discharging his duties as an independent director of the Company,
- d) He has been exercising due care in discharging his duties as an independent director in the best interest of the Company and shareholders.

The Company had at the last AGM held on 24 April 2024 sought and obtained the shareholders' approval for him to be retained as independent director for a new term until the forthcoming AGM.

Mr. R. Nadarajan has expressed his intention to step down from the Board after the conclusion of the forthcoming AGM.

Evaluation for Board, Board Committees and Individual Directors

The Nomination Committee facilitated by the Company Secretary carried out the annual assessment to evaluate the performance of the Board, its Board Committees, and each individual Director in 2024. The assessments of the Board, Board Committees, and individual Directors were carried out based on questionnaire.

The evaluation process was managed by the Company Secretary who forwarded the questionnaires on the Board, Board Committees, and individual Directors to the Chairman of the Nomination Committee who after consultation with members of the Nomination Committee completed the evaluation by completing the questionnaires.

The findings and recommendations of the Nomination Committee were tabled at the Board for further discussion and approval. Based on the evaluation results, the Committee reached the conclusion that the Board and the Directors in their individual capacity supported the current needs of the Company. All Directors have the requisite competence, integrity, and character to serve on the Board and had demonstrated their commitment to the Group.

The Board was satisfied with the outcomes of the evaluation. The Board is of the view that it is not necessary to appoint an independent third party to conduct the evaluation process. The Nomination Committee will continue to assess the need for the appointment of an independent third party and will take the necessary action as and when deemed useful.



The UP Board of Directors (except for Mr. Jorgen Balle) together with the Company Secretary.

Additional Disclosures

Pursuant to the listing requirements of Bursa Malaysia Securities Berhad, additional disclosures by the Group for the year ended 31 December 2024 are as follows: -

1) Utilization of proceeds raised from Corporate Proposals

There was no corporate proposal to raise funds during the financial year.

2) Non-audit fees paid to External Auditors

Non-audit fees paid and payable to Company and Subsidiaries' external auditors for the financial year were as follows: -

Tax services: RM198,348

3) Cost of Internal Audit

RM779,244 was incurred by the Group in the Financial year for its outsourced internal audit and in-house internal audit department.



Our CED together with visiting guests from Denmark, Count Bendt Wedell and Mr. Anders Agervold, returning from an aerial reconnaissance of our oil palm fields in the company's de Havilland Beaver aircraft.



International Women's Day is celebrated on 8 March every year, it's a global celebration recognizing women's contributions to work and society. Seen here are our lovely ladies from the UP Registered Office.



Unitata rewarding and recognising its long serving loyal and dedicated employees at a celebration dinner ceremony held on the 18 January 2025 in conjunction with Unitata's 50 Golden Anniversary.



Fig trees (Ficus spp.) are ecologically important keystone species because they sustain many species of seed-dispersing animals that feed on their fruits

Financial Statements For the year ended 31 December 2024

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Report Of The Directors For The Financial Year Ended 31 December 2024

The Directors have pleasure in submitting for your consideration the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

Principal Activities

The Company carries on the business of oil palm and coconut cultivation and processing on its plantations in Peninsular Malaysia.

The Company also has an active research centre providing improved planting material for the Group's estates as well as for the Malaysian agricultural sector in general.

The subsidiary companies are primarily engaged in the following activities:

- (a) Business of oil palm cultivation and processing in Indonesia;
- (b) Refining of palm oil, manufacturing edible oils, fats, cocoa butter substitute and trading in crude palm oil and palm kernel products; and
- (c) Trading, marketing and investment holding.

Other information relating to the subsidiary companies, associated company and joint ventures are disclosed in Note 3 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

Financial Results

	Group RM'000	Company RM'000
Profit after taxation	719,409	725,230
Attributable to:		
Equity owners of the parent	715,081	725,230
Non-controlling interests	4,328	-
Total	719,409	725,230

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature, other than as disclosed in the financial statements.

Report Of The Directors For The Year Ended 31 December 2024

Dividends

Dividends paid by the Company since the end of the previous financial year were as follows:

- (a) A final single-tier dividend of 70 sen per share amounting to RM290,349,489 in respect of the previous financial year was declared and paid on 26 February 2024 and 14 May 2024 respectively.
- (b) A final special single-tier dividend of 40 sen per share amounting to RM165,913,994 in respect of the previous financial year was declared and paid on 26 February 2024 and 14 May 2024 respectively.
- (c) An interim single-tier dividend of 40 sen per share amounting to RM165,913,994 in respect of the current financial year was declared and paid on 13 November 2024 and 10 December 2024 respectively.
- (d) An interim special single-tier dividend of 20 sen per share amounting to RM82,956,997 in respect of the current financial year was declared and paid on 13 November 2024 and 10 December 2024 respectively.

At the forthcoming Annual General Meeting, a final single-tier dividend of 70.5 sen per share amounting to RM292,423,414 and a final special single-tier dividend of 40.5 sen per share amounting to RM167,987,918 in respect of the financial year ended 31 December 2024 on the ordinary shares in issue at book closure date will be proposed for shareholders' approval (the adjusted dividends per share after considering the Bonus Issue as mentioned in Note 33 of the Financial Statements will be a final single-tier dividend of 47 sen per share and a final special single-tier dividend of 27 per share). The financial statements for the current financial year do not reflect these proposed dividends. Such dividends, if approved by the shareholders, will be accounted for in shareholders' equity as an appropriation of retained profits in the next financial year ending 31 December 2025.

Treasury Shares

The shareholders of the Company, by a resolution passed at the Annual General Meeting held on 18 June 2005, approved the Company's plan to purchase up to 10% of the issued and paid-up share capital of the Company. The authority granted by the shareholders was subsequently renewed during subsequent Annual General Meetings, including the last meeting held on 24 April 2024. Notwithstanding the above, the Company in exercising this mandate shall ensure that the public spread shall not fall below 25% as required under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

As at 31 December 2024, the number of treasury shares held remained at 1,483,548 shares as there were no purchase, resale and/or cancellation of the treasury shares by the Company in the preceding 12 months. These treasury shares were held in accordance with the requirement of Section 127 of the Companies Act 2016.

The Company has the right to cancel, resell these shares and/or distribute these shares as dividends at a later date. As treasury shares, the rights attached to voting, dividends and participation in other distribution are suspended.

As at the end of the financial year, the number of ordinary shares in issue after deducting treasury shares is 414,784,984 ordinary shares.

Report Of The Directors For The Year Ended 31 December 2024

Directors

The names of the Directors of the Company in office since the date of the last report and at the date of this report are:

YBhg. Dato' Mohamad Nasir bin Ab. Latif
 YBhg. Dato' Carl Bek-Nielsen*
 Mr. Martin Bek-Nielsen*
 Mr. Loh Hang Pai
 Mr. R Nadarajan
 Mr. Jorgen Balle
 Ms. Belvinder Kaur d/o C Nasib Singh
 Mr. Yap Seng Chong
 Mr. Iwan Azlan bin Mokhtar (appointed on 24 April 2024)

The name of the director of a subsidiary of the Company since the beginning of the financial year to the date of this report, not including those directors listed above is:

Mr. Geoffrey Ian George Cooper

The following Directors who held office at the end of the financial year had according to the register required to be kept under Section 59 of the Companies Act 2016 an interest in shares of the Company and its subsidiary companies, as stated below:

* These Directors are also directors of the Company's subsidiaries

	Number of ordinary shares				% of issued share capital*
	1 January 2024	Bought	Sold	31 December 2024	
The Company:					
YBhg Dato' Mohamad Nasir bin Ab. Latif					
- held directly	130,000	10,000	-	140,000	0.03
YBhg. Dato' Carl Bek-Nielsen					
- held directly	5,161,000	-	-	5,161,000	1.24
- deemed interested	200,742,858 ^{*1}	-	-	200,742,858 ^{*1}	48.40
Mr. Martin Bek-Nielsen					
- held directly	1,455,778	-	-	1,455,778	0.35
- deemed interested	200,682,742 ^{*2}	-	-	200,682,742 ^{*2}	48.38
Mr. Loh Hang Pai					
- held directly	115,000	885,000	-	1,000,000	0.24
Mr. R. Nadarajan					
- held directly	81,000	-	-	81,000	0.02
- deemed interested	86,000	-	-	86,000	0.02
Mr. Jorgen Balle					
- held directly	4,000	-	-	4,000	

Report Of The Directors For The Year Ended 31 December 2024

Notes:

*¹ YBhg Dato' Carl Bek-Nielsen

19,437,142 shares	-	Deemed interested in the shares registered in the name of UIE Plc
181,215,600 shares	-	Deemed interested in the shares registered in the name of Maximum Vista Sdn. Bhd.
90,116 shares	-	Deemed interested through immediate family members
200,742,858 shares		

*² Mr. Martin Bek-Nielsen

19,437,142 shares	-	Deemed interested in the shares registered in the name of UIE Plc
181,215,600 shares	-	Deemed interested in the shares registered in the name of Maximum Vista Sdn. Bhd.
30,000 shares	-	Deemed interested through immediate family members
200,682,742 shares		

* calculated based on 414,784,984 shares which do not include 1,483,548 treasury shares.

By virtue of their interest in the shares of UIE Plc and Maximum Vista Sdn. Bhd., Dato' Carl Bek-Nielsen and Mr. Martin Bek-Nielsen are also deemed to have interest in the shares of all the subsidiary companies of the Company to the extent the Company has an interest in them.

The remaining Directors in office at the end of the financial year did not have any interest in shares in the Company or its related corporations during the financial year.

Neither at the end of the financial year, nor at any time during the financial year, did there subsist any arrangement to which the Company was a party, whereby the Directors might acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no Director has received or become entitled to receive any benefits (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the Directors or the fixed salary of a full-time employee of the Company as shown below) by reason of a contract made by the Company or a related corporation with any Director or with a firm of which the Director is a member or with a company in which the Director has a substantial financial interest.

The Directors' benefits are as follows:

	Group RM'000	Company RM'000
Salaries and other emoluments	5,579	5,579
Defined contribution plan	894	894
Directors' fees	1,357	1,302
Others	97	97
	7,927	7,872

Directors' indemnity and insurance cost

During the financial year, the Directors of the Company are covered under the Directors' and Officers' liability insurance in respect of liabilities arising from acts committed in their respective capacity as inter alia, the Directors of the Company subject to the terms of the insurance policy. The total amount of coverage effected for the Directors was RM20,000,000 at the premium of RM30,250 which was shared between the Company and all the Directors at the ratio of 95:5.

Other statutory information

- (a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the Directors took reasonable steps:
 - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that there were no known bad debts and that no allowance for doubtful debts was necessary; and
 - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances which would render:
 - (i) it necessary to write off any bad debts or to make any allowance for doubtful debts in the financial statements of the Group and of the Company; and

Report Of The Directors For The Year Ended 31 December 2024

- (ii) the values attributed to current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the Directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) As at the date of this report, there does not exist:
 - (i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability in respect of the Group and of the Company which has arisen since the end of the financial year.
- (f) In the opinion of the Directors:
 - (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet its obligations when they fall due; and
 - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

Subsequent event

Details of subsequent event are disclosed in Note 33 to the financial statements.

Indemnity to external auditors

To the extent permitted by law, the Company has agreed to indemnify its external auditors, Ernst & Young PLT, as part of the terms of the audit engagement against claims by third parties arising from the audit (for an unspecified amount). There has not been any third party claims and no payment has been paid to indemnify Ernst & Young PLT for the financial year ended 31 December 2024.

External auditors and their remuneration

The external auditors, Ernst & Young PLT, have expressed their willingness to continue in office.

The external auditors' remuneration of the Group and Company are RM671,000 and RM376,000 respectively.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 22 February 2025.

	Directors
DATO' MOHAMAD NASIR	
BIN AB. LATIF	}
	}
	}
	}
	}
DATO' CARL BEK-NIELSEN	}

Statement By Directors

Pursuant to Section 251(2) of the Companies Act 2016

We, DATO' MOHAMAD NASIR BIN AB. LATIF and DATO' CARL BEK-NIELSEN, being two of the Directors of United Plantations Berhad, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 154 to 211 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and of the results and the cash flows of the Group and of the Company for the financial year then ended.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 22 February 2025.

DATO' MOHAMAD NASIR BIN AB. LATIF

DATO' CARL BEK-NIELSEN

Jendarata Estate
36009 Teluk Intan,
Perak Darul Ridzuan,
Malaysia.

Statutory declaration

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, NG ENG HO, the Officer primarily responsible for the financial management of United Plantations Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 154 to 211 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by
the abovenamed NG ENG HO at
Teluk Intan in the State of Perak Darul Ridzuan
on 24 February 2025.

NG ENG HO

Before me,

Siti Suhadah Bt Shoeb
Commissioner For Oaths,
Teluk Intan,
Perak Darul Ridzuan,
Malaysia.

Independent auditors' report to the members of United Plantations Berhad (Incorporated in Malaysia)

Report on the audit of the financial statements

Opinion

We have audited the financial statements of United Plantations Berhad, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information as set out on pages 154 to 211.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and of their financial performance and their cash flows for the financial year then ended in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements of the Group and of the Company. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis of our audit opinion on the accompanying financial statements.

Revenue recognition

Revenue from sale of produce stocks and finished goods recognised by the Group during the financial year amounted to RM2,198 million. We identified revenue recognition in respect of sale of produce stocks and finished goods to be an area of audit focus as we consider the high volume of transactions for numerous types of produce stocks and finished goods produced and sold by the Group to be a possible cause of higher risk of material misstatements in relation to the timing and amount of revenue recognised. We have specifically focused our audit efforts to determine the possibility of overstatement of revenue.

Our audit procedures for revenue recognition included testing the Group's internal controls over timing and amount of revenue recognised. We have on a sampling basis, inspected the terms of significant sales contracts to determine the point at which control is transferred to the customer. We have independently obtained confirmation of sales transactions by the Group to a key customer for the current financial year. We have also on a sampling basis, inspected documents which evidenced the delivery of goods to customers. We have also focused on testing the recording of sales transactions close to the financial year end and credit notes issued after financial year end, to establish whether sales transactions were recorded in the correct accounting period. We have also used data analytics on the audit of revenue recognised by establishing the correlation between revenue, trade receivables and cash.

Refer to Notes 2.4(k) and 4 to the financial statements.

Information other than the financial statements and auditors' report thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial statements

The directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control;
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- (d) Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern;
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation; and
- (f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 3 to the financial statements.

Other matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

ERNST & YOUNG PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

EDWIN JOSEPH FRANCIS
No. 03370/05/2026 J
Chartered Accountant

Kuala Lumpur, Malaysia
22 February 2025

Statements Of Comprehensive Income
For The Financial Year Ended 31 December 2024

		Group			Company		
	Note	2024 RM'000	2023 RM'000	Changes (%)	2024 RM'000	2023 RM'000	Changes (%)
Revenue	4	2,197,810	2,014,248	9.1	1,133,327	1,075,641	5.4
Other income		52,100	91,927	(43.3)	33,430	23,222	44.0
		2,249,910	2,106,175	6.8	1,166,757	1,098,863	6.2
Changes in finished goods		(31,012)	41,958	(173.9)	(29,207)	20,887	(239.8)
Raw materials and consumables used		(711,621)	(622,547)	14.3	-	-	-
Depreciation of property, plant and equipment		(103,583)	(100,995)	2.6	(75,752)	(73,399)	3.2
Depreciation of right-of-use assets		(5,986)	(5,979)	0.1	(4,884)	(4,839)	0.9
Staff costs	5	(244,959)	(243,458)	0.6	(191,265)	(187,591)	2.0
Other expenses		(259,700)	(277,952)	(6.6)	(193,080)	(189,717)	1.8
Profit from operations	5	893,049	897,202	(0.5)	672,569	664,204	1.3
Finance costs	6	(847)	(747)	13.4	(838)	(741)	13.1
Investment and interest income	7	23,943	26,537	(9.8)	223,435	109,824	103.4
Share of results of joint ventures	14	22,732	10,502	116.5	-	-	-
Profit before taxation		938,877	933,494	0.6	895,166	773,287	15.8
Taxation	8	(219,468)	(222,473)	(1.4)	(169,936)	(160,221)	6.1
Net profit for the financial year		719,409	711,021	1.2	725,230	613,066	18.3
Attributable to:							
Equity owners of the parent		715,081	707,771	1.0	725,230	613,066	18.3
Non-controlling interests		4,328	3,250	33.2	-	-	-
		719,409	711,021	1.2	725,230	613,066	18.3
Earnings per share (sen)	9	172	171	0.6			

The accompanying notes form an integral part of the financial statements.

Statements Of Comprehensive Income
For The Financial Year Ended 31 December 2024

	Group			Company		
	2024 RM'000	2023 RM'000	Changes (%)	2024 RM'000	2023 RM'000	Changes (%)
Net profit for the financial year	719,409	711,021	1.2	725,230	613,066	18.3
Other comprehensive income:						
Items that will be reclassified subsequently to profit or loss:						
Currency translation differences						
- subsidiaries	(23,365)	17,780	(231.4)	-	-	-
Cash flow hedge						
- changes in fair value	(61,173)	26,782	(328.4)	-	-	-
- transfers to profit or loss	22,604	(42,971)	152.6	-	-	-
	(61,934)	1,591	(3992.8)	-	-	-
Items that will not be reclassified subsequently to profit or loss:						
Actuarial changes on defined retirement benefit obligations	159	119	33.6	-	-	-
Withholding tax effect on dividend	-	(2,266)	-	-	-	-
	159	(2,147)	(107.4)	-	-	-
Total other comprehensive loss for the financial year	(61,775)	(556)	11010.6	-	-	-
Total comprehensive income for the financial year	657,634	710,465	(7.4)	725,230	613,066	18.3
Total comprehensive income attributable to:						
Equity owners of the parent	654,474	706,320	(7.3)	725,230	613,066	18.3
Non-controlling interests	3,160	4,145	(23.8)	-	-	-
	657,634	710,465	(7.4)	725,230	613,066	18.3

The accompanying notes form an integral part of the financial statements.

Statements Of Financial Position

As At 31 December 2024

Group

	Note	2024 RM'000	2023 RM'000
Assets			
Non-Current Assets			
Property, plant and equipment	10 (a)	1,261,498	1,250,828
Right-of-use assets	10 (b)	402,925	403,306
Associated company	13	50	50
Joint ventures	14	87,233	64,001
Goodwill	15	356,856	356,856
Other receivables	17	405	413
Derivatives	31(g)	613	-
Deferred tax assets	21	-	2,201
		2,109,580	2,077,655
Current Assets			
Biological assets	11	63,180	51,473
Inventories	16	228,485	245,938
Trade and other receivables	17	304,696	213,008
Prepayments		11,030	5,421
Tax recoverable		35,085	16,809
Derivatives	31 (g)	4,369	19,700
Cash and bank balances	18 (a)	484,528	579,872
Short term funds	18 (b)	2,291	53,729
		1,133,664	1,185,950
Total Assets		3,243,244	3,263,605
Equity and Liabilities			
Equity attributable to owners of the parent			
Share capital	19 (a)	390,054	390,054
Treasury shares	19 (b)	(18,668)	(18,668)
Reserves	20	2,428,393	2,479,054
		2,799,779	2,850,440
Non-controlling interests		17,450	16,980
Total Equity		2,817,229	2,867,420
Non-Current Liabilities			
Deferred tax liabilities	21	176,288	182,604
Retirement benefit obligations	22	14,083	14,098
Lease liabilities	25	13,445	12,687
		203,816	209,389
Current Liabilities			
Trade and other payables	23	141,924	129,601
Tax payable		36,632	48,045
Retirement benefit obligations	22	2,946	2,627
Lease liabilities	25	3	-
Derivatives	31 (g)	40,694	6,502
Bank borrowings	24	-	21
		222,199	186,796
Total Liabilities		426,015	396,185
Total Equity and Liabilities		3,243,244	3,263,605

The accompanying notes form an integral part of the financial statements.

Statements Of Financial Position

As At 31 December 2024

Company

	Note	2024 RM'000	2023 RM'000
Assets			
Non-Current Assets			
Property, plant and equipment	10 (a)	1,009,551	996,516
Right-of-use assets	10 (b)	363,443	363,865
Subsidiary companies	12	27,147	44,034
Associated company	13	50	50
Joint ventures	14	30,500	30,000
Goodwill	15	356,856	356,856
		1,787,547	1,791,321
Current Assets			
Biological assets	11	51,888	44,525
Inventories	16	51,148	86,751
Trade and other receivables	17	183,857	101,661
Prepayments		4,624	2,118
Cash and bank balances	18 (a)	106,210	100,283
Short term funds	18 (b)	1,552	31,857
		399,279	367,195
Total Assets		2,186,826	2,158,516
Equity and Liabilities			
Equity attributable to owners of the parent			
Share capital	19 (a)	390,054	390,054
Treasury shares	19 (b)	(18,668)	(18,668)
Reserves	20	1,497,762	1,477,667
Total Equity		1,869,148	1,849,053
Non-Current Liabilities			
Deferred tax liabilities	21	172,190	170,585
Retirement benefit obligations	22	6,880	6,829
Lease liabilities	25	13,445	12,687
		192,515	190,101
Current Liabilities			
Trade and other payables	23	86,485	69,393
Tax payable		36,449	48,036
Retirement benefit obligations	22	2,226	1,933
Lease liabilities	25	3	-
		125,163	119,362
Total Liabilities		317,678	309,463
Total Equity and Liabilities		2,186,826	2,158,516

The accompanying notes form an integral part of the financial statements.

Statements Of Changes In Equity

For The Financial Year Ended 31 December 2024

Group	← Attributable to equity owners of the parent →									
	← Non-distributable →				← Distributable →					
	Note	Share capital (Note 19(a))	Cash flow hedge reserve (Note 20)	Capital reserve (Note 20)	Foreign currency translation reserve (Note 20)	Treasury shares (Note 19(b))	Retained profits (Note 20)	Total	Non- controlling interests	Total equity
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2024		390,054	14,971	21,798	(8,938)	(18,668)	2,451,223	2,850,440	16,980	2,867,420
Total comprehensive income for the financial year		-	(38,569)	-	(22,197)	-	715,240	654,474	3,160	657,634
Dividends, representing total transaction with owners of the parent	26	-	-	-	-	-	(705,135)	(705,135)	-	(705,135)
Dividends to non-controlling shareholders of a subsidiary		-	-	-	-	-	-	-	(2,690)	(2,690)
At 31 December 2024		390,054	(23,598)	21,798	(31,135)	(18,668)	2,461,328	2,799,779	17,450	2,817,229
At 1 January 2023		390,054	31,160	21,798	(25,829)	(18,668)	2,492,218	2,890,733	14,028	2,904,761
Total comprehensive income for the financial year		-	(16,189)	-	16,891	-	705,618	706,320	4,145	710,465
Dividends, representing total transaction with owners of the parent	26	-	-	-	-	-	(746,613)	(746,613)	-	(746,613)
Dividends to non-controlling shareholders of a subsidiary		-	-	-	-	-	-	-	(1,193)	(1,193)
At 31 December 2023		390,054	14,971	21,798	(8,938)	(18,668)	2,451,223	2,850,440	16,980	2,867,420

The accompanying notes form an integral part of the financial statements.

Statements Of Changes In Equity

For The Financial Year Ended 31 December 2024

Company	Note	Distributable			Total
		Share capital (Note 19(a))	Treasury shares (Note 19(b))	Retained profits (Note 20)	
		RM'000	RM'000	RM'000	RM'000
At 1 January 2024		390,054	(18,668)	1,477,667	1,849,053
Total comprehensive income for the financial year		-	-	725,230	725,230
Dividends, representing total transaction with owners	26	-	-	(705,135)	(705,135)
At 31 December 2024		390,054	(18,668)	1,497,762	1,869,148
At 1 January 2023		390,054	(18,668)	1,611,214	1,982,600
Total comprehensive income for the financial year		-	-	613,066	613,066
Dividends, representing total transaction with owners	26	-	-	(746,613)	(746,613)
At 31 December 2023		390,054	(18,668)	1,477,667	1,849,053

The accompanying notes form an integral part of the financial statements.

Statements Of Cash Flows
For The Financial Year Ended 31 December 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash Flows From Operating Activities					
Receipts from customers		2,162,272	1,984,013	1,134,078	1,074,935
Payments to suppliers		(693,097)	(628,943)	-	-
Payments of operating expenses		(526,258)	(491,786)	(349,421)	(388,854)
Payments of deposits in derivatives operations		(63,635)	(24,529)	-	-
Payments of taxes		(241,233)	(238,520)	(179,918)	(151,027)
Other receipts		50,533	90,560	26,067	17,756
Net cash generated from operating activities		688,582	690,795	630,806	552,810
Cash Flows From Investing Activities					
Proceeds from disposal of property, plant and equipment		1,567	1,367	1,250	1,127
Investment in a joint venture		(500)	-	(500)	-
Interest income		23,931	26,507	7,794	10,170
Net change in deposits with licensed banks with tenure more than 3 months		(55,602)	5,839	-	-
Net change in short term funds		51,438	188,553	30,305	208,924
Dividend received from subsidiary companies		-	-	216,000	100,000
Purchase of property, plant and equipment	(a)	(125,287)	(106,857)	(92,371)	(85,720)
Payment for right-of-use assets		(7,589)	(2,544)	(4,462)	-
Net cash (used in)/generated from investing activities		(112,042)	112,865	158,016	234,501
Cash Flows From Financing Activities					
Interest paid		(86)	(29)	(77)	(23)
Dividends paid		(705,135)	(746,613)	(705,135)	(746,613)
Dividends paid to non-controlling shareholders of a subsidiary		(2,690)	(1,193)	-	-
Inter-company balances		-	-	(81,799)	(35,318)
Associated company balances		(10)	1	(10)	1
Joint ventures balances		(4,373)	(14,755)	4,131	(4,101)
Net cash used in financing activities		(712,294)	(762,589)	(782,890)	(786,054)
Net (decrease)/increase in cash and cash equivalents		(135,754)	41,071	5,932	1,257
Cash and cash equivalents at the beginning of financial year		548,851	500,145	69,283	68,017
Effect of exchange rate changes on cash and cash equivalents		(15,171)	7,635	(5)	9
Cash and cash equivalents at the end of financial year	(b)	397,926	548,851	75,210	69,283

Statements Of Cash Flows

For The Financial Year Ended 31 December 2024

(a) Total purchases of property, plant and equipment during the financial year for the Group and the Company were made up of purchases which were fully paid in cash, and payments amounting to RM2,632,000 in relation to the amounts included in sundry payable in 2023 (total purchases of property, plant and equipment in 2023 for the Group and the Company amounted to RM106,328,000 and RM85,191,000 respectively, and payments amounting to RM529,000 in relation to the amounts included in sundry payable in 2022).

(b) Analysis of cash and cash equivalents:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Deposits with licensed banks	320,432	442,137	101,198	94,814
Cash at banks and in hand	164,096	137,735	5,012	5,469
Bank overdrafts	-	(21)	-	-
	484,528	579,851	106,210	100,283
Less: Deposits with licensed banks with tenure more than 3 months	(86,602)	(31,000)	(31,000)	(31,000)
Cash and cash equivalents at the end of financial year	397,926	548,851	75,210	69,283

The accompanying notes form an integral part of the financial statements.

Notes To The Financial Statements

1. Corporate Information

The Company carries on the business of oil palm and coconut cultivation and processing on its plantations in Peninsular Malaysia. The Company also has an active research centre providing improved planting material for the Group's estates as well as for the Malaysian agricultural sector in general. The principal activities of the subsidiary companies, joint ventures and associated company are as disclosed in Note 3.

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office and principal place of business is located at Jendarata Estate, 36009 Teluk Intan, Perak Darul Ridzuan.

The number of employees at 31 December 2024 for the Group was 6,521 (2023: 6,624) and for the Company was 4,813 (2023: 4,832).

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors dated 22 February 2025.

2. Material Accounting Policy Information

2.1 Basis Of Preparation

The financial statements of the Group and of the Company have been prepared in accordance with MFRS Accounting Standards ("MFRSs"), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

2.2 Changes In Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 January 2024, the Group and the Company adopted the following new and amended MFRSs and IC Interpretation mandatory for annual financial periods beginning on or after 1 January 2024.

Description	Effective for annual periods beginning on or after
<ul style="list-style-type: none"> Amendments to MFRS 101: Presentation of Financial Statements (Classification of Liabilities as Current or Non-current) 	1 January 2024
<ul style="list-style-type: none"> Amendments to MFRS 16: Leases (Lease Liability in a Sale and Leaseback) 	1 January 2024
<ul style="list-style-type: none"> Amendments to MFRS 101: Presentation of Financial Statements (Non-current Liabilities with Covenants) 	1 January 2024
<ul style="list-style-type: none"> Amendments to MFRS 107 and MFRS 7: Disclosure of Supplier Finance Arrangements 	1 January 2024

The adoption of the above standards and interpretation did not have any material effect on the financial statements of the Group and of the Company.

2.3 Standards Issued But Not Yet Effective

The standards that are issued but not yet effective up to the date of issuance of the Group's and the Company's financial statements are disclosed below. The Group and the Company intend to adopt these standards when they become effective. The Directors do not anticipate that the application of the standards will have a significant impact on the financial statements, except for the presentation and disclosure required by MFRS 18 which introduces new categories and subtotals in the statement of profit or loss. It also requires disclosure of management-defined performance measures and includes new requirements for the location, aggregation and disaggregation of financial information.

Notes To The Financial Statements

Description	Effective for annual periods beginning on or after
• Amendments to MFRS 121: Lack of exchangeability	1 January 2025
• Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026
• Amendments to MFRS 9 and MFRS 7: Classification and Measurement of Financial Instruments	1 January 2026
• Amendments to MFRS 18: Presentation and Disclosure in Financial Statements	1 January 2027
• Amendments to MFRS 19: Subsidiaries without Public Accountability (Disclosures)	1 January 2027
• Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

2.4 Summary Of Material Accounting Policy Information

(a) Subsidiary companies and basis of consolidation

(i) Subsidiaries

Subsidiaries are entities over which the Group has the ability to control the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has such power over another entity.

In the Company's separate financial statements, investments in subsidiaries are stated at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

(ii) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 December 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

(b) Associated companies

The Group holds an interest in an associate, Bernam Bakery Sdn. Bhd.

The most recent available audited financial statements of the associated companies are used by the Group in applying the equity method. Where the dates of the audited financial statements used are not coterminous with those of the Group, the share of results is arrived at from the last audited financial statements available and management financial statements to the end of the accounting period. Uniform accounting policies are adopted for like transactions and events in similar circumstances.

In the Company's separate financial statements, investments in associated companies are stated at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

Notes To The Financial Statements

(c) Joint ventures

The Group holds an interest in two joint ventures, Unifuji Sdn. Bhd. and UP Elite Palm Sdn. Bhd..

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control, and a jointly controlled entity is a joint venture that involves an unincorporated entity or the establishment of a separate entity in which each venturer has an interest.

Investment in joint venture is accounted for in the consolidated financial statements using the equity method of accounting as described in Note 2.4(b).

The financial statements of the joint ventures are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies into line with those of the Group.

In the Company's separate financial statements, investment in joint ventures are stated at cost less impairment loss. On disposal of such investment, the difference between net disposal proceeds and their carrying amount is included in profit or loss.

(d) Goodwill

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit ("CGU") and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

(e) Current versus non-current classification

The Group and the Company present assets and liabilities in statements of financial position based on current/non-current classification. An asset is current when it is:

- i. Expected to be realized or intended to be sold or consumed in normal operating cycle;
- ii. Held primarily for the purpose of trading;
- iii. Expected to be realized within twelve months after the reporting period; or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- i. It is expected to be settled in normal operating cycle;
- ii. It is held primarily for the purpose of trading;
- iii. It is due to be settled within twelve months after the reporting period; or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group and the Company classify all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Notes To The Financial Statements

(f) Property, plant and equipment and depreciation

All items of property, plant and equipment are initially recorded at cost. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, property, plant and equipment except for freehold land and capital work-in-progress are stated at cost less accumulated depreciation and any accumulated impairment losses. Freehold land and capital work-in-progress are stated at cost less any accumulated impairment losses.

The cost of freehold land initially acquired is allocated between the land, buildings and biological assets elements in proportion to the relative fair values for the interests in the land element, buildings element and biological assets element. Freehold land has an unlimited useful life and therefore is not depreciated. Capital work-in-progress are also not depreciated as these assets are not available for use. Other property, plant and equipment are depreciated by equal annual instalments over their estimated economic lives based upon the original cost or deemed cost on a straight line basis to write off the cost of each asset to its residual value over the estimated useful life.

The principal annual depreciation rates used are:

Buildings	2% - 5%
Railways	over 25 years or 4%
Rolling stock	over 14 years or approximately 7.14%
Plant and machinery	5% - 20%
Furniture and office equipment	10% - 20%
Motor vehicles, tractors and implements	7.14% - 25%
Aircraft	5%

Spare parts which are held for use in the production or supply of goods or services and are expected to be used for more than one period, and thus are classified under property, plant and equipment. The cost will be charged out to income statement when the spare parts are utilised.

The residual value, useful life and depreciation method are reviewed at each financial year end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any and the net carrying amount is recognised in the profit or loss.

Bearer plants comprise pre-cropping expenditure incurred from land clearing to the point of maturity. Such expenditure is capitalised and is amortised at maturity of the crop at the following rates which are deemed as the useful economic lives of the crop:

Pre-cropping expenditure - oil palm	over 20 years or 5%
Pre-cropping expenditure - coconut palm	over 30 years or approximately 3.33%

Notes To The Financial Statements

(g) Biological assets

Biological assets comprised produce growing on bearer plants. Biological assets are classified as current assets for bearer plants that are expected to be harvested and sold or used for production on a date not more than 4 weeks after the reporting date.

Biological assets are measured at fair value less costs to sell. Any gains or losses arising from changes in the fair value less costs to sell are recognised in profit or loss.

(h) Inventories

Agricultural produce stocks are stated at net realisable value at the reporting date.

All other inventories are valued at the lower of cost and estimated net realisable value. Cost includes the actual cost of materials, labour and appropriate production overheads and is determined on a weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(i) Taxes

(i) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of comprehensive income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax is not recognised on goodwill and those arising from initial recognition of an asset or liability which at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Notes To The Financial Statements

(j) Foreign currencies

(i) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

(ii) Foreign currency transactions

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded in the functional currencies using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are translated at the rates prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated to the functional currency at exchange rates ruling on the transaction dates.

Exchange differences arising on the settlement of monetary items or on the translation of monetary items, are included in profit or loss for the period except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operation. These are initially taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operations, at which time they are recognised in profit or loss. Exchange differences arising on monetary items that form part of the Company's net investment in foreign operation are recognised in profit or loss in the Company's separate financial statements or the individual financial statements of the foreign operation, as appropriate.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in the profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

(iii) Foreign operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency ("RM") of the consolidated financial statements are translated into RM as follows:

- (a) Assets and liabilities for each statements of financial position presented are translated at the closing rate prevailing at the reporting date;
- (b) Income and expenses for each profit or loss are translated at average exchange rates for the year, which approximates the exchange rates at the dates of the transactions; and
- (c) All resulting exchange differences are taken to the foreign currency translation reserve within equity.

The principal exchange rates used for currency ruling at the reporting dates are as follows:

	2024 RM	2023 RM
1 United States Dollar (USD)	4.4755	4.5900
100 Indonesian Rupiah (IDR)	0.0278	0.0298

Notes To The Financial Statements

(k) Revenue recognition

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer. Revenue from contracts with customers is measured at its transaction price, being the amount of consideration which the Group and the Company expects to be entitled in exchange for transferring promised goods or services to a customer, net of goods and services tax or sales and services tax, returns, rebates and discounts. Transaction price is allocated to each performance obligation on the basis of the relative standalone selling prices of each distinct good or services promised in the contract. Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time.

The Group and the Company have generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer. The Group and the Company recognise revenue from contracts with customers for the sales of goods based on the five-step model as set out below:

(a) Identify contract with a customer

A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria that must be met.

(b) Identify performance obligations in the contract

A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

The Group and the Company's contracts with customers are distinctly for sales of produce stocks and finished goods, and include no other performance obligation.

(c) Determine the transaction price

The transaction price is the amount of consideration to which the Group and the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

(d) Allocate the transaction price to the performance obligation in the contract

The Group and the Company allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group and the Company expect to be entitled in exchange for satisfying each performance obligation.

(e) Recognise revenue when (or as) the Group and the Company satisfies a performance obligation

The Group and the Company satisfies a performance obligation and recognise revenue over time if the Group's and the Company's performance:

- (i) does not create an asset with an alternative use to the Group and the Company and has an enforceable right to payment for performance obligation completed to-date; or
- (ii) creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- (iii) provides benefits that the customer simultaneously receives and consumes as the Group and the Company performs.

For performance obligations where any one of the above conditions are met, revenue is recognised over time at which the performance obligation is satisfied.

The following describes the performance obligation in contracts with customers:

(i) Sale of goods

Revenue from sale of produce stocks and finished goods is recognised at the point in time when control of the goods is transferred to the customer, measured at fair value of the consideration received or receivable, net of trade discounts.

Notes To The Financial Statements

Revenue from other sources are recognised as follows:

(a) Interest income

Interest is recognised on a time proportion basis that reflects the effective yield on the asset.

(b) Dividend income

Dividend income from investment is recognised when the right to receive payment is established.

(c) Rental income

Rental income is recognised on a time proportion basis.

(l) Employee benefits

(i) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Group and the Company. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group and the Company pay fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Such contributions are recognised as an expense in the income statement as incurred. As required by law, companies in Malaysia make such contributions to the Employees Provident Fund ("EPF"). In addition, the Group and the Company also contribute to a defined contribution fund set up for certain eligible employees of the Group and the Company.

(iii) Defined benefit plans

The Company and certain subsidiary companies provide for retirement benefit for their eligible employees on unfunded defined benefit plans in accordance with the terms of employment and practices. The Group's and the Company's obligations under these plans are determined internally using the Projected Unit Credit Method based on certain actuarial assumptions where the amount of benefits that employees have earned in return for their services rendered is estimated.

Full provision is recognised for retirement benefit payable to all eligible employees. Should an employee leave before attaining the retirement age, the provision made for the employee is written back. Actuarial gains or losses are recognised as income or expense immediately through OCI. Past service costs are recognised immediately.

(m) Impairment of non-financial assets

At each reporting date, the Group and the Company review the carrying amounts of its assets, other than inventories, assets arising from employee benefits and financial assets, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, impairment is measured by comparing the carrying values of the assets with their recoverable amounts. Recoverable amount is the higher of an asset's fair value less cost to sell and value in use, which is measured by reference to discounted future cash flows. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit to which the asset belongs and prorated to the asset by reference to the cost of the asset to the cost of the cash-generating unit.

An impairment loss is charged to the income statement immediately.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased. The reversal is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in the income statement immediately, unless the asset is carried at revalued amount.

Notes To The Financial Statements

(n) Financial assets

Financial assets are recognised in the statements of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value plus or minus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs. However, receivables without a significant financing component is initially measured at the transaction price.

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include financial assets at amortised cost, financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income ("OCI").

(i) *Financial assets at amortised cost*

The Group and the Company measure financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's and the Company's financial assets at amortised cost include trade and other receivables and cash and bank balances.

(ii) *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes short term funds and derivative instruments which the Group and the Company had not irrevocably elected to classify at fair value through OCI.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The Group and the Company have transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either the Group and the Company have transferred substantially all the risks and rewards of the asset, or the Group and the Company neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Notes To The Financial Statements

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Group and the Company commit to purchase or sell the asset.

(o) Impairment of financial assets

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired.

The Group and the Company recognise an allowance for expected credit losses ("ECL"s) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group and the Company have established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(p) Cash and cash equivalent

Cash and cash equivalents represent cash on hand and at banks and short term deposits with a maturity of three months or less that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statements of cash flows, cash and cash equivalents consist of unrestricted cash and bank balances, net of outstanding bank overdrafts, if any, as they are considered an integral part of the Group's and of the Company's cash management.

(q) Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group's financial liabilities include trade and other payables, bank borrowings, lease liabilities and derivatives financial instruments.

Subsequent measurement

(i) Financial liabilities at fair value through profit or loss

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationship.

(ii) Financial liabilities at amortised cost

This is the category most relevant to the Group and the Company. After initial recognition, interest-bearing loans and borrowings (including bank overdrafts) are subsequently measured at amortised cost using the EIR method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised as well through the EIR amortisation process.

This category includes trade and other payables, lease liabilities and bank overdrafts.

Notes To The Financial Statements

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(r) **Equity instruments**

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

(s) **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statements of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(t) **Research and development costs**

All general research and development costs are expensed as incurred.

(u) **Provision**

Provisions are recognised when the Group and the Company have a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group and the Company expect some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(v) **Derivative financial instruments and hedge accounting**

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as commodity futures contracts, to hedge its commodity price risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined).

A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Notes To The Financial Statements

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

Cash flow hedge

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit or loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The Group uses commodity futures contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to commodity contracts is recognised in other operating income or expenses. Refer to Note 31(g) for more details.

The amounts accumulated in OCI are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognised in OCI for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

(w) Leases

The Group and the Company assess at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group and the Company apply a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group and the Company recognise lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Group and the Company recognise right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at costs, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Group and Company

Leasehold land - Up to 99 years

The right-of-use assets are also subject to impairment. The accounting policies for impairment of non-financial assets is as disclosed in Note 2.4 (m).

(ii) Lease liabilities

At the commencement date of the lease, the Group and the Company recognise lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and the Company and payments of penalties for terminating the lease, if the lease term reflects the Group and the Company exercising the option to terminate.

Notes To The Financial Statements

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group and the Company use their incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's and the Company's lease liabilities are as disclosed in Note 25.

(iii) Short-term leases and leases of low-value assets

The Group and the Company apply the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). The Group and the Company also apply the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(x) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group and the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group and the Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2.5 Significant Accounting Estimate

There are no significant accounting estimates and judgements made by management in the process of applying the Group's and the Company's accounting policies that have a significant effect on the amount recognised in the financial statements.

Notes To The Financial Statements

3. Group Structure

The subsidiary companies are as follows:

Companies	Country of incorporation and principal place of business	Percentage of equity held by the Group*		Percentage of equity held by non-controlling interest*		Principal Activities (see below)
		2024 %	2023 %	2024 %	2023 %	
Unitata Berhad	Malaysia	100	100	-	-	(a)
Bernam Advisory Services Sdn. Bhd.	Malaysia	100	100	-	-	(b)
Berta Services Sdn. Bhd.	Malaysia	100	100	-	-	(d)
PT. Surya Sawit Sejati ("PT SSS")	Indonesia	95	95	5	5	(c)
Bernam Agencies Sdn. Bhd.	Malaysia	100	100	-	-	(d)
United International Enterprises (M) Sdn. Bhd.	Malaysia	100	100	-	-	(d)

* equals to the proportion of voting rights held

The subsidiary companies are primarily engaged in the following activities:

- (a) Refining of palm oil, manufacturing edible oils, fats, cocoa butter substitute and trading in crude palm oil and palm kernel products.
- (b) Trading, marketing and investment holding.
- (c) Business of oil palm cultivation and processing in Indonesia.
- (d) Investment holding.

The joint ventures are as follows:

Company	Country of incorporation and principal place of business	Percentage of equity held by the Group*		Principal Activities
		2024 %	2023 %	
Unifuji Sdn. Bhd.	Malaysia	50	50	Refining of palm oil and trading of palm oil products
UP Elite Palm Sdn. Bhd.	Malaysia	50	50	Research and development in oil palm seeds

* equals to the proportion of voting rights held

The joint ventures are accounted for using the equity method.

These joint ventures have the same reporting period as the Group. No quoted market prices are available for the shares of Unifuji Sdn. Bhd. and UP Elite Palm Sdn. Bhd. as the companies are private companies.

Unifuji Sdn. Bhd. is a private limited company incorporated and domiciled in Malaysia. The registered office is located at Jendarata Estate, 36009 Teluk Intan, Perak and principal place of business is located at Ulu Bernam Estate, 36500 Mukim Hutan Melintang, Teluk Intan, Perak.

UP Elite Palm Sdn. Bhd. is a private limited company incorporated and domiciled in Malaysia. The registered office and principal place of business is located at Jendarata Estate, 36009 Teluk Intan, Perak.

Notes To The Financial Statements

The associated company is as follows:

Company	Country of incorporation and principal place of business	Percentage of equity held by the Group*		Principal Activity
		2024 %	2023 %	
Bernam Bakery Sdn. Bhd.	Malaysia	30	30	Investment holding

* equals to the proportion of voting rights held

The associated company is accounted for using the equity method.

The financial statements of the joint ventures and the associated company are coterminous with those of the Group.

All subsidiary companies, the joint ventures and the associated company are audited by Ernst & Young PLT, Malaysia other than PT SSS1, which is audited by a member firm of Ernst & Young Global in Indonesia.

4. Revenue

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue from contracts with customers consists of the following:				
Sales proceeds of produce stocks	729,742	701,623	1,133,327	1,075,641
Sales proceeds of finished goods	1,468,068	1,312,625	-	-
	2,197,810	2,014,248	1,133,327	1,075,641
Disaggregation of revenue from contracts with customers				
Upstream (Plantations)				
- Malaysia	520,461	487,936	1,133,327	1,075,641
- Indonesia	209,281	213,687	-	-
Downstream (Refinery)				
- Malaysia	1,468,068	1,312,625	-	-
	2,197,810	2,014,248	1,133,327	1,075,641

The timing of revenue recognition is at a point in time.

Notes To The Financial Statements

5. Profit From Operations

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit from operations is arrived at, after charging:				
Directors' remuneration				
- fees	1,357	1,463	1,302	1,408
- emoluments	6,490	6,129	6,490	6,129
- others	80	93	80	93
Auditors' remuneration				
- statutory audit: current year	500	500	367	367
- non-audit service	9	9	9	9
- statutory audit fee received by a member firm of EY Global	162	165	-	-
Inventories written-off	83	22	83	22
Loss on disposal of property, plant and equipment, net	-	700	-	886
Property, plant and equipment written-off	4	1,199	-	637
Impairment on investment in a subsidiary	-	-	16,887	-
Unrealised foreign exchange loss	-	1,918	-	-
Realised foreign exchange loss	2,514	14,938	-	-
Expenses relating to leases of low-value assets	308	272	71	68
Expenses relating to short-term leases	2,809	2,589	-	-
Profit from operations is arrived at, after crediting:				
Rental income	569	408	500	332
Profit on disposal of property, plant and equipment	347	-	169	-
Fair value gain in biological assets, net	12,173	5,456	7,363	5,466
Reversal on impairment on investment in a subsidiary	-	-	-	2
Unrealised foreign exchange gain	1,972	-	-	-
Realised foreign exchange gain	72	-	-	-

Notes To The Financial Statements

Staff costs of the Group and of the Company incurred during the financial year consist of the following:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Wages and salaries	206,929	202,694	163,251	157,887
Social security cost	4,161	4,301	1,714	1,475
Retirement benefit costs				
- defined contribution plans	8,715	8,918	7,486	7,661
- defined benefit plans (Note 22)	1,899	2,501	572	815
Other staff related expenses	23,255	25,044	18,242	19,753
	244,959	243,458	191,265	187,591

Included in staff costs of the Group and of the Company are executive directors' emoluments both amounting to RM6,473,000 respectively (2023: RM6,111,000 respectively).

In addition to contribution to the Employees Provident Fund, the Group also contributes to a defined contribution fund set up for certain eligible employees of the Group.

6. Finance Costs

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Finance costs consist of interest expenses on:				
- Bank overdraft, bankers acceptances and revolving credit facilities	86	29	77	23
- Interest on lease liabilities (Note 25)	761	718	761	718
	847	747	838	741

7. Investment And Interest Income

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Dividend income from subsidiary companies	-	-	216,000	100,000
Interest income from deposits with licensed banks	23,382	26,100	6,740	9,632
Interest income from advances to a subsidiary	-	-	456	38
Interest income from advances to a joint venture	561	437	239	154
	23,943	26,537	223,435	109,824

Notes To The Financial Statements

8. Taxation

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current income tax:				
Income tax	209,573	215,595	167,028	158,432
Under/(over) provision in prior financial years	1,971	(742)	1,303	(1,324)
	211,544	214,853	168,331	157,108
Deferred tax (Note 21):				
Relating to origination and reversal of temporary difference	6,354	8,203	1,430	3,018
Under/(over) provision in prior financial years	1,570	(583)	175	95
	7,924	7,620	1,605	3,113
Tax expense for the financial year	219,468	222,473	169,936	160,221

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2023: 24%) of the estimated assessable profit for the financial year.

A reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit before taxation	938,877	933,494	895,166	773,287
Taxation at Malaysian statutory tax rate of 24% (2023: 24%)	225,330	224,039	214,840	185,589
Effect of different tax rates in other country	(2,181)	(1,658)	-	-
Income not subject to tax	(1,079)	(1,897)	(52,714)	(25,830)
Expenses not deductible for tax purposes	2,113	1,468	6,332	1,691
Effect of reinvestment allowance	(2,805)	(633)	-	-
Under/(over) provision of deferred tax expense in prior financial years	1,570	(583)	175	95
Under/(over) provision of income tax in prior financial years	1,971	(742)	1,303	(1,324)
Tax effects on share of results of joint ventures	(5,455)	(2,521)	-	-
Deferred tax on undistributed profits of a foreign subsidiary	(5,000)	5,000	-	-
Income tax expense for the financial year	214,464	222,473	169,936	160,221
Withholding tax on dividend from a foreign subsidiary	5,004	-	-	-
Total tax expense for the financial year	219,468	222,473	169,936	160,221

Notes To The Financial Statements

9. Earnings Per Share

a) Basic

	Group	
	2024	2023
Net profit attributable to owners of the parent (RM'000)	715,081	707,771
Number of shares in issue as of 1 January ('000)	414,784	414,784
Effect of treasury shares held ('000)	-	-
Adjusted weighted average number of ordinary shares in issue ('000)	414,784	414,784
Basic earnings per share (sen)	172	171

The basic earnings per ordinary share is calculated by dividing the consolidated net profit attributable to the equity owners of the Company by the weighted average number of ordinary shares (adjusted for treasury shares) during the financial year.

b) Diluted

The diluted earnings per ordinary share of the Group for the financial year ended 31 December 2024 and 31 December 2023 after taking into consideration of the bonus issue as mentioned in Note 33 of the financial statements are as follows:

	Group	
	2024	2023
Net profit attributable to owners of the parent (RM'000)	715,081	707,771
Adjusted weighted average number of ordinary shares in issue ('000)	622,177	622,177
Basic earnings per share (sen)	115	114

Notes To The Financial Statements

10. (a) Property, Plant And Equipment

Group

	Freehold land	Bearer plants	Buildings	Plant and machinery	Capital work-in- progress*	Spare parts	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cost							
At 1 January 2024	204,413	1,080,378	410,846	1,070,096	6,597	1,966	2,774,296
Additions	-	28,644	13,906	44,960	35,145	-	122,655
Disposals	-	-	-	(9,500)	-	-	(9,500)
Written off	-	(5)	-	-	-	-	(5)
Reclassifications	-	-	9	11,874	(11,883)	-	-
Exchange differences	-	(9,870)	(4,992)	(7,238)	-	(23)	(22,123)
Net transfer from inventories during the financial year	-	-	-	-	-	333	333
At 31 December 2024	204,413	1,099,147	419,769	1,110,192	29,859	2,276	2,865,656
Accumulated depreciation							
At 1 January 2024							
Accumulated depreciation	-	648,143	231,956	643,369	-	-	1,523,468
Depreciation for the financial year	-	36,505	13,920	53,158	-	-	103,583
Disposals	-	-	-	(8,280)	-	-	(8,280)
Written off	-	(1)	-	-	-	-	(1)
Exchange differences	-	(6,528)	(2,497)	(5,587)	-	-	(14,612)
At 31 December 2024	-	678,119	243,379	682,660	-	-	1,604,158
Net book value							
At 31 December 2024	204,413	421,028	176,390	427,532	29,859	2,276	1,261,498

Notes To The Financial Statements

Group

	Freehold land	Bearer plants	Buildings	Plant and machinery	Capital work-in- progress*	Spare parts	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cost							
At 1 January 2023	204,413	1,040,159	388,663	1,023,792	1,791	1,690	2,660,508
Additions	-	34,429	18,526	48,108	5,265	-	106,328
Disposals	-	-	(224)	(7,603)	-	-	(7,827)
Written off	-	(2,157)	-	-	-	-	(2,157)
Reclassifications	-	-	84	375	(459)	-	-
Exchange differences	-	7,947	3,797	5,424	-	10	17,178
Net transfer from inventories during the financial year	-	-	-	-	-	266	266
At 31 December 2023	204,413	1,080,378	410,846	1,070,096	6,597	1,966	2,774,296
Accumulated depreciation							
At 1 January 2023							
Accumulated depreciation	-	608,798	216,634	593,325	-	-	1,418,757
Depreciation for the financial year	-	35,648	13,742	51,605	-	-	100,995
Disposals	-	-	(112)	(5,648)	-	-	(5,760)
Written off	-	(958)	-	-	-	-	(958)
Exchange differences	-	4,655	1,692	4,087	-	-	10,434
At 31 December 2023	-	648,143	231,956	643,369	-	-	1,523,468
Net book value							
At 31 December 2023	204,413	432,235	178,890	426,727	6,597	1,966	1,250,828

Under Indonesian laws, the plantation owners are obliged to assist the local communities to develop plasma smallholdings. The area of plasma required is 20% of the planted area and this is one of the conditions which must be fulfilled by all plantation owners before the issuance of HGU (lease certificates) of the estate lands by the authorities. The Group is in the process of complying with this condition. The transfer cost is recoverable from the sales of the crops to the mill belonging to the Group.

* Capital work-in-progress of the Group mainly consists of construction of plant and buildings at the following locations:

	2024 RM'000	2023 RM'000
In the estates of the Company in Peninsular Malaysia	22,210	3,067
In Unitata Berhad in Peninsular Malaysia	7,649	3,530
	29,859	6,597

Notes To The Financial Statements

Company

	Freehold land RM'000	Bearer plants RM'000	Buildings RM'000	Plant and machinery RM'000	Capital work-in- progress RM'000	Spare parts RM'000	Total RM'000
Cost							
At 1 January 2024	203,848	943,307	285,636	701,150	3,067	330	2,137,338
Additions	-	28,248	11,357	27,924	22,210	-	89,739
Disposals	-	-	-	(5,849)	-	-	(5,849)
Reclassification	-	-	-	3,067	(3,067)	-	-
Net transfer from inventories during the financial year	-	-	-	-	-	130	130
At 31 December 2024	203,848	971,555	296,993	726,292	22,210	460	2,221,358
Accumulated depreciation							
At 1 January 2024	-	555,472	183,332	402,018	-	-	1,140,822
Depreciation for the financial year	-	29,369	9,124	37,259	-	-	75,752
Disposals	-	-	-	(4,767)	-	-	(4,767)
At 31 December 2024	-	584,841	192,456	434,510	-	-	1,211,807
Net book value							
At 31 December 2024	203,848	386,714	104,537	291,782	22,210	460	1,009,551
Cost							
At 1 January 2023	203,848	910,099	271,162	672,848	459	362	2,058,778
Additions	-	33,918	14,694	33,512	3,067	-	85,191
Disposals	-	-	(224)	(5,665)	-	-	(5,889)
Written off	-	(710)	-	-	-	-	(710)
Reclassification	-	-	4	455	(459)	-	-
Net transfer from inventories during the financial year	-	-	-	-	-	(32)	(32)
At 31 December 2023	203,848	943,307	285,636	701,150	3,067	330	2,137,338
Accumulated depreciation							
At 1 January 2023	-	527,297	174,534	369,541	-	-	1,071,372
Depreciation for the financial year	-	28,248	8,910	36,241	-	-	73,399
Disposals	-	-	(112)	(3,764)	-	-	(3,876)
Written off	-	(73)	-	-	-	-	(73)
At 31 December 2023	-	555,472	183,332	402,018	-	-	1,140,822
Net book value							
At 31 December 2023	203,848	387,835	102,304	299,132	3,067	330	996,516

Notes To The Financial Statements

10. (b) Right-Of-Use Assets

Group

	Leasehold land RM'000	Land use rights RM'000	Total RM'000
Cost			
At 1 January 2024	465,197	45,040	510,237
Additions	4,462	3,127	7,589
Exchange differences	-	(1,984)	(1,984)
At 31 December 2024	469,659	46,183	515,842
Accumulated depreciation			
At 1 January 2024	101,332	5,599	106,931
Depreciation for the financial year	4,884	1,102	5,986
At 31 December 2024	106,216	6,701	112,917
Net book value At 31 December 2024	363,443	39,482	402,925
Cost			
At 1 January 2023	465,197	41,823	507,020
Additions	-	2,544	2,544
Written-off	-	(893)	(893)
Exchange differences	-	1,566	1,566
At 31 December 2023	465,197	45,040	510,237
Accumulated depreciation			
At 1 January 2023	96,493	4,459	100,952
Depreciation for the financial year	4,839	1,140	5,979
At 31 December 2023	101,332	5,599	106,931
Net book value At 31 December 2023	363,865	39,441	403,306

Notes To The Financial Statements

Company	Leasehold land RM'000	Total RM'000
Cost		
At 1 January 2024	465,197	465,197
Addition	4,462	4,462
At 31 December 2024	469,659	469,659
Accumulated depreciation		
At 1 January 2024	101,332	101,332
Depreciation for the financial year	4,884	4,884
At 31 December 2024	106,216	106,216
Net book value At 31 December 2024	363,443	363,443
Cost		
At 1 January 2023 / 31 December 2023	465,197	465,197
Accumulated depreciation		
At 1 January 2023	96,493	96,493
Depreciation for the financial year	4,839	4,839
At 31 December 2023	101,332	101,332
Net book value At 31 December 2023	363,865	363,865

Notes To The Financial Statements

11. Biological Assets

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
At 1 January	51,473	45,643	44,525	39,059
Exchange differences	(466)	374	-	-
Transfers to produce stocks	(51,007)	(46,017)	(44,525)	(39,059)
Fair value changes	63,180	51,473	51,888	44,525
At 31 December	63,180	51,473	51,888	44,525
The biological assets of the Group and the Company comprise:				
Oil palm fresh fruit bunches	55,264	43,306	43,972	36,358
Coconuts	7,916	8,167	7,916	8,167
	63,180	51,473	51,888	44,525

The biological assets of the Group and of the Company comprise oil palm FFB and coconuts prior to harvest. The valuation model adopted by the Group and the Company considers the present value of the net cash flows expected to be generated from the sale of FFB and coconuts less cost to sell.

To arrive at the fair value of FFB, the management considered the oil content of the unripe FFB and derived the assumption that the net cash flow to be generated from FFB prior to more than 4 weeks to harvest to be negligible, therefore quantity of unripe FFB on bearer plants of up to 4 weeks prior to harvest was used for valuation purpose. The value of the unripe FFB was estimated to be approximately 49% for FFB that are 3 to 4 weeks prior to harvest and 83% for FFB that are 1 to 2 weeks prior to harvest, based on actual oil extraction rate and kernel extraction rate of the unripe FFB from tests. Costs to sell, which include harvesting and transport cost, are deducted in arriving at the net cash flow to be generated.

To arrive at the fair value of coconuts, the management derived the assumption that the net cash flow to be generated from coconuts prior to more than 4 weeks to harvest to be negligible, therefore quantity of unripe coconuts on bearer plants of up to 4 weeks prior to harvest was used for valuation purpose.

The change in fair value of the biological assets in each accounting period is recognised in profit or loss.

The Group's and the Company's biological assets were fair valued within Level 3 of the fair value hierarchy. Fair value assessments have been completed consistently using the same valuation techniques.

The key assumptions used to determine the fair value are as follows:

	Group	
	2024	2023
Oil palms		
FFB production (MT)	87,911	82,996
Average FFB selling price (RM/MT)	1,017	844
Coconut palms		
Coconut production (nuts '000)	5,900	6,800

Sensitivity Analysis

A 10% increase/decrease in the FFB and coconuts production would result in the following to the fair value of the biological assets:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
10% increase	6,318	5,147	5,189	4,452
10% decrease	(6,318)	(5,147)	(5,189)	(4,452)

Notes To The Financial Statements

A 10% increase/decrease in the average oil palm fresh fruit bunches ("FFB") selling price (RM/MT) would result in the following to the fair value of the biological assets:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
10% increase	6,553	5,274	5,253	4,423
10% decrease	(6,553)	(5,274)	(5,253)	(4,423)

12. Subsidiary Companies

Investment in subsidiary companies

	Company	
	2024 RM'000	2023 RM'000
Unquoted shares at cost	44,451	44,451
Less: Accumulated impairment losses	(29,604)	(12,717)
	14,847	31,734
Unquoted Redeemable Cumulative Convertible Preference Shares: As at 1 January / 31 December	12,300	12,300
Total	27,147	44,034

During the current financial year, the Company had recognised an impairment loss of RM16,887,000 on an inactive subsidiary company, subsequent to the transfer of funds held by this subsidiary company to the Company. This impairment loss was reversed at the Group level and as such, has no impact to the results of the Group for the current financial year.

The Company had in the previous years subscribed to a total of 324,800,000 RCCPS issued by the following subsidiary companies. In the prior financial years, 312,500,000 RCCPS were redeemed by Bernam Advisory Services Sdn. Bhd. and Berta Services Sdn. Bhd., leaving a balance of 12,300,000 RCCPS in Berta Services Sdn. Bhd. as at the end of the financial year.

The salient features of the RCCPS issued by the companies are as follows:

- Each RCCPS entitles the holder the right to be paid, out of such profits available for distribution, a cumulative dividend at a rate as the issuer of the RCCPS shall decide from time to time.
- Each RCCPS entitles the holder the right to vote if there is any resolution for the winding up of the company, reduction of the capital, declaration of dividend on any RCCPS or if a resolution affects the special rights and privileges attached to the RCCPS.
- The RCCPS are redeemable at the option of the issuer for RM1.00 for every RCCPS held.
- The RCCPS are convertible at the option of the issuer into ordinary shares on the basis of one ordinary share for every RCCPS held.
- Each RCCPS entitles the holder the right on winding up or other return of capital (other than the redemption of the RCCPS) to receive, in priority of the ordinary shareholders of the company.

The non-controlling interest in respect of PT SSS is not material to the Group. Hence, summarised financial information of PT SSS are not presented.

Notes To The Financial Statements

13. Associated Company

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Investment in an associated company				
Unquoted shares, at cost	101	101	101	101
Share of post-acquisition losses and reserves (see Note (i) below)	(51)	(51)	-	-
Accumulated impairment losses	-	-	(51)	(51)
	50	50	50	50

	Group	
	2024 RM'000	2023 RM'000
Represented by:		
Share of net assets	50	50
Note (i):		
Share of post-acquisition losses and reserves is arrived at as follows:		
Profit for the financial year	-	-
Share of accumulated losses	(51)	(51)
	(51)	(51)

14. Joint Ventures

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Unquoted shares, at cost	30,500	30,000	30,500	30,000
Share of post-acquisition reserves	56,733	34,001	-	-
	87,233	64,001	30,500	30,000
Analysed as:				
Unquoted shares, at cost				
At 1 January	30,000	30,000	30,000	30,000
Addition during the year	500	-	500	-
At 31 December	30,500	30,000	30,500	30,000
Share of post-acquisition reserve:				
At 1 January	34,001	23,499	-	-
Share of results	22,732	10,502	-	-
At 31 December	56,733	34,001	-	-

The Group has joint control on its joint arrangements as unanimous consent is required for relevant activities from the parties sharing control under the contractual arrangements.

The joint arrangements are structured via separate entities and provide the Group with the rights to the net assets of the entities under the arrangements. Therefore, the entities are classified as joint ventures of the Group.

Notes To The Financial Statements

Summarised financial information of Unifuji Sdn. Bhd., a material joint venture is set out below. The summarised information represents the amounts in the financial statements of the joint venture and not the Group's share of those amounts.

(i) Summarised statements of financial position

	2024 RM'000	2023 RM'000
Assets and Liabilities		
Current assets, including cash and cash equivalents RM26,480,000 (2023 : RM8,989,000) and prepayments RMNil (2023 : RM1,007,000)	141,499	97,507
Non-current assets	134,249	150,315
Current liabilities	(62,037)	(74,528)
Non-current liabilities, including deferred tax liabilities RM14,521,000 (2023 : RM17,933,000) and long-term borrowing RM25,708,000 (2023 : RM26,544,000)	(40,229)	(45,268)
Equity	173,482	128,026
Group's share in equity - 50% (2023 : 50%)	86,741	64,013
Group's carrying amount of the investment	86,741	64,013

(ii) Summarised statements of comprehensive income

	2024 RM'000	2023 RM'000
Revenue from contracts with customers	590,803	559,133
Cost of sales	(518,125)	(492,254)
Administrative expenses, including amortisation and depreciation RM15,249,000 (2023 : RM15,027,000)	(31,049)	(35,519)
Finance costs, including interest expense	(3,232)	(4,423)
Interest income	323	232
Profit before tax	38,720	27,169
Income tax expense*	6,736	(6,153)
Profit for the financial year	45,456	21,016
Total comprehensive income for the financial year	45,456	21,016
Group's share of profit for the financial year	22,728	10,508

* Consists of over provision of income tax in prior financial years - RM3,324,000 and over provision of deferred tax in prior financial years - RM3,412,000 (2023 : income tax - RM3,379,000 and deferred tax - RM2,774,000)

(iii) Reconciliation of the summarised financial information presented above to the carrying amount of the Group's interest in the joint venture.

	2024 RM'000	2023 RM'000
Net assets at 1 January	128,026	107,010
Total comprehensive income for the financial year	45,456	21,016
Net assets at 31 December	173,482	128,026
Interest in joint venture (%)	50	50
Carrying value of Group's interest in joint venture	86,741	64,013

Notes To The Financial Statements

Summarised financial information of UP Elite Palm Sdn. Bhd., a non-material joint venture is set out below. The summarised information represents the amounts in the financial statements of the joint venture and not the Group's share of those amounts.

	2024 RM'000	2023 RM'000
Net assets at 1 January	(24)	(12)
Issue of share capital during the year	1,000	-
Total comprehensive income/(loss) for the financial year	8	(12)
Net assets at 31 December	984	(24)
Interest in joint venture (%)	50	50
Carrying value of Group's interest in joint venture	492	(12)

15. Goodwill

	Group/Company 2024/2023 RM'000
At net carrying amount	356,856

The goodwill in the Group's and the Company's statements of financial position represents the excess of the purchase consideration over the fair value of the identifiable assets recognised upon the Group's and the Company's acquisition of the plantation business and assets of Pinehill Pacific Berhad's group of companies.

Goodwill of RM356,856,000 has been allocated to the Group's/Company's cash generating unit ("CGU") identified according to the estate, namely Jendarata-Tanarata estates which are principally involved in plantation activities as the Group and the Company believe that Jendarata-Tanarata estate's operation will benefit from both the enlarged planted/plantable area and other synergies arising from the acquisition.

The Group and the Company carry out its annual impairment assessment on the goodwill arising from the acquisition. The recoverable amount of the CGU is based on the value-in-use calculation which is derived at using cash flow projection in which the following key assumptions are used:

Jendarata-Tanarata CGU	2024	2023
Projection period	A 97-year cash flow projection, based on the maximum lease period of the leasehold lands	A 98-year cash flow projection, based on the maximum lease period of the leasehold lands
FFB yields per hectare ("Ha")	15 - 28 MT	15 - 28 MT
Selling prices per MT (RM):		
- Crude Palm Oil ("CPO")	4,034	3,614
- Palm Kernel ("PK")	2,417	2,131
Costs of production per MT (RM)		
- Crude Palm Oil ("CPO")	1,188	1,268
- Palm Kernel ("PK")	296	288
Oil extraction rate (%)	21.0%	21.8%
Kernel extraction rate (%)	4.0%	4.5%
Discount rate (Pre-tax)	13.2%	13.2%

The Group's and the Company's impairment assessment of the CGU as outlined above included a sensitivity analysis on the key assumptions used. Based on the results of the sensitivity analysis, no reasonable change in the key assumptions used would result in an impairment charge for current financial year.

Notes To The Financial Statements

16. Inventories

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Produce stocks	32,367	53,328	21,548	50,755
Estate stores	37,619	45,129	29,600	35,996
Raw materials	41,263	26,788	-	-
Finished goods	110,581	114,388	-	-
Consumables	6,655	6,305	-	-
	228,485	245,938	51,148	86,751

17. Trade And Other Receivables

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-Current					
Other receivables					
Sundry receivables	(f)	405	413	-	-
Current					
Trade receivables					
Third parties		213,250	177,712	6,082	6,833
Due from subsidiary companies	(b)	-	-	157,157	73,806
Due from a joint venture	(d)	19,117	14,208	-	3,539
Trade receivables, net	(a)	232,367	191,920	163,239	84,178
Other receivables					
Due from subsidiary companies	(b)	-	-	2,370	2,579
Due from an associated company	(c)	33	23	33	23
Due from joint ventures	(d)	1,149	1,685	944	1,536
Deposits	(e)	56,722	8,139	8,099	8,083
Sundry receivables	(f)	14,425	11,241	9,172	5,262
		72,329	21,088	20,618	17,483
		304,696	213,008	183,857	101,661
Total trade and other receivables		305,101	213,421	183,857	101,661
Add: Cash and bank balances (Note 18(a))		484,528	579,872	106,210	100,283
Total financial assets carried at amortised cost		789,629	793,293	290,067	201,944

Details of how the credit risk is determined and managed are disclosed in Note 31(d).

Notes To The Financial Statements

(a) Trade receivables

The average credit terms granted to the Group's customers are 5 to 75 days (2023: 5 to 75 days).

(b) Due from subsidiary companies (trade and non-trade)

The amounts due from subsidiary companies are unsecured. The trade debt due from a subsidiary company has a repayment term of 7 to 30 days (2023: 7 to 30 days) and the overdue trade and non-trade debts bear an average interest of approximately 3.71% (2023: 3.64%) per annum. The non-trade debts are repayable on demand.

(c) Due from an associated company

The amount due from an associated company is interest free, unsecured and repayable on demand.

(d) Due from joint ventures (trade and non-trade)

The amounts due from joint ventures are unsecured. The trade debt due from a joint venture has a repayment term of 7 to 30 days (2023: 7 to 30 days) and the overdue trade and non-trade debts bear an average interest of approximately 3.71% (2023: 3.64%) per annum. The non-trade debts are repayable on demand.

(e) Deposits

Included in deposits of the Group is RM48,294,000 (2023: Nil) being deposits placed with a broker for Bursa Malaysia Derivatives Bhd. for crude palm oil futures.

(f) Sundry receivables

Included in sundry receivables of the Group is RM959,000 (2023: RM1,695,000) being plasma receivables.

18. (a) Cash And Bank Balances

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash at banks and on hand	164,096	137,735	5,012	5,469
Deposits with licensed banks	320,432	442,137	101,198	94,814
Cash and bank balances (Note 17)	484,528	579,872	106,210	100,283

The effective annual interest rates applicable during the financial years were as follows:

	Group		Company	
	Weighted average interest rates		Weighted average interest rates	
	2024 %	2023 %	2024 %	2023 %
Deposits with licensed banks	3.79	3.48	3.50	3.35

The maturity period for deposits with licensed banks of the Group and the Company range from 1 day to 6 months (2023: range from 1 day to 12 months) respectively.

Notes To The Financial Statements

(b) Short Term Funds

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Short term funds	2,291	53,729	1,552	31,857

Short term funds are investments in income trust funds in Malaysia. The trust funds invest in highly liquid assets which are readily convertible to known amount of cash with insignificant changes in value. The short term funds are classified as financial assets valued through profit or loss.

The effective annual interest rates applicable during the financial years were as follows:

	Group		Company	
	Weighted average interest rates		Weighted average interest rates	
	2024 %	2023 %	2024 %	2023 %
Short term funds	3.59	3.69	3.59	3.76

19. (a) Share Capital

	Group and Company			
	Number of ordinary shares		Monetary value	
	2024 Unit'000	2023 Unit'000	2024 RM'000	2023 RM'000
Issued and fully paid, at no par value:				
At 1 January / 31 December	416,268	416,268	390,054	390,054

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

(b) Treasury Shares

The Directors of the Company are committed to enhancing the value of the Company to its shareholders and believe the purchase of treasury shares is in the best interests of the Company and its shareholders. The Company has the right to cancel, resell and/or distribute these shares as dividends at a later date. As treasury shares, the rights attached to voting, dividends and participation in other distribution are suspended.

There has been no purchase, resale and/or cancellation of the treasury shares by the Company in the preceding 12 months.

	Group / Company	
	No of shares	Cost RM'000
2024		
At 1 January / 31 December	1,483,548	18,668
2023		
At 1 January / 31 December	1,483,548	18,668

The share buy-back was financed by internally generated funds.

Notes To The Financial Statements

20. Reserves

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Distributable Retained profits	(a)	2,461,328	2,451,223	1,497,762	1,477,667
Non-distributable					
Cash flow hedge reserve	(b)	(23,598)	14,971	-	-
Capital reserve	(c)	21,798	21,798	-	-
Foreign currency translation reserve	(d)	(31,135)	(8,938)	-	-
		(32,935)	27,831	-	-
Total		2,428,393	2,479,054	1,497,762	1,477,667

The nature and purpose of each category of reserve are as follows:

(a) Retained profits

The entire retained earnings can be distributed as dividend under the single tier system.

(b) Cash flow hedge reserve

The effective portion of the gain or loss on a hedging instrument is recognised in OCI in the cash flow hedge reserve. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on a hedging instrument and the cumulative change in fair value of the hedged item.

(c) Capital reserve

The capital reserve is in respect of bonus shares issued by subsidiary companies out of their retained earnings.

(d) Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. It is also used to record the exchange differences arising from the translation of monetary items which form part of the Group's net investment in foreign operations.

Notes To The Financial Statements

21. Deferred Taxation

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
At 1 January	180,403	178,014	170,585	167,472
Recognised in profit or loss (Note 8)	7,924	7,620	1,605	3,113
Recognised in other comprehensive income	(12,135)	(5,078)	-	-
Exchange differences	96	(153)	-	-
At 31 December	176,288	180,403	172,190	170,585
Presented after appropriate offsetting as follows:				
Deferred tax liabilities	176,288	182,604	172,190	170,585
Deferred tax assets	-	(2,201)	-	-
	176,288	180,403	172,190	170,585

The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

Deferred tax liabilities/(assets) of the Group:

	Future Tax on Unrealised Fair Value Adjustments RM'000	Biological Assets RM'000	Property, plant and equipment RM'000	Minimum tax on the undistributed profits of a foreign subsidiary RM'000	Total RM'000
At 1 January 2024	2,284	12,213	176,713	5,000	196,210
Recognised in profit or loss	4,099	2,857	3,628	(5,000)	5,584
Recognised in other comprehensive income	(12,180)	-	-	-	(12,180)
Exchange differences	-	(134)	59	-	(75)
At 31 December 2024	(5,797)	14,936	180,400	-	189,539
At 1 January 2023	10,775	10,821	174,019	-	195,615
Recognised in profit or loss	(3,379)	1,310	2,810	5,000	5,741
Recognised in other comprehensive income	(5,112)	-	-	-	(5,112)
Exchange differences	-	82	(116)	-	(34)
At 31 December 2023	2,284	12,213	176,713	5,000	196,210

Notes To The Financial Statements

Deferred tax liabilities/(assets) of the Group:

	Retirement Benefit Obligations RM'000	Others RM'000	Total RM'000
At 1 January 2024	(3,797)	(12,010)	(15,807)
Recognised in profit or loss	(158)	2,498	2,340
Recognised in other comprehensive income	45	-	45
Exchange differences	74	97	171
At 31 December 2024	(3,836)	(9,415)	(13,251)
At 1 January 2023	(3,479)	(14,122)	(17,601)
Recognised in profit or loss	(303)	2,182	1,879
Recognised in other comprehensive income	34	-	34
Exchange differences	(49)	(70)	(119)
At 31 December 2023	(3,797)	(12,010)	(15,807)

Deferred tax liabilities/(assets) of the Company:

	Biological Assets RM'000	Property, plant and equipment RM'000	Total RM'000
At 1 January 2024	10,685	165,487	176,172
Recognised in profit or loss	1,767	205	1,972
At 31 December 2024	12,452	165,692	178,144
At 1 January 2023	9,373	164,017	173,390
Recognised in profit or loss	1,312	1,470	2,782
At 31 December 2023	10,685	165,487	176,172

	Retirement Benefit Obligations RM'000	Lease liabilities RM'000	Others RM'000	Total RM'000
At 1 January 2024	(2,103)	(3,045)	(439)	(5,587)
Recognised in profit or loss	(83)	(183)	(101)	(367)
At 31 December 2024	(2,186)	(3,228)	(540)	(5,954)
At 1 January 2023	(1,978)	(2,873)	(1,067)	(5,918)
Recognised in profit or loss	(125)	(172)	628	331
At 31 December 2023	(2,103)	(3,045)	(439)	(5,587)

Notes To The Financial Statements

22. Retirement Benefit Obligations

The Company and certain subsidiary companies pay retirement benefits to their eligible employees in accordance with the terms of employment and practices. These plans are generally of the defined benefit type under which benefits are based on employees' years of service and at predetermined rates or average final remuneration, and are unfunded. From the financial year 2011 onwards, the subsidiaries in Indonesia provided employee benefits under the Labour Law No.13. No formal independent actuarial valuations have been undertaken to value the Group's obligations under these plans but are estimated by the Group, except for the obligations of PT SSS where an independent actuarial valuation is used. The obligations of the Group are based on the following actuarial assumptions:

	2024 %	2023 %
Discount rate in determining the actuarial present value of the obligations	6.0 - 7.5	6.0 - 7.5
The average rate of increase in future earnings	4.0 - 10.0	4.0 - 10.0
Turnover of employees	10.0 - 20.0	10.0 - 20.0

The amounts recognised in the statements of financial position are determined as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Present value of unfunded defined benefit obligations	17,029	16,725	9,106	8,762
At 1 January	16,725	15,479	8,762	8,240
Provision during the financial year (Note 5)	1,899	2,501	572	815
Paid during the financial year	(1,070)	(1,330)	(228)	(293)
Actuarial changes during the financial year	(203)	(153)	-	-
Exchange difference	(322)	228	-	-
At 31 December	17,029	16,725	9,106	8,762
Analysed as:				
Current	2,946	2,627	2,226	1,933
Non-current:				
Later than 1 year but not later than 2 years	828	971	292	542
Later than 2 years but not later than 5 years	2,769	2,339	1,219	859
Later than 5 years	10,486	10,788	5,369	5,428
	14,083	14,098	6,880	6,829
	17,029	16,725	9,106	8,762

Notes To The Financial Statements

Sensitivity analysis

The impact on changes of each significant actuarial assumption as at the end of the reporting periods are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Discount rate increase by 1%	(853)	(1,297)	(213)	(666)
Discount rate decrease by 1%	867	1,497	213	779
The average rate of increase in future earnings increase by 1%	595	413	6	6
The average rate of increase in future earnings decrease by 1%	(533)	(379)	(6)	(6)
Turnover of employees increase by 1%	(143)	(153)	(19)	(46)
Turnover of employees decrease by 1%	52	156	19	46

23. Trade And Other Payables

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current					
Trade payables					
Third parties	(a)	30,195	19,171	314	123
Other payables					
Due to subsidiary companies	(b)	-	-	1,733	390
Advances from customers		4,871	1,663	4,871	1,663
Accruals		61,789	60,609	57,822	49,599
Sundry payables		45,069	48,158	21,745	17,618
		111,729	110,430	86,171	69,270
Total trade and other payables		141,924	129,601	86,485	69,393
Add: Bank borrowings (Note 24)		-	21	-	-
Add: Lease liabilities (Note 25)		13,448	12,687	13,448	12,687
Total financial liabilities carried at amortised cost		155,372	142,309	99,933	82,080

(a) Trade payables

Trade payables are non-interest bearing and the average credit terms granted to the Group and the Company range from 30 to 60 days (2023: 30 to 60 days).

(b) Due to subsidiary companies

Amounts due to subsidiary companies are interest free, unsecured and repayable on demand.

Notes To The Financial Statements

24. Bank Borrowings

	Group	
	2024 RM'000	2023 RM'000
Bank overdraft - unsecured	-	21

The interest rate applicable to the bank borrowings was 7.15% (2023: 7.15%).

25. Lease liabilities

	Group/Company	
	2024 RM'000	2023 RM'000
Current	3	-
Non-current	13,445	12,687
	13,448	12,687

The movement of lease liabilities during the financial years are as follows:

	Group/Company	
	2024 RM'000	2023 RM'000
At 1 January	12,687	11,969
Accretion of interest (Note 6)	761	718
At 31 December	13,448	12,687

The effective financing cost per annum at the reporting year 2024 was 6% (2023: 6%).

The remaining maturities of the lease liabilities as at 31 December 2024 and 31 December 2023 are as follows:

	Group/Company	
	2024 RM'000	2023 RM'000
Within one year	3	-
After one year but not more than five years	14	748
More than five years	13,431	11,939
	13,448	12,687

Notes To The Financial Statements

26. Dividends

	Group / Company			
	Amount		Net dividends per share	
	2024 RM'000	2023 RM'000	2024 sen	2023 sen
Final single-tier dividend paid in respect of previous financial year: - 70 sen per share (2023: 70 sen per share)	290,350	290,350	70.00	70.00
Final special single-tier dividend paid in respect of previous financial year: - 40 sen per share (2023: 30 sen per share)	165,914	124,435	40.00	30.00
Interim single-tier dividend in respect of current financial year: - 40 sen per share (2023: 40 sen per share)	165,914	165,914	40.00	40.00
Interim special single-tier dividend in respect of current financial year: - 20 sen per share (2023: extraordinary dividend - 40 sen per share)	82,957	165,914	20.00	40.00
	705,135	746,613	170.00	180.00

At the forthcoming Annual General Meeting, a final single-tier dividend of 70.5 sen per share amounting to RM292,423,414 and a final special single-tier dividend of 40.5 sen per share amounting to RM167,987,918 in respect of the financial year ended 31 December 2024 on the ordinary shares in issue at book closure date will be proposed for shareholders' approval (the adjusted dividends per share after considering the Bonus Issue as mentioned in Note 33 of the Financial Statements will be a final single-tier dividend of 47 sen per share and a final special single-tier dividend of 27 per share). The financial statements for the current financial year do not reflect these proposed dividends. Such dividends, if approved by the shareholders, will be accounted for in shareholders' equity as an appropriation of retained profits in the next financial year ending 31 December 2025.

27. Significant Inter-Company Transactions

	Company	
	2024 RM'000	2023 RM'000
Dividend income from subsidiary companies	216,000	100,000
Sale of raw materials to a subsidiary company	612,866	587,705
Sale of biomass and biogas steam to a subsidiary company	6,260	6,312
Interest charged to a subsidiary company	456	38

Notes To The Financial Statements

28. Significant Related Party Transactions

All transactions with the subsidiary companies are undertaken in the ordinary course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

(a) Related party transactions

The Group entered into transactions with UIE Services A/S ("UIES"), a company incorporated in Denmark. This company is deemed to be a related party by virtue of common directorship held by certain directors in UIES and the Group.

In addition to the inter-company balances and transactions detailed in Notes 17, 23 and 27 of the financial statements, the Group and the Company had the following transactions with related parties during the financial years:

Nature Of Transactions	Amount Billed Group		Amount Billed Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Interest income from advances to Unifuji Sdn. Bhd.	522	437	239	154
Service fees paid to UIES	83	83	83	83

The Directors are of the opinion that the above related party transactions are undertaken in the ordinary course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Amount outstanding at 31 December:				
Due from UIES	2	49	2	49

The outstanding balances at the reporting dates in relation to related party transactions are included in Notes 17 and 23.

(b) Compensation of key management personnel

The remuneration of key management during the financial years were as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Short-term employee benefits	5,579	5,264	5,579	5,264
Post employment benefits:				
Defined contribution plan	894	847	894	847
Directors fees	460	460	405	405
Others	18	18	18	18
	6,951	6,589	6,896	6,534

Notes To The Financial Statements

29. Segmental Information

For management purposes, the Group is organised into business units based on their products and services, and has three reportable operating segments as follows:-

- (a) The plantations segment carries on the business of oil palm and coconut cultivation and processing on its plantations in Peninsular Malaysia and Kalimantan, Indonesia. Under this segment, there is also an active research centre providing improved planting material for the Group's estates as well as for the Malaysian agricultural sector in general.
- (b) The palm oil refining segment which carries on the business of palm oil processing, manufacturing of edible oils, fats, cocoa butter substitute and trading in crude palm oil and palm oil products.
- (c) The other segments consist of a holding company for a subsidiary in Indonesia which is also involved in marketing and trading of the Group's products, and three other investment holding companies.

The Group's principal activities are the cultivation and processing of oil palm and coconut on plantations in Peninsular Malaysia and Indonesia. The activities of the subsidiary companies (except Unitata Berhad) are all incidental to the main activity and in terms of revenue, profit contribution and assets employed, they are insignificant. Inter-segment sales at fair market values have been eliminated.

The principal activity of Unitata Berhad is palm oil refining and its ancillary activities.

The analysis of Group operations is as follows:

(i) Business segments

	Plantations		Palm oil refining		Other segments		Elimination		Consolidated	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue and expenses										
Revenue:										
External sales	729,742	701,623	1,468,068	1,312,625	-	-	-	-	2,197,810	2,014,248
Inter-segment sales	612,866	587,705	-	-	-	-	(612,866)	(587,705)	-	-
Total revenue	1,342,608	1,289,328	1,468,068	1,312,625	-	-	(612,866)	(587,705)	2,197,810	2,014,248
Results:										
Segment results:										
Operating profit/(loss)	790,304	741,133	102,419	156,438	326	(369)	-	-	893,049	897,202
Investment and interest income	15,356	15,079	8,017	10,955	1,026	541	(456)	(38)	23,943	26,537
Interest expense	(845)	(745)	(458)	(40)	-	-	456	38	(847)	(747)
Share of results of joint ventures	4	(6)	22,728	10,508	-	-	-	-	22,732	10,502
Income taxes	(192,436)	(177,706)	(26,705)	(39,768)	(327)	(4,999)	-	-	(219,468)	(222,473)
Net profit for the financial year	612,383	577,755	106,001	138,093	1,025	(4,827)	-	-	719,409	711,021

Notes To The Financial Statements

	Plantations		Palm oil refining		Other segments		Elimination		Consolidated	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Assets and liabilities										
Segment assets	2,352,559	2,374,428	795,511	798,119	7,891	27,007	-	-	3,155,961	3,199,554
Investment in an associated company	-	-	-	-	50	50	-	-	50	50
Investment in joint ventures	492	(12)	86,741	64,013	-	-	-	-	87,233	64,001
Consolidated total assets									3,243,244	3,263,605
Segment liabilities	349,830	345,327	75,952	50,799	233	59	-	-	426,015	396,185
Consolidated total liabilities									426,015	396,185
Other information										
Capital expenditure **	105,993	100,530	24,251	8,342	-	-	-	-	130,244	108,872
Depreciation of property, plant and equipment	92,408	90,005	11,123	10,939	52	51	-	-	103,583	100,995
Depreciation of right-of-use assets	5,986	5,979	-	-	-	-	-	-	5,986	5,979
Inventories written-off	83	22	-	-	-	-	-	-	83	22
Net realised foreign exchange loss	-	-	2,442	14,938	-	-	-	-	2,442	14,938
Net unrealised foreign exchange (gain)/loss	-	-	(1,972)	1,918	-	-	-	-	(1,972)	1,918

(ii) Geographical segments

In determining the geographical segments of the Group, revenue is based on the geographical location of customers. Total assets and capital expenditure are based on the geographical location of assets:

	Malaysia		Indonesia		Europe		United States		Others		Consolidated	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue *	1,054,118	1,017,147	209,281	213,687	34,973	26,887	15,857	1,200	883,581	755,327	2,197,810	2,014,248
Total assets	2,755,147	2,798,293	368,797	368,797	11,429	8,898	3,285	468	104,586	87,149	3,243,244	3,263,605
Capital expenditure **	118,452	93,532	11,792	15,340	-	-	-	-	-	-	130,244	108,872

* Included in the revenue from others were sales to customers in Singapore amounting to RM754,508,000 (2023: RM733,721,000)

** Capital expenditure presented above consist of the following items as presented in the consolidated statements of financial position:

		Group	
	Note	2024 RM'000	2023 RM'000
Property, plant and equipment	10 (a)	122,655	106,328
Right-of-use assets	10 (b)	7,589	2,544
		130,244	108,872

(iii) Information about a major customer

Revenue from one major customer amounted to RM844,637,000 (2023: RM827,299,000), arising from sales by the palm oil refining segment.

Notes To The Financial Statements

30. Capital Commitments

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Capital expenditure approved by the Directors but not contracted	131,281	133,592	109,694	114,519
Capital expenditure contracted but not provided for	31,489	24,609	23,184	24,062
	162,770	158,201	132,878	138,581

31. Financial Instruments

(a) Financial risk management objectives and policies

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's business whilst managing its interest rate, liquidity, foreign exchange, market and credit risks. The Group operates within clearly defined guidelines that are approved by the Board.

During the financial year, the Group entered into commodity futures contracts. Control and monitoring procedures include, amongst others, setting of trading limits and the manner and timing of management reporting. Such derivative trading is also under the close supervision of the executive committee. These control procedures are periodically reviewed and enhanced where necessary in response to changes in market condition.

(b) Interest rate risk

The Group's primary interest rate risk relates to short term fixed rate term deposits with licensed banks and negotiable papers issued by licensed banks. The Group does not hedge this exposure. The maturity periods are mixed such that the Group's cash flow requirements are met while yielding a reasonable return. The effective interest rates are as disclosed in Note 18.

The Group's bank borrowings are insignificant to hedge. The effective interest rate is disclosed in Note 24.

Sensitivity analysis for interest rate risk

At the reporting date, if interest rates had been 10 basis points higher/lower, with all other variables held constant, the Group's profit net of tax would have been RM310,000 (2023: RM435,000) higher/lower, arising as a result of higher/lower interest income from deposits with licensed banks, and the Group's retained earnings would have been RM310,000 (2023: RM435,000) higher/lower. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market movements.

(c) Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of Group entities, primarily RM and Indonesian Rupiah ("IDR"). The foreign currencies in which these transactions are denominated are mainly US Dollars ("USD").

Approximately 50% (2023: 49%) of the Group's sales and 17% (2023: 32%) of costs are denominated in foreign currencies. The Group's trade receivable and trade payable balances at the reporting date have similar exposures.

The Group and the Company also hold cash and cash equivalents denominated in foreign currencies for working capital purposes. At the reporting date, such foreign currency balances amounted to RM16,824,000 (2023: RM6,669,000) and RM160,000 (2023: RM215,000) for the Group and the Company respectively.

Foreign currency transactions denominated in USD are hedged by forward currency contracts, whenever possible. The forward currency contracts must be in the same currency as the hedged item. It is the Group's policy to negotiate the terms of the hedge derivatives to match the terms of the hedged item to maximise hedge effectiveness.

Notes To The Financial Statements

At 31 December 2024, the Group hedged 100% (2023: 100%) and 100% (2023: 100%) of its foreign currency denominated sales and purchases respectively, for which firm commitments existed at the reporting date, extending to December 2025 (2023: December 2024).

The Group is also exposed to currency translation risk arising from its net investments in Indonesia.

The Group had entered into forward currency contracts with the following notional amounts and maturities:

	Currency	Maturities		Total notional amount RM'000
		Within 1 year RM'000	1 year up to 5 years RM'000	
At 31 December 2024:				
Forwards used to hedge receivables	USD	568,484	-	568,484
At 31 December 2023:				
Forwards used to hedge receivables	USD	460,787	-	460,787

The net recognised loss as at 31 December 2024 on forward exchange contracts used to hedge receivables and payables as at 31 December 2024 amounted to RM9,031,000 (31 December 2023: RM3,440,000).

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit net of tax to a reasonably possible change in the USD exchange rate against the functional currencies of the Group entities, with all other variables held constant.

	Group	
	2024 RM'000 Profit net of tax	2023 RM'000 Profit net of tax
USD/RM		
- strengthened 3%	(17,414)	(13,839)
- weakened 3%	17,414	13,839

(d) Credit risk

Credit risks, or the risk of counterparties defaulting, is controlled by the application of credit approvals, limits and monitoring procedures. Credit risks are minimised and monitored via strictly limiting the Group's associations to business partners with high creditworthiness. Except for the amount due from a major customer of the palm oil refinery unit, the Group has no other significant concentration risk that may arise from exposures to a single debtor or to a group of debtors. Trade receivables are monitored on an ongoing basis via Company management reporting procedures (with the exception of fixed deposits and short term funds invested in income trust funds). The average credit terms granted to the Group's customers are 0 to 75 days.

The Group and the Company do not have trade receivables that are impaired.

The Group and the Company do not track changes in credit risk, but instead recognise a loss allowance of trade receivables based on lifetime ECLs at each reporting date. The Group and the Company have established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The ECLs effect on trade receivables is immaterial to the Group and the Company.

Credit risk of commodity futures contracts arises from the possibility that a counterparty may be unable to meet the terms of a contract in which the Group and the Company have a gain position. This amount will increase or decrease over the life of the contracts, mainly as a function of maturity dates and market prices.

Deposits with banks and other financial institutions, investment securities and derivatives that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Notes To The Financial Statements

Exposure to credit risk

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position, including derivatives with positive fair values.

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the trade receivables of its operating segments on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the reporting dates are as follows:

Group	2024		2023	
	RM'000	% of total	RM'000	% of total
By Segment:				
Plantations	15,475	6.66	18,491	9.63
Palm oil refining	216,892	93.34	173,429	90.37
	232,367	100.00	191,920	100.00

At the reporting date, approximately 57% (2023: 74%) of the Group's trade receivables were due from a major customer of the palm oil refinery unit.

(e) Liquidity risk

The Group actively manages its cash flows by monthly forecasts of funding requirements. As part of its prudent liquidity management, the Group maintains sufficient levels of cash or cash equivalents, banking facilities of a reasonable level to meet its working capital requirements. As far as possible, the Group funds significant long term investments with internal funding to achieve overall cost effectiveness.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting dates based on contractual undiscounted amounts.

Group	On demand or within 1 year RM'000	1 to 5 years RM'000	Over 5 years RM'000	Total RM'000
2024				
Financial liabilities:				
Trade and other payables	141,924	-	-	141,924
Lease liabilities	810	3,240	73,703	77,753
Total undiscounted financial liabilities	142,734	3,240	73,703	219,677
2023				
Financial liabilities:				
Trade and other payables	129,601	-	-	129,601
Lease liabilities	-	3,240	74,513	77,753
Bank borrowings	21	-	-	21
Total undiscounted financial liabilities	129,622	3,240	74,513	207,375

Notes To The Financial Statements

Company	On demand or within 1 year RM'000	1 to 5 years RM'000	Over 5 years RM'000	Total RM'000
2024				
Financial liabilities:				
Trade and other payables	86,485	-	-	86,485
Lease liabilities	810	3,240	73,703	77,753
Total undiscounted financial liabilities	87,295	3,240	73,703	164,238
2023				
Financial liabilities:				
Trade and other payables	69,393	-	-	69,393
Lease liabilities	-	3,240	74,513	77,753
Total undiscounted financial liabilities	69,393	3,240	74,513	147,146

(f) Market risk

Market risk is the potential change in value caused by movement in market prices. The contractual amounts stated under Note 31(g) provide only a measure of involvement in these types of transactions.

Sensitivity analysis for market price risk

At the reporting date, if the value of the derivatives as stated under Note 31(g) had been 3% higher/lower, with all other variables held constant, the Group's profit net of tax and OCI would have been RM11,365,000 (2023: RM6,534,000) higher/lower, arising as a result of higher/lower fair value gains on held for trading/hedging commodity futures contracts, and the Group's retained earnings would have been higher/lower by the same amount, arising as a result of an increase/decrease in the fair value of the aforementioned commodity futures contracts. As at the reporting date, the impact of changes in the commodity future market, with all other variables held constant, is immaterial to the Group's profit net of tax and equity.

(g) Derivatives

Group	Contract/Notional Amount RM'000	Assets RM'000	Liabilities RM'000
2024			
Current			
Non-hedging derivatives:			
Forward currency contracts	568,484	-	(9,031)
Commodity futures contracts	79,811	4,369	-
Hedging derivatives:			
Commodity futures contracts	495,183	-	(31,663)
		4,369	(40,694)
Non-current			
Hedging derivatives:			
Commodity futures contracts	51,237	613	-
		613	-
Total derivatives		4,982	(40,694)

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Group	Contract/Notional Amount RM'000	Assets RM'000	Liabilities RM'000
2023			
Current			
Non-hedging derivatives:			
Forward currency contracts	460,787	-	(3,440)
Commodity futures contracts	18,651	-	(3,062)
Hedging derivatives:			
Commodity futures contracts	321,858	19,700	-
		19,700	(6,502)
Total derivatives		19,700	(6,502)

During the financial year, the Group recognised a loss of RM35,712,000 (2023: gain of RM13,198,000) arising from fair value changes of derivative contracts. The fair value changes are attributable to changes in commodity prices and forward exchange rates.

Derivatives not designated as hedging instruments

The Group uses forward currency contracts and commodity futures contracts to manage some of the transaction exposure, as well as to take advantage of favourable market conditions. The forward currency contract is not designated as cash flow or fair value hedges and is entered into for periods consistent with currency transaction exposure and fair value changes exposure. Such derivatives do not qualify for hedge accounting.

Forward currency contracts are used to hedge the Group's sales and purchases denominated in USD for which firm commitments existed at the reporting date, extending to October 2025 (2023: October 2024) (Note 31(c)).

Derivatives designated as hedging instruments

Cash flow hedge

Commodity price risk

The Group has designated certain commodity futures contracts as hedging derivatives to reduce the volatility attributable to price fluctuations of crude palm oil ("CPO"). Hedging of the price volatility of forecast CPO is in accordance with the risk management strategy outlined by the Board of Directors.

There is an economic relationship between the hedged items and the hedging instruments as the terms of the commodity price and commodity forward contracts match the terms of the expected highly probable forecast transactions (i.e., notional amount and expected payment date). The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the commodity price and commodity forward contracts are identical to the hedged risk components. To test the hedge effectiveness, the Group uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

Notes To The Financial Statements

The hedge ineffectiveness can arise from:

- Differences in the timing of the cash flows of the hedged items and the hedging instruments,
- Different indexes (and accordingly different curves) linked to the hedged risk of the hedged items and hedging instruments,
- The counterparties' credit risk differently impacting the fair value movements of the hedging instruments and hedged items, and
- Changes to the forecasted amount of cash flows of hedged items and hedging instruments.

The Group is holding the following commodity forward contracts:

	Maturity			
	Less than 6 months RM'000	6 to 12 months RM'000	More than 12 months RM'000	Total RM'000
As at 31 December 2024:				
Commodity forward contracts				
Notional amount (in MT)	89,625	30,925	12,300	132,850
Notional amount (in RM'000)	368,203	126,980	51,237	546,420
Average hedged rate (in RM'000 per MT)	4.11	4.11	4.17	4.11
As at 31 December 2023:				
Commodity forward contracts				
Notional amount (in MT)	53,625	28,550	-	82,175
Notional amount (in RM'000)	213,402	108,456	-	321,858
Average hedged rate (in RM'000 per MT)	3.98	3.80	-	3.92

There is no amount recognised for the change in fair value used for measuring ineffectiveness in profit or loss in the current financial year.

The impact of hedged items (net of tax) on the statements of financial position is, as follows:

	Cash flow hedge reserve	
	2024 RM'000	2023 RM'000
As at 31 December		
CPO	(23,598)	14,971

Determination of fair value

Fair value of the commodity futures contracts is determined by reference to the difference between the contracted rate and the forward rate as at the reporting date.

Fair value of the forward currency contracts is determined by reference to the difference between the contracted rate and the market rate as at the reporting date.

Notes To The Financial Statements

(h) Fair value of financial instruments

The Group and the Company use the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The Group and the Company held the following financial instruments carried at fair value in the statements of financial position:

Group	Assets/ (Liabilities) RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
At 31 December 2024				
Fair value through profit or loss:				
Short term funds	2,291	2,291	-	-
Commodity futures contracts	(26,681)	(26,681)	-	-
Forward currency contracts	(9,031)	-	(9,031)	-
At 31 December 2023				
Fair value through profit or loss:				
Short term funds	53,729	53,729	-	-
Commodity futures contracts	16,638	16,638	-	-
Forward currency contracts	(3,440)	-	(3,440)	-

There were no transfers between Level 1, Level 2 and Level 3 in the current and previous financial years.

Company	Assets/ (Liabilities) RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
At 31 December 2024				
Fair value through profit or loss:				
Short term funds	1,552	1,552	-	-
At 31 December 2023				
Fair value through profit or loss:				
Short term funds	31,857	31,857	-	-

There were no transfers between Level 1, Level 2 and Level 3 in the current and previous financial years.

The carrying amount of trade and other receivables and payables are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

Notes To The Financial Statements

32. Capital Management

The primary objective of the Group's and the Company's capital management is to ensure that it maintains acceptable capital ratios in order to support its business and maximise shareholder value.

The Group and the Company manage its capital structure and makes adjustments to it, in light of changes in economic conditions or expansion plans of the Group and the Company. The Group may adjust the capital structure by issuing new shares, returning capital to shareholders or adjusting dividend payment policies. No changes were made in the objectives, policies or processes during the years ended 31 December 2024 and 31 December 2023.

The Group includes within net debt, bank borrowings (bank overdraft) and trade and other payables, less cash and bank balances and short term funds. Capital includes equity attributable to the owners of the parent.

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Debt				
Bank borrowings	-	(21)	-	-
Lease liabilities	(13,448)	(12,687)	(13,448)	(12,687)
Trade and other payables	(141,924)	(129,601)	(86,485)	(69,393)
	(155,372)	(142,309)	(99,933)	(82,080)
Cash and bank balances	484,528	579,872	106,210	100,283
Short term funds	2,291	53,729	1,552	31,857
Net surplus of cash and bank balances and short term funds over debt	331,447	491,292	7,829	50,060
Equity attributable to the owners of the parent, representing total capital	2,799,779	2,850,440	1,869,148	1,849,053
Surplus of capital, cash and bank balances and short term funds over debt	3,131,226	3,341,732	1,876,977	1,899,113
Gearing ratio	-	-	-	-

There are no externally imposed capital requirements.

33. Subsequent Event

Subsequent to the financial year end and an Extraordinary General Meeting held on 10 February 2025, the Company will increase the number of its ordinary shares by way of a bonus issue of 208,134,266 ordinary shares on the basis of one (1) new ordinary share for every two (2) existing ordinary shares held.

The new ordinary shares will be issued as fully paid, at no consideration and without capitalisation from the Company's reserves and will rank par passu in all respects with the existing ordinary shares of the Company.

Shareholders Information As At 31 January 2025

Issued Capital	:	No. of shares 416,268,532 (including 1,483,548 treasury shares)
Class of Shares	:	Ordinary Shares
Voting Rights	:	One Vote per ordinary share

Categories Of Shareholders As At 31 January 2025				
Size of Holdings	No. of Holders	% of Holders	No. of Shares	% of Issued Capital *
Less than 100 shares	239	2.48	4,023	0.00
100 to 1,000 shares	3,799	39.45	2,090,758	0.50
1,001 to 10,000 shares	4,279	44.43	15,890,252	3.83
10,001 to 100,000 shares	1,080	11.21	33,121,832	7.99
100,001 to less than 5% of issued shares	233	2.42	189,895,919	45.78
5% and above of issued shares	1	0.01	173,782,200	41.90
Total	9,631	100.00	414,784,984	100.00

Substantial Shareholders As At 31 January 2025				
Name of Shareholder	Direct Interest No. of Shares	% of Issued Capital *	Deemed Interest No. of Shares	% of Issued Capital *
1. Maximum Vista Sdn. Bhd. (MVSB)	181,215,600	43.69	-	-
2. Employees Provident Fund Board	24,925,996	6.01	-	-
3. UIE Plc	19,437,142	4.69	181,215,600* ¹	43.69
4. C & M Holding Limited (C & M HL)	-	-	200,652,742* ²	48.38
5. Brothers Holding Ltd (BHL)	-	-	200,652,742* ²	48.38
6. YBhg. Dato' Carl Bek-Nielsen	5,161,000	1.24	200,742,858* ³	48.40
7. Mr. Martin Bek-Nielsen	1,455,778	0.35	200,682,742* ⁴	48.38

*Notes

(1) Deemed interest by virtue of substantial shareholdings in MVSB.

(2) Deemed interest by virtue of substantial shareholdings in MVSB and UIE Plc.

(3) Deemed interest by virtue of substantial shareholdings in MVSB, UIE Plc and through immediate family members.

(4) Deemed interest by virtue of substantial shareholdings in MVSB, UIE Plc and through immediate family members.

Directors' Shareholdings As At 31 January 2025				
Name of Director	Direct Interest No. of Shares	% of Issued Capital *	Deemed Interest No. of Shares	% of Issued Capital *
YBhg. Dato' Mohamad Nasir Bin Ab. Latif	140,000	0.03	-	-
YBhg. Dato' Carl Bek-Nielsen	5,161,000	1.24	200,742,858	48.40
Mr. Martin Bek-Nielsen	1,455,778	0.35	200,682,742	48.38
Mr. Loh Hang Pai	1,000,000	0.24	-	-
Mr. R. Nadarajan	81,000	0.02	86,000	0.02
Mr. Jorgen Balle	4,000	0.00	-	-
Ms. Belvinder Kaur a/p C Nasib Singh	-	-	-	-
Mr. Yap Seng Chong	-	-	-	-
Mr. Iwan Azlan Bin Mokhtar	-	-	-	-

Shareholders Information

Thirty (30) Largest Shareholders As At 31 January 2025			
Name of Shareholder	No. of Shares	% of Issued Capital*	
1. Maximum Vista Sdn. Bhd.	173,782,200	41.90	
2. UIE Plc	19,389,312	4.67	
3. Perbadanan Pembangunan Pertanian Negeri Perak	17,360,400	4.19	
4. Citigroup Nominees (Tempatan) Sdn. Bhd. Employees Provident Fund Board	17,235,707	4.16	
5. Kumpulan Wang Persaraan (Diperbadankan)	8,885,023	2.14	
6. Maximum Vista Sdn. Bhd.	7,433,400	1.79	
7. YBhg. Dato' Carl Bek-Nielsen	4,991,000	1.20	
8. Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Islamic)	4,935,889	1.19	
9. Affin Hwang Nominees (Tempatan) Sdn. Bhd. Bernam Nominees (Tempatan) Sdn. Bhd. for Jendarata Bernam Provident Fund	3,562,698	0.86	
10. HSBC Nominees (Asing) Sdn. Bhd. Exempt An for Danske Bank A/S (Client Holdings)	3,386,749	0.82	
11. Cartaban Nominees (Asing) Sdn Bhd Exempt An For The Bank of New York Mellon Sa/Nv (Jyske Clients)	2,630,962	0.63	
12. Woo Khai Yoon	2,628,000	0.63	
13. Affin Hwang Nominees (Tempatan) Sdn. Bhd. Bernam Nominees (Tempatan) Sdn. Bhd. for United Plantations Berhad Education And Welfare Fund	2,612,100	0.63	
14. HSBC Nominees (Asing) Sdn. Bhd. JPMCB NA for Vanguard Total International Stock Index Fund	2,537,100	0.61	
15. Cartaban Nominees (Asing) Sdn Bhd BNYM Sa/Nv For Nykredit Bank A/S	2,505,280	0.60	
16. HSBC Nominees (Asing) Sdn. Bhd. BNPP LDN/2S For Aberdeen Standard Asia Focus PLC	2,463,200	0.59	
17. Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Rozilawati Binti Haji Basir	2,330,000	0.56	
18. Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (CGS CIMB)	2,073,000	0.50	
19. HSBC Nominees (Asing) Sdn Bhd JPMCB NA for Vanguard Emerging Markets Stock Index Fund	2,057,400	0.50	
20. Citigroup Nominees (Asing) Sdn Bhd Exempt an for Citibank New York (Norges Bank 14)	1,902,200	0.46	
21. HSBC Nominees (Asing) Sdn Bhd JPMCB NA for Flexshares Morningstar Global Upstream Natural Resources Index Fund	1,622,400	0.39	
22. Affin Hwang Nominees (Tempatan) Sdn. Bhd. Bernam Nominees (Tempatan) Sdn. Bhd. for United Plantations Workers Benevolent Retirement Scheme	1,500,500	0.36	
23. United Plantations Berhad Share Buy Back Account	1,483,548	0.36	
24. Citigroup Nominees (Tempatan) Sdn Bhd Exempt An For AIA Bhd.	1,467,200	0.35	
25. Mr. Martin Bek-Nielsen	1,455,778	0.35	
26. Mr. Ho Dua Tiam	1,414,800	0.34	
27. Maybank Nominees (Tempatan) Sdn. Bhd. Maybank Private Wealth Management for Rozilawati Binti Haji Basir (PW-M00823) (421210)	1,350,000	0.33	
28. HSBC Nominees (Asing) Sdn Bhd JPMCB NA For Vanguard Fiduciary Trust Company Institutional Total International Stock Market Index Trust II	1,328,200	0.32	
29. Amanahraya Trustees Berhad Public Islamic Select Treasures Fund	1,324,400	0.32	
30. Maybank Nominees (Tempatan) Sdn Bhd Etika Life Insurance Berhad (Life Par)	1,310,200	0.32	
	298,958,646	72.08	

* calculated based on 414,784,984 shares which do not include 1,483,548 treasury shares

Notice Of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 104th Annual General Meeting of the Company will be held at the Dewan Sanmarka Orang India, 36400 Hutan Melintang, Perak Darul Ridzuan, Malaysia on Wednesday, 23 April 2025 at 9.30 a.m. for the purpose of considering the following business:-

1. To receive the financial statements for the year ended 31 December 2024 together with the Reports of the Directors and the Auditors thereon. (Refer to Explanatory Note 1).

Ordinary Resolutions

- | | |
|---|---|
| 2. To approve the payment of a Final Single-tier dividend of 47 sen per share and a Final Special Single-tier dividend of 27 sen per share for the financial year ended 31 December 2024, based on the enlarged number of shares post-Bonus Issue, as approved at the EGM on 10 February 2025 with the entitlement date set for 26 February 2025. | 1 |
| 3. To approve the payment of Directors' fees (inclusive of Board Committees' fees) of RM1,357,268 for the financial year ended 31 December 2024. | 2 |
| 4. To approve the payment of Directors' benefits (other than Directors' fees) of RM96,780 for the financial year ended 31 December 2024. | 3 |
| 5. To re-elect as Director, YBhg. Dato' Carl Bek-Nielsen who retires by rotation pursuant to Article 107 of the Company's Constitution. | 4 |
| 6. To re-elect as Director, Mr. Jorgen Balle who retires by rotation pursuant to Article 107 of the Company's Constitution. | 5 |
| 7. To re-elect as Director, Mr. Iwan Azlan bin Mokhtar who retires by rotation pursuant to Article 100 of the Company's Constitution. | 6 |
| Mr. R. Nadarajan will be retiring at the forthcoming Annual General Meeting (AGM) and has expressed his intention not to seek re-election. He will retain office until the conclusion of the 104th AGM. | |
| 8. To re-appoint Ernst & Young, PLT as auditors of the Company for the year 2025 and to authorise the Directors to fix their remuneration. | 7 |

As Special Business

To consider and if thought fit, to pass the following ordinary resolutions:

Notice Of Annual General Meeting

(a) Proposed Renewal of Authority for Purchase of Own Shares

9. "THAT, subject to the Companies Act 2016 ("the Act") (as may be amended, modified or re-enacted from time to time), the Company's Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia") and approvals of all relevant governmental and/or regulatory authorities, where applicable, the Company be and is hereby authorised to purchase and/or hold such amount of ordinary shares in the Company ("Proposed Share Buy-Back") as may be determined by the Directors of the Company from time to time and upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of ordinary shares purchased and/or held pursuant to this resolution shall not exceed ten per centum (10%) of the total number of issued shares of the Company at any given point in time and an amount of funds not exceeding the total retained profits of the Company based on the audited financial statements for the financial year ended 31 December 2024 be utilised by the Company for the Proposed Share Buy-Back AND THAT at the discretion of the Directors of the Company, the ordinary shares of the Company to be purchased may be cancelled and/or retained as treasury shares and subsequently distributed as dividends, transfer the shares for the purposes of or under an employees' share scheme that has been approved by the shareholders, transfer the shares as purchase consideration or resold on Bursa Malaysia or be cancelled AND THAT the Directors of the Company be and are hereby empowered generally to do all acts and things to give effect to the Proposed Share Buy-Back AND THAT such authority shall commence immediately upon passing of this ordinary resolution until:
- 8
- (i) the conclusion of the next Annual General Meeting of the Company ("AGM") in 2026 at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or
 - (ii) the expiration of the period within which the next AGM is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
 - (iii) revoked or varied by resolution passed by the shareholders in general meeting, whichever is earlier; but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid date and in any event, in accordance with the provisions in the guidelines issued by Bursa Malaysia and/or by any other relevant authorities."

Notice Of Annual General Meeting

(b) Authority for Directors to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016

10. "THAT, pursuant to Sections 75 and 76 of the Companies Act 2016 and subject always to the approval of the relevant authorities, the Directors be and are hereby authorised to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit without first offer to holders of existing issued shares of the Company provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten per centum (10%) of the issued shares (excluding treasury shares) of the Company for the time being AND THAT the Directors be and are also authorised to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company." 9

Notice on Entitlement and payment of a Final Dividend and a Final Special Dividend

NOTICE IS HEREBY GIVEN THAT a Final Single-tier dividend of 47 sen per share and a Final Special Single-tier dividend of 27 sen per share based on the enlarged number of shares post-Bonus Issue as approved at the EGM on 10 February 2025 with the entitlement date set for 26 February 2025. If approved at the 104th Annual General Meeting the total Final Dividends will be paid on 9 May 2025 to shareholders whose names appear in the Record of Depositors and the Register of Members at the close of business on 28 April 2025.

A Depositor shall qualify for entitlement only in respect of :-

- (a) Shares transferred into the Depositor's Securities Account before 4.30 p.m. on 28 April 2025 in respect of transfers; and
- (b) Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board

NG ENG HO
Company Secretary
MIA No. 12913
SSM PC No. 201908002863

Jendarata Estate,
36009 Teluk Intan,
Perak Darul Ridzuan,
Malaysia
24 February 2025

Notice Of Annual General Meeting

Notes

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to vote in his stead other than an exempt authorised nominee who may appoint multiple proxies in respect of each Omnibus account held. A proxy need not be a member of the Company. If you wish to appoint as your proxy someone other than the Chairman or Vice Chairman of the meeting, cross out the words "The Chairman" or "Vice Chairman" of the meeting and write on the lines the full name and address of your proxy.
2. The instrument appointing a proxy must be deposited at the Registered Office of the Company at Jendarata Estate, 36009 Teluk Intan, Perak Darul Ridzuan, Malaysia not less than 48 hours before the time set for the meeting. The number of shares to be represented by the proxy should be stated in the proxy form. Alternatively, the instrument appointing a proxy can be deposited electronically (for individual, corporate shareholders and nominees) through Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> or via email to bsr.helpdesk@boardroomlimited.com before the cut-off time for the lodgement of the Proxy Form as mentioned above.
3. Where this Form of Proxy is executed by a corporation, it must be either under seal or under the hand of any officer or attorney duly authorised.
4. A proxy may vote or abstain from voting as he thinks fit on a specified resolution, if no indication is given on the proxy form by the member appointing the proxy. Voting on all resolutions to be proposed at the AGM will be by way of a poll.
5. In the case of joint shareholders, the proxy form signed by the first named registered shareholder on the register shall be accepted to the exclusion of the other registered shareholder(s). If voting is in person(s) the vote of the first shareholder who tenders the vote shall be taken.
6. Only a depositor whose name appears on the Record of Depositors as at 17 April 2025 shall be entitled to attend the said meeting or appoint a proxy to attend and/ or vote on his/her behalf.

Notice Of Annual General Meeting

Explanatory Notes on Ordinary Business

Audited Financial Statements for the Financial Year Ended 31 December 2024. (Note 1)

The Audited Financial Statements are laid in accordance with Section 340(1)(a) of the Companies Act 2016 for discussion only and does not require a formal approval of the shareholders and as such, will not be put forward for voting.

For Ordinary Resolution 1 - The Bonus shares to be issued to the shareholders on 26 February 2025 pursuant to the Bonus Issue approved at the Extraordinary General Meeting held on 10 February 2025 will be entitled to receive the dividend, if this resolution is approved at the 104th AGM.

For Ordinary Resolution 4 to 6 - For the purpose of determining the eligibility of the Directors to stand for re-election at the 104th AGM, the Board through its Nomination Committee has assessed the retiring Directors, namely YBhg. Dato' Carl Bek-Nielsen, Mr. Jorgen Balle and Mr. Iwan Azlan bin Mokhtar. The Board found that the Retiring Directors have a good understanding of the Group's businesses and they have actively participated in the Board meetings. The Board is satisfied with their performance and supports the re-election of these Retiring Directors.

For Ordinary Resolution 8 - Please refer to explanatory information in the Share Buy-Back Statement to Shareholders dated 24 February 2025.

For Ordinary Resolution 9 - The Board continues to consider strategic opportunities to broaden the earnings potential of the Company and this may involve equity deals which may require the Company to issue new shares. If passed, the Shareholders' Mandate to grant authority for Directors to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016 will provide flexibility to the Directors to undertake any possible fund raising activities, including but not limited to further placing of shares for the funding of the Company's future investment projects, working capital and/or acquisitions, by issuance of shares at any time up to an aggregate amount not exceeding 10% of the issued shares of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company, without first offer to holders of existing shares of the Company.

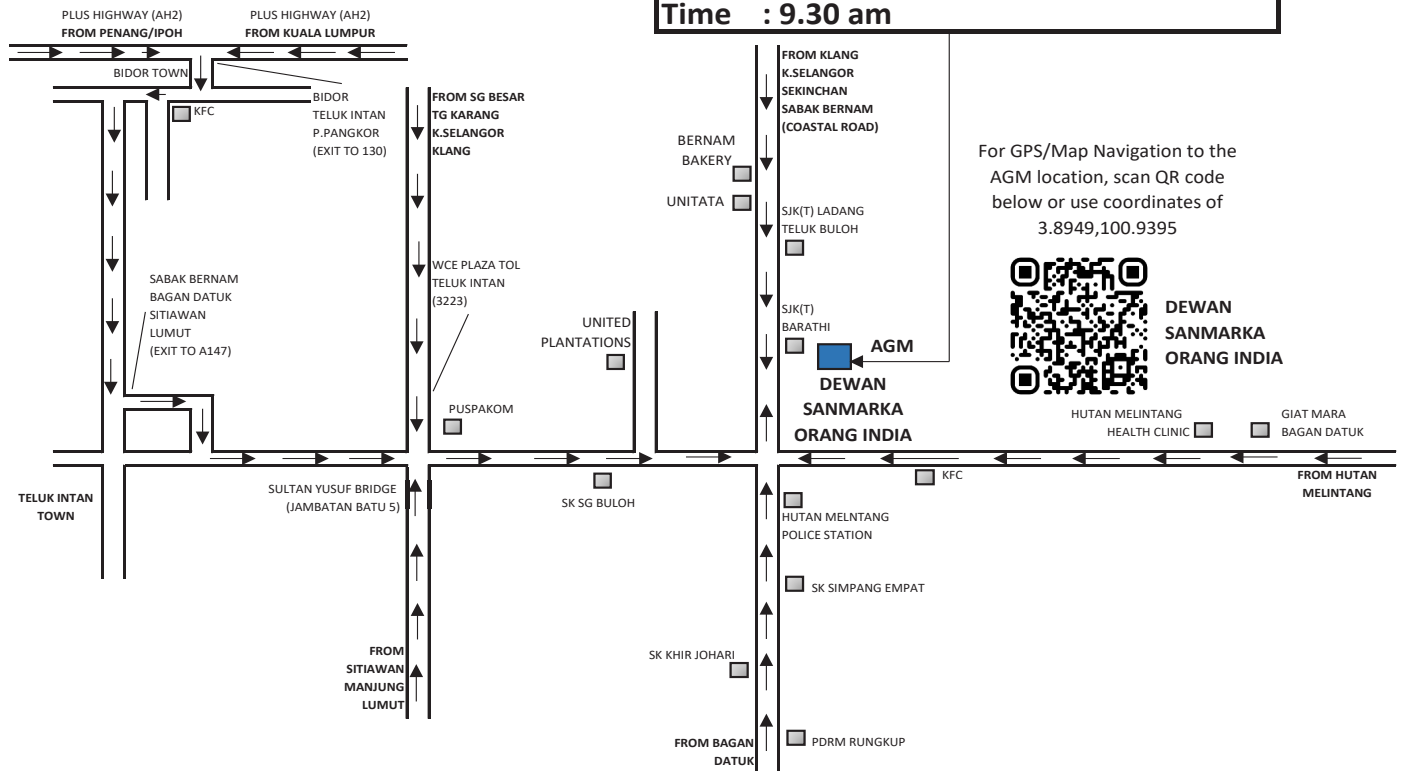
The Company did not utilise the Shareholders' Mandate that was approved at the 103rd Annual General Meeting. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

104TH ANNUAL GENERAL MEETING

**Venue : Dewan Sanmarka Orang India,
36400 Hutan Melintang,
Perak Darul Ridzuan, Malaysia**

Date : 23 April 2025

Time : 9.30 am



The 103rd Annual General Meeting in session at the Dewan Sanmarka on the 24th April 2024.

Corporate Information

Country of Incorporation	Malaysia
Board of Directors	YBhg. Dato' Mohamad Nasir bin Ab. Latif (Chairman, Independent, Non-Executive) YBhg. Dato' Carl Bek-Nielsen (Chief Executive Director) Mr. Martin Bek-Nielsen (Executive Director) Mr. Loh Hang Pai (Executive Director) Mr. R. Nadarajan (Independent, Non-Executive) Mr. Jorgen Balle (Non-Independent, Non-Executive) Ms. Belvinder Kaur a/p C. Nasib Singh (Independent, Non-Executive) Mr. Yap Seng Chong (Independent, Non-Executive) Mr. Iwan Azlan bin Mokhtar (Non-Independent, Non-Executive Director)
Company Secretary	Mr. Ng Eng Ho
Registered Office and Principal Share Register	United Plantations Berhad Jendarata Estate, 36009 Teluk Intan, Perak Darul Ridzuan, Malaysia Phone : +605-6411411 Fax : +605-6411876 E-mail : up@unitedplantations.com Website : www.unitedplantations.com
Auditors	Ernst & Young PLT
Principal Bankers	<p>Malaysia</p> HSBC Bank Malaysia Berhad Maybank Berhad Standard Chartered Bank Malaysia Berhad Public Bank Berhad OCBC Bank (Malaysia) Berhad United Overseas Bank (Malaysia) Berhad RHB Bank Berhad J.P. Morgan Chase Bank Berhad Deutsche Bank (Malaysia) Berhad AmBank (M) Berhad
	<p>Indonesia</p> PT Bank Mandiri (Persero) Tbk PT Bank CIMB Niaga Tbk PT Bank UOB
Stock Exchange Listing	<p>Malaysia</p> Bursa Malaysia Securities Berhad (Bursa Malaysia) Website : www.bursamalaysia.com

Group Properties As At 31 December 2024

Properties	Tenure	Area In Hectares	Description	Age In Years	*Net Tangible Asset Value RM '000
Jendarata Estate	Leasehold		Registered Office - 1,369 sq.m.	60	7,216
36009 Teluk Intan	Expiring on:		Research Station - 1,070 sq.m.	59	1,869
Perak Darul Ridzuan	15.01.2062	594.50	Oil Palm & Coconut Estate		125,522
	07.06.2104	611.65	Palm Oil Mill	} 10,032 sq.m.	90
	07.06.2104	34.81	Biomass Plant		19
	20.11.2067	982.19			4,048
	22.08.2068	149.67			
	Yr to Yr	33.62			
	Freehold	3,929.19			
Kuala Bernam Estate	Freehold	829.60	Coconut Estate		13,320
Batu 18, Jalan Bagan Datoh					
36300 Sungai Sumun					
Perak Darul Ridzuan					
Sungei Bernam Estate	Leasehold		Coconut Estate	50	41,101
Sungai Ayer Tawar	Expiring on:				
45200 Sabak Bernam	28.03.2056	1.32			
Selangor Darul Ehsan	Freehold	2,274.76			
Ulu Bernam Estate	Freehold	3,102.28	Oil Palm Estate		54,342
36500 Ulu Bernam	Yr to Yr	95.31	Optimill/Biogas/Unifuji - 545,100 sq.m.	7	38,810
Perak Darul Ridzuan					
Changkat Mentri Estate	Leasehold		Oil Palm Estate		26,928
36500 Ulu Bernam	Expiring on:				
Perak Darul Ridzuan	26.11.2067	1,538.61			
	01.10.2081	162.94			
	Freehold	848.95			
Ulu Basir Estate	Leasehold		Oil Palm Estate		35,299
36500 Ulu Bernam	Expiring on:		Palm Oil Mill - 6,352 sq.m.	35	1,332
Perak Darul Ridzuan	26.11.2067	11.40			
	20.01.2087	2,468.00			
	08.12.2099	163.30			
	Yr to Yr	129.48			
	Freehold	1,218.62			
Charong Estate	Leasehold		Oil Palm Estate		73,633
36500 Ulu Bernam	Expiring on:				
Perak Darul Ridzuan	02.11.2064	53.89			
	16.01.2124	728.46			
	Yr to Yr	80.94			
	Freehold	6,038.20			
Seri Pelangi Estate	Leasehold		Oil Palm Estate		21,888
Batu 11 3/4	Expiring on:				
Jalan Bidor	15.06.2068	1,418.90			
36000 Teluk Intan	Freehold	2.82			
Perak Darul Ridzuan	Yr to Yr	6.29			
Lima Blas Estate	Freehold	2,891.89	Oil Palm Estate		135,662
Lot 1899, Mukim Ulu Bernam					
35800, Hulu Selangor, Selangor.					
UIE	Leasehold		Oil Palm Estate		363,369
Pantai Remis	Expiring on:		Palm Oil Mill - 6,148 sq.m.	32	207
Perak Darul Ridzuan	23.12.2103	10,355.26			
	Freehold	9.94			
Unitata Berhad	Freehold	18.45	Palm Oil and Palm Kernel Refinery Complex	} Buildings	50
36009 Teluk Intan					57,436
Perak Darul Ridzuan					
Bernam Bakery	Freehold	0.45	Bakery	40	618
36009 Teluk Intan					
Perak Darul Ridzuan					
Tanarata Estate	Leasehold		Oil Palm Estate		140,537
Mukim Changkat Jong & Mukim Durian Sebatang	Expiring on:				
Hilir Perak.	10.03.2121	3,277.61			
	14.04.2121	364.18			
	Yr to Yr	14.37			
PT Surya Sawit Sejati	Leasehold		Oil Palm Estate		101,901
Pangkalan Bun, Central Kalimantan, Indonesia	Expiring on:		Palm Oil Mill - 90,000 sq.m.	15	3,411
	24.09.2040	2,508.47			
	01.01.2053	6,004.15			
	**	9,520.89			

Notes :

* Estate Includes Land, Pre-cropping Cost and Buildings

** Awaiting issue of lease

Group Landbank Properties & Age Profile As At 31 December 2024

	Jendarata Hect.	Kuala Bernam Hect.	Sungei Bernam Hect.	Ulu Bernam Hect.	Changkat Mentri Hect.	Ulu Basir Hect.	Charong Hect.	Seri Pelangi Hect.	Lima Blas Hect.	UIE Hect.	Tanarata Hect.	PT Surya Sawit Sehati Hect.	Total
OIL PALM :													
Mature	4,227			3,011	2,074	3,738	6,087	814	2,432	8,950	3,043	8,720	43,096
Immature-Planted 2022											338		338
Immature-Planted 2023	495				172		379	401	184				1,631
Immature-Planted 2024	480			39	118		282	114	129				1,162
Sub-Total	5,202	-	-	3,050	2,364	3,738	6,748	1,329	2,745	8,950	3,381	8,720	46,227
COCONUT :													
Mature	757	686	1,889							789			4,121
Immature-Planted 2021	5		184										189
Immature-Planted 2022	10	57	182										249
Immature-Planted 2023		50											50
Immature-Planted 2024		18											18
Sub-Total	772	811	2,255	-	-	-	-	-	-	789	-	-	4,627
OTHER AREAS:													
Other Crops	22												22
Plasma Areas												1,378	1,378
Conservation (Jungle areas, shrub land, swamps, wetlands & others)					12	129			99	91	58	7,644	8,033
Buildings, roads, drains, air-strip, nurseries, church, toddy tapping areas, railway, mills & others.	340	19	21	148	175	124	153	99	48	535	217	292	2,171
TOTAL	6,336	830	2,276	3,198	2,551	3,991	6,901	1,428	2,892	10,365	3,656	18,034	62,458

Oil Palm		
Age in years	Hectares	% Under crop
4 - 5	2,903	6
6 - 8	4,890	11
9 - 18	29,175	63
19 and above	6,128	13
Mature	43,096	93
Immature	3,131	7
Total	46,227	100

Comparative Statistics - 10 Years

Year ended 31 December	2024 RM'000's	2023 RM'000's	2022 RM'000's	2021 RM'000's	2020 RM'000's	2019 RM'000's	2018 RM'000's	2017 RM'000's	2016 RM'000's	2015 RM'000's
Balance Sheet Analysis										
Issued Capital	390,054	390,054	390,054	390,054	390,054	390,054	390,054	390,054	208,134	208,134
Reserve	2,409,725	2,460,386	2,500,679	2,284,750	2,229,918	2,154,534	2,191,035	2,133,871	2,154,088	2,027,264
Non-Controlling Interests	17,450	16,980	14,028	10,669	10,931	9,195	7,828	6,893	5,344	3,158
Funds Employed	2,817,229	2,867,420	2,904,761	2,685,473	2,630,903	2,553,783	2,588,917	2,530,818	2,367,566	2,238,556
Property, Plant and Equipment	1,261,498	1,250,828	1,241,751	1,209,944	1,209,385	1,191,913	1,493,021	1,474,059	1,419,373	1,361,608
Land Use Rights	-	-	-	-	-	-	38,105	34,115	36,192	33,890
Right-of-use assets	402,925	403,306	406,068	395,415	382,408	391,093	-	-	-	-
Other Non-Current Assets	445,157	423,521	424,573	405,008	410,689	401,380	35,412	36,890	1,782	6,496
Current Assets	1,133,664	1,185,950	1,246,408	1,142,777	972,367	873,825	1,351,851	1,304,697	1,186,289	1,074,585
Total Assets	3,243,244	3,263,605	3,318,800	3,153,144	2,974,849	2,858,211	2,918,389	2,849,761	2,643,636	2,476,579
Less: Liabilities	426,015	396,185	414,039	467,671	343,946	304,428	329,472	318,943	276,070	238,023
Net Assets Employed	2,817,229	2,867,420	2,904,761	2,685,473	2,630,903	2,553,783	2,588,917	2,530,818	2,367,566	2,238,556
Other Data										
Profit Before Tax	938,877	933,494	846,485	683,420	505,642	357,960	490,872	503,970	417,935	375,997
Tax	219,468	222,473	240,921	161,177	104,065	73,634	116,772	109,288	87,128	83,566
Net Profit	719,409	711,021	605,564	522,243	401,577	284,326	374,100	394,682	330,807	292,431
Non-Controlling Interests	(4,328)	(3,250)	(3,880)	(3,908)	(2,033)	(1,040)	(1,683)	(1,702)	(1,319)	(881)
Profit attributable to equity owners of the Parent	715,081	707,771	601,684	518,335	399,544	283,286	372,417	392,980	329,488	291,550
Earnings Per Share (sen)	172	171	145	125	96	68	90	95	80	71
Total Net Dividend Per Share (sen)*	171	190	140	115	85	68	70	75	58	45
Dividend Payout Ratio	0.99	1.11	0.97	0.92	0.89	1.00	0.78	0.79	0.73	0.64
Share Prices On										
The Bursa Malaysia Securities Berhad										
Highest*	33.48	18.14	17.16	14.78	15.32	13.90	14.55	14.49	14.22	14.00
Lowest*	17.80	14.84	13.80	13.50	11.50	12.35	12.50	13.41	12.31	11.69
Production -Malaysia										
Palm Oil - own - Tonnes	214,141	219,026	209,020	207,504	195,542	179,045	168,680	158,060	134,999	151,988
Palm Kernel - own - Tonnes	40,892	44,967	41,985	41,535	39,233	36,854	36,789	35,373	29,631	34,256
Coconuts - Nuts ('000)	90,299	83,629	86,137	87,964	81,428	78,104	71,423	75,252	86,052	77,501
FFBYield per hectare - Tonnes	29.56	28.94	28.44	28.90	27.49	26.76	26.67	25.46	21.11	24.24
CPOYield per hectare - Tonnes	6.22	6.30	6.09	6.29	6.13	5.88	5.73	5.34	4.64	5.32
Palm Oil extraction rate - %	21.04	21.78	21.42	21.77	22.29	21.95	21.47	20.97	21.97	21.95
Palm Kernel extraction rate - %	4.02	4.47	4.30	4.36	4.47	4.52	4.68	4.69	4.82	4.95
CoconutsYield per hectare - Nuts	21,910	21,101	22,172	22,247	22,827	23,557	23,154	25,345	30,305	27,747
Cost Of Production - Malaysia **										
Palm Oil - RM/MT	1,588	1,646	1,657	1,247	1,225	1,286	1,271	1,280	1,319	1,115
Palm Kernel - RM/MT	630	581	591	522	503	505	483	479	477	410
Average Sales Price - Malaysia										
Palm Oil - RM/MT	4,207	4,130	3,792	3,309	2,613	2,356	2,606	2,578	2,424	2,163
Palm Kernel - RM/MT	2,383	2,050	2,751	2,168	1,594	1,312	1,992	2,650	2,138	1,493
Production -Indonesia										
Palm Oil - own - Tonnes	41,898	46,947	45,369	44,097	47,316	46,421	51,049	47,459	44,143	48,159
Palm Kernel - own - Tonnes	8,991	10,265	9,943	8,844	9,678	9,182	9,071	8,387	7,948	8,266
FFBYield per hectare - Tonnes	22.37	24.26	24.24	22.31	23.69	22.93	24.69	22.56	19.53	20.02
CPOYield per hectare - Tonnes	4.80	5.34	5.10	4.87	5.21	5.11	5.66	5.25	4.81	5.03
Palm Oil extraction rate - %	21.46	22.01	21.03	21.84	22.00	22.30	22.92	23.29	24.62	25.15
Palm Kernel extraction rate - %	4.61	4.81	4.61	4.38	4.50	4.41	4.08	4.12	4.43	4.32
Cost Of Production - Indonesia										
Palm Oil - RM/MT	1,784	1,881	1,630	1,509	1,328	1,444	1,290	1,516	1,609	1,415
Palm Kernel - RM/MT	763	679	665	494	452	492	482	581	534	525
Average Sales Price - Indonesia										
Palm Oil - RM/MT	3,712	3,301	3,530	3,079	2,284	1,964	2,003	2,572	2,316	2,002
Palm Kernel - RM/MT	2,388	1,604	2,417	2,144	1,204	1,011	1,356	2,049	1,899	1,198

Notes:

* The Total Net Dividend Per Share in the above table is based on the existing number of shares, 416,268,532 (pre-bonus issue), as at 31 December 2024 for comparative purposes and is not based on the enlarged number of shares post-Bonus Issue.






At the EGM on 10 February 2025 the shareholders approved the Bonus Issue on the basis of 1 Bonus Share for every 2 existing UP shares with the entitlement date on 26 February 2025 bringing the enlarged number of shares issued to 624,402,798. The Total Net Dividend Per Share based on the enlarged number of shares post-Bonus Issue will be 114 sen per share. For more information, kindly refer to page 20.

** Cost of production figures include depreciation and additional remuneration/bonuses.



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A spectacular sunrise captured over a field on Jendarata Estate planted with the next generation of high yielding oil palms