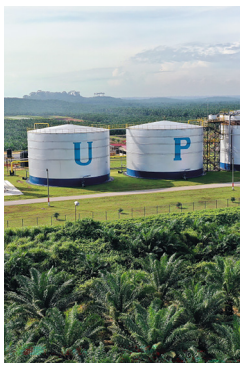
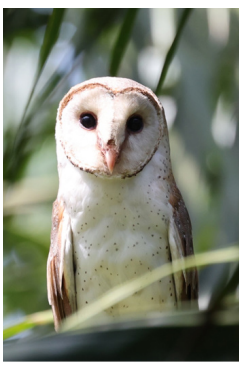
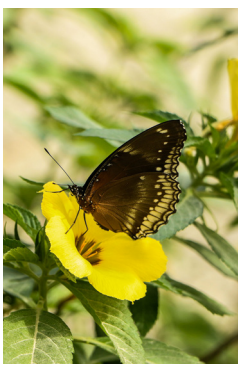
The magnificent egrets, often seen in wetland habitats, are a symbol of ecological richness and biodiversity.

Sustainability Report 2025

Contents







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 2025 Sustainability Report to interested stakeholders.

This Report covers our pursuit of sustainable value creation through good governance and a strong commitment to environmental, economic and social performance across all operational and management activities within the UP Group, including our subsidiaries and joint ventures 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 2025, with comparable prior-year statistics where available and relevant. The Sustainability Report for 2025 remains part of our Annual Report. There is no structural change to our Annual Report 2025.

The structure and content of this report draw 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. The reporting framework for climate-related disclosures under the Environment section is guided by the National Sustainability Reporting Framework (NSRF) and International Financial Reporting Standards (IFRS) S2.

Our internal Group Sustainability Committee (GSC) is responsible for coordinating with various departments and subsidiaries in assessing and covering all key material sustainability matters within the Group. For more information, please refer to the Sustainability Governance section on page 104 - 107.

As recommended under the enhanced sustainability requirements in the Main Market Listing Requirements, we have included our Sustainability Framework in the Annual Report. This framework is aligned with the Group's philosophy and focus areas, and with the United Nations Sustainable Development Goals (UN SDGs).

In preparing this report, we again engaged both internal and external stakeholders and conducted a thorough internal review and assessment of key sustainability aspects and impacts, which represent 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 the identification of 22 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 2025 - 31 December 2025 with reference to the GRI Universal Standards 2021.

For more information on the GRI Content Index, please refer to pages 124 - 126.

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 2025 Sustainability Report thereby bringing additional value and credibility to our disclosure.

Their opinion statement report is available on pages 122 - 123.

The majestic hornbill perched atop the historical cannon at the Registered Office.

Message From The Chief Executive Director

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

It gives me great pleasure to present UP's 2025 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 embedded in the way we manage and grow our 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

Each year brings new developments on the global climate front, and it remains important for us to carefully consider these trends as we reflect on the environmental impact of our operations and the ongoing global challenge of mitigating global warming.

In 2025, the 30th UN Climate Change Conference (COP) took place in Belém, Brazil, on the edge of the world's largest tropical forest, the Amazon. Marking the 10-year anniversary of the Paris Agreement, it was intended to shift previous commitments into concrete, actionable measures. Instead it was overshadowed by a deep divide, with countries sharply split over fossil fuel commitments, climate finance obligations and the fairness of new trade-linked climate measures.

Consequently, the two-week meeting nearly collapsed when the EU warned of the possibility of a "no deal". The tides had shifted and the final agreement ended as a much less ambitious and watered-down agreement to consider transitioning away from fossil fuels in 2050.

This resoundingly destroyed all future hopes of ever reaching the target of containing global warming by 1.5C above pre-industrial levels thus demonstrating a shifting of influence towards the priorities of developing nations, emerging economies, the Middle East and the USA who collectively did not agree with the commitments proposed by the Europeans.

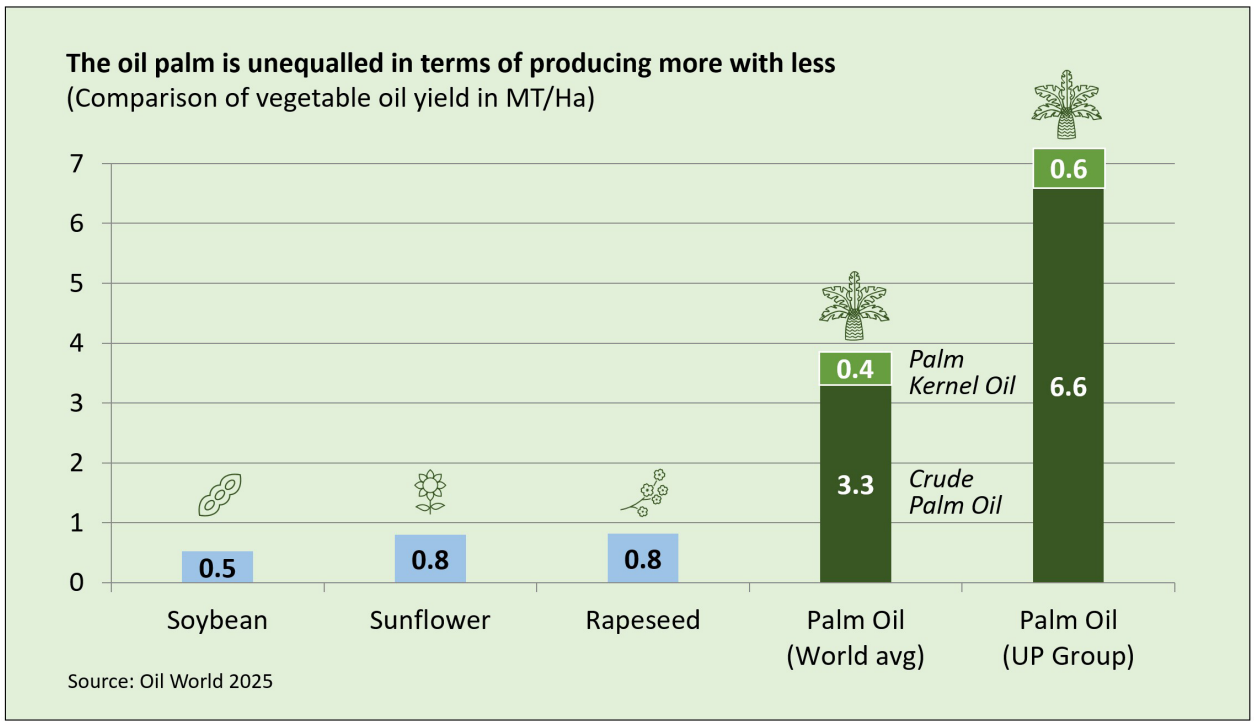
In this connection, it is important to note that 10 years after signing the Paris Agreement, the demand for coal is still growing, and the world now burns nearly double the amount of coal compared to 2000 and 4 times more than it did in 1950. The UN had stated that to keep global warming to 1.5°C, emissions must be cut by 45% by 2030 and reach net zero by 2050. For this to happen, the International Energy Agency has made clear that demand for oil must fall to 54.8 million barrels/day - far below today's consumption of 100 million barrels/day. Even during the Covid lockdown, we were never close to achieving this.

Indeed, the traditional approach to climate policy has run out of steam – so to say, as a broader base of people outside Europe take umbrage in the tone put forth by alarmist and elitists moralising on how people should live when they appear to personally not follow what they preach.

In this context, new political priorities have shifted focus and introduced a more pragmatic, level-headed and fact-based tone into the climate debate. Many countries, also Western economies, including large multinationals have therefore now abandoned their previously ambitious climate policies and substituted them with much weaker commitments, which leaves the 1.5°C target looking like a collective hallucination broadcasted from an echo chamber. It will never be reached.

For good or bad one thing remains clear: 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 of people in the developing nations outside the West where affordability, cost of living and providing for the basic family needs supersedes the desire to mirror what the West wishes to see in terms of abating climate change.

According to a previously mentioned report published in BioScience by an international coalition of scientists, global fossil fuel combustion and industrial processes account for about 90% of all emissions, whereas land-use change, primarily deforestation, accounts for about 10%. Palm oil accounts for some 0.67% of global CO_2 (-eq) emissions, 20 times less than the livestock sector, yet continues to be targeted as one of the main culprits for issues concerning climate and deforestation.



Palm oil production has at times raised legitimate environmental concerns, but it is high time that these issues were reviewed and assessed more objectively, especially in today's social media driven landscape.

It is, regrettably, a reality that much information today is consumed through social platforms, where the most circulated content tends to be the most exaggerated or confrontational.

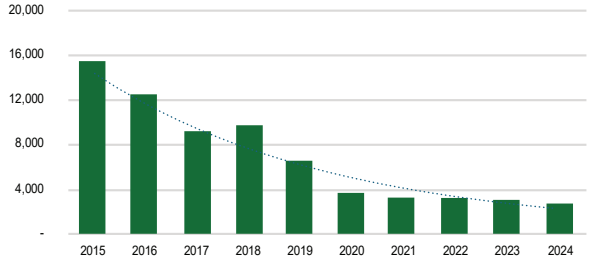
In this context, one must place emphasis on facts and less so on emotions. Indeed, forests have been cleared. To put things into perspective, the Earth has lost 2 billion hectares of forest over the last 10,000 years.

Half of this has taken place in the last 100 years. Today, oil palms take up 26 million hectares of land globally, thereby accounting for 2.6% of the world's deforestation over the last 100 years.

Malaysia has over the last 110 years established around 5.7 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.

Malaysia primary forest loss in oil palm concessions

Hectares of primary forest loss in Malaysian oil palm concessions (2015- 2024)



Source: Global Forest Watch 2025

In recent years, Malaysia's oil palm landbank has even reduced by about 300,000 hectares since 2020, whereas Brazil and Argentina's soybean area has expanded by 10 million hectares, equal to 128 times the size of Singapore. Yet there is still very little mention of this.

World leaders committed to end deforestation by 2030 at the COP26 climate talks in Glasgow, yet primary forest losses continue to increase, not least within Brazil and the Democratic Republic of Congo, which are home to the world's largest tropical forests.

When comparing the last 10 years (2015-2024) with the previous 10 years (2005-2014), primary forest losses have indeed fallen by 33% and 31% in Indonesia and Malaysia but increased by 55% and 123% in Brazil and the Democratic Republic of Congo.

Furthermore, looking at the last 10 years from 2015-2024, less than 70,000 hectares of primary forest loss in Malaysia occurred within palm oil concessions.

This is again a testament to Government policies, but also the concerted efforts to make sustainable palm oil the norm by a very considerable portion of the producers 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.

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 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 come. 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, galaxies ahead of beef, soy, rapeseed, pulp, and paper to name but a few.

Producing more with less

In this connection, it is also 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 37% 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 conservationists and NGOs have on several accounts acknowledged that alternate crops will require up to 7 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 of sustainability as we confront a future marked by increasing populations and resource scarcity. The world population is expected to increase by more than 2 billion people and peak at 10.3 billion people in the 2080s according to the UN's median projection. To cater for this, the world will need to produce 50% more food according to UN estimates. To do so in a sustainable manner, it is important that all agricultural operations strive towards making more food per hectare instead of using more hectares to make food.

The palm oil industry too must take note of this and not allow its significant yield advantage over other vegetable oil crops to regress into mediocrity. As the Chairman of the MPOC, I have highlighted the urgent need for Malaysia to embark on a serious set of realistic initiatives to raise our national yields and break the decade-long stagnation driven by ageing and low-yielding palms. If the country can lift its national average yield from today's ~3.5 MT CPO/Ha to 4.5 MT CPO/Ha, Malaysia's national production would increase from about 20.3 million MT to approximately 26 million MT, equivalent to an additional 5.7 million MT CPO without any need to clear additional jungles or forests.

There is no silver bullet when it comes to raising yields. Instead, it requires concerted efforts and a combination of initiatives that must be carried out across the industry, starting with replanting ageing palms with seed materials, which have a proven track record of delivering high yields on large commercial plantings when combined with good Management and good agricultural practices.

In United Plantations, we strictly 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 hectare that are minimum 80% higher than the world average palm oil yields. By doing so, we are indirectly also able to protect more jungles including biodiversity as well as reducing our carbon footprint. In terms of one's impact on sustainability there is no better "measurement tape" than yield/Ha which we are committed to keep high.

Reducing our Carbon Footprint

For decades, many policymakers have assumed that more legislation will somehow automatically eliminate mistakes, fraud and other uncertainties of life. It will not. More rules and a higher quantity of regulations do not guarantee better compliance; if anything, excessive regulation often increases the likelihood of breaches and often ends up slowing down societies and stifling progress instead of stimulating them. We will therefore firmly remain advocates of pragmatic solutions and not be blinded or sidelined by unrealistic or impractical propositions.

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 2026 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 69% reduction in its GHG emissions per kg of palm oil produced from 2004 to 2025 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 70% 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 2025 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 613km as

of 31 December 2025, 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 2025, such as upgrades to further increase the amount of renewable energy generated from existing technologies like biomass boilers and biogas plants. Further investments in these projects will continue in 2026 and the coming years also. Please refer to page 58 - 59 for more information on our carbon reducing initiatives.

Collaboration with Copenhagen Zoo

During COP30, the integration of climate action with nature conservation and the protection of tropical forests and critical ecosystems was again a central theme, with renewed emphasis on directing more finances toward biodiversity conservation.

In UP, conservation of jungle reserves and promotion of 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 fascinating stories arising from the hard work, dedicated efforts, research, and meticulous 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 7,500 Ha of jungle reserves under our 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 2026.

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, in line with our founder Mr. Westenholz's more than 100-year-old vision for the Group. Within the ever-evolving narrative of sustainable palm oil, the focus of public debate has nowadays broadened beyond environmental concerns alone. Issues linked to migrant workers and human rights continue to trouble several industries in Malaysia, from rubber gloves to services, manufacturing, and the palm oil sector, all of which rely on migrant labour. This remains a serious national challenge, and despite years of discussion, 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.

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 the recruitment of Guest Workers.

In 2025, we have also made further 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. Additionally, we have established a new centralised Onboarding Center, where more targeted onboarding sessions are conducted by the HRSS team for all new Guest Workers. These sessions support their integration into the estate environment and ensure they are clearly briefed on company policies, workplace safety, the grievance redressal mechanism, and other essential matters.

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 spreads 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.

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 of 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 in 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.

In this connection, it is pleasing that there have again been no fatalities during 2025, and that we have continued to take 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. Furthermore, the frequency of impromptu safety audits across our mills, estates, and refineries will 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, 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 120 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 2025, 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 2025. 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.

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 thereby enabling 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 120 years will diminish.

The RSPO sustainability certification standards have recently been further tightened through the endorsement of the latest RSPO P&C 2024, and work is now ongoing to finalise the P&C Malaysian National Interpretation, against which all UP Mills and Estates will undergo their next round of audits in 2026. 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.

As for the MSPO certification, we are pleased that all UP Malaysian Mills and Estates are also successfully certified against the latest MSPO P&C 2022. Finally, both of our refineries, Unitata and UniFuji, have achieved MSPO Part 4-2 Supply Chain certification in 2025.

We welcome the tightening of all such standards 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 2025, 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.

In 2025, we have also continued our close engagement with the Zoological Society of London, which is publishing an annual 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, thereby still ranking No. 2 globally with a score of 97.1%.

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.

SPOTT assessment 2025 by the Zoological Society of London scoring 100 palm oil related companies against over 100 ESG indicators

Company	Rank	Total score	Change	Total Indicators	Disclosure	Environmental	Social	Governance
SD Guthrie Bhd	1	97.5%	+2.7	191		97.1%	96.9%	94.1%
United Plantations Bhd	=2	97.1%	+1.1	184		96.2%	97.0%	93.7%
R.E.A. Holdings plc	=2	97.1%	+5.6	172		96.1%	96.5%	91.3%
Daabon Group	4	96.4%	-1.0	182		95.3%	96.1%	93.2%
Dharma Satya Nusantara	5	95.7%	+4.7	173		94.1%	94.4%	89.8%
Johor Plantations Group	6	95.1%	+6.3	162		93.7%	94.0%	90.7%
Apical Group	7	95%	+1.7	121		93.5%	94.9%	92.7%
AgroAmerica	8	93.6%	+3.5	184		91.7%	93.0%	89.7%
Goodhope Asia Holdings	9	92.5%	+0.5	189		90.5%	92.1%	85.0%
Wilmar International Ltd	10	92.4%	+0.1	192		90.6%	93.2%	90.0%

Marketplace

In UP, we are committed to the world's highest standards of sustainability, quality, food safety, and product traceability. This is key to opening 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 made in seconds using artificial intelligence. 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 also all the way to the plantations.

This is particularly important in relation to the much-debated EU Deforestation Regulation (EUDR), which requires full traceability and verification that no deforestation has taken place anywhere along the supply chain.

Initially scheduled to take effect on 1 January 2025, it was subsequently delayed to 1 January 2026 by the European Commission to provide more time for particularly smallholders to prepare and avoid the risk of exclusion from the EU market, which would jeopardise their livelihoods and the efforts to raise the sustainability floor too.

However, in December 2025, the implementation has once again been deferred by 12 months, with the EU Parliament this time citing the need to improve the IT systems used for submitting due diligence statements, thereby creating even more frustrations. Not least amongst manufacturers that have invested heavily in preparing for compliance, and producers across agricultural value chains who are seeking clarity, not more confusion.

Among the affected commodities, palm oil is one of the most prepared for EUDR compliance, in contrast to crops such as coffee and cocoa, where production is dominated by millions of independent smallholders who face far greater challenges in meeting the regulation's traceability and due diligence requirements.

Despite these uncertainties, Unitata and UniFuji have nevertheless undergone EUDR Readiness Assessments, whereby an external certification body has conducted a verification of 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 .

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

The points I have touched on above serve only as highlights of 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 which is of much value to our Group.

With the continuous commitment by our Group and 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 bird's-eye view of the vast replanting efforts at Jendarata Estate Division III. The Unitata Deodoriser plant rises prominently, with the Engineering Mill, Office, and Staff Housing set against the backdrop. In the foreground, our light railway moves steadily, loaded with fresh fruit bunches (FFB), reflecting the seamless integration of plantation and mill operations.

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 abovementioned 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 2025. 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/*.

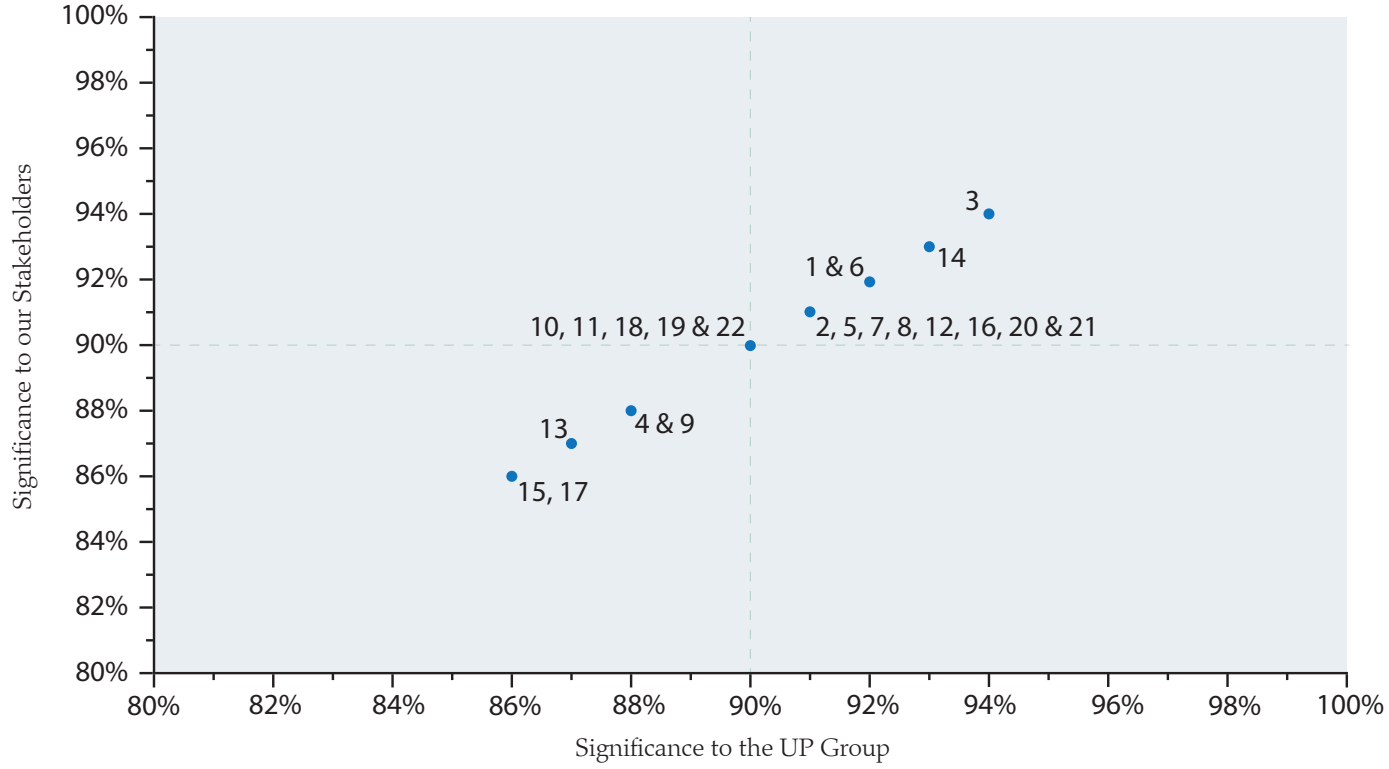
Summary of Materiality Matters

	22 Key Sustainability Issues	Relevant 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

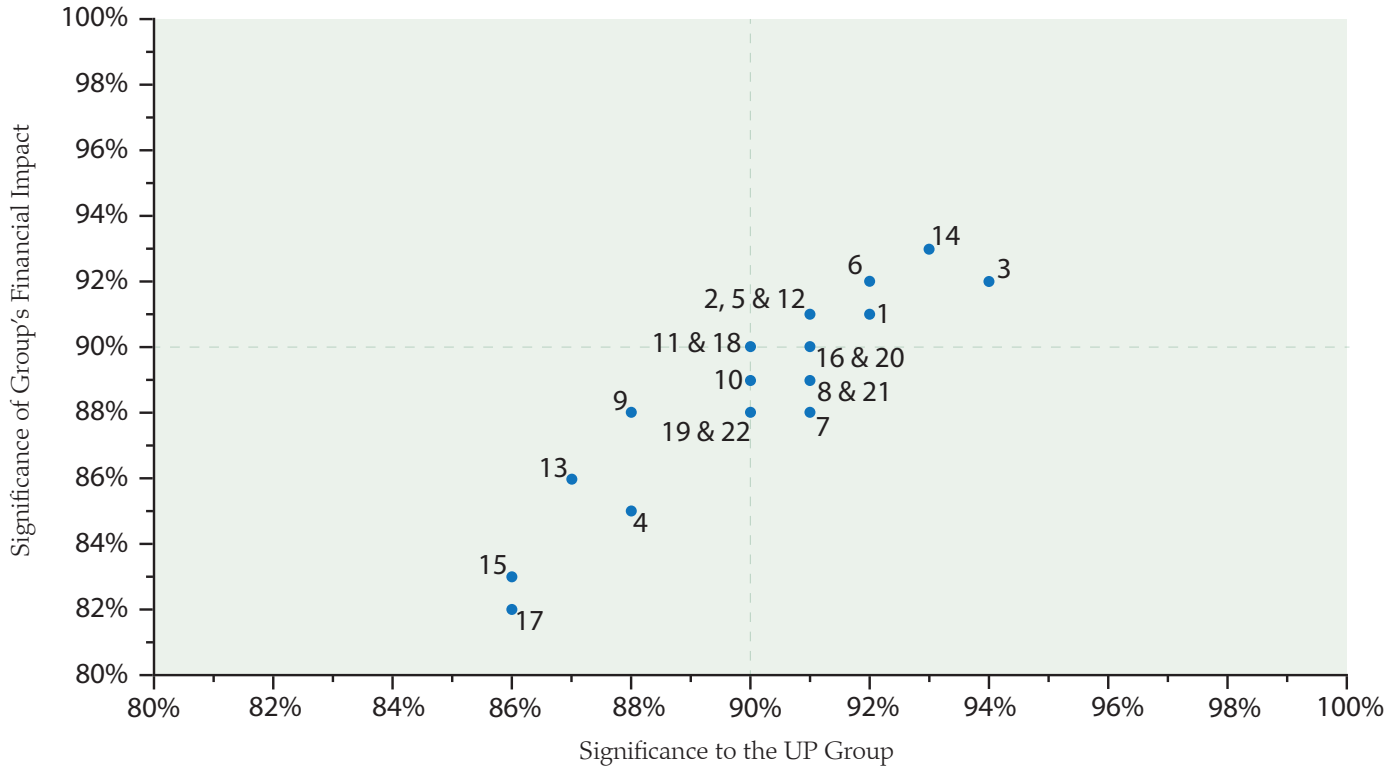
UP supports UN SDGs

**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.*

Single Materiality Matrix



Double 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	• Engagement surveys • Annual General Meetings • Analysts briefings	• 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	• Engagement survey • One-to-one meetings • Visits to Estates, Mills and our Refineries	• 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	• Annual employee survey • Group Sustainability Committee meetings • Gender committee meetings • Guest Workers Welfare Committee • Occupational Safety & Health Committee • Internal trainings	• 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	• Annual Smallholders' Field Day • One-to-one communications	• 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	• Engagement Surveys • One-to-one meetings	• 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	• One-on-one meetings • Engagement surveys • Direct correspondences via email and telephone conversation	• 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	• Engagement surveys	• 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	• Engagement surveys • One-to-one meetings	• 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	Social	Governance	Marketplace
We commit to being a leader within sustainable agricultural practices, and therefore strive towards reducing variables that impact the environment negatively.	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.	Strong risk management policies and procedures operationalised through effective sustainability governance in line with our core values are key for achieving long term success.	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		

Alligned with UN SDGs

Performance Scorecard

Our targets and commitments are what drive us to continuously improve. We subscribe to the mantra "what we measure, we can manage" and strive to provide information on our progress and achievements in a transparent manner. Below are our key targets and progress to date:

Focus Areas	Targets	Current Status as of 2025	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.	In 2025, we have continued our collaboration with Mr Jerald Joseph – an experienced independent Human Rights Consultant - in partnership with the social NGO, North- South Initiative (NSI). This partnership 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	Our Guest Workers' homes are equipped with individual safe boxes for the safekeeping of their passports, to which they thereby 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)	The LTIFT in 2025 was 5.01, which is slightly higher than 2024. Going forward, the effectiveness of our safety trainings will be further strengthened.	Occupational Safety & Health
Reduce our Carbon Footprints	2030 target: Reduce GHG emissions per kg NBD Palm Oil (incl. ILUC, Nature Conservation, and Scope 1,2,3) by 66% compared to 2004.	Total GHG emissions (Scope 1, 2 & 3): 1.15 kg CO_2-eq/kg NBD Palm Oil (69% lower compared to 2004 levels including iLUC and nature conservation). New 2030 target set: 70% reduction compared to 2004.	Climate Change, GHG Emissions, Discharge & Waste Management
Increase in the production of Green Energy	Increase the amount of electricity sold to the national grid from our UIE mill by 8,000MWh by 2030	In 2025, a total of 5,846MWh electricity was generated and sold to the national grid from the UIE biogas plant and genset.	Climate Change, GHG Emissions, Discharge & Waste Management
Mitigation of deforestation and fire hot spots in our concessions and suppliers' concession	Monitor deforestation and fire hot spots in our indirect suppliers' concessions to assess the origin of our conventional CPKO.	Target achieved. We will continue to monitor this closely via palmoil.io, Global Forest Watch (GFW) and GeoRSPO.	Climate Change, GHG Emissions, Discharge & Waste Management
Reduction of our domestic water footprint	Reduction of our domestic water consumption to reach an average of 70 gallons per capita per day by 2030	Malaysian Operations: 79.19 gallons/capita /day Indonesian Operations: 92.39 gallons/capita/day	Climate Change, GHG Emissions, Discharge & Waste Management
Reduction of our mill processing water footprint	Reduction of our mill water consumption to reach an average of 1.2MT water/MT FFB by 2030	Malaysian Operations: 1.70 MT water/MT FFB Indonesian Operations: 1.2 MT water/MT FFB	Climate Change, GHG Emissions, Discharge & Waste Management
Implementation of the Traceability to Plantations (TTP) concept.	To achieve 100% TTP by 2030.	The TTP scores for the RSPO SG materials is 100%. However, the average TTP scores for the 96 indirect mills (supply of conventional CPKO via KCP) is 93.34% as of December 2025. The target of 98% TTP by 2025 has been revised to 100% TTP by 2030 as the traceability at the FFB dealer level requires time to achieve full traceability.	UP Evaluation of Suppliers' Sustainability Commitments
Produce more with less	Group targets:		Product Quality
	FFB Yield Per Hectare: 27.0MT/Ha	29.31MT/Ha	
	Oil Extraction Rate: 24.0%	22.44%	
	CPO Yield Per Hectare: 6.5MT/Ha	6.58MT/Ha	

Legend: Progressing
Achieved

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

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

Strong and stable financial position enabling investments

Strong Balance Sheet with high borrowing capacity

MARKET CAP
RM18.77 billion
(As at 31 December 2025)
CASH POSITION
RM428 million
DEBT/EQUITY RATIO
0.15

HUMAN RESOURCES

Dedicated and competent employees

Succession planning and training

Sustainability focus

EMPLOYEES
6,926

INTELLECTUAL RESOURCES

Vast experience and knowledge

Innovation and R&D capabilities

Good agricultural practices and policies

SINCE
1906
R&D ESTABLISHED
1951

SOCIAL RESOURCES

Key stakeholders including suppliers and international customers

Good collaboration with local government institutions and surrounding communities

PLASMA
1,378 Ha
COPENHAGEN ZOO COLLABORATION
Since 2010
SOCIAL COMMITMENTS
RM29 million

MANUFACTURED RESOURCES

Well-functioning palm oil mills and refineries integrated with estates

Quality control and R&D investment in place

REFINERIES
2
PALM OIL MILLS
5
BIOGAS PLANTS
5

NATURAL RESOURCES

Fertile and strategically located land bank

Biomass availability

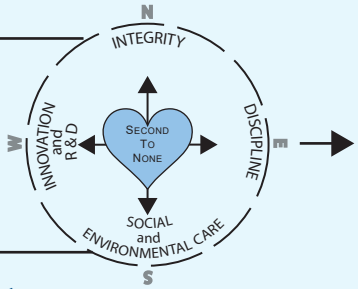
Water availability through adjacent rivers

LAND BANK
62,458 Ha
PLANTED AREA
50,856 Ha
CONSERVATION
8,022 Ha

Our Integrated Business

Leadership Governance & Planning

Plantations (Upstream) — Milling (Upstream) — Refining (Downstream)



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

SHAREHOLDER VALUE

Value created through good performance

Capital appreciation and sustainable dividends over time.

PROFIT AFTER TAX
830 million
EARNING PER SHARE
133 sen
DIVIDEND YIELD
4.16%

EMPLOYEE SATISFACTION AND SHARED VALUE

Safe and respectful work environment

Good housing, medical & education facilities

Advancing the economic and social condition in the surrounding communities

SAFETY PERFORMANCE
UP MALAYSIA : LTIFR - 5.01
UP INDONESIA : LTIFR - 53.85
PLASMA FARMERS
850

CERTIFIED SUSTAINABLE PALM OIL

Sustainability practices operationalised

Increasing sales of certified sustainable products of high quality

RSPO CERTIFIED PALM OIL
~245,000 MT
RSPO CERTIFIED PALM KERNEL
~50,000 MT
RSPO CERTIFIED AREA
84%

BALANCE BETWEEN ECONOMY AND ECOLOGY

Focus on R&D and efficiency to optimise yields

Preserving the environment through conservation efforts

FFB YIELD/Ha
29.31 MT
OER
22.44%
CPO YIELD/Ha
6.58 MT
TOTAL ANIMAL SPECIES
542

QUALITY PRODUCTS

Delivering premium quality products and services that are safe and based on a high level of responsibility

CERTIFICATION
ISO 9001, HACCP, HALAL, KOSHER, BRC, GMP, MeSTI, FDA, GMP +B2, MPCA, SEDEX, RSPO SCCS, MSPO SCS

LOW CONTAMINANTS
3-MCPD < 0.5 ppm
GLYCIDYL < 1.0 ppm

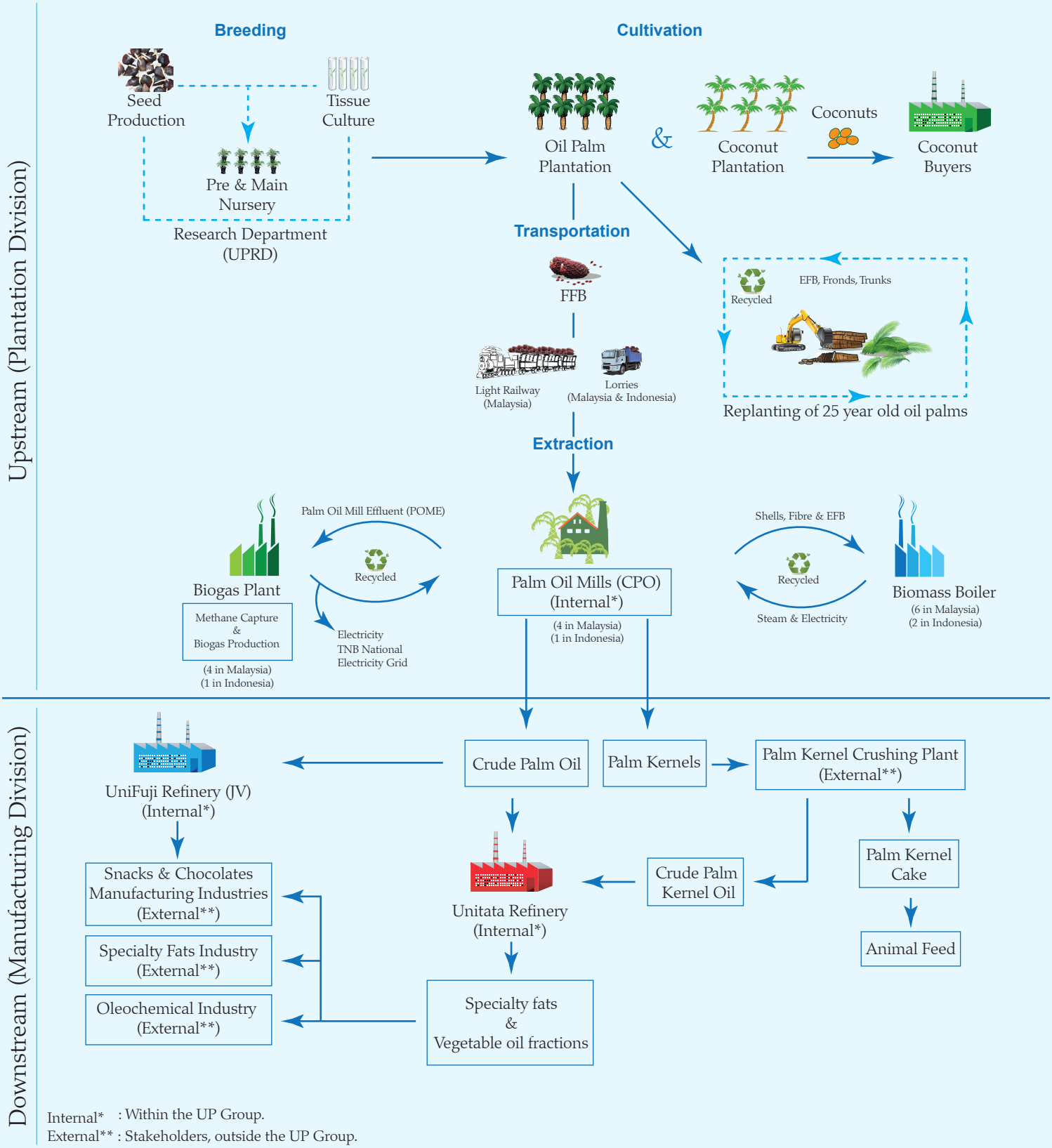
GREEN HOUSE GAS EMISSIONS AND WASTE

Key focus and investments in the circular economy where waste is converted to renewable energy.

REDUCTION OF GHG EMISSIONS SINCE 2004 (INCLUDING iLUC & NATURE CONSERVATION)
69%
GROUP BIOMASS UTILISATION RATE
99.7%

UN SDGs

Creating Value Through UP's Integrated Business Activities



Internal* : Within the UP Group.
External** : Stakeholders, outside the UP Group.

Segmental Contribution 2025

UPSTREAM	DOWNSTREAM	OTHERS
95%	**10%**	**(5)%**
RM784.2 million	RM82.3 million	(RM36.8) 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

7 AFFORDABLE AND CLEAN ENERGY · 13 CLIMATE ACTION · 15 LIFE ON LAND

- No Deforestation, No New Peat Development & No Exploitation
- Integrated biodiversity department and 8,022 Ha. jungle conservation
- GHG carbon footprints reduced by 69% per kg. palm oil since 2004

SOCIAL

1 NO POVERTY · 3 GOOD HEALTH AND WELL-BEING · 8 DECENT WORK AND ECONOMIC GROWTH

- 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

12 RESPONSIBLE CONSUMPTION AND PRODUCTION · 16 PEACE, JUSTICE AND STRONG INSTITUTIONS · 17 PARTNERSHIPS FOR THE GOALS

- 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 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 our GHG emissions, energy use, 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 a substantial financial or strategic impact on our business too. We have therefore conducted an assessment in line with guidelines from the Task Force on Climate-Related Financial Disclosures (TCFD) to identify risks, opportunities, and challenges across all our operations 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 matters at the Board level of the UP Group, we see climate change as one of the key areas that will affect our operations financially. We have initiated the Climate Risk Assessment in line with the National Sustainability Reporting Framework (NSRF) and IFRS S2 framework.

Governance & Strategy

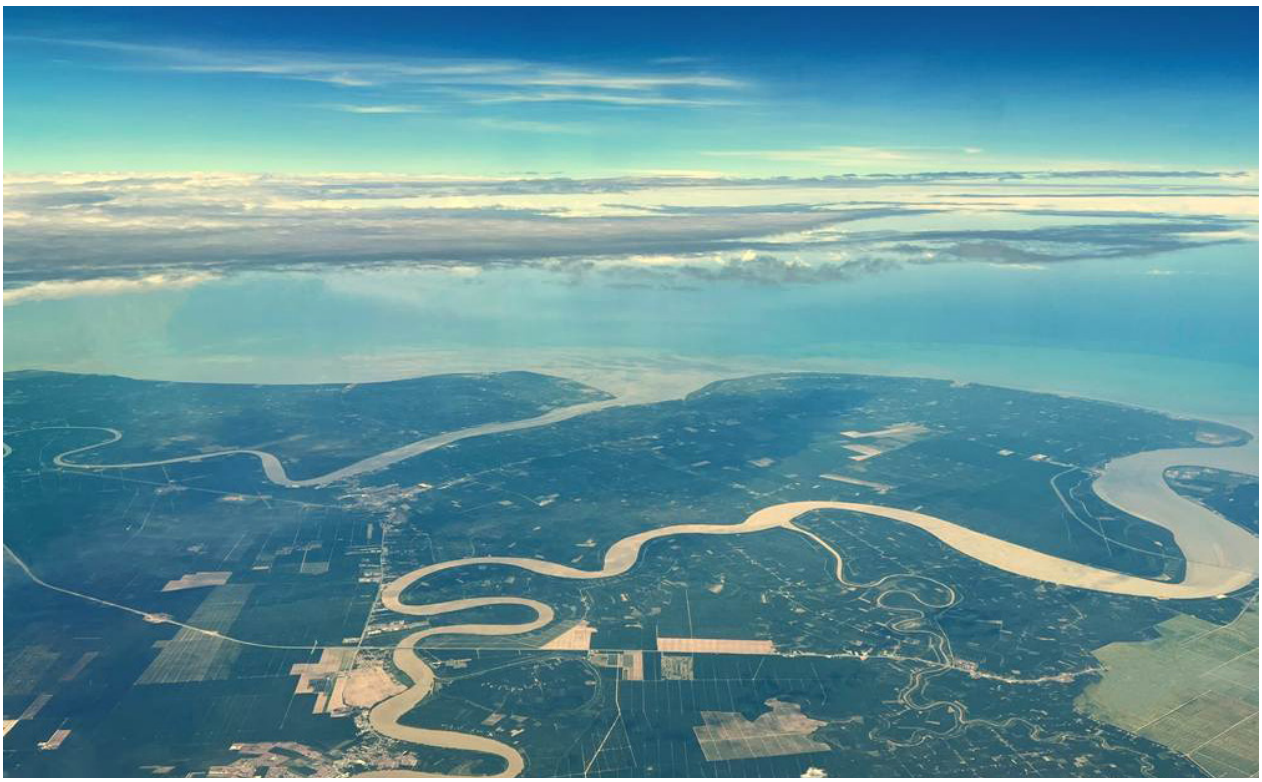
All strategies, programmes and developments related to the climate risk assessment are headed by the Chief Executive Director of UP and any significant resources required for related projects are subject to approval by the UP Board. The climate risks will be deliberated and reviewed as deemed necessary 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.

For more information on the Governance Structure, please refer to page 104.

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 into 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 and IFRS'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 50.



Aerial overview of Jendarata Estate (left-centre), nestled between the Perak and Bernam Rivers, where fertile soils support oil palm and coconut cultivation alongside a rich diversity of birdlife and wildlife.

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

Transition Risks

Types of transition risks	Risks	Opportunities	Challenges
Current & emerging regulations • 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.
Technology • Innovative technologies to optimise production efficiency.	• New processing methods and technologies lead to different waste output and environmental impact. 🟢 • Increasing costs associated with conventional systems that are energy inefficient. 🟡	• New innovative technologies and circular economy solutions could improve energy-use efficiency and natural resource resilience.	• High costs associated with the advancement of new technologies to reduce carbon footprints. • Availability of new proven technologies to continuously reduce carbon footprints.
Market • Increasing consumer awareness of climate change and rising 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.
Reputational • Increased scrutiny from non-governmental organisations (NGOs) and consumers.	• Reputational risks arising from increased stakeholder focus on companies' carbon footprints and their plans to manage climate-related risks. 🔴	• An improved environmental score and reputation could open up new opportunities with sustainability-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.

Physical Risks

Types of transition risks	Risks	Opportunities	Challenges
Acute • 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 the likelihood of operational disruption due to such events 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.
Chronic • Rising sea levels.	• We have some properties located close to the coast, for which there are risks 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.	• There are significant costs associated with establishing additional water retention facilities.

Level of financial impact	Financial Value	Indicators
Low	<7 million	🟡
Medium	Between 7-35 million	🟢
High	Above 35 million	🔴

Processes/Measures to Mitigate the Risks	Financial impacts in the current reporting period	Medium- term Financial Impacts	Long-term Financial Impacts
• Reduce dust emissions at palm oil mills to levels below DOE requirements. • New plants to treat wastewater down to the lowest possible industry levels. • New polishing plant to reduce the mill effluent BOD after biogas capture to levels below current requirements.	• About RM10 million has been spent in the current reporting period on the highlighted measures to mitigate the risks.		• Several million MYR has been budgeted for technology advancements to further reduce the reliance on fossil fuels and improve the quality of our waste streams.
• 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	• About RM10 million has been spent in the current reporting period on the highlighted measures to mitigate the risks.		• Several million MYR has been budgeted for technology advancements to further improve our energy efficiencies.
• Measuring our GHG footprint for refined palm oil yearly, including scope 3 emissions which in turn help our customers calculate their own scope 3 supply chain emissions. • Capacity building for a newly appointed Refinery Sustainability Officer, responsible for customer disclosures and reporting.	• More than RM100,000 has been spent in the current reporting period on the highlighted measures to mitigate the risks.		• Significant investments in our Sustainability Department will continue to ensure robust data collection and recording of key indicators required for LCAs and other related assessments.
• Annual assessment of our GHG footprints through LCA study covering scope 1, 2 and 3 emissions. • Partnership with Copenhagen Zoo.	• Besides the LCA mentioned above, close to RM100,000 has been spent subscribing to satellite monitoring services provided by palmoil.io to minimise the risk of deforestation in our supply chain.		• Close to RM50,000 spent on engaging a third-party Certification Body to perform assurance on the EUDR due diligence requirements for RSPO SG materials.

Mitigation measures	Financial impacts in the current reporting period	Medium- term Financial Impacts	Long-term Financial Impacts
• 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. • Rainwater capturing facilities available at all operational sites. • Ensuring proper drainages are constructed prior to replanting.	• More than RM5 million has been spent in the current reporting period on the highlighted measures to mitigate the risks.		• Several million MYR has been budgeted to improve and maintain the water gates, bunds and desilting drains as flood mitigation measures.

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 CO_2 (-eq) emissions continue to come from the burning of fossil fuels.

Palm oil, on the other hand, accounts for about 0.7% of the global CO_2 (-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, RSPO 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 RSPO PalmGHG calculator, which adopts a different approach to deal with land use changes, nature conservation and the modelling of by-products. The RSPO 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.

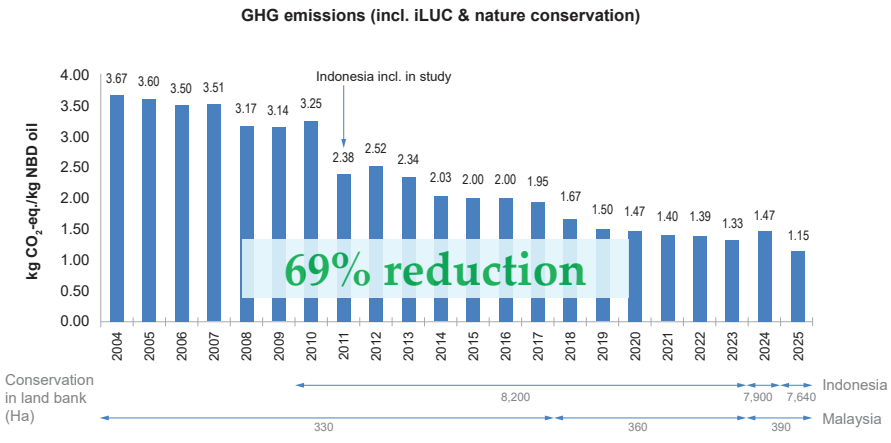
Significant reduction in UP's GHG emissions since 2004

Looking at the below time series of GHG emissions from palm oil at UP, our footprint has significantly reduced from 1.47 kg CO_2-eq emissions per kg NBD oil in 2024 to 1.15 kg CO_2-eq emissions per kg NBD oil in 2025 including indirect land use change (iLUC) and nature conservation. This is mainly due to the high CPO production in 2025. This represents a substantial reduction in our GHG emissions of 69% from 2004 to 2025, attributed to our investments in green technology, thereby galvanising the fact that UP's palm oil has a significantly lower carbon footprint when compared with industry averages of 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 2025, we achieved our internal goal of reaching a 66% reduction by 2030 when compared to 2004 levels (with iLUC and nature conservation), five 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 have therefore set a new target of reaching a 70% 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 5 years.

In addition, we have successfully obtained the approval on our near-term GHG reduction's commitments from Science Based Target initiative (SBTi). Finally, we have taken further steps to align our current LCA methodology with the GHG Protocol thereby enabling our key customers to better compare our results with other suppliers.



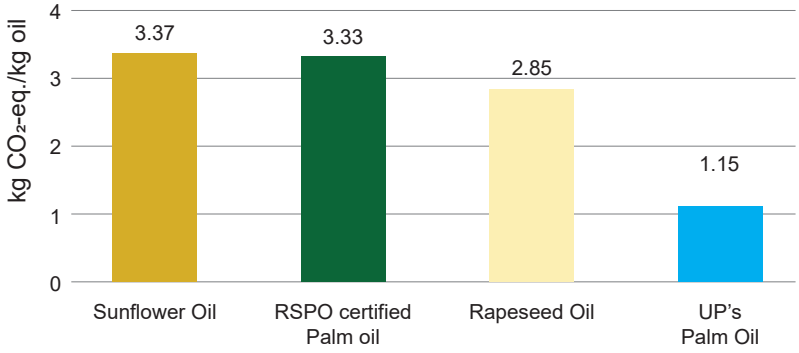
GHG emissions broken down into scope 1 (direct emissions), scope 2 (purchased electricity), and scope 3 (the rest).

GHG emissions (kg CO_2-eq/kg NDB palm oil)	2025	2024	2023
Scope 1	1.19	1.35	1.26
Scope 2	0.03	0.03	0.04
Scope 3	(0.06)	0.08	0.02
Total	1.15	1.47	1.33

Note: Emissions savings from our jungle conservation are included under Scope 3.

Left: Time-series for NBD palm oil at United Plantations Berhad 2004-2025. Right: GHG emissions from 2022 - 2025 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 2025 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).

The following summary table indicates the absolute GHG emissions for the last 3 years:

Absolute GHG emissions

GHG emissions (1000tCO_2-eq)		2025	2024	2023
Scope 1	Oil crop cultivation	258	271	267
	Palm oil mill stage	17	14	7
	Refinery stage	26	30	36
Scope 2	Oil crop cultivation	0	0	0
	Palm oil mill stage	(10)	(7)	(7)
	Refinery stage	5	5	6
Scope 3	Oil crop cultivation	46	44	39
	Palm oil mill stage	(6)	20	24
	Refinery stage	364	415	441
Total		701	791	814

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

Initiatives to Reduce our Carbon Footprints

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.

Biogas Plants

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 2025, a total of 5,846 MWh of green electricity was generated from the UIE biogas plant and sold to the national power grid.

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 Research Department. A total of 225 MWh of renewable electricity was generated from these cells in the 12 months of 2025. In May 2023 additional photovoltaic cells were installed at the Tractor Pool which generated a further 307 MWh of electricity over the same period. Beside this a larger photovoltaic project was commissioned at the Unitata Refinery in May 2022, which generated 768 MWh of electricity throughout the year in 2025. The most recent addition is an array set up in Tanarata Estate which generated 106 MWh of electricity in 2025. For the UP group a total of 1,406 MWh of renewable electricity was generated during this time period, which is able to power 260 average Malaysian families for one 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. A new state-of-the-art Biomass Reciprocating Boiler to replace BRB1 is currently under construction, and expected to be commissioned by Q2, 2026.

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 2025. In all Malaysian mills the average dust concentrations were below the limit of 0.15g/Nm^3 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/Nm^3 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 2	0.105
Ulu Bernam	- Boiler 1 & 2	0.125
Ulu Basir	- Stack 4	0.118
UIE	- Boiler 2 & 3	0.104
Lada	- Boiler 1 & 2	0.029

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 $0.150 g/Nm^3$

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 above 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, our target is to reduce the BOD and COD to reach 150 and 1500 mg/L respectively, by 2030. With the investment on some advance technologies, we have successfully reduced the BOD and COD significantly in 2025 and this journey continues.

		Malaysian Operations			Indonesian Operations		
		2025	2024	2023	2025	2024	2023
Parameters (mg/L)	**BOD**	162	197	301	790	555	883
	COD	1639	1602	1513	1439	1301	2896

In addition, we are commissioning a polishing plant to treat POME from the Optimill with the objective of reaching a BOD of <25ppm. In 2025, we have also completed the construction of new waste water treatment plant in our Unitata refinery and will be up for running soon.

Biomass utilisation and economic value

In 2025, a total of 745,992 MT of biomass dry matter were generated through UP's various field and mill operations in Malaysia. Almost all of the total biomass generated (99.7%) or 743,403 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 of the biomass generated. Over in Kalimantan our Indonesian operations generated a total of 150,514 MT of biomass dry matter in 2025. Here too, a very high proportion of the biomass (150,056 MT or 99.7%) was utilised through recycling in the fields or as a green energy source.

Biomass utilisation is a vital part of our nutrient recycling programme and in line with our Environment and Biodiversity Policy which demonstrates our commitments to minimize the use of chemicals, pesticides as well as fertilizers in our operations. Similar commitments apply to our FFB suppliers

Production and Level of Utilisation of Oil Palm Biomass Residues in UP in 2025

Malaysian Operations (Dry Matter Basis)	Quantity Produced (MT)	Quantity Utilised (MT)	% Utilisation	Method of Utilisation
Trunks and fronds at replanting	72,145	72,145	100	Mulch
Pruned fronds	364,213	364,213	100	Mulch
Spent male flowers	35,020	35,020	100	Organic matter recycled on land
Fibre	83,384	83,384	100	Fuel & mulch in nursery
Shell	50,757	50,757	100	Fuel & mulch for polybag seedlings
POME	34,518	31,929	93	Biogas generation, nutrient source, field irrigation and base for organic fertiliser production
EFB	105,955	105,955	100	Mulch and Fuel
Total	745,992	743,403	-	-
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	85,467	85,467	100	Mulch
Spent male flowers	8,218	8,218	100	Organic matter recycled on land
Fibre	17,943	17,943	100	Fuel & mulch in nursery
Shell	11,042	11,042	100	Fuel & mulch for polybag seedlings
POME	6,105	5,647	93	Biogas generation, nutrient source, field irrigation
EFB	21,739	21,739	100	Mulch and Fuel
Total	150,514	150,056	-	-
Level of utilisation = 99.7%				

Fertilizer Equivalent and Monetary Value of Oil Palm Biomass Residues Recycled on Land in UP in 2025

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	72,145	902	303	1,160	553
Pruned fronds	mulch	364,213	8,211	2,671	6,944	4,546
Spent male flowers	organic matter	35,020	1,127	746	2,072	1,075
EFB	mulch	46,169	803	339	2,232	513
Digested POME	biogas generation & irrigation	31,929	1,111	702	1,745	1,277
Total (MT)		549,476	12,154	4,761	14,153	7,964
Monetary value (RM)			21,358,398	2,428,039	18,045,959	6,132,629
Total monetary value (RM)			47,965,025			

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	84,467	1,927	627	1,630	1,067
Spent male flowers	organic matter	8,218	264	175	486	252
EFB	mulch	21,739	378	159	1,051	242
Digested POME	biogas generation & irrigation	5,647	196	124	309	226
Total (MT)		121,071	2,765	1,085	3,475	1,787
Monetary value (RM)			5,055,546	735,939	5,556,862	2,018,749
Total monetary value (RM)			13,367,095			

whom we educate on Best Management Practices during our annual Smallholders' Field Day.

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 2025, the total organic matter recycled on land in UP amounted to 549,476 MT of dry matter which is equivalent to 318,696 MT of organic carbon. This corresponds to an annual recycling rate of 15 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 and long-term soil fertility.

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 39,032 MT of NPKMg fertiliser which in itself has a monetary value of RM47.97 million based on the fertiliser prices in 2025.

For our Indonesian operations, a total of 121,071 MT of biomass was recycled back onto our plantation land. This is equivalent to enriching our soils with 70,221 MT of organic carbon which on a hectare basis is akin to returning 15 MT organic matter or over 9 MT organic carbon to the land.

On 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 and help reduce nutrient lost from applied fertilisers. The nutrient content in the recycled biomass is equivalent to 9,113 MT of inorganic NPKMg fertilisers, with a value equivalent to RM13.37 million at prevailing 2025 prices.

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.

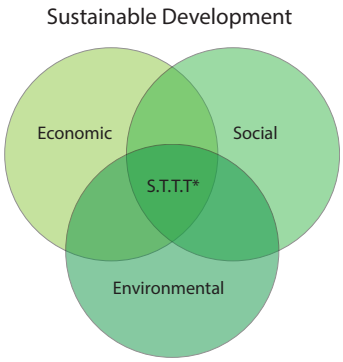
In addition to our focus on continuous improvement to minimise waste and our overall carbon footprint we are committed to the Principles and Criteria of the RSPO, MSPO and ISPO. Our Group has through investments and a dedicated Group Sustainability Committee introduced policies to break the link between 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 since 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 8,022Ha 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)
- Peat drainability assessment for existing plantings on peat in accordance with the latest RSPO Peat Drainability guidance (2019)
- Total phase-out of chemicals under Class 1A/1B chemicals (e.g Monocrotophos/Methamidophos) & Stockholm and Rotterdam Conventions (2020)
- Engagement with independent satellite monitoring service provider (2023)



*Sustainability through Transparency, Traceability & Trust

New Planting Procedure (NPP) and Responsible Land Use Planning

The RSPO New Planting Procedure (NPP) was established to ensure that new oil palm developments are undertaken in a responsible and transparent manner. The initial NPP framework was released in 2010, followed by a more comprehensive and enhanced framework officially launched in 2014/2015. Overall, it consists of a set of assessments and verification activities to be conducted by growers and certification bodies (CB) prior to any new oil palm development. Though this, the intention of the NPP is to ensure that new land clearing for oil palm plantings does not negatively impact primary forests, High Conservation Value (HCV) areas, High Carbon Stock (HCS) areas, fragile or marginal soils, or the land and rights of local communities.

In terms of conservation areas, these must be patrolled 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.

Peat Developments

Oil palm cultivation on peat requires careful management due to its environmental and hydrological sensitivities. Since 2010, our Group has therefore strictly adhered to a policy of No New Development on peatland, regardless of depth, while carefully managing pre-existing oil palm plantings on peat. In Malaysia, peat areas comprise 4,130 ha out of a total planted oil palm land bank of 37,486 ha, while in Indonesia, peat areas amount to 285 ha out of a total planted land bank (Inti) of 8,731 ha. Overall, peat thereby represents about 10% of the total area planted with oil palms across our Group. In recent years, selected peat-planted areas with high water tables and permanent waterlogging have been set aside as peat rehabilitation areas. This approach is consistent with the latest peat inventory submitted to the RSPO Secretariat.

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. Our Emergency Response Team (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 we have 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 and to promote alternative methods of land clearance.

With this, our goal is total eradication of fire as a land-clearing method used by local communities in the surrounding areas.. This year thankfully there was no severe drought in Indonesia and the rainfall in 2025 was much higher as compared to the previous years.

Hectares Burnt in Fires

	2025	2024	2023
Non Planted	0	0.32	25.74
Planted	0	0	0.05
Total	0	0.32	25.79

Outer Ring Range of ≤500 m

	2025	2024	2023
Outer ring ≤500 m (Ha)	0	0	33.54

New EU Legislation on Deforestation

The European Union Deforestation Regulation (EUDR) was passed in June 2023, with the aim of bringing more traceability and accountability to producers exporting goods to the European Union, and holding companies liable for any human rights infringements, environmental issues and forced labour concerns in their supply chains. Originally intended to enter into force on 1 January 2025, the European Commission later postponed its application to 1 January 2026 to allow additional preparation time, particularly for smallholders. In December 2025, however, the start date was once again pushed back by a further 12 months for large operators and traders.

Based on the publicly available information on the European Parliament's website, "This additional time is intended to guarantee a smooth transition and to allow time to improve the IT systems that operators, traders and their representatives use to make electronic due diligence statements. Only businesses that are first to place a relevant product on the EU market will be responsible for submitting due diligence statements, and not the operators and traders that subsequently commercialise it."

Nevertheless, the overall principles of the EUDR still comprise three main aspects: a cut-off date for Deforestation (31 December 2021); compliance with national legislation; and adherence to other related requirements such as human rights, Free, Prior & Informed Consent (FPIC), and land-use rights. To achieve this, the EUDR introduces a range of operational requirements, including traceability, risk assessment, the submission of due diligence statements, and contingency plans, as well as severe penalties for non-compliance, with fines of up to 10% of EU turnover and personal liability for management.

In Malaysia, forest cover makes up more than 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 has declined from 5.88 million hectares in 2020 to about 5.6 million hectares now as plantation land has been repurposed for infrastructure, housing, data centres and solar farms. This is also 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 not only to Global Forest Watch and GeoRSPO for monitoring of deforestation in our own concessions, but also to the internationally recognized real-time satellite monitoring database palmoil.io for all concessions within our RSPO SG supply chain. This collaboration has been ongoing since the 3rd quarter of 2023 to monitor our direct and indirect suppliers on a monthly basis. Finally, FFB dealers are expected to demonstrate their commitments and adherence to the MSPO 2.0 Standards, particularly MSPO Part 4-3, and to share the required traceability data with their network of mills.

Environmental Commitments of the Group

Activities	2025 (RM)	2024 (RM)	2023 (RM)	Grand Total (RM)
Environmentally Friendly Operational Activities	10,398,941	7,156,263	4,387,799	21,943,003
Environmentally Friendly Projects (Biogas, Biomass, others)	938,037	3,212,182	610,152	4,760,371
Biodiversity & Conservation (Forest reserve, Endangered Tree Species Projects, Collaboration with Copenhagen Zoo)	990,281	1,019,116	1,151,188	3,160,585
Total	12,327,259	11,387,561	6,149,139	29,863,960

The Bornean white-bearded gibbon (Hylobates albibarbis), an endangered primate of southern Borneo, observed in its natural forest habitat.

Partnership, Biodiversity and Conservation

Conservation of jungle reserves and wildlife sanctuaries, together with the promotion of green corridors are just a few examples of UP's commitment to the environment. To date, we have set aside a total of 8,022 ha land for conservation purposes throughout our Group, representing more than 17% of our planted area, to support biodiversity and wildlife on our estates. These objectives are further supported through the nurturing and maintenance of riparian reserves to preserve flora and fauna, provide wildlife corridors, ensure water quality, and prevent erosion.

To be even more impactful, we have also established a series of collaborations and partnerships with experts within this field. One such partnership was initiated in 2007 with Copenhagen Zoo, and officially established on 1 October 2010, through a Memorandum of Understanding. This 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 2025 in PT SSS

In 2025, the BioD team added two new bird species to PT SSS' species list. This puts the total number of species recorded at 542 different vertebrate species of which 73 are mammals, 237 birds, 65 reptiles, 28 amphibians and 139 fish.

In addition, 568 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 areas undergoing rehabilitation mature.

Spatial Monitoring and Reporting Tool (SMART)

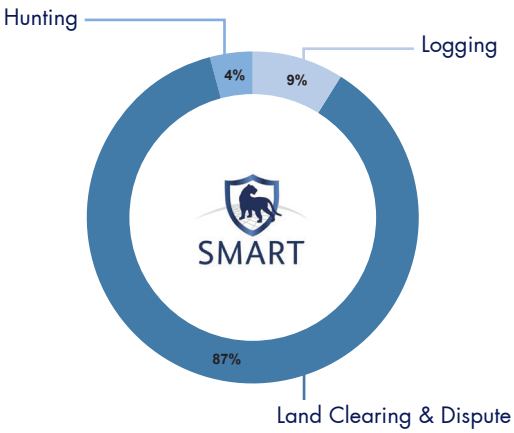
Protecting conservation areas is one of BioD's core activities. The aim is to prevent possible negative impacts from illegal logging, hunting, fire, overfishing and land clearing. BioD continues to use the Spatial Monitoring and Reporting Tool (SMART) software to store all records in a digital format, fully integrated with the team's GIS database. This means that monitoring activities and evaluating the effect of them is easy to access and, thereby, improve effectiveness and efficiency of patrols.

Year 2025 was considered a challenging year due to increasing external pressure to the conservation areas (HCV), especially from surrounding communities. The main impact was from land clearing activities, often driven by the demand for land to develop oil palm plantations.

This demand is often the result of rising palm oil prices that makes it lucrative for many to join the palm oil production line. Even though the company protects conservation areas as part of their obligation and commitment to safeguarding and managing biodiversity and local ecosystems, the local community often perceive HCV areas as "abandoned" land that should be utilized for agriculture, including oil palm cultivation. Therefore, many are eager to convert HCV forest into any form of plantation landscapes.

The BioD team has worked hard to conduct routine patrols to limit the damage caused by increasing land clearing incidents. This is a highly challenging task that can only be effectively accomplished with collaboration between BioD, the estate management, security and social teams. At the same time, the political scene is often complicated with political agendas rarely in line with conservation initiatives and many exercise politics primarily for personal short-term profit, rather than for sustainable long-term prosperity for local communities. This will likely continue to exist and, consequently, so will the land-clearing pressure on PT SSS' conservation areas.

SMART Patrol Report

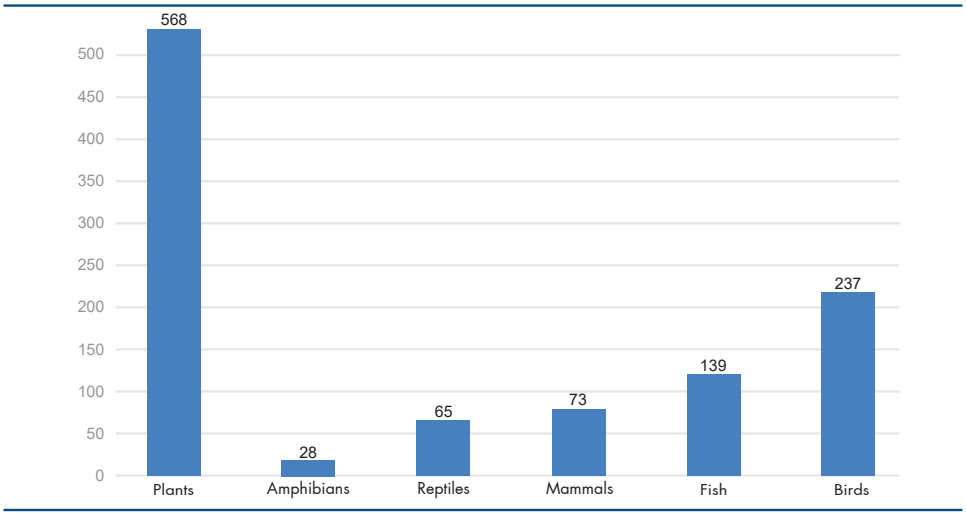


(THREAT HCV REPORT 2025)

Threat	Activities
Logging	5
Land Clearing & Dispute	47
Hunting	2
Fire	0
Fishing	0
Others	0

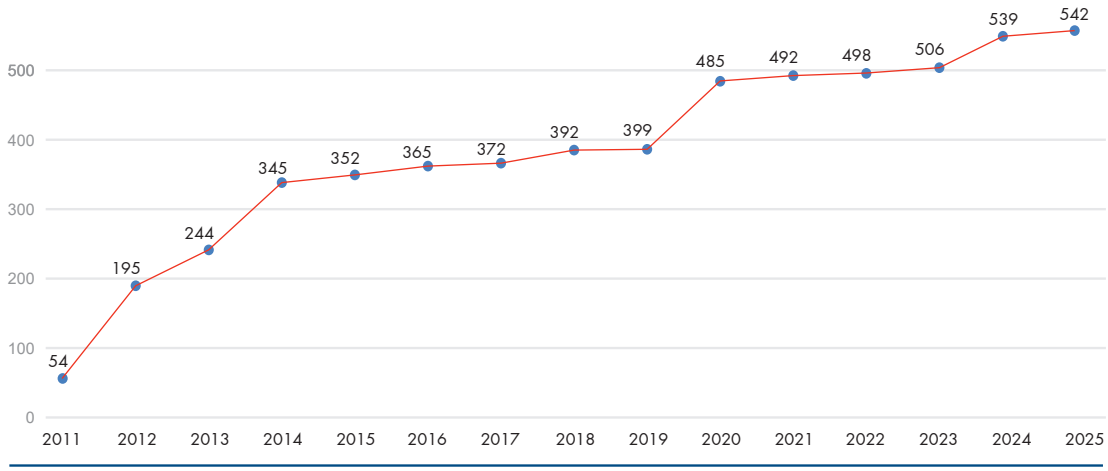
n=54

Number of Species



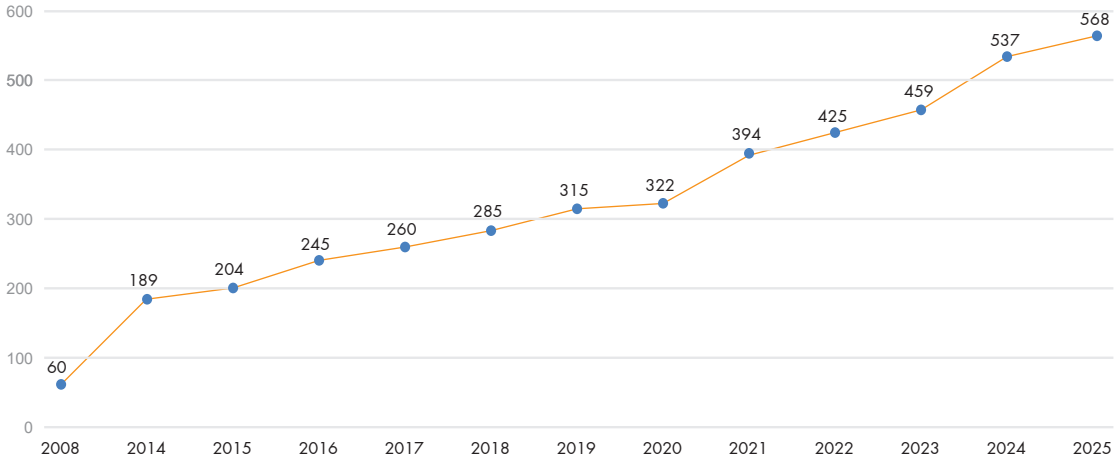
Vertebrate and plant species that have been recorded in PT SSS' conservation areas.

Cumulative Animal Species



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

Cumulative Plant Species



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

A Bornean Crestless Fireback (Lophura pyronota) roaming freely within the UP/PT SSS conservation area, reflecting the success of ongoing biodiversity protection efforts.

Bird Diversity in a Rehabilitation Areas

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 350Ha have undergone intensive rehabilitation and restoration activities during which the BioD Team has planted ±202.840 native tree seedlings from 134 tree species. Despite difficult conditions, an estimated 65% seedlings have survived and grow 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 canopy. Understory bird species prefer habitats 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 42 bird species in 2025. This is another testament to a successful rehabilitation process.

It is expected that bird diversity will continue to increase in tune with the increasing canopy height and natural immigration of a variety of plants to Field 86. The next big milestone is when rare and endangered birds begin to return to the area in the future.

The Bornean Crestless Fireback (*Lophura pyronota*) in The Plantations Landscape

The Bornean Crestless fireback (*Lophura pyronota*) is a terrestrial bird endemic to Kalimantan and is listed as Critically Endangered on the IUCN Red List. Habitat loss due to expansion of the plantation and mining sectors, as well as illegal hunting, has led to a continued population decline of the species. Its presence is now scattered in fragmented forest pockets and High Conservation Value (HCV) areas within oil palm plantations.

A study was conducted in the oil palm plantation landscape of United Plantations Berhad / PT SSS, Central Kalimantan, in an oil palm plantation area with a planting age of 17 years and an adjacent HCV area.

A total of 60 camera traps were installed in the oil palm plantation habitat and HCV habitat from January to September 2024, covering an area of 2,663 Ha, with an aim of determining the relative abundance and activity times in the two different habitats.

A total of 215 independent photographs of this species were obtained from 12,231 camera trap days. The analysis results showed that the relative abundance of the Bornean pheasant was higher in the HCV habitat (RAI = 1.95) compared to the oil palm plantation habitat (RAI = 1.40), with a significant difference (p-value = 0.02).

Ciconia stormi

Rhinoplax vigil

The activity time pattern of the Bornean pheasant was relatively similar in these two different habitats (Δ1 = 0.726 (95% CI: 0.619-0.827). These results indicate that this species utilizes the oil palm plantation habitat, which tends to be monoculture, although this habitat is not as ideal as other forested areas.

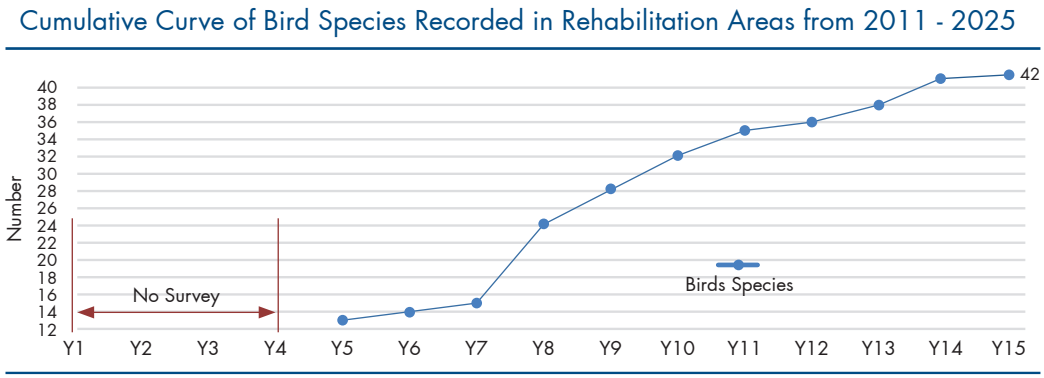
The results of this study are strong enough to be used as a reference to encourage wildlife-friendly plantation management policies, thus providing opportunities for this endangered species to survive in the oil palm plantation landscape.

PT SSS Conservation Areas is Habitat for Critically Endangered and Endangered Species

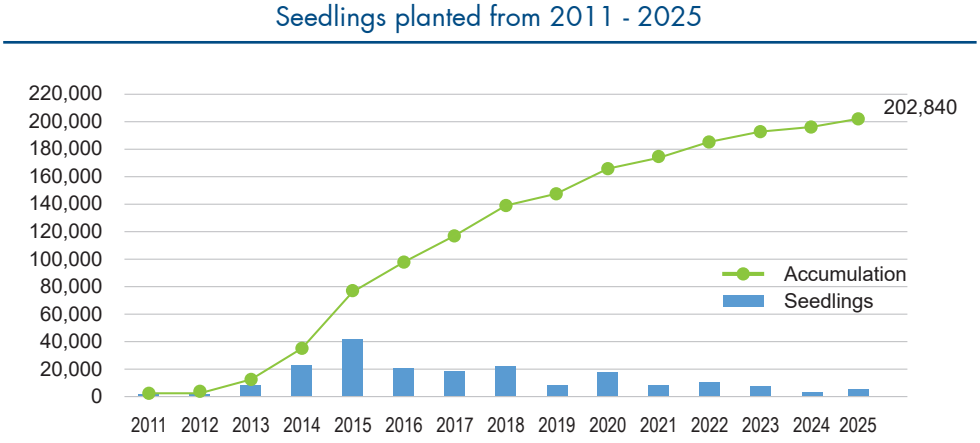
Through the past decade, the BioD Team has documented PT SSS' HCV area rich with vertebrate species. In total 542 species including Mammals, Birds, Fish, reptiles and amphibians are recorded from this conservation area.

Of these, 24 species are listed as Endangered (EN) and 5 species classified as Critically Endangered (CR) on the IUCN Red-list. This is not only very positive news; it also increases the company's management mandate and responsibility, because the RSPO and ISPO Certification criteria include this as compulsory. PT SSS does not only measure biodiversity trends.

Adaptive conservation management is applied proactively with continuous effect to explore the opportunity to engage with stakeholders such as the Indonesian Forestry Department (BKSDA), local NGOs, and local community in running conservation programs together. This collaborative approach gives nature and wildlife renewed hope for our shared future.

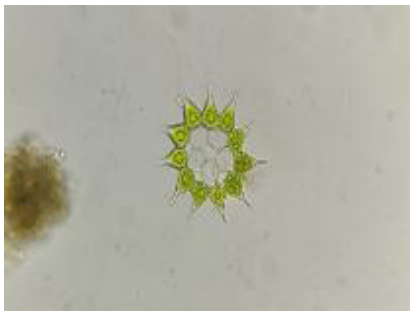


The number of bird species found in Field 86 continues to rise post rehabilitation intervention (e.g., first four years) and in tune with natural habitat maturation. This is clear evidence that the rehabilitation process can result in positive effects.



The number of tree seedlings planted in UP/PTSSS' rehabilitation areas between 2011 and 2025.

Eunotia diadema



Pediastrum simplex

Surirella librile

Water Quality Monitoring and The Plankton Diversity

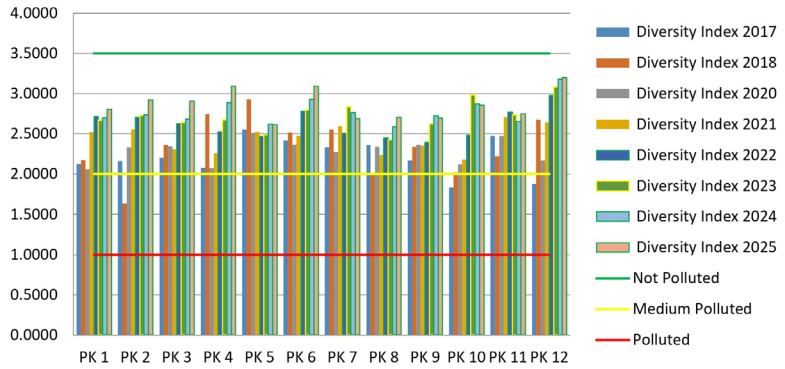
Together with oxygen water is the most important natural resource on Earth that all known living organisms are dependent on. Therefore, the BioD Team affords water conservation the highest priority and focuses on protecting watersheds and maintaining good water quality to support aquatic life as well 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, or 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 108 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.

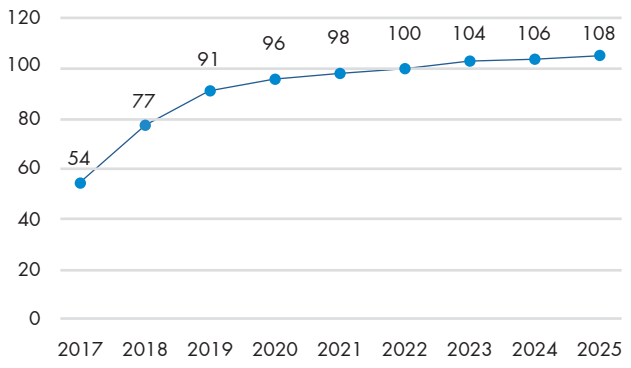
This means that the water is slightly polluted but showing signs of improving. The rehabilitation of riparian forest along the streams in PT SSS is showing positive trend, not least by minimizing organic and inorganic pollution washout in all three estates. What remains in the rehabilitation process is to restore the aquatic food web where increasing numbers of plankton also leads to growing diversity and populations of other aquatic life forms, especially vertebrates (e.g., fish, amphibians) and invertebrates (e.g., mosquito larvae, aquatic beetles, benthic).

Diversity Index in Kumai Estate

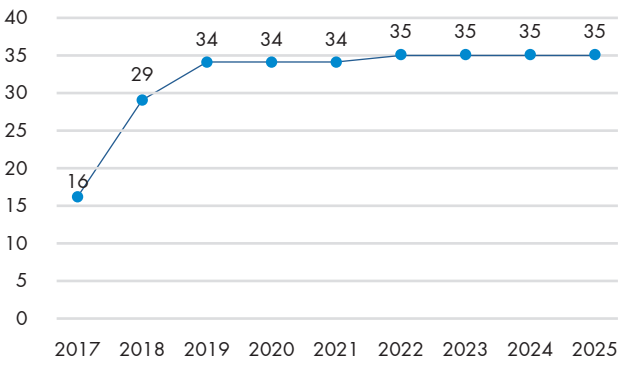
Plankton diversity index used to evaluate the quality of water bodies.



Cumulative Phytoplankton



Cumulative Zooplankton



The cumulative number of plankton species recorded in stream/river in Kumai, Lada and Runtu estate concession.




Data collection activities during a fish survey in collaboration with local fisherman in Arut River, Umpang Estate UP/PT SSS.

Assessing Fish as a Food Source for False Gharial in the Arut River

Monitoring fish diversity in the Arut River, adjacent to the Umpang Estate of PT SSS, has been undertaken over the past years. Understanding fish diversity and population density is critical for managing False gharials (*Tomistoma schlegelii*) in the area, as fish represent the main food source for the species.

Baseline data on fish species composition and abundance also provide indicators of ecosystem health, highlight potential stressors, and offer insight into the sustainability of fisheries productivity. The survey was carried out with the assistance of local fishermen, who used traditional traps known as pengilar.

The fish survey was conducted for two consecutive years. For each sampling effort, a total of 31 traps were deployed along the river. Samplings were conducted twice a month, with traps checked between 05:00 and 15:00 WIB. All captured specimens were identified, recorded, weighed, and photographed before being released or documented for reference. This survey recorded a total of 40 fish species. Although the diversity of fish is considered high, local fishermen reported that both the number and quantity of captured fish have declined compared with previous years.

We interviewed local fishermen who have fished for more than 20 years and all revealed a consistent narrative that every year the number of fish species and quantity had declined, and that they struggle to catch enough fish to sustain income for their livelihood support. They also indicated that the decline might be linked to changes in riverbank vegetation, particularly in riparian sections where the survey recorded substantial riverbank clearance and conversion, primarily into oil palm plantations.

In addition, local fishermen expressed concern that fishing methods using electric shock and poison are indiscriminate yet still applied by some fishermen from other regions and this makes it difficult for the local fishermen to sustain their livelihoods. The surveys also reveal another major concern, namely the presence of invasive fish species (e.g., tilapia) that were detected during the sampling. This species competes with local fish species and probably predates on local fish spawn.

The preliminary findings from this survey highlight the importance of intact riparian forests in supporting healthy fish populations as well as the need to eradicate illegal fishing methods that use poison and electric shocks. The decline in fish diversity and quantity in the Arut River not only challenges the future for the False gharial but will also undermine an entire community's livelihood.

Flat-headed cat recorded in the Landscape Kumai, UP/PT SSS

Flat-Headed Cat Survey in Kumai Estate, PT SSS

The Flat-headed cat (*Prionailurus planiceps*) is one of the smallest and rarest wild felid species, native to Borneo, Sumatra, and Peninsular Malaysia. Very little is known about its distribution, population status, and habitat requirements, primarily due to the scarcity of confirmed records in the wild. Since 2013, PT SSS has conducted regular wildlife monitoring using camera traps within its concession.

In 2023, PT SSS began focusing survey efforts specifically in the Kumai Conservation Area and adjacent forest patches, where camera traps were permanently deployed. Despite this effort, Flat-headed cat detections have remained rare. We speculate that the low detection rate may be attributed to the species' unique ecological preferences, which may not align with the typical camera trap placements.

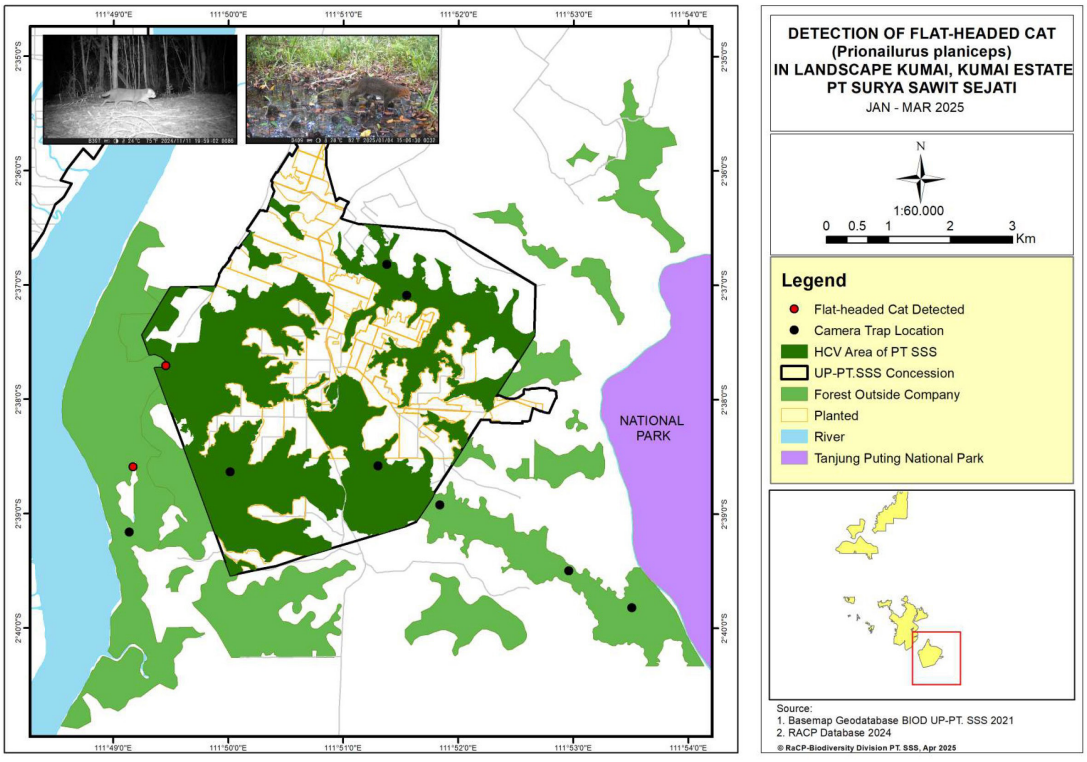
Unlike larger felids that often travel along prominent wildlife trails, Flat-headed cats may prefer to move through dense undergrowth or along narrow, less-disturbed paths, particularly near water bodies. Most camera trap studies within the Flat-headed cat's range tend to place cameras along large trails, potentially reducing the likelihood of detecting this elusive species. To address this, PT SSS has recently expanded its monitoring strategy in the Kumai landscape to better understand the occurrence of the Flat-headed cat.

In 2024, we deployed nine camera traps using purposive sampling in areas predicted to be suitable for the species, particularly within 5 km of large rivers, lakes, streams, and mangrove forests known to be associated with the presence of the Flat-headed cat. The camera traps were deployed permanently across the study area.

During the most recent survey period from January-March 2025, the Flat-headed cat was recorded twice near water sources and mangrove areas. These findings underscore the significance of riparian and mangrove habitats in supporting the species and highlight the conservation value of the Kumai Conservation Area and surrounding forest patches managed by PT SSS.

Our data confirms the continued presence of the Flat-headed cat within a landscape managed by an oil palm company, demonstrating that, with appropriate habitat protection, endangered species like the Flat-headed cat can persist within a production environment. The Kumai Estate and its conservation areas serve as important refuges for this elusive and endangered felid.

Further research is needed to refine survey methods for the Flat-headed cat, such as optimal camera trap placement, including camera height and positioning, and to gain deeper insight into the species' behavior, ecology, and habitat use.



Detections of Flat-headed cats in Kumai Estate and adjacent landscape, UP/PT SSS

Fig (Ficus spp.) thriving within the Arboretum Plot, representing ecological diversity and the importance of native species conservation in UP/PT SSS.

Fig (*Ficus spp*) Arboretum Plot

Fig trees (*Ficus spp*) are a vital food resource for an enormous number of species in tropical ecosystems. Many fig species are considered keystone species.

They provide a consistent food supply, primarily its fruits, year-round, which is crucial for many forms of life, especially during periods when other food sources are scarce.

Therefore, despite often being left in low numbers, fig trees offer a significant conservation benefit for declining frugivorous and insectivorous species by attracting predators and many invertebrates to flowering and fruiting figs. Many fig species are pollinated by tiny wasps in a unique obligate mutualistic relationship.

In these cases, females are attracted to immature figs and enter them through a small hole to lay eggs, thereby also pollinating the hidden flowers inside, while males then emerge, mate, chew exit holes for females, and die.

The female wasps then exit and carry pollen to the next immature fig fruit to repeat the cycle. The entire process of entering a fig fruit, depositing eggs, wasp development that occurs inside fruits and with a complete male lifespan takes only 2-3 hours.

The wasps are similar in size to the pollinating weevils, *Elaeidobius kamerunicus*, in the palm oil industry. Figs trees therefore play an important role for the flora and fauna surrounding the trees which can be affected by rapid environmental Changes, not least climate change.

For the wasps, their decline is likely directly correlated to the increasingly rare fig fruiting events and a general decline in figs across the SE Asian region.

The consequences of losing figs to the broader biodiversity landscape can be disastrous and, because of their critical role in the ecosystem, the BioD team has started to develop an inventory programme for fig tree species in our plantation landscape including HCV areas. The purpose is to gain clearer understanding of each species´ distribution, abundance and diversity.

In addition, we plan to collect ecological data that will help establish specific roles of figs at various trophic levels and assist in prioritizing fig species conservation programmes. In this endeavour, we have also setup a "Ficus Arboretum" on approximately 2 Ha land that is dedicated to this group of trees only.

The arboretum not only functions to conserve a variety of fig species but also as a natural laboratory to study fruiting seasons and the symbiotic relationship with various tiny pollinating wasp species.

Understanding the fruiting season and pollination process of fig trees will help the team develop an effective conservation management plan.

The fig tree inventory programme, recorded 46 species in UP/PT SSS. Of this, 10 species have been successfully propagated in our jungle tree nursery and 17 fig species have been planted in our dedicated Fig Arboretum.

Bird Conference KPPBI in IPB University of Bogor, attended by two of our officers, Mr. Mahfud Huda and Mr Finki Alvia from UP/PT SSS in August 2025.

Bird Conference KPPBI in IPB University, Bogor, Indonesia

As in previous year, the BioD team has actively engaged in both the national and international conservation events. In 2025, the BioD team represented the company in a major national conference "*Konferensi Peneliti dan Pemerthati Burung Indoensia* (KPPBI) 7" in IPB University, Bogor, Indonesia, which was held from 8 August to 10 August and was attended by more than 200 delegates.

This prestigious avifauna conferences was one of the most significant in Indonesia. There were participants from many sectors such as researchers, bird trade, bird breeders, university students, NGO, and government institutions. UP/PT SSS BioD team stood out as the only palm oil producer who participated and, in that sharing their research findings and demonstrating a strong commitment to biodiversity conservation in plantation landscapes.

The UP/PT SSS BioD team was granted two timeslots for oral presentations. The first presentation delivered by Mr. Mahfud Huda with title "*Relative Abundance Of Bornean Crestless Fireback (Lophura Pyronota) In a Plantation Landscape*"; and the second presentation was delivered by Mr. Finki Alvia Candra with the title "*Preliminary Study on Utilization of Ficus spp Trees by the Birds*".

Both presentations were well received positively by the participants. Lively discussions were held about the importance of the BioD data and how these data sets form an important baseline information that is vital for the development of an effective conservation action plan. The event reiterated that, when it comes to conservation in oil palm landscapes, UP/PTSSS continue to be one of the leaders.

Herpetology Seminar PHI in Gadjah Mada University, Yogyakarta, Indonesia

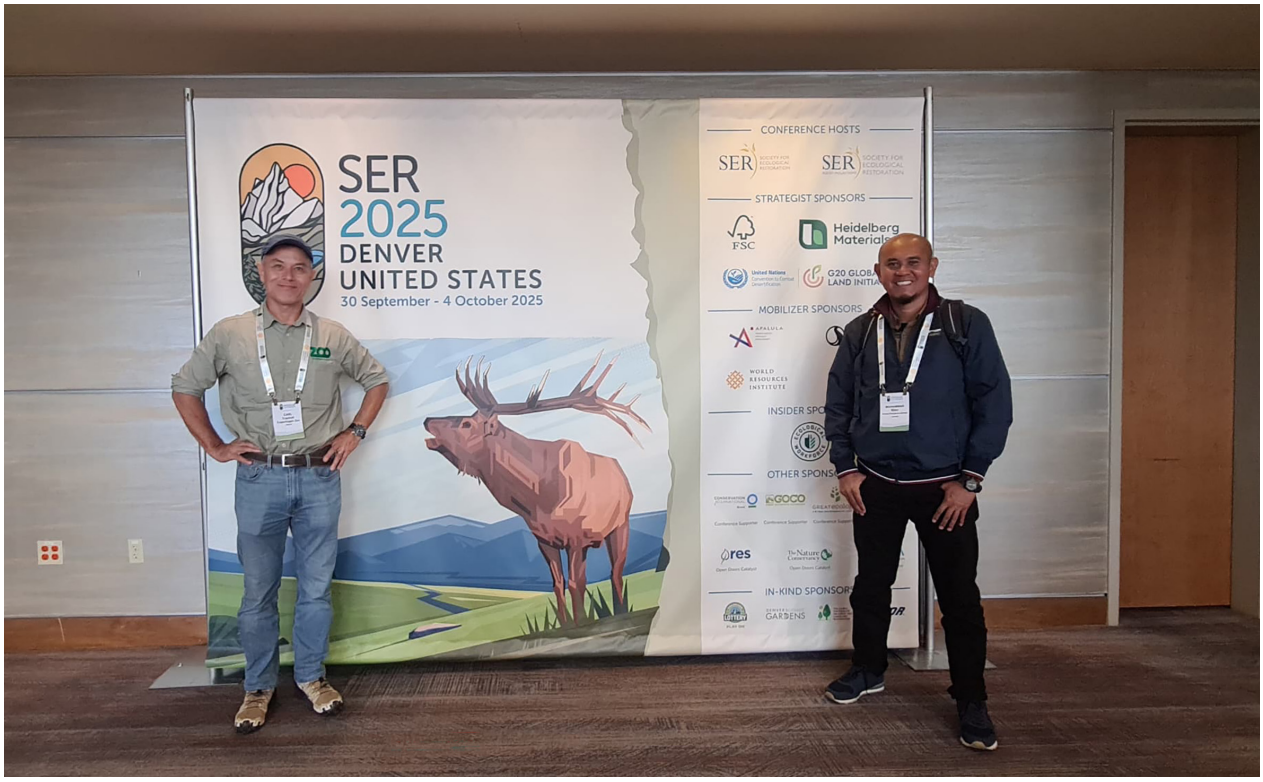
PT SSS also participated in the National Seminar of Penggalang Herpetologi Indonesia (PHI) held from 26 April to 27 April, 2025 at Gadjah Mada University, Yogyakarta.

The seminar was attended by researchers, conservation practitioners, government representatives, and students from various regions of Indonesia, providing a valuable platform for sharing the latest research findings and conservation strategies related to herpetofauna.

It was a privilege for the Biodiversity Division of UP/PT SSS to participate and be involved. We were the only private company from the oil palm sector that joined this event reflecting the company's openness and strong commitment to conservation.

During the seminar, PT SSS was given the opportunity to present its research entitled "Population Density Estimation of False Gharial (*Tomistoma schlegelii*) in Oil Palm Plantation Landscapes of Central Kalimantan." Mr. Satrio Nugroho represented PT SSS and delivered the presentation and addressed numerous questions from interested participants.

As with all such events, this seminar also served as an opportunity to strengthen networks with national stakeholders, exchange ideas, and explore potential collaborations to further enhance the effectiveness of our ongoing conservation and research initiatives.



UP/PT SSS was represented by Dr. Carl Traeholt and Mr. Muhammad Silmi at the 11th Society of Ecological Restoration Conference in Denver, United States.

Ecological Restoration Conference (SER 2025) in Denver, United States

The Society of Ecological Restoration (SER) is the World's foremost organization that focuses on landscape level restoration efforts. SER collaborates intensively with Global organizations such as the United Nations (e.g., UNEP, UNDP, UNESCO), the International Union for Conservation of Nature (IUCN), the European Union (EU), WRI and individual nations across the world.

The 11th World Conference was held in Denver, Colorado, USA. As part of an exciting and inspiring biennial gathering of global experts in ecological restoration.

It continues to be the premier venue for nations, organizations and individuals interested in the plight of global restoration. The conference took place from September 30 to October 4, 2025, in Denver, attracted delegates from 70 countries, representing scientific, technical, policy, governmental, financial, and socio-cultural sectors.

It exceeded more than 1,400 participants of which UP/PT SSS´ BioD Team was proudly represented by Mr. Muhammad Silmi who also delivered a presentation with title *"Rebounding Biodiversity: 14 Years of Rehabilitation after Clear-felling Tropical Rainforest Habitat for Palm Oil Production"*.

Despite the event's scope and global relevance UP/PT SSS' BioD team was one of few representatives from the palm oil sector. In this case, UP/PT SSS was able to highlight the important ongoing work at the same forum and on the same platform as the Klamath River restoration project (USA) at a cost of USD 500 million, China's Tibetan Plateau USD 8 billion investment in ecological safeguarding and habitat protection.

The positive feedback from participants, combined with the post-presentation networking, all contributed to showcasing real on-the-ground restoration action. At the same time, the data and findings from the ground restoration activities showed a novel story of restoration success where biodiversity is rebounding.

Yet again, this was a strong message to everyone in the forum and UP/PT SSS continues to lead the sector by demonstrating that safeguarding and managing biodiversity resources constitute an integrated part of palm oil production.

Restoring nature degraded by unsustainable practices in the palm oil and other industrial agricultural sectors is essential , as these activities have inflicted immeasurable negative consequences to the natural environment.

Carl Traeholt

Dr. Carl Traeholt
UP Group Chief Environmental Advisor

and

Mr. Muhammad Silmi
Senior Manager Biodiversity Division










Our BioD Department documented and photographed various bird species in the UP/PT SSS conservation area, highlighting the region's rich avian diversity and the value of ongoing monitoring.

Recording of jungle trees species by the late Mr. Geoffrey Cooper.

In Remembrance of the Late Mr. Geoffrey Cooper

Having been employed since 1993, United Plantations was deeply saddened by the passing of Mr. Geoffrey Cooper on the 23rd of February 2025.

His 33-year tenure with United Plantations was marked with innovation and excellence, and he was instrumental in developing new replanting techniques and mechanization tools which significantly improved productivities across our Group. Throughout his career, he built a strong team around him, training mechanics and fabricators to create vital equipment in-house which is now used across the Group. In doing so, he not only saved costs but built lasting capabilities. This dedication and focus on innovation eventually led to him being promoted to the position of Estate Director, Downriver, a role he held with pride until his passing.

As a boss he was firm but fair always ready to listen, support and to help when needed. Perhaps one of Mr. Geoffrey's most meaningful contributions came from his deep respect for nature. Working closely with the late conservationist Mr. James Kingham he co-founded the Kingham-Cooper Jungle Tree Reserve, thereby establishing one of the most diverse collections of endangered jungle trees species in Malaysia.

Remarkably, just one week before his passing, Mr. Geoffrey Cooper completed a long-held goal: the meticulous labelling and recording of every tree in the reserve - a final act of dedication to a project that meant so much to him. He will be dearly missed, however, he has left a legacy for the future.

Kingham-Cooper Lagoon Tree Reserve

Established in 2008 on UIE Estate, The Kingham-Cooper Lagoon Tree Reserve 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 two late stalwarts, Mr. James Kingham and Mr. Geoffrey Cooper, to whom we are forever indebted for their generous contributions in assisting the Group establish a legacy for future generations.

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.

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*".

A 10-year-old Dipterocarpus cornutus, a critically endangered forest species valued for its hardwood timber, thriving within the UP/PT SSS conservation area.

Effluent pond at Jendarata Mill collects and naturally treats wastewater.

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.

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)	2025	2024	2023
Malaysia operations	17.0	16.8	16.4
Indonesia operations	5.7	5.0	4.0

Spent lubricants (litres)	2025	2024	2023
Malaysia operations	60,314	58,402.30	47,691
Indonesia operations	5,508	5,819	5,415

Used batteries (pieces)	2025	2024	2023
Malaysia operations	139	373	183
Indonesia operations	6	2	0

Spent fuel filters (pieces)	2025	2024	2023
Malaysia operations	3,953	5,151	5,666
Indonesia operations	52	112	160

Water Weirs for Moisture Conservation

To conserve moisture during dry periods, a series of weirs are constructed across the collection drains to hold back water 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 (FeS_2) 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.

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, our target is to reduce our domestic water consumption to reach an average of 70 gallons per capita per day by 2030 for both Malaysian and Indonesian operations. The domestic water is sourced from either Government supply or river/water catchment pond with subsequent water treatment. 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, our target is to reduce our mill water consumption to reach an average of 1.2 MT water/MT FFB by 2030 for both Malaysian and Indonesian operations.

Domestic Water Consumption (gallons per capita per day)	2025	2024	2023
Malaysian operations	79.19 ($0.36m^3$)	88 ($0.40m^3$)	79 ($0.36m^3$)
Indonesian operations	92.39 ($0.42m^3$)	88 ($0.40m^3$)	77 ($0.35m^3$)

Mill water consumption (MT water/MT FFB processed)	2025	2024	2023
Malaysia operations	1.7	1.7	1.7
Indonesia operations	1.2	1.4	1.2

United Plantations Palm Oil (Malaysian Operations*)				Soybean**	Sunflower**	Rapeseed**
	2025	2024	2023			
Pesticides / Herbicides (kg per MT oil)	0.825	1.209	0.744	3.95	28	3.73

*Includes palm oil+palm kernel oil (UP, 2023-2025 - Malaysian operations)
**Data from FAO, 1996- Pesticide data for soybean and rapeseed updated in 2007/9 and 2010 respectively

United Plantations Palm Oil (Indonesian Operations*)				Soybean**	Sunflower**	Rapeseed**
	2025	2024	2023			
Pesticides / Herbicides (kg per MT oil)	0.439	0.363	0.336	3.95	28	3.73

*Includes palm oil+palm kernel oil (UP, 2023-2025 - Indonesian 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*
Cassia cobanensis	*43,051 planted*	*14,782 planted*
Tunera subulata/ulmifolia	*104,070 planted*	*85,436 planted*
Antigonon leptosus	*18,058 planted*	*97 planted*
Carambola sp	*3,554 planted*	*10 planted*
Others	*5,671 planted*	*8,634 planted*
Total	*174,404 planted*	*108,959 planted*

Today, UP's use of pesticide is more than 5 times lower per tonne of oil produced compared to Rapeseed and Soybean farmers and about 30-40 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 283,363 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.

5-Step Integrated Pest Management Programme approach taken to contain and/or control Bagworm outbreak.

1) Integrated Pest Management
E.g. planting of beneficial plants to enhance the natural parasitic and predator activities against bagworm. A total of 283,363 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 Agrosciences (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 trials, 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 2025 was substantially lower than in 2024 in Malaysia with improved pest control practices and lower pesticide usage as a result of drier conditions in the middle of the year. In our Indonesian operations, pesticide use in 2025 was higher than the preceding year with higher herbicide usage as a result of the wetter weather. The direct fossil fuel energy consumption per tonne oil produced in 2025 remained similar to 2024.

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

Input (per tonne oil basis)	Oil Palm*			Soybean**	Sunflower**	Rapeseed**
	2025	2024	2023			
Fertiliser nutrients						
Nitrogen (N-kg)	21	20	18	315	96	99
Phosphate (P_2O_5-kg)	8	8	8	77	72	42
Potash (K_2O-kg)	44	47	43	NA	NA	NA
Magnesium (MgO-kg)	8	8	7	NA	NA	NA
Pesticides/Herbicides (kg)	0.825	1.209	0.744	3.95	28	3.73
Energy (GJ)	0.56	0.59	0.56	2.90	0.20	0.70

** includes palm oil + palm kernel oil (UP, 2023-2025 - 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 *Bacillus thuringiensis*	2025	2024	2023
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 collaborated with leading agrochemical manufactures to evaluate a range of novel herbicidal compounds suitable for our environment.

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, the upsurge in herbicide use in our Malaysian operations in 2024 due to a relative increase in newly mature fields has ameliorated in 2025. In contrast our Indonesian operations has seen a notable increase in herbicide use in the past year due to an increase in young mature area and higher rainfall.

Herbicide usage (kg a.i/ha)	2025	2024	2023
Malaysia operations	5.09	6.06	3.85
Indonesia operations	2.48	1.87	1.85

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 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; Liau, 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 predates 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	2025	2024	2023
Total Boxes	2,923	2,865	2,785
Total Area Under Owl (Ha)	33,200	33,342	33,005
Box to land ratio in Scheme	11.36	11.64	11.85
% Occupancy in Scheme	32.54	39.12	42.55
Total Planted Area (Ha)	33,941	34,124	34,124
Box to land ratio over Total Planted Area	11.61	11.91	12.25
Rodenticide ai/planted Ha (kg/Ha)	0.0008	0.0009	0.0006

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 but 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/km^2 the leopard cat density in oil palm estates is much higher than in the conservation forest where the density is less than 1 individual/km^2.

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 km^2 (n = 5; SD = 1.40 km^2) and a smaller mean home range of female cats of 1.26 km^2 (n = 4; SD = 0.36 km^2).

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.

Leopard cat (Prionailurus bengalensis), a small wild feline documented in the UP/PT SSS conservation area, useful as a natural predator of rats.

One of our dedicated Guest Worker from Bangladesh, Mr Asadujamman Chowdry, caring for the young oil palm seedlings at one of our nurseries

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 2023 to 2025

	2025	2024	2023
UP Bhd	5,237	4,813	4,832
Unitata Bhd. and UniFuji Sdn. Bhd.	311	305	304
PT SSS, Indonesia	1,378	1,403	1,488
Total	6,926	6,521	6,624

Summary of our Group's Employees Gender Mix

	UP Indonesia (PT SSS)	UP Malaysia	UP Group
Percentage Female Employees	21.77%	8.02%	10.76%
Percentage Male Employees	78.23%	91.98%	89.24%

Category of Employees (Malaysian) as at 31 December 2025

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	121	28	16	95	38	32	22	93	2	149
Staff	178	135	57	153	103	78	2	227	6	313
Workers	470	273	198	322	223	235	-	500	8	743
Total	770	436	271	570	365	345	25	820	16	1,206

Category of Employees (Other Nationalities) as at 31 December 2025

Employee Classification	Gender Classification		Age Classification			Ethnic Classification						Total
	Male	Female	18-30	31-50	>50	Others*	Indonesia	Pakistan	Nepalese	Indian	Bangladeshi	
Sr Management	2	-	-	-	2	2	-	-	-	-	-	2
Executive	17	3	5	13	2	1	19	-	-	-	-	20
Staff	46	14	15	44	1	-	59	-	-	-	1	60
Workers - PT SSS	1,010	283	368	785	140	-	1,293	-	-	-	-	1,293
Guest Workers - Malaysia	4,336	9	1,589	2,673	83	-	685	3	2	479	3,176	4,345
Total	5,411	309	1,977	3,515	228	3	2,056	3	2	479	3,177	5,720

** Danish*

Grand Total = 6,926

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.

	2025	2024	2023
Percentage of operations that underwent corruption risk assessments	40%* (8/20)	40%* (8/20)	55% (11/20)
Percentage of employees trained on corruption related requirements (Code of Conduct and Business Ethics)	96%	95%	96%
Number of confirmed corruption incidents	0	0	0

** In addition to the 8 scheduled assessments in 2025, there were 8 special audits conducted on a need basis to address specific material risks identified by the Management during the year. The scheduled assessments are carried out on a rotation basis.*

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.

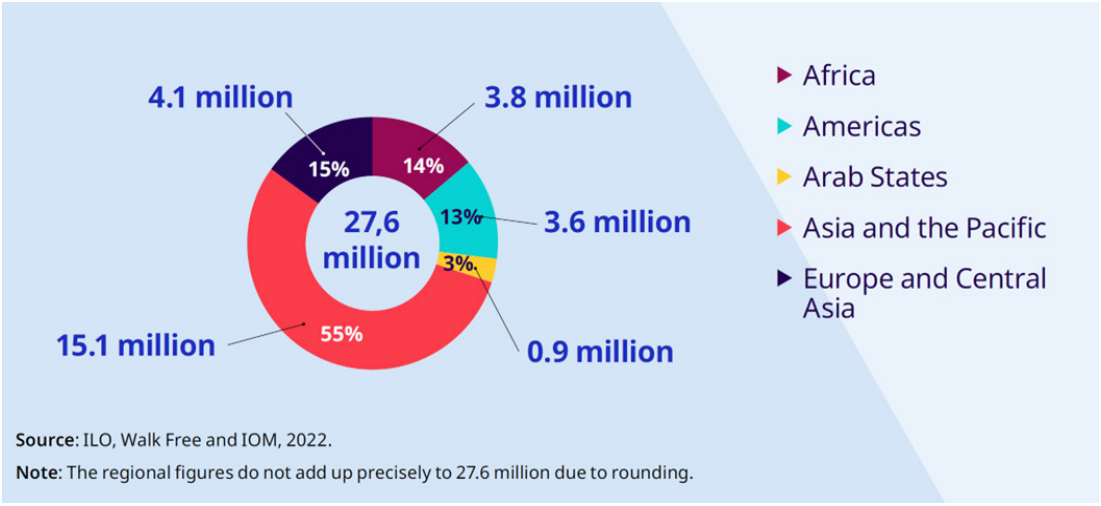
We adhere to the fundamental elements of the International Labour Organization (ILO) Convention and the United Nations Declaration on Human Rights, the Rights of Indigenous People and other core values as ratified by the countries in which we operate. We are also committed to the protection and advancement 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.

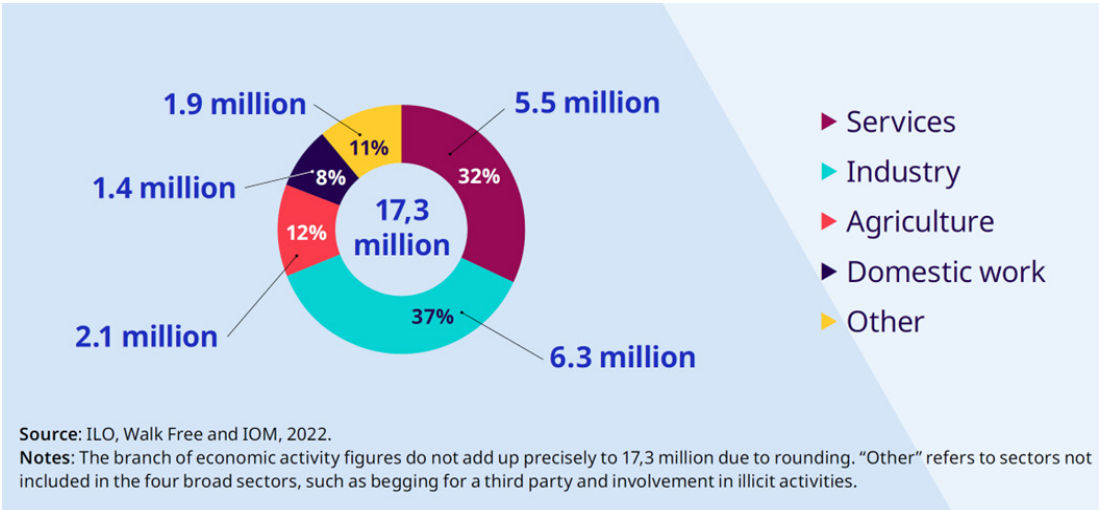
Number of people in forced labour, by region



Source: ILO, Walk Free and IOM, 2022.

Note: The regional figures do not add up precisely to 27.6 million due to rounding.

Privately-imposed forced labour, by branch of economic activity



Source: ILO, Walk Free and IOM, 2022.

Notes: The branch of economic activity figures do not add up precisely to 17,3 million due to rounding. "Other" refers to sectors not included in the four broad sectors, such as begging for a third party and involvement in illicit activities.

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 ongoing collaboration with Mr Jerald Joseph, an experienced independent Human Rights Consultant, in partnership with the social NGO North- South Initiative (NSI), which was established in 2023.

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. With this arrangement, our Guest Workers can keep their passports safely and have free, unrestricted access to them at all times. 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. This is ongoing.

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.

In UP, as of 31 December 2025, we have 4,345 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

Morning roll call completed – our work force being briefed on the operations for the day.

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.

Furthermore, we established an Outreach Programme for non-identified eligible Guest Workers who had left UP and returned to their home countries before the payment date.

To identify them, the following steps were initiated and 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 March 2025, the Malaysian Government has again 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. Since May 2025, we have resumed the recruitment of Indonesian and Indian Guest workers, however, the recruitment of Guest Workers from Bangladesh have remained frozen since March 2025.

Despite these challenges, UP managed to recruit 1,006 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 grassroot 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 three 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 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. Centralised Onboarding sessions for Guest Workers by the HRSS team are carried out at United Plantations Onboarding Center (UPOC) since February 2025 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

Onboarding and Upon arrival verification session for our newly arrived Guest Workers, conducted by Mr. Jeevan Dharmapalan, Manager Human Resources at UPOC on 28 March 2025.

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.

While these steps and our overall Ethical Recruitment Procedures were originally developed through our partnership with Verité SEA, they have since been further strengthened through our collaboration with Mr. Jerald Joseph and the social NGO North-South Initiative (NSI). As independent third-parties, they regularly oversee and evaluate our efforts in both Malaysia and the source countries and help provide additional guidance on further improvements.

Their assessments have been largely positive, with the assessors recognising our efforts as a Company in combating and mitigating forced labour within our supply chain.

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 RM2,800, 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 is 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 IDR4,562,171 which includes productivity incentives and overtime.

The monthly minimum wage set by the Indonesian Government in 2025 was IDR3,735,815. 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	**2025**	**2024**	**2023**
Malaysia operations – Mills and Plantations	RM2,810	RM2,523	RM2,523
Malaysia operations – Refineries	RM2,625	RM2,739	RM2,414
Indonesia operations - Permanent Workers	IDR4,562,171	IDR4,061,149	IDR3,820,271
Indonesia operations - Temporary Workers	IDR3,281,788	IDR3,535,686	IDR3,359,293

Guest workers returning from their home countries after their leave, ready to resume duties.

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: 1.15
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 and the revision is ongoing.

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	2025	Total number of guest workers (%)
Total number of guest workers	4,345	100
Repatriation	368	8.5
Gone on leave	1,092	25.1
Gone on leave and returned	1,031	23.7
Gone on leave and didn't/ couldn't return	61	1.4

During 2025, 368 Guest Workers were repatriated upon completion of their employment tenure. Another 1,092 Guest Workers went back on leave to their respective home countries of which 1,031 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)	2025	2024	2023
% of staff as members of All Malayan Estates Staff Union (AMESU)	75	75	75
% of workers as members of National Union of Plantations Workers (NUPW)	11	13	15
% of workers as members of Food Industry Employees' Union	35	40	37
UP Group (Indonesia)	2025	2024	2023
% of workers as members of Union*	11	11	11

**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	374	86
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	374	86

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 2025. 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.

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 2025 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.

Social Commitments of the Group	2025 RM	2024 RM	2023 RM	Grand Total RM
Hospital & Medicine for Employees, Dependents & Nearby Communities	3,836,157	3,458,778	4,371,488	11,666,423
Retirement Benevolent Fund *	481,061	407,167	1,025,283	1,913,511
Education, Welfare, Scholarships & Other	489,144	310,744	280,754	1,080,642
Bus Subsidy for School Children	186,053	230,821	211,065	627,939
External Donations	661,612	497,683	748,563	1,907,858
New Infrastructure-Road, TNB and Water–Supply for domestic use	3,974,601	11,690,413	289,462	15,954,476
Employee Housing	6,881,878	7,839,010	7,793,775	22,514,663
Infrastructure Projects, Buildings, Community Halls, Places of Worship	5,244,350	8,056,144	2,309,937	15,610,431
Provision of Social Amenities	7,693,491	6,563,357	5,463,124	19,719,972
Total	29,448,347	39,054,117	22,493,451	90,995,915

** The above payments are in addition to the regulatory contributions by the Group to the Employees' Provident Fund, Social Security Contributions and other benefits.*

The housing complex at Ulu Bernam Estate, Division II, seen from above, framed by the calm expanse of palms stretching beyond.

The EXCOM and UP Executives sharing a light-hearted moment at the annual new year briefing.

In 2025, a total of 21 scholarships were awarded to the children of our employees, supporting their pursuit of tertiary education. In addition, financial welfare assistance was provided to 25 employees, reflecting our commitment to both education and well-being.

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, trainings are 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 2025, the average training hours for both Malaysian and Indonesian operations was 7.8 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.

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

Our health care team at Jendarata Group Hospital, Mr. Sivaji and Mdm. Sasikalah treating a patient with quiet strength and steadfast care.

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, now 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 have since 2024, been 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.

With this, we are pleased to inform that there were no occupational related fatal accidents within our Malaysian and Indonesian operations in 2025.

The leading cause of accidents in 2025 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)

	2025	2024	2023
Malaysia operations	0	0	0
Indonesia operations	0	0	0

Lost Time Injury Frequency Rate (LTIFR per million hours worked)

	2025	2024	2023
Malaysia operations	5.01	4.69	5.38
Indonesia operations*	53.85	86.5	115.2

**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.

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:

Radiating joy and playful energy- children enjoying themselves at the playground on Lada estate , PT SSS.

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/sustanability/.

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 itis 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/*.

Engagement with local stakeholders is important to strike the right balance between community, commercial and conservation interests.

Our Senior Sustainability Manager, Mr. Lee Kian Wei, briefing smallholders on the implementation of sustainable agricultural practices at our Smallholders' Field Day.

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 2025, 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 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 9 December 2025, we have conducted a Smallholders' Field Day for the smallholders around our plantations. 40 out of 50 independent smallholders participated, corresponding to 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 effective technique on bagworm treatment, 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 were 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.

Scenes from across our estates, depicting estate life, community facilities, celebrations, and our people.

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.

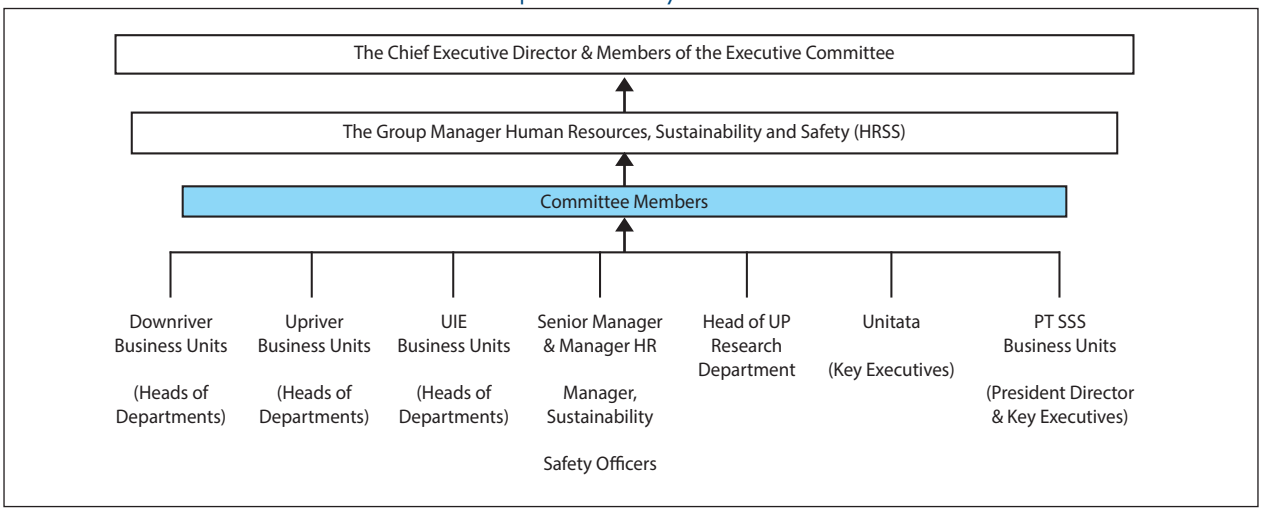
There is also the Group Sustainability Reporting Team (GSRT) headed by Mr. Martin Bek- Nielsen, Executive Director, Finance & Marketing and includes key personnel from Finance, Research, Human Resources, Sustainability and Safety, Share Registrar and Marketing Departments.

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.

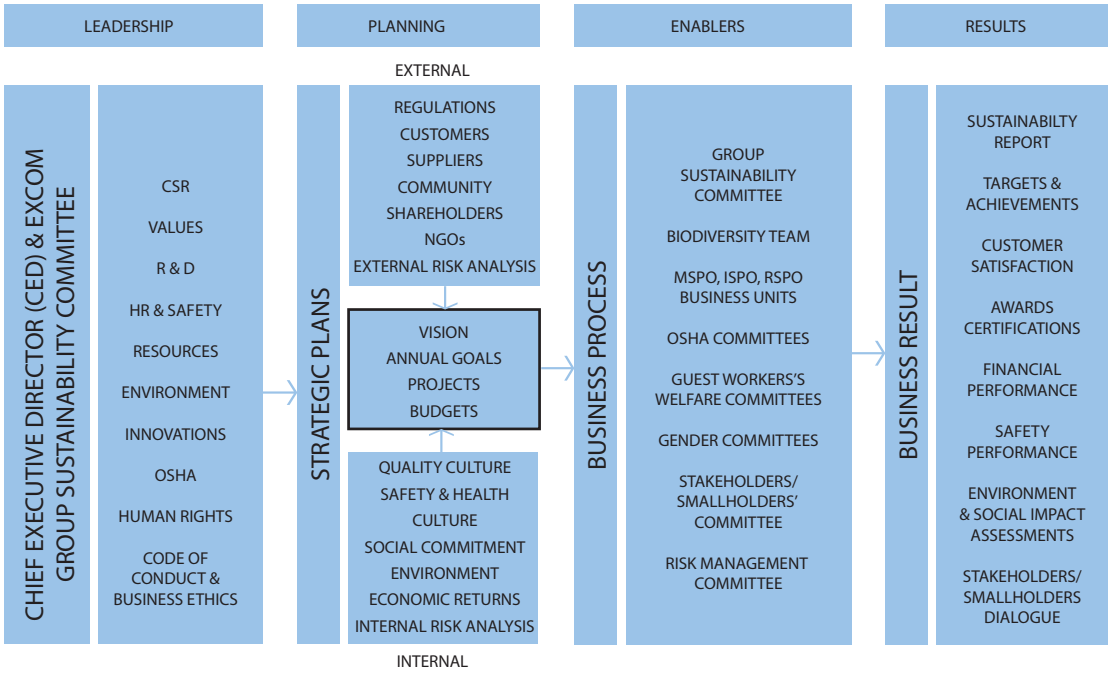
Since the Sustainability Report became mandatory in 2016, Mr. Martin Bek-Nielsen has been briefing the Board, CED and EXCOM on the work of the GSRT and sustainability issues at every official meeting held. Sustainability is also a key aspect in the Group's Risk Management Structure which assesses various sustainability issues and developments in its annual Risk Assessment and Management process.

Sustainability Governance Management Structure

Group Sustainability Committee



Group Sustainability Systems Framework (GSSF)



UUP'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.

UP being awarded the Company of the Year across all sectors.

UP was awarded - Highest return on equity (ROE) over three years for fifth consecutive year and Highest return 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 2025, for companies below RM10 Billion Market Capitalisation.

- Company of the Year award across all sectors.
- Highest return on equity (ROE) over three years, for the fifth consecutive year,
- Highest returns to shareholders over the three years.

Furthermore, we are pleased to inform that UP also received the following award and recognition:

- SPOTT assessment 2025 – 97.1% and ranked as 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 first plantation obtained the RSPO certification on 26 August 2008, and UP, thereby becoming the world's first producer of RSPO certified sustainable palm oil. Since then, our entire concession in Malaysia has successfully certified against the RSPO Principles & Criteria 2018, except for our newly acquired plantation, North Arcadia Estate. Here we target to achieve the RSPO certification within 3 years from the date of acquisition (1 January 2026). This adherence to the RSPO Principles & Criteria demonstrates a stringent compliance with No Deforestation, No New Planting on Peat regardless its Depth and No Exploitation of Workers and Local Communities (NDPE).

The 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 245,000MT of palm oil and 50,000MT of palm kernels in 2025 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 RSPO Time Bound Plan for the balance uncertified area for our newly acquired plantation in Malaysia and the non- HGU acquired area in Indonesia will be certified in line with the 3 years' ruling of RSPO requirements for the newly acquired concession and in tandem with the issuance of HGU or other land use certificates by the Government of Indonesia, respectively.

We have recently revised our RSPO Time Bound Plan and obtained approval from RSPO Secretariat. The revision includes the newly acquired concession and deferment of the full RSPO certification for our uncertified area in Indonesia which was expected to be obtained by 2025. This has now been deferred to 2028 due to the introduction of new Presidential Regulations (SK 36) related to incompatibility of forest zoning maps in Indonesia, particularly Central Kalimantan. The deferment for our Indonesian operations applies for our own concessions (Inti) as well as the Plasma smallholders' concessions.

Finally, we have been actively participating in the new RSPO Standards Review (Malaysian National Interpretation – MYNI) Task Force for the RSPO P&C 2024, which will be finalised by the first quarter of 2026.

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 2025, 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, 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 and spirit of shared responsibility are 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 Certification of which we are aligned with the latest MSPO P&C, except for our newly acquired plantation, North Arcadia Estate.

We are pleased to inform that both of our refineries have obtained MSPO Part 4-2 certification in 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 the second cycle of ISPO Certification was completed in 2024. Subsequently, Annual Surveillance Assessments (ASA) have taken place every year.

We have deferred the Time Bound Plan for ISPO Certification from 2025 to 2028 due to the introduction of new Presidential Regulations (SK 36) as mentioned in the previous page. Again the deferment for our Indonesian operations applies for our own concession (Inti) as well as the Plasma smallholders' concession.

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 2025, we again improved our score and was ranked as number two out of hundred companies globally with a total score of 97.1% 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 12,000 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 and Spent Bleaching Earth. The annual surveillance audit is ongoing.

A view from Unitata's towering Multistock Deordoriser 3, and movement of tankers before and after loading high-quality certified sustainable palm oil.

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 51 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. They 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 would likely come into effect in a year or two.

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. Hence, our commitment to further reducing the levels of novel contaminants detrimental to human health is evidenced by our constant acquisition of new knowledge via emerging technologies.

UniFuji's Refinery Manager, Mr. Kapil Punj, overseeing the loading of high-quality palm products onto tankers bound for our customers, together with Mr. Harianto Zahari, Manager of the Solvent Fractionation Plant, and Mr. Rubaganeshan Rajagopal, Assistant Engineer.

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.

Our senior process engineer Mr. Jivan Rao providing an overview of Unitata's refinery processes to our business partners AAK, represented by their Sourcing, Trading & Sustainability President, Ms. Nese Tagma and Global Sourcing and Trading Director, Mr. Ernesto Zamudio.

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 Part 4-2 including SCCS, GMP, GMP+B2 Feed Safety, MeSTI, ISCC EU and MPCA.

UNIFUJI:
ISO 9001, HACCP, Halal, Kosher, FSSC 22000, FDA, SEDEX, RSPO SCCS, MSPO Part 4-2 including 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 has 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.

Since 2023, the RSPO Secretariat has been collaborating with external IT database service providers to set up an independent digital traceability platform called Palm Resource Information and Sustainability Management (PRISMA), thus replacing the former IT system, Palm Trace. This 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 and have subsequently in 2025 undergo the MSPO Part 4-2 assessment as part of the MSPO standards transition exercise.

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.

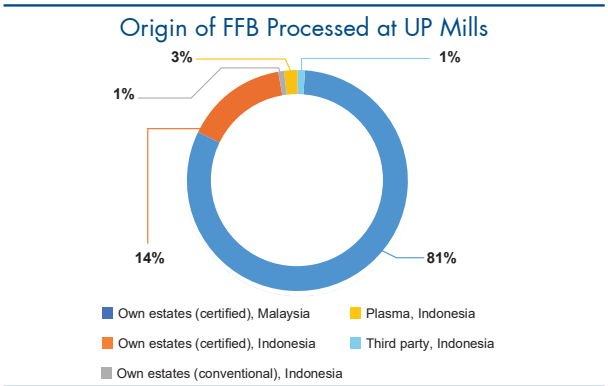
This entails our commitment to ensure that the certified sustainable palm oil and palm kernel oil used in the production of finished goods come from sustainable sources. As an important part of UP's traceability focus, we strive to ensure that our supply chain (direct and indirect suppliers) live up 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 in 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 2028 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)	81.66	18.34	100



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 2025.

Downstream Operations - Unitata

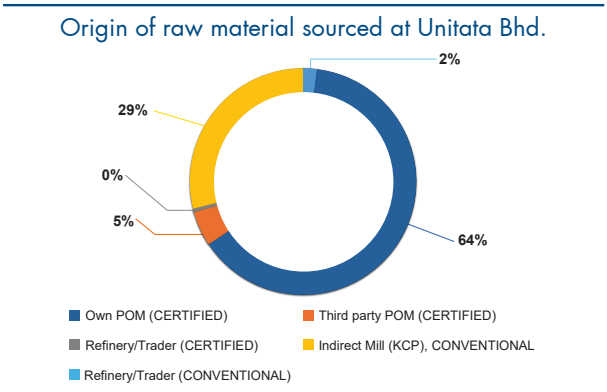
At Unitata, we are proud to be at the forefront of providing quality products to customers worldwide and have therefore made responsible sourcing and supply chain transformation a strategic priority.

One of Unitata's key commitments to its customers is to ensure that our finished products can be traced back to their 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 (EUDR).

Given the need to extensively and transparently map chains of activities (including In-house/intragroup) and collect and validate data throughout the supply chain, the original timeline of 31 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 further postpone by another 12 months up to 31 December 2026.

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 2025 is summarised in the below chart:



From this, it can be seen that the RSPO-certified percentage of all palm oil products handled/traded/ processed (tonnes) is 69.01% (64.31% + 4.56% + 0.14%).

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)
64.31%	4.56%	0.14%	29.37%	1.62%

The summary of the number of direct supplier mills supplying CPO and PK is tabulated below and shows a total of 7 mills, consisting of 4 of our owns mills and 3 third party mills as at 31 December 2025.

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 (2)	100%	third party mills (2)	100%
PK	own mills (4)	100%	own mills (4)	100%
	third party mills (2)	100%	third party mills (1)	100%
CPKO/ SG	Indirect mills (1)	100%	Indirect mills (1)	100%

All of the above own and third-party supplying mills are covering 100% from their own plantations.

All palm oil products at Unitata are sourced from direct and indirect supplier mills as well as plantations in Malaysia.

Traceability To Plantation (TTP) for Conventional CPKO

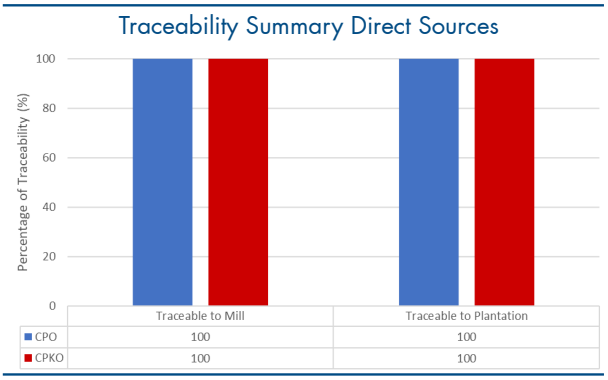
Our direct supplier mills for CSPO have been 100% traceable to plantations level since 2010, whereas our indirect supplier mills for CPKO via Kernel Crushing Plant (KCPs) have been 100% traceable to mill level since 2021.

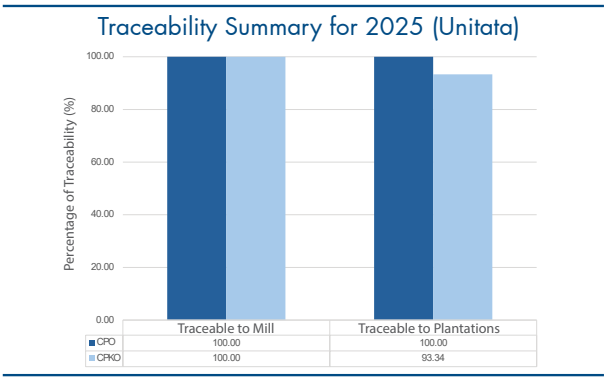
In this context, we have made significant progress throughout the year towards achieving full traceability to the plantation level for CPKO. This has been done by engaging our KCPs to gather information on third-party indirect supplying mills including plantations, smallholders, and dealers in preparation for the European Union Deforestation Regulation (EUDR). As of 31 December 2025, our TTP score stands at 93.34% 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.

The target of 98% TTP by 2025 has been revised to 100% TTP by 2030 as the traceability at the FFB dealer level requires time to achieve full traceability in line with the MSPO's expectations and mandatory timeline for FFB dealers. Please see below for an overview of the TTP scorecard for CPO & CPKO from direct and indirect sources.



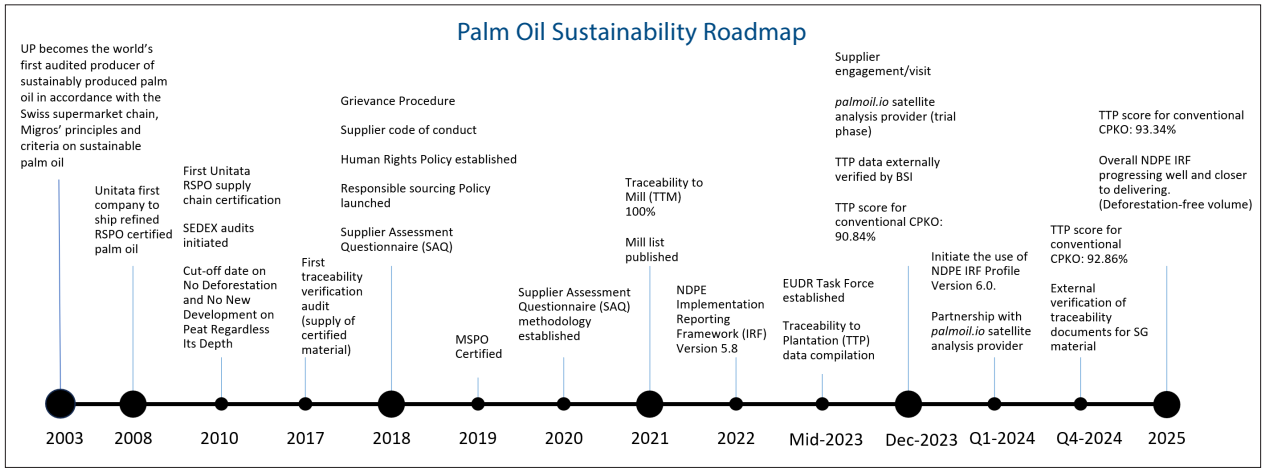


NDPE Implementation Reporting Framework (NDPE IRF)

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 "delivering" status for the deforestation-free FFB supply for certified palm oil and palm kernel oil as per NDPE IRF Version 6.0 is 100%. The percentage of "delivering" status for the deforestation-free FFB supply for conventional palm kernel oil as per NDPE IRF Version 5.8 is 85%. The indirect mills under the kernel crushing plants are still in the process of familiarising themselves with the additional requirements in NDPE IRF Version 6.0.



We have established a time-bound roadmap, which is illustrated above.

EUDR Readiness Assessment

Since EUDR was introduced in 2023, Unitata and UniFuji have been conducting the in-house EUDR Readiness Assessment by evaluating the evidence 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 since January 2024.

This is to ensure only RSPO SG materials are shipped into the EU market and the products live up to our internal SOP on EUDR compliances and Traceability. This approach of utilizing NDPE IRF Version 6.0 template has been verified by BSI, thereby providing comfort that our refineries will be ready to comply with EUDR implementation.

For more information on EUDR, please refer to the Environment section, page 63.

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 of the polygons for the origin of SG materials.

For conventional CPKO, 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 template for the RSPO SG materials by 2025, meaning absolutely no deforestation conversion in our supply chain. On the other hand, most of the indirect mills in our conventional CPKO supply chain via the KCPs are having "Commitments and starting action" status.

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 2025 can be summarized as per the table below.

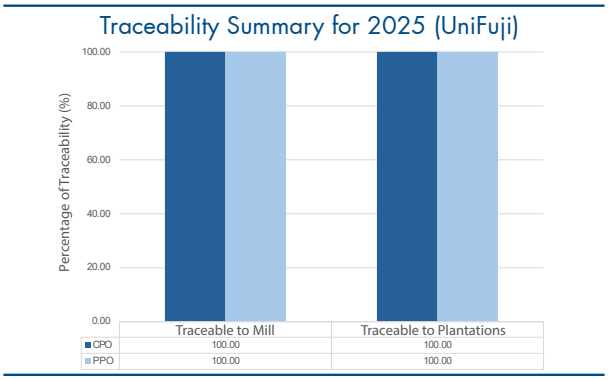
Direct Mill Suppliers:

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 (3)	100%	own mills (3)	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)	83.92%

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	2025	2024	2023
Proportion (%)	99.83	99.87	99.90

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 regarding 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 their 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 incident 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 2025, 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 2025, 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 legislation 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 to 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.

Tankers positioned in sequence for loading high-quality, certified sustainable palm oil from our refinery, Unitata.

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 Suppliers' 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 overcomed. 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:

a) Management System & Certifications

b) Management Commitments

c) Human Rights & Social Commitments

d) Business Integrity Commitments

e) Environmental Commitments

f) Transparency & Traceability

The overview of suppliers that have been assessed as at 31 December 2025 is as follows:

Suppliers' Assessment	Upstream	Downstream (Unitata)	Downstream (UniFuji)
Total number of suppliers assessed	3	11	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 2025.*

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 concerns in their supply chain.

Focused and committed: the UniFuji Finance Team, Mdm Parimala, Mdm. Thanges and Ms. Kaushini, ensuring accuracy during the closing of accounts.

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, supress 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

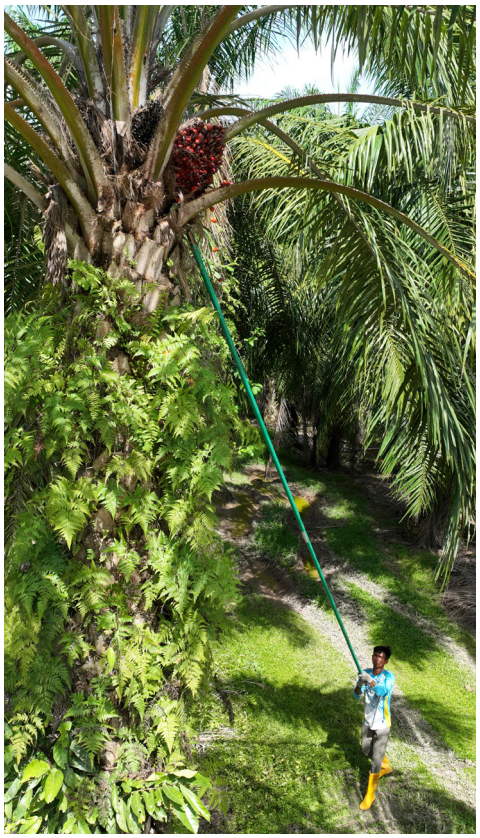
8. Insect pollination

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, micro-organisms 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

United Plantations Berhad

IFRS S2

Date & Time: 2026-02-18_12:38:38

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Carbon footprint	Ratio of GHG emissions	kg CO2-eq/kg NBD oil	1.15	70% reduction by 2030 when compared with 2004 levels (including iLUC & nature conservation)	Internal	Embedded in LCA study by 2.0-LCA Consultant
Carbon footprint	Absolute GHG emissions	Total tCO2-eq	701,000	70% reduction by 2030 when compared with 2004 levels (including iLUC & nature conservation)	Internal	Embedded in LCA study by 2.0-LCA Consultants
Carbon footprint	Biogas to National Grid	MWh	5,846	8000MWh by 2030	Internal	Embedded in LCA study by 2.0-LCA Consultants
Water footprint	Domestic water consumption	gallons per capita per day	79.19 for Malaysian operations; 92.39 for Indonesian operations	70 gallons per capita per day by 2030	External (Limited)	BSI Independent Assurance Statement
Water footprint	Mill water usage	MT water per MT FFB processed	1.7 for Malaysian operations; 1.2 for Indonesian operations	1.2 MT water per MT FFB processed by 2030	External (Limited)	BSI Independent Assurance Statement
Climate related financial impacts	Transition risks and physical risks	RM	Actual expenditures (current reporting year) as per Climate Risk Assessment	Budgeted value as per Climate Risk Assessment	Internal	
Monitoring of deforestation	Deforestation detected in own operations	Hectares	0	0	External (Limited)	BSI Independent Assurance Statement
Monitoring of deforestation	Deforestation detected in suppliers' operations	Hectares	0	0	External (Limited)	BSI Independent Assurance Statement
No new planting on peat	Increase of peat plantings in own operations	Hectares	0	0	External (Limited)	BSI Independent Assurance Statement

This CSI Prescribed Table is generated online from Centralised Sustainability Intelligence (CSI) Solution, and is included in this Sustainability Report as mandated by Bursa Malaysia.

INDEPENDENT ASSURANCE OPINION STATEMENT

Statement No.: **SRA-MY 838075**

United Plantations Berhad Sustainability Report 2025

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 2025 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 (hectarage 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

14 February 2026

Verifier of the Report:

Mr. Shaiful Rahman
Lead Assuror

AA1000
Licensed Report
000-4/V3-REUR0

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 2025 - 31st December 2025 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 36
	2-3 Reporting period, frequency and contact point	About This Report, Page 36
	2-4 Restatements of information	About This Report, Page 36 (There is no structural change in the Annual Report 2025)
	2-5 External assurance	About This Report, Page 36
	2-6 Activities, value chain and other business relationships	Creating Value Through UP's Integrated Business Activities, Page 52
	2-7 Employees	Our Employees, Page 87
	2-8 Workers who are not employees	Information unavailable,Nil
	2-9 Governance structure and composition	Sustainability Governance,Page 104
	2-10 Nomination and selection of the highest governance body	Corporate Governance Overview Statement, Page 130
	2-11 Chair of the highest governance body	Corporate Governance Overview Statement, Page 130
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance Overview Statement, Page 130
	2-13 Delegation of responsibility for managing impacts	Sustainability Governance,Page 104
	2-14 Role of the highest governance body in sustainability reporting	Corporate Governance Overview Statement, Page 130
	2-15 Conflicts of interest	Corporate Governance Overview Statement, Page 130
	2-16 Communication of critical concerns	Sustainability Governance,Page 104
	2-17 Collective knowledge of the highest governance body	Corporate Governance Overview Statement, Page 130
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance Overview Statement, Page 130
	2-19 Remuneration policies	Remuneration Committee - Statement on Corporate Governance Overview Statement, Page 130
	2-20 Process to determine remuneration	Remuneration Committee - Statement on Corporate Governance Overview Statement, Page 130
	2-21 Annual total compensation ratio	Confidentially constraints,Nil
	2-22 Statement on sustainable development strategy	Environment, Social and Sustainability Governance, Page 54
	2-23 Policy commitments	Environment, Social and Sustainability Governance, Page 54
	2-24 Embedding policy commitments	Environment, Social and Sustainability Governance, Page 54
	2-25 Processes to remediate negative impacts	Remuneration Committee - Statement on Corporate Governance, Page 130
	2-26 Mechanisms for seeking advice and raising concerns	Our communities, page 100 - 101
	2-27 Compliance with laws and regulations	Remuneration Committee - Statement on Corporate Governance Overview Statement, Page 130
	2-28 Membership associations	Procedure for Handling External Stakeholders' Issues, Page 100 - 101
	2-29 Approach to stakeholder engagement	Code of Ethics and Business Conduct, Page 88
	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 46 - 48
	3-2 List of material topics	Materiality, Page 46 - 48
	3-3 Management of material topics	Materiality, Page 46 - 48
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Notes to the Financial Statement, Page 158 -159
	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 201
	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 93"
	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 95
	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 I 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 140
	205-2 Communication and training about anti-corruption policies and procedures	Internal Audit Function, Page 140
	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 139
	207-2 Tax governance, control, and risk management	Audit and Risk Committee Report, Page 139
	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 2025, Page 60
	301-2 Recycled input materials used	Fertilizer Equivalent of Oil Palm Biomass Residues Recycled on Land in UP in 2025, Page 61
	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 59
	302-2 Energy consumption outside of the organization	"Carbon Footprint Initiatives and Climate Action, Page 58 - 61"
	302-3 Energy intensity	"Carbon Footprint Initiatives and Climate Action, Page 58 - 61"
	302-4 Reduction of energy consumption	"Carbon Footprint Initiatives and Climate Action, Page 58 - 61"
	302-5 Reductions in energy requirements of products and services	"Carbon Footprint Initiatives and Climate Action, Page 58 - 61"
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Impacts, Page 78 - 79
	303-2 Management of water discharge-related impacts	Water Impacts, Page 78 - 79
	303-3 Water withdrawal	Water Impacts, Page 78 - 79
	303-4 Water discharge	Water Impacts, Page 78 - 79
	303-5 Water consumption	Water Impacts, Page 78 - 79
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 64 - 76"
	304-2 Significant impacts of activities, products and services on biodiversity	"Partnership, Biodiversity and Conservation, Page 64 - 76"
	304-3 Habitats protected or restored	"Partnership, Biodiversity and Conservation, Page 64 - 76"
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	"Partnership, Biodiversity and Conservation, Page 64 - 76"
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	"Carbon Footprint Initiatives and Climate Action, Page 58 - 61"
	305-2 Energy indirect (Scope 2) GHG emissions	"Carbon Footprint Initiatives and Climate Action, Page 58 - 61"
	305-3 Other indirect (Scope 3) GHG emissions	"Carbon Footprint Initiatives and Climate Action, Page 58 - 61"
	305-4 GHG emissions intensity	"Carbon Footprint Initiatives and Climate Action, Page 58 - 61"
	305-5 Reduction of GHG emissions	"Carbon Footprint Initiatives and Climate Action, Page 58 - 61"
	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 59
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Recycling of Pesticides Containers and Scheduled Wastes - Environment, Page 78
	306-2 Management of significant waste-related impacts	Information unavailable,Nil
	306-3 Waste generated	Waste Management, Page 78
	306-4 Waste diverted from disposal	Production and Level of Utilization of Oil Palm Biomass Residues in UP in 2025, Page 60
	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 116 - 117
	308-2 Negative environmental impacts in the supply chain and actions taken	Evaluation of Suppliers Sustainability Commitment, Page 116 - 117
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Our Employees, Page 94
	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 93"
	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 98 - 99
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Safety and Health, Page 98 - 99
	403-3 Occupational health services	Occupational Safety and Health, Page 98 - 99
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Safety and Health, Page 98 - 99
	403-5 Worker training on occupational health and safety	Occupational Safety and Health, Page 98 - 99
	403-6 Promotion of worker health	Occupational Safety and Health, Page 98 - 99
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Safety and Health, Page 98 - 99
	403-8 Workers covered by an occupational health and safety management system	Occupational Safety and Health, Page 98 - 99
	403-9 Work-related injuries	Occupational Safety and Health, Page 98 - 99
	403-10 Work-related ill health	Occupational Safety and Health, Page 98 - 99
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 98
	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 93"
	405-2 Ratio of basic salary and remuneration of women to men	"Paying Fair Wages and Employees' Benefits, Page 93"
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	"Paying Fair Wages and Employees' Benefits, Page 93"
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 116 - 117
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Evaluation of Suppliers Sustainability Commitment, Page 116 - 117
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 116 - 117
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Training and Development, Page 98
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 101
	413-2 Operations with significant actual and potential negative impacts on local communities	Land Disputes and FPIC, Page 101
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Evaluation of Suppliers Sustainability Commitment, Page 116 - 117
	414-2 Negative social impacts in the supply chain and actions taken	Evaluation of Suppliers Sustainability Commitment, Page 116 -117
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 112
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Food Safety and Certifications, Page 112
GRI 417: Marketing and Labelling 2016	417-1 Requirements for product and service information and labelling	Food Safety and Certifications, Page 112
	417-2 Incidents of non-compliance concerning product and service information and labelling	Food Safety and Certifications, Page 112
	417-3 Incidents of non-compliance concerning marketing communications	Food Safety and Certifications, Page 112
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	1.19 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 58, 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	1,039,786.67 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 56, 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 - 5.01 FAR – 0 Near miss - Nil Indonesia LTIFR – 53.85 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 116 - 117, 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 116 - 117, Supplier Evaluation on Sustainable Commitment	FB-AG-430a.3

Our Director of Engineering (Upstream), Mr. P. Seker, briefing a group of customers about the importance of high incoming crop quality at the Optimill.

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_2eq) 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.