

# ANNUAL REPORT 2025

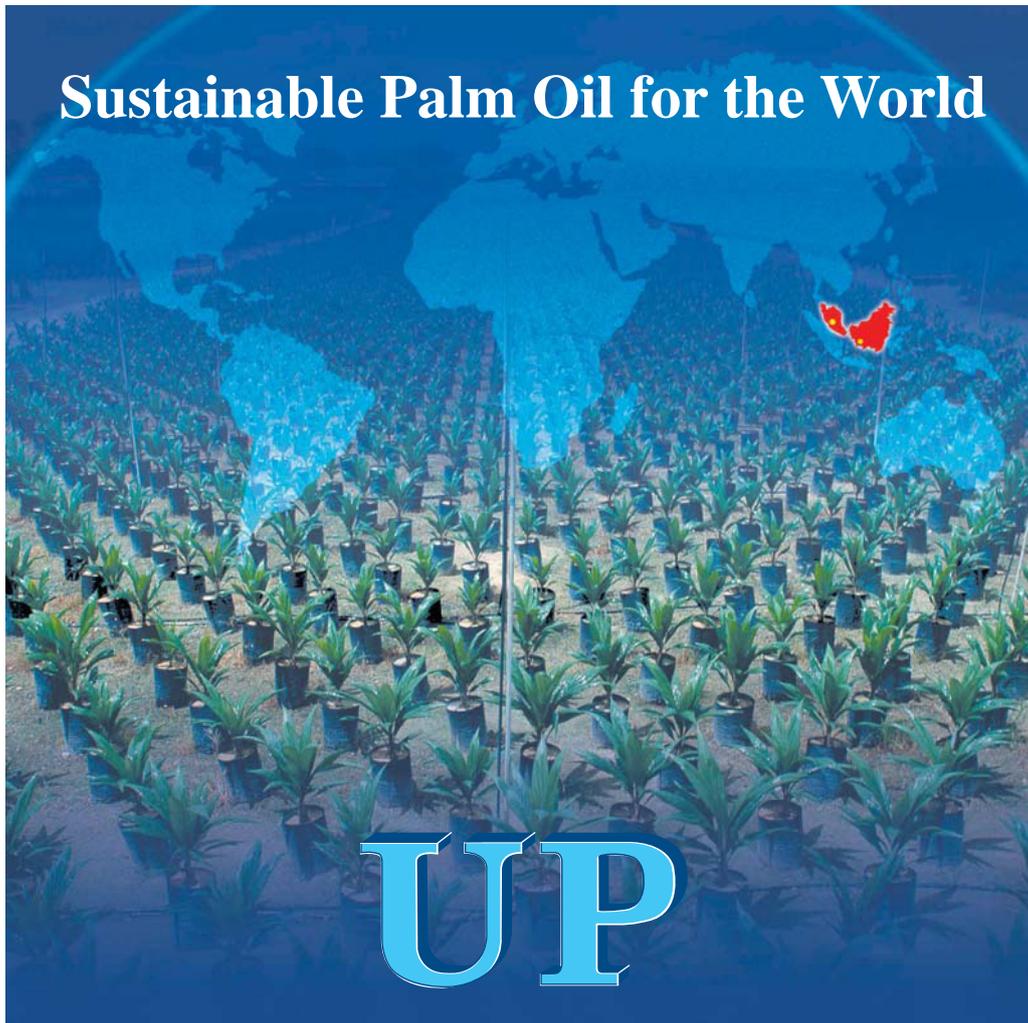


# UP

**UNITED PLANTATIONS BERHAD**

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

## Group Philosophy



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



UP's 613 km light railway network is vital for swiftly and gently transporting fresh fruit bunches from the fields to the mills, ensuring efficiency, quality, and sustainability.

## List of Content

Group Overview	2 - 13
Brief History and Principal Business Activities	2
The UP Legacy and Values	3
UP's Geographical Presence in Malaysia and Indonesia	4 - 5
UP at a Glance & Group Structure	6 - 7
Financial Highlights	8
Group Quarterly Results & Financial Calendar	9
Profile of Directors	10 - 12
Senior Management	13
Key Messages and Strategic Highlights	14 - 29
Chairman's Statement	14 - 16
Management Discussion and Analysis	18 - 32
Sustainability Report 2025	35 - 128
About this Report	36
Message from the Chief Executive Director	37 - 43
Materiality	46 - 47
Stakeholder Engagement & Sustainability Framework	48 - 49
Performance Scorecard & Value Creation Model	50 - 53
Environment, Social & Sustainability Governance	54 - 107
Marketplace	109 - 117
Bursa Malaysia CSI Prescribed Table	121
Independent Assurance Opinion Statement	122 - 123
GRI Content Index	124 - 126
Sustainability Accounting Standards Board (SASB)	127
Glossary	128
Governance	129 - 145
Corporate Governance Overview Statement	130 - 135
Statement on Directors' Responsibility	136
Statement on Risk Management and Internal Control	137 - 138
Audit and Risk Committee Report	139 - 142
Nomination Committee Report	143 - 145
Additional Disclosures	145
Directors' Report and Financial Statements 2025	147 - 215
Report of the Directors	148 - 152
Report of the Auditors	154 - 157
Financial Statements	158 - 215
Additional Information	216 - 227
Shareholders Information	216 - 217
Notice of Annual General Meeting	218 - 222
Location Map of AGM	223
Corporate Information	224
Group Properties, Age Profile & Comparative Statistics	225 - 227

## United Plantations in Brief



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

Today UP is one of the larger medium-sized plantation groups in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad with a market capitalization of approximately RM18.77 billion at the end of its financial year 31 December 2025.

UP's core business activity lies within the cultivation of oil palms and coconuts. Its total landbank covers approximately 62,500ha of which 51,000ha is cultivated in Malaysia (83%) and Indonesia (17%), supported by 6,926 employees across the Group.

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

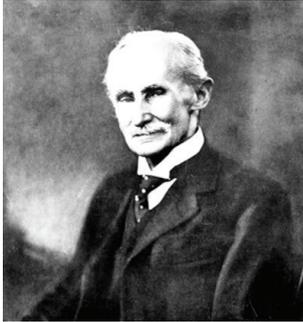
The Group is also engaged in several downstream activities such as edible oil refining as well as production and packaging of specialty fats based on certified sustainable palm oil and strong emphasis on high quality and food safety standards.

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



Corporate Social Responsibility and Creating Shared Value

## The UP Legacy And Values



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



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



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



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

### History and Responsible Agriculture

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

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

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

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

Another key figure during the foundation of UP was Westenholz's brother-in-law, the navy officer Commander William Lennart Grut. Westenholz and Grut were not only linked together in kinship, but also shared common values of Discipline, Compassion and Vision, which later led to the establishment of the first jungle sanctuary (The Grut Sanctuary) as well as the introduction of the concept of mulching to maintain soil fertility in the 1930s.

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

CSV is based on the principle that the competitiveness of our Company and the health of the communities around us are mutually dependent, thus enabling UP to create economic value by also creating societal value.

### Building Bridges Between Two Nations

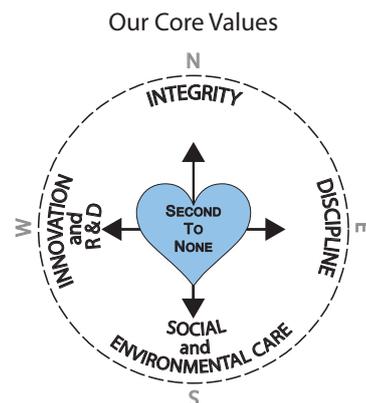
The late Tan Sri B. Bek-Nielsen, who started his career with UP in 1951, continued the legacy of the early founders through hard work, discipline and being firm but fair throughout his career spanning more than 50 years. Over the years, he was instrumental in expanding the Group through technical as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

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

Over the last 120 years since our foundation, UP has been focusing on maintaining social and environmental awareness and striving to the best of its abilities to create a balance between economy and ecology.

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

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



# UP's Geographical Presence in Malaysia & Indonesia

## Plantation & Mill (Malaysia)

- ① **Jendarata Estate & Mill** 

United Plantations Berhad  
(Registered Office)  
Jendarata Estate  
36009, Teluk Intan  
Perak Darul Ridzuan  
Malaysia
- ② **UIE Estate & Mill** 
- ③ **Kuala Bernam Estate** 
- ④ **Sungei Bernam Estate** 
- ⑤ **Ulu Bernam Estate & Mill** 
- ⑥ **Changkat Mentri Estate** 
- ⑦ **Ulu Basir Estate & Mill** 
- ⑧ **Charong Estate** 
- ⑨ **Seri Pelangi Estate** 
- ⑩ **Lima Blas Estate** 
- ⑪ **Tanarata Estate** 
- ⑫ **North Arcadia Estate \*** 

## Plantation & Mill (Indonesia)

- ⑬ **PT SSS Estate & Mill** 

PT. Surya Sawit Sejati  
(Registered Office)  
Desa Sungai Rangit Jaya Sp. 6,  
Kecamatan Pangkalan Lada  
PO. BOX 1017 - Pangkalan Bun  
Kalimantan Tengah 74101  
Indonesia

## Resource-Based Manufacturing

- ⑭ **Unitata (Subsidiary)** 
- ⑮ **UniFuji (Joint Venture)** 

## Others

- ⑯ **Bernam Bakery (Associate)** 
- ⑰ **Bernam Advisory Services (Sales & Marketing Office)**

 Estate	 Refinery
 Palm oil mill	 Bakery
 Biogas plant	



## Total Landbank in Hectares

Location On Map		Oil Palm	Coconut	Other Crops	Conservation	Buildings & Infrastructure	Plasma	Total (Hectares)
	<b>Malaysia</b>	<b>37,486</b>	<b>4,617</b>	<b>22</b>	<b>389</b>	<b>1,910</b>	<b>-</b>	<b>44,424</b>
①	Jendarata Estate (Perak)	5,212	762	22	-	340	-	6,336
②	UIE Estate (Perak)	8,950	789	-	91	535	-	10,365
③	Kuala Bernam (Perak)	-	811	-	-	19	-	830
④	Sungei Bernam (Selangor)	-	2,255	-	-	21	-	2,276
⑤	Ulu Bernam (Perak)	3,050	-	-	-	148	-	3,198
⑥	Changkat Mentri (Perak)	2,364	-	-	12	175	-	2,551
⑦	Ulu Basir (Perak)	3,738	-	-	129	124	-	3,991
⑧	Charong (Perak)	6,748	-	-	-	153	-	6,901
⑨	Seri Pelangi (Perak)	1,329	-	-	-	99	-	1,428
⑩	Lima Blas (Selangor)	2,745	-	-	99	48	-	2,892
⑪	Tanarata (Perak)	3,350	-	-	58	248	-	3,656
⑬	<b>Indonesia</b>	<b>8,731</b>	<b>-</b>	<b>-</b>	<b>7,633</b>	<b>292</b>	<b>1,378</b>	<b>18,034</b>
	PT SSS (Central Kalimantan)	8,731	-	-	7,633	292	1,378	18,034
	<b>Total (Hectares)</b>	<b>46,217</b>	<b>4,617</b>	<b>22</b>	<b>8,022</b>	<b>2,202</b>	<b>1,378</b>	<b>62,458</b>

### Refineries & Others

- ⑭ Unitata Refinery (Perak)
- ⑮ UniFuji Refinery (Perak)
- ⑯ Bernam Bakery (Perak)
- ⑰ Bernam Advisory Services (Kuala Lumpur)

⑫ North Arcadia Estate \* - This 600Ha estate was officially taken over on 1 January 2026.

### GPS Location of Group Owned Palm Oil Mills

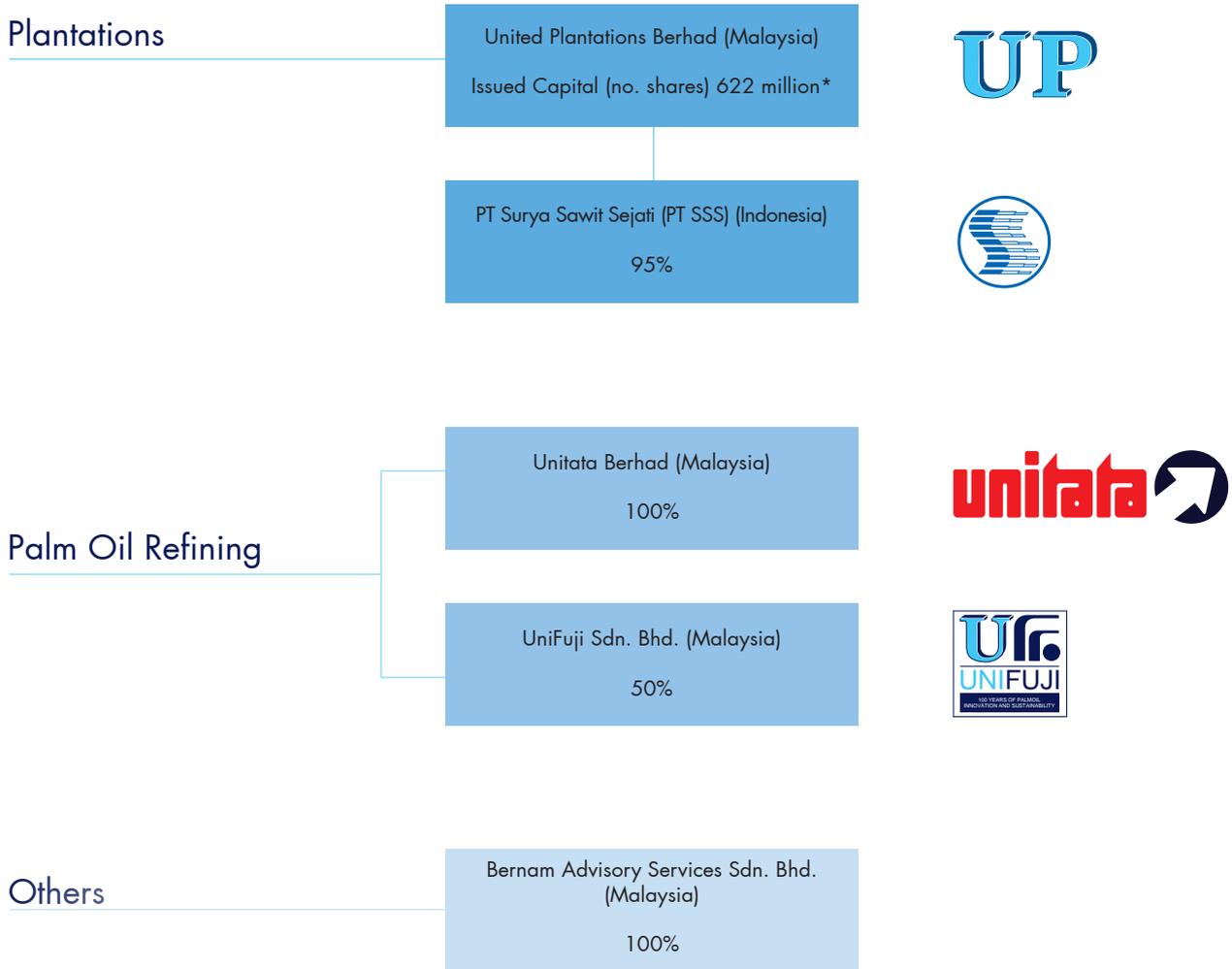
No.	Name of Mill Location	Latitude	Longitude
I	Jendarata	N 3°51'14"	E 100°58'06"
II	Ulu Basir	N 3°43'28"	E 101°15'21"
III	Ulu Bernam Optimill	N 3°46'19"	E 101°13'14"
IV	UIE	N 4°26'53"	E 100°43'11"
V	PT SSS	S 2°35'24"	E 111°46'16"



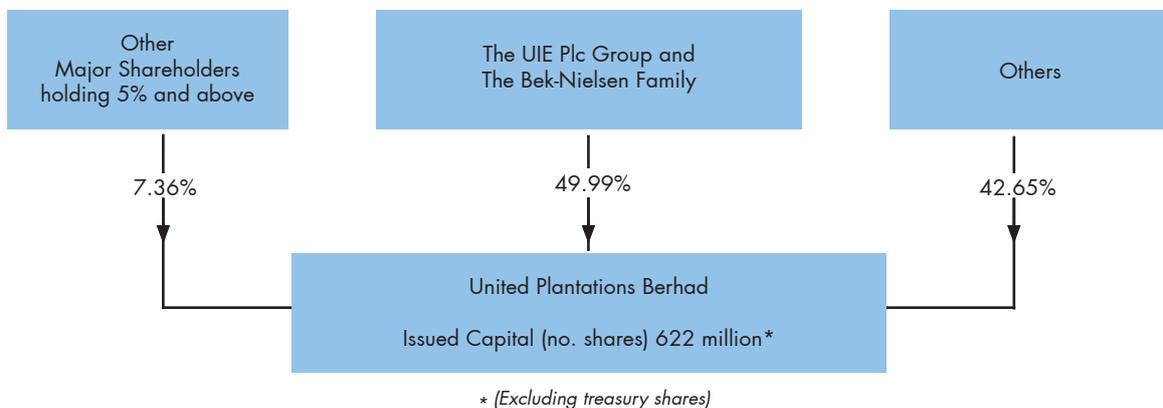
## UP at a Glance



## Group Structure as at 30 January 2026



## General Shareholding Structure Group as at 30 January 2026



## Financial Highlights (5 Years)

	2025	2024	Change (%)	2023	2022	2021
Revenue (RM' Million)	2,514	2,198	14.38	2,014	2,515	2,033
Profit Before Tax (RM' Million)	1,109	939	18.10	933	846	683
Profit After Tax (RM' Million)	830	719	15.44	711	606	522
Earnings Per Share (Sen)*	133	115	15.65	114	97	83
Total Net Dividend Per Share (Sen)**	125	114	9.65	127	93	77
Dividend Payout Ratio	0.94	0.99	(5.05)	1.11	0.97	0.92
Dividend yield as at 31 December (%)	4.16%	5.50%	(24.36)	10.67%	9.15%	8.29%
Total Equity (RM' Million)	2,881	2,817	2.27	2,867	2,905	2,685
Return on Equity (%)	28.81%	25.52%	12.89	24.80%	20.86%	19.44%
Total Borrowings (RM' Million)	0	0	-	0.021	0.248	0.001
Non-Controlling Interests (RM' Million)	8.5	17.5	(51.43)	17.00	14.0	10.7
Cash Position (RM' Million)	428	487	(12.11)	634	779	478
Total Assets (RM' Million)	3,319	3,243	2.34	3,264	3,319	3,153
Total Liabilities (RM' Million)	438	426	2.82	396	414	468
Year-End Closing Share Price (RM)*	30.06	20.72	45.08	11.87	10.20	9.25

\* Comparative adjusted for Bonus Issue

\*\* Including proposed Final Dividend

## Financial Graphs (5 Years)



## Group Production & Yield



## Group Planted Areas (Ha)



## Group Quarterly Results

In RM million unless otherwise stated	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter*	2025
Revenue	517,632	638,424	677,076	681,069	2,514,201
Operating profit	213,713	313,629	275,822	263,677	1,066,841
Investment and interest income	5,632	4,545	3,910	5,485	19,572
Finance costs	(9)	(9)	(8)	(816)	(842)
Share of results of joint venture	3,088	10,937	2,882	6,120	23,027
Profit before tax	222,424	329,102	282,606	274,466	1,108,598
Taxation	(57,966)	(78,398)	(78,103)	(64,457)	(278,924)
Profit after tax	164,458	250,704	204,503	210,009	829,674
Attributable to:					
Equity owners of the parent	163,263	249,378	203,275	209,165	825,081
Non-controlling interests	1,195	1,326	1,228	844	4,593
	164,458	250,704	204,503	210,009	829,674
Basic earnings per share (sen)	26.24	40.08	32.67	33.62	132.61
Profit before tax on segmental basis:					
Plantations	211,603	277,908	288,120	253,442	1,031,073
Refining	11,417	51,412	(5,719)	38,877	95,987
Other segments	(596)	(218)	205	(17,853)	(18,462)
	222,424	329,092	282,606	274,466	1,108,598
Profit for the period / year	164,458	250,704	204,503	210,009	829,674
Other comprehensive income:					
Currency translation differences arising from consolidation	(12,706)	(9,618)	(8,008)	(6,128)	(36,460)
Cash flow hedge					
- changes in fair value	(20,082)	18,433	(44,618)	22,334	(23,933)
- transfers to profit or loss	29,994	(14,471)	23,058	2,163	40,744
Others	-	-	-	(57)	(57)
Total comprehensive income	161,664	245,048	174,935	228,321	809,968
Total comprehensive income attributable to:					
Equity owners of the parent	161,104	244,203	174,107	227,787	807,201
Non-controlling interests	560	845	828	534	2,767
	161,664	245,048	174,935	228,321	809,968

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

## Financial Calendar

Announcements & Key Events				Payment of Dividends		
Annual Report 2025 & Notice of AGM	23 <sup>rd</sup>	February 2026	Interim	Notice of Book Closure	12 <sup>th</sup>	November 2025
Annual General Meeting	22 <sup>nd</sup>	April 2026		Entitlement Date	26 <sup>th</sup>	November 2025
1 <sup>st</sup> Quarter Results	22 <sup>nd</sup>	April 2026		Payment Date	8 <sup>th</sup>	December 2025
2 <sup>nd</sup> Quarter Results	22 <sup>th</sup>	July 2026	Final	Notice of Book Closure	23 <sup>rd</sup>	February 2026
3 <sup>rd</sup> Quarter Results	16 <sup>th</sup>	November 2026		Entitlement Date	27 <sup>th</sup>	April 2026
Annual Report 2026 & Notice of AGM	22 <sup>nd</sup>	February 2027		Payment Date	8 <sup>th</sup>	May 2026 (Tentative)

## Profile Of Directors



**Dato' Mohamad Nasir bin Ab. Latif**  
*Chairman, Independent, Non-Executive Director, Member of the Remuneration & Nomination Committees.*

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

Dato' Mohamad Nasir bin Ab. Latif, born in 1958, a Malaysian, graduated in 1989 with a Bachelor's degree in Social Science (Economics) from Universiti Sains Malaysia and obtained a Certified Diploma in Accounting and Finance from the Association of Chartered Certified Accountants in 1996. He holds a Master of Science in Investment Analysis from University of Sterling, United Kingdom in 1999.

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

He is the Chairman of PLUS Malaysia Berhad, RHB Islamic Bank, Malaysian Resources Corporation Berhad (MRCB) and the Investment Panel Employee Provident Fund Board. He also serves as a member of the Board of Directors of RHB Bank Berhad and Yinson Production Offshore Holding Ltd (UK).



**Dato' Carl Bek-Nielsen**  
*Vice Chairman, Chief Executive Director (CED), Non-Independent, Director-in-Charge of Unitata Berhad.*

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

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

He is the Chairman of UIE Plc, a public listed company on the NASDAQ OMX Copenhagen A/S. He is also a Board Member of the Schorling holding company, based in Stockholm.

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

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

From the 21 April 2021 till September 2024, Her Majesty Queen Magrethe the II of Denmark appointed him as the Honorary Consul General of Denmark to Putrajaya and Kuala Lumpur when the Danish Embassy was shut down in Malaysia. After the reopening of the Danish Embassy, he continues to serve as the Honorary Consul to Perak, Johore, Malacca, Negri Sembilan, Pahang, Selangor and Terengganu. On 11 December 2023, he was conferred the Darjah Kebesaran Datuk Paduka Mahkota Selangor (DPMS) award which carries the title of "Datuk" by Duli Yang Maha Mulia Sultan Selangor Darul Ehsan, Sultan Sharafuddin Idris Shah Al-Haj Ibni Almarhum Sultan Salahuddin Abdul Aziz Shah Al-Haj.

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



**Mr. Martin Bek-Nielsen**  
*Executive Director, Non-Independent, Commercial Director, Unitata Berhad.*

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

1994 after which he started his career with the Company as a Cadet Planter in 1995. In 1996, he left Malaysia to pursue his tertiary education in Denmark and graduated with a B.Sc. degree in Agricultural Economics from the Royal Danish Agricultural University of Copenhagen in 1999 and returned to United Plantations to take up the position of Corporate Affairs Officer. In 2001, he was appointed to the position of Executive Director and on 20 February 2003 was promoted to his current position of Executive Director (Finance and Marketing).

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

## Profile Of Directors

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



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

Appointed Director of the Company on 1 January 2013, Mr. Loh Hang Pai, born in 1948, a Malaysian, graduated from the Serdang Agricultural College in 1969. He began his professional career with Kumpulan Guthrie as a Junior Assistant in 1969 and subsequently joined United

Plantations Berhad on 1 January 1973 as an Assistant Manager. Over the years, he has served the Company in various positions before being promoted to his current position of Executive Director (Estates) on 1 January 2013.

Throughout this career, he has been actively involved in many activities of the various planting associations, having held the position of Chairman, Perak Planters Association, President of United Planting Association of Malaysia and Chairman of Malaysian Cocoa Growers Council.

Currently, he is the Chairman of MPOA Security Services Sdn. Bhd. and a Council Member and President of the Malayan Agricultural Producers Association (MAPA), through which he has been instrumental in negotiating several MAPA/NUPW and MAPA/AMESU wage agreements over the years. He is not on the Board of any other public listed companies.



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

Appointed Director of the Company on 21 May 2018, Mr. Jorgen Balle, born in 1964, a Danish citizen, graduated in 2001 with a Masters in Business Administration from SIMI/CBS Copenhagen.

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

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



**Ms. Belvinder Kaur a/p  
C Nasib Singh**  
*Independent,  
Non-Executive Director,  
Member of the Audit & Risk  
Committee.*

Appointed Director of the Company on 6 November 2021, Ms. Belvinder a Malaysian born in 1965, holds a Bachelor's Degree with Honours in Communication from Universiti Kebangsaan

Malaysia (1989). She later obtained a Master of Business Administration from the University of Strathclyde, Glasgow, United Kingdom, and completed the Harvard Executive Programme in 2014.

Ms. Belvinder began her professional career with the Malaysian Palm Oil Council (MPOC) in 1994 and has since accumulated extensive experience across marketing, stakeholder engagement and industry advocacy. Over nearly three decades, she progressed through various senior leadership roles, reflecting her strong strategic capabilities and deep institutional knowledge of the palm oil sector. In 2017, she was appointed Deputy Chief Executive, and on 15 February 2022, she assumed the role of Chief Executive Officer.

In her current leadership capacity, Ms. Belvinder plays a pivotal role in steering the global marketing and international positioning of Malaysian palm oil. She has been instrumental in advancing Malaysia's sustainability narrative, strengthening engagement with global stakeholders, and reinforcing Malaysia's standing as a leading producer and exporter of certified sustainable palm oil.



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

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

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

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

## Profile Of Directors



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

Appointed Director of the Company on 24 April 2024. Mr. Iwan Azlan, born in 1967, a Malaysian, graduated with a Bachelor of Arts (Hons) in Law from the University of Nottingham, United Kingdom in 1990.

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

Notes:

1. **Family Relationship with Director and/ or Major Shareholder**  
Save for Dato' Carl Bek-Nielsen and Mr. Martin Bek-Nielsen, none of the other Directors have any family relationship with any Director and/or major shareholder of the Company.
2. **Conflict of Interest**  
None of the Directors have any conflict of interest with the Company.
3. **Conviction for Offences**  
None of the Directors of the Company have any conviction for offences within the past 10 years.
4. **Attendance of Board Meeting**  
Details of the Directors' attendance at the Board Meetings are set out in the Corporate Governance Overview Statement on page 130 - 135.
5. **Gender**  
UP's Board consists of one female director and seven male directors.
6. **Profile of Senior Management**  
The Senior Management only comprises of the Executive Directors.



UP's Executive Committee (EXCOM) consists of 3 Board Members namely, Dato Carl' Bek-Nielsen, Chief Executive Director, Mr. Martin Bek-Nielsen, Executive Director, Finance & Marketing and Mr. Loh Hang Pai, Executive Director (Estates). The Executive Committee is a standing committee that often acts as a steering committee for the full Board.

## Senior Management

### Executive Committee (EXCOM)

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

### Senior Executives

#### Finance & Corporate

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

#### Plantations

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

#### Research

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

#### Engineering

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

#### Palm Oil Refining and Others

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

## Chairman's Statement

On behalf of the Board of Directors of United Plantations Berhad, it gives me much pleasure to present the Annual Report of our Group for the financial year ended 31 December 2025.

On the overall, global economic conditions proved resilient in 2025, benefiting from lower interest rates. Nevertheless, the operating environment for commodities and agribusiness continued to be shaped by structural challenges and political uncertainties affecting both emerging and developing economies. It became evident that China's economic recovery remained constrained by ongoing adjustments in its property sector combined with a subdued domestic demand due to uncertainties restricting consumer spending. The prolonged geopolitical conflicts in Ukraine and the Middle East continued to hamper global trade flows and creating volatility spikes in energy markets.

### Group Performance

The UP Group has remained resilient amidst global uncertainties and achieved a new record after-tax profit of RM830 million for the financial year 2025. This represents an increase of RM111 million, or 15%, compared with the previous year, and marks the highest result in the Group's 120-year history.

This record result was driven by higher commodity prices and primarily the outstanding efforts of achieving the highest ever crude palm oil yield of 6.58 MT per hectare for the group, reflecting the dedication and consistent execution of proven management practices to optimise yields wherever possible in combination with the use of our in-house high-yielding planting materials. Indeed, these records highlight the unparalleled commitment of our management team and the strength of our operational culture.

In 2025, the Group's downstream refineries operated amidst a very challenging market environment, marked by strong competition from Indonesian producers and persistent industry-wide margin pressure. Nevertheless, the segment delivered a solid performance, supported by our consistent emphasis on product quality, sustainability and long-standing customer partnerships.

Being one of Bursa Malaysia's listed companies with a market capitalization above RM 1 billion, UP was again part of the Edge Billion Ringgit Club in which companies are evaluated on growth in profit, return on equity (ROE) and total return to shareholders over a rolling three-year period, plus corporate responsibility commitments within their sector. In this connection and on the notion of continued stability, I am immensely proud to report that UP was recognized and awarded with "highest return on equity (ROE) over three years" and "highest returns to shareholders over three years" in the plantation sector and finally also with the coveted Company of the Year award across all sectors. Such recognitions and results underscore UP's long-term view, commitment to the highest standards and focus on continuous improvement, and for this I would like to place on record my sincere appreciation to management for their tremendous efforts, determination and leadership.

### Palm Oil Prices

Palm oil prices in 2025 were volatile but broadly supported, trading within a wide range of approximately RM3,700/MT to RM4,700/MT for the third month position. Prices were underpinned at various points by biodiesel-driven demand particularly Indonesia's B40 mandate and



United Plantations was honored with the Company of the Year award, recognizing its excellence across all sectors. The accolade was presented by Duli Yang Maha Mulia Sultan Selangor Darul Ehsan, Sultan Sharafuddin Idris Shah Al-Haj Ibni Almarhum Sultan Salahuddin Abdul Aziz Shah Al-Haj, during The Edge Billion Ringgit Club (BRC) Awards Gala Dinner on 23 September 2025.

announcement of potential B45 and B50 implementation, favourable spreads versus competing oils, and periods of stronger demand. However, these supportive factors were repeatedly offset by production recoveries in Indonesia and Malaysia, slowing exports, rising stock levels, and ongoing macroeconomic and geopolitical uncertainties. While prices strengthened at times during the year, elevated inventories and resilient output weighed on sentiment toward year-end, with prices closing the year at around RM4,000/MT.

### Capital Management

As at 31 December 2025, the Group's cash position equivalents stood at RM428 million, compared with RM487 million in 2024. The reduction mainly reflects the acquisition of 1,482 acres of agricultural land forming part of Arcadia Estate, as well as higher capital expenditure during the year. Despite this, the Group continues to maintain a conservative capital structure, preserving financial flexibility to fund capital investments from internally generated cash, support a stable dividend policy and selectively pursue new investment opportunities.

### Arcadia Estate (North Arcadia)

In this regard, after several years of carefully evaluating suitable land bank expansion opportunities, it was particularly gratifying that the Group officially took possession of 1,482 acres of Arcadia Estate on 1 January 2026. The land being 50% of Arcadia Estate is located in the Manjung District, Perak, approximately 30 km from our headquarters on Jendarata Estate and replanting and other rehabilitation efforts are well under way. In the years to come, this acquisition will without a doubt contribute positively to the UP Group similar to our other estates.

### Dividends

The Board of Directors is recommending to our shareholders a final dividend of 81sen per share equivalent to a payout of RM504 million for the year 2025. This represents an increase of 9.6% when comparing with the final dividend of 74sen per share equivalent to RM 460 million paid for 2024. The recommended total final dividend per share is as follows:

1. A final single-tier dividend of 51sen per share.
2. A final special single-tier dividend of 30sen per share.

The final dividend of RM504 million (81sen per share), is in addition to the interim dividend of RM274 million (44sen per share) paid in December 2025.

Subject to approval by the shareholders at the forthcoming AGM, the total dividend in respect of 2025 will therefore be RM778 million (125sen per share) compared with RM709 million (114sen per share) in 2024, representing an increase of 9.7% and corresponding to a payout ratio of approximately 94%.

This elevated payout reflects the Group's exceptional results and the strong cash position built up over recent

years. It should not be regarded as a recurring level, as market conditions may change materially, not least due to the inherent volatility of commodity prices.

Our Chief Executive Director, YBhg. Dato' Carl Bek-Nielsen will in detail explain UP's financial performance and dividend in the Management Discussion and Analysis section on pages 18 - 32.

### Sustainability

During 2025, the Board has continued to uphold and support the UP Group's commitment to responsible agricultural practices, focusing on sustainability, transparency, and good corporate governance.

This commitment was further reinforced by the Group's recognition in the Zoological Society of London's 2024/2025 Sustainable Palm Oil Transparency Toolkit (SPOTT) assessment, which benchmarks the ESG disclosures of 100 palm oil producers, processors and traders globally. Building on previous progress, the Group improved its overall score and retained its position as the second-highest ranked company worldwide. This achievement reflects the Group's consistent focus on responsible palm oil production and its view of sustainability as an ongoing journey with no finishing line. The identification and proactive management of ESG-related risks therefore remain integral to the Group's long-term strategy.

2025 also saw continued and significant efforts to prepare for the EU Deforestation Regulation (EUDR), which marks a decisive shift from voluntary initiatives to mandatory regulation. However, the implementation timeline has remained uncertain. Originally scheduled to take effect on 1 January 2025, the regulation has now been postponed twice by the European Commission, most recently in December 2025, pushing implementation to 1 January 2027.

This repeated deferral has been widely viewed by market participants as a source of regulatory inconsistency, complicating investment decisions, compliance planning and supply-chain readiness. While the additional time may ease near-term implementation pressures, the lack of a stable and predictable timeline risks undermining effective preparation. At the same time, the extended transition period provides producing countries, including Malaysia, with critical time to support smallholders and supply chains in achieving compliance and avoiding future market disruption.

As a supplier of palm products into EU, UP is following these developments closely and whilst there are still many unanswered questions in relation to the legislation, we have been taking necessary and proactive steps to prepare for its implementation.

In this context, I have been pleased to see not only the continued dedication, investments and initiatives undertaken during the year to reduce the UP Group's GHG footprints, but also our continued commitment to the Roundtable on Sustainable Palm Oil (RSPO), and our Policies on No Deforestation, No New Planting on Peat and No Exploitation, which are fundamental for creating shared value. Our strategy of operationalizing and galvanizing sustainability into our DNA remains a top priority, and we are committed to embedding it into our operations by striving to set the highest standards within the conditions of the day.

Lastly, it has been encouraging to see the continued focus on minimising risks related to Human Rights through our collaboration with social NGOs and other subject-matter experts to strengthen our practices on the ground to further mitigate the risks.

More information on our many Sustainability initiatives and commitments to mitigating ESG risks is covered under our Sustainability Report on pages 35 - 128.

### Outlook

Looking ahead to 2026, global economic conditions are expected to remain mixed. Whilst inflation has continued to moderate in many major economies, monetary policy is expected gradually to become more accommodative as central banks ease measures; however, the pace and extent of further easing will be influenced by uncertain global economic developments and the risk of renewed inflationary pressures. A more cautious policy stance may limit the pace of global GDP growth, even as financial conditions gradually stabilize.

Geopolitical risks continue to be a key source of uncertainty, with ongoing conflicts in the Middle East and Ukraine continuing to disrupt trade flows and investor sentiment. At the same time, structural challenges and slower growth momentum in China may weigh on global demand.

Against this backdrop, the supply and demand balance for vegetable oils, including palm oil, is expected to remain sensitive to shifts in trade policies, energy markets, biofuel mandates and weather-related production developments.

As such, the current prices of vegetable oils must not be taken for granted, and in the UP Group we will therefore continue to focus on raising productivities and cost efficiencies to remain competitive when prices head south again.

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

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

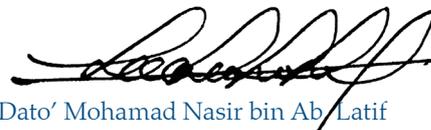
### Appreciation

In closing, I would like to thank all Directors for their commitment, loyalty and insightful contributions throughout the year.

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

Furthermore, I would also like to place on record my sincere appreciation to Mr. R. Nadarajan who retired as a Board Member on 23 April 2025, after having served the Company successfully in various capacities for 35 years, and on the Board of United Plantations for 12 years with dedication, loyalty and many positive contributions.

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



Dato' Mohamad Nasir bin Ab/Latif  
Chairman



Motorised chisel cutters enhance harvesters’ productivity for palms up to about 6 metres in height.

***“The UP Group achieved a new record after-tax profit of RM830 million for the financial year 2025. This represents an increase of RM111 million, or 15%, compared with the previous year, and marks the highest result in the Group’s 120-year history.”***

***Dato’ Mohamad Nasir bin Ab. Latif, Chairman***



*Fresh fruit bunches (FFB) are being harvested in a mature oil palm field, with workers supported by tractor logistics to ensure efficient field operations.*

# Management Discussion and Analysis 2025

## Summary of Global Operating Environment

In 2025, the global economy demonstrated its resilience, with a GDP growth estimated at 3.3% despite a level of geopolitical uncertainty that reached new highs following the threats of tariffs and increased protectionism disrupting the flows of trade globally.

In spite of this, global mergers and acquisitions reached a new historic high of USD 5 trillion, signalling the sharpest rebound since the pandemic. This was also partly driven by lower interest rates but most certainly also the concerted investments made within the field of generative AI which was estimated at USD 280 billion, equal to a 40% increase from 2024.

According to the IMF’s latest World Economic Outlook, global growth for 2026 is projected to stabilise around 3.3%, supported by easing inflation, a more accommodative interest rate environment and a continuation of heavy investments within the field of technology and AI.

In addition, one must also take into consideration the favourable economic stimulus that could arise from the tax refunds from President Trump’s One Big Beautiful Bill Act, which will benefit the world’s largest economy. This and increased defence spending in Europe will inevitably support growth.

Nevertheless, looking ahead, one must not negate or disregard the real and pertinent risks on the horizon that have not disappeared insofar as escalating protectionism and geopolitical tensions. This and more can have widespread implications on global trade, consumer sentiment, investor appetite and with that economic growth all of which could slow down the momentum of the global economy.

This, combined with many other factors, will also have an influence on the demand and supply outlook for vegetable oils, including palm oil, which is our Group’s core business.

## 2025 Financial Result

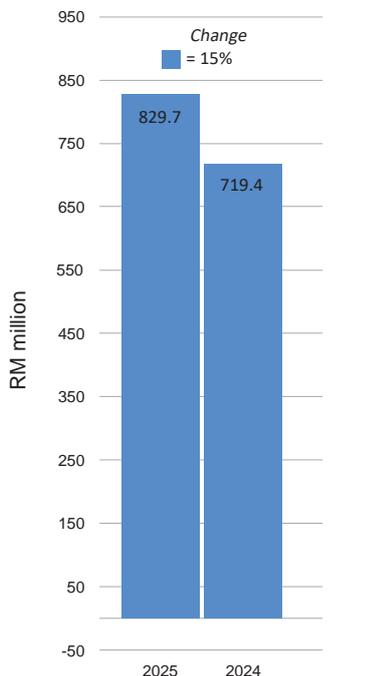
The UP Group achieved revenue of RM2.5 billion in 2025, a 14% increase from RM2.2 billion in 2024, driven by higher production, firmer commodity prices and sales revenue from our downstream segment.

Group profit before tax rose by 18% to RM1.1 billion, compared with RM939 million in 2024. This resulted in a new record profit after tax of RM830 million, representing a 15% increase over the RM719 million recorded in 2024.

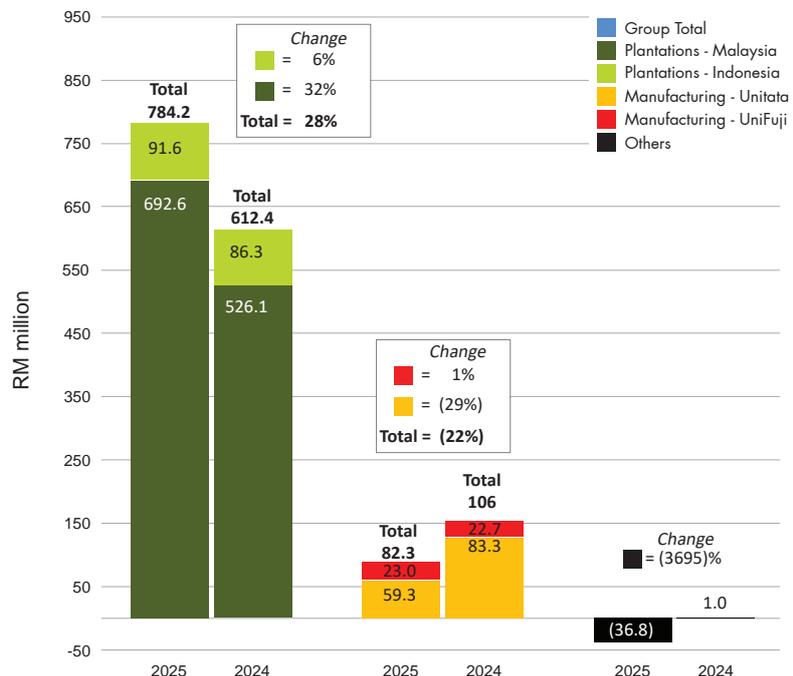
The strong results were driven by record production, attributable to an all-time high Group yield of 6.58MT CPO per hectare, supported by firmer commodity prices. This performance is particularly encouraging given the challenges faced during the year, notably in the downstream segment where intensified competition compressed margins, as well as the severe flooding in November, which temporarily disrupted our Malaysian plantation operations.

During the year, another development has been Indonesia’s sector-wide review of historical land-use zoning overlaps affecting the plantation industry, including a small area within our concession. The Group has operated under valid titles and prevailing regulations and remains in constructive dialogue with the authorities, with resolution expected in 2026. The matter is limited in scope and not material to the Group’s financial position or operations.

## Group Total



## Segmental Contribution



Dividends

The Board of Directors is recommending to our shareholders a final dividend of 81sen per share equivalent to a payout of RM504 million for the year 2025. This represents an increase of 9.6% when comparing with the final dividend of 74sen per share equivalent to RM460 million paid for 2024.

The recommended final dividend of 81sen per share is assigned as follows:

1. A final dividend of 51sen per share
2. A final special dividend of 30sen per share

The final dividend of RM504 million (81sen per share), is in addition to the interim dividend of RM274 million (44sen per share) paid in December 2025.

Subject to approval by the shareholders at the forthcoming 105th AGM on 22 April 2026, the total dividend in respect of 2025 will therefore be RM778million (125sen per share) compared with RM709 million (114sen per share) in 2024, representing an increase of 9.7%. This corresponds to a total payout ratio of approximately 94%.

The following table summarizes and compares dividends for the financial years 2025 and 2024.

Dividends for the year ended 31 December 2025/2024

	2025	2024
Interim single-tier dividend (declared and paid)	30sen	26.7sen
Interim special single-tier dividend (declared and paid)	14sen	13.3sen
Final single-tier dividend (proposed)	51sen	47sen
Final special single-tier dividend (proposed)	30sen	27sen
<b>Total dividend</b>	<b>125sen</b>	<b>114sen</b>

The elevated payout is a reflection of the Group’s record result and the strong cash position built up over recent years, and should not be regarded as a recurring level as market conditions may change materially, not least due to the inherent volatility of commodity prices.

Capital Structure and Arcadia Estate

As of 31 December 2025, the Group’s cash position totalled RM428 million, a decrease from RM487 million in 2024. This reduction primarily stems from increased BMD deposits due to our hedging activities, higher capital expenditures as well as UP’s successful acquisition of half of Arcadia Estate (North Arcadia) for a total consideration of RM76.8 million.

The Estate, consisting of almost 600 Ha of brownfield plantation lands initially developed in 1912, is very strategically located 30 km from UP’s headquarters and was officially taken over on 1 January 2026. With this, our landbank in Malaysia has increased by almost 1.4 % from 44,424 Ha to 45,024 Ha.

During 2026, we will be commencing replanting on a major portion of the acquired land, and by introducing only UP’s high yielding planting materials combined with our total commitment towards enforcing sustainable practices, I remain confident that we will be able to increase the yields most considerably on this estate within the next 5-6 years.

In the medium to long term, the acquisition will provide synergies and contribute to our Group by enhancing our economies of scale.

In this context, it is important to emphasize that the Group remains committed towards maintaining a conservative capital structure. This prudent approach towards capital management has served us well by ensuring that internal funds are readily available for replanting and other capital expenditures required, sustain a stable dividend to shareholders, and pursue new investments when the right opportunities arise without having to be dependent on banks.



Our CED Dato’ Carl Bek-Nielsen receiving the land titles of the successfully acquired 600 Hectare North Arcadia Estate from UP’s land consultant, Mr Namasivayam.

Capital Expenditure

The Group’s 2025 capital expenditure for property, plant, and equipment (including bearer plants) and right-of-use assets was RM142.4 million compared to RM130.2 million in 2024.

During the year RM26.4 million was spent on replanting 853 Ha of oil palms and coconut palms on our Malaysian estates compared to RM28.6 million incurred for 1,180 Ha in 2024. All capital expenditures were funded by internally generated funds.

Crude Palm Oil Production in Malaysia and UP

In 1936, Jendarata Estate, where UP has its headquarters, obtained what was then the highest recorded yield of 2.77 MT CPO/Ha, thereby setting an early benchmark for our Group’s relentless focus on productivity. From that point onwards, we rose steadily, before reaching a Group record yield of 6.38MT CPO/Ha in 2008 - a record that stood for many years, until now.

Indeed, that benchmark was surpassed in 2025, when the UP Group achieved a new all-time record CPO yield of 6.58MT/Ha.

This impressive achievement is a testament to the dedication of the entire UP team, with a very special vote of appreciation to our Estate Managers, their Officers, Staff and Field Workers who have done an outstanding job in 2025 to go all out, making the best of every day and defying rain and the worst floods seen in over 20 years.

Overall, the UP Group’s CPO production increased by 11.8% from 256,009MT in 2024 to a new record-high production of 286,139MT in 2025. In addition the UP Group achieved its highest-ever recorded Fresh Fruit Bunch (FFB) yield of 29.31MT/Ha in 2025 vis-à-vis 28.10MT/Ha in 2024 as well as an average Oil Extraction Rate (OER) of 22.44% in 2025 vs. 21.11% in 2024.

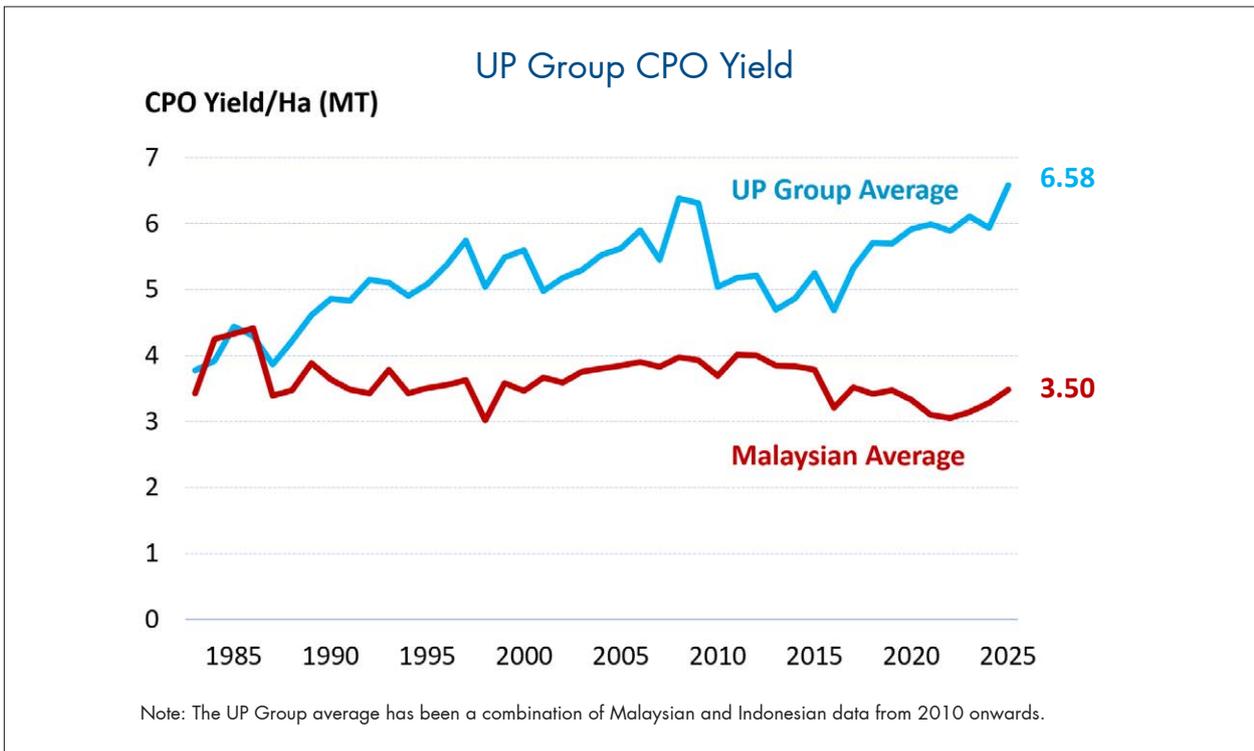
Herein I also wish to report the very commendable improvements seen in the overall Palm Kernel production that rose by 15.8% from 49,883MT in 2024 to 57,750MT in 2025.

It is only appropriate that the EXCOM once again places on record its sincere appreciation and gratitude to the entire pyramid of people who have made these achievements possible.

On UP’s estates in Malaysia, the CPO production increased by 12% from 214,141MT in 2024 to 239,832MT in 2025. In this context I wish to make a special mention of the Herculean efforts displayed by all field officers and their supporting teams during the unprecedented high rainfall in the last half of November, resulting in over 12,000Ha of our Estates being subject to serious and prolonged floods.

These efforts combined with the relentless drive to operational efficiencies throughout the plantation value chain contributed to a record Malaysian yield of 6.90MT CPO/Ha. vs. 6.22MT/Ha in 2024.

Enormous dedication and excellent teamwork have also continued to be displayed by our new



*“A special vote of appreciation goes to our Estate Managers, their Officers, Staff and Field Workers who have done an outstanding job in 2025, enabling the UP Group to achieve a new all-time record CPO yield of 6.58MT/Ha.”*

*Dato’ Carl Bek-Nielsen, Chief Executive Director (CED)*



*Exceptionally high rainfall during the months of November and December 2025 caused serious flooding in most of our estates leaving extensive areas temporarily submerged.*

and strengthened team in Indonesia, with everyone working as one unit towards our Group’s shared goal of being second-to-none.

Together with great morale, discipline and improved upkeep standards, this resulted in a very pleasing production increase of 10.6% from 41,868MT CPO in 2024 to 46,307MT CPO in 2025.

As a function of this, our yields in Indonesia increased by 10.4% from 4.80MT/Ha to 5.30MT/Ha.

**UP’s Plantation Operations**

In summary, our Group’s oil production, yields and age profile as of 31 December 2025, can be summarized as follows:

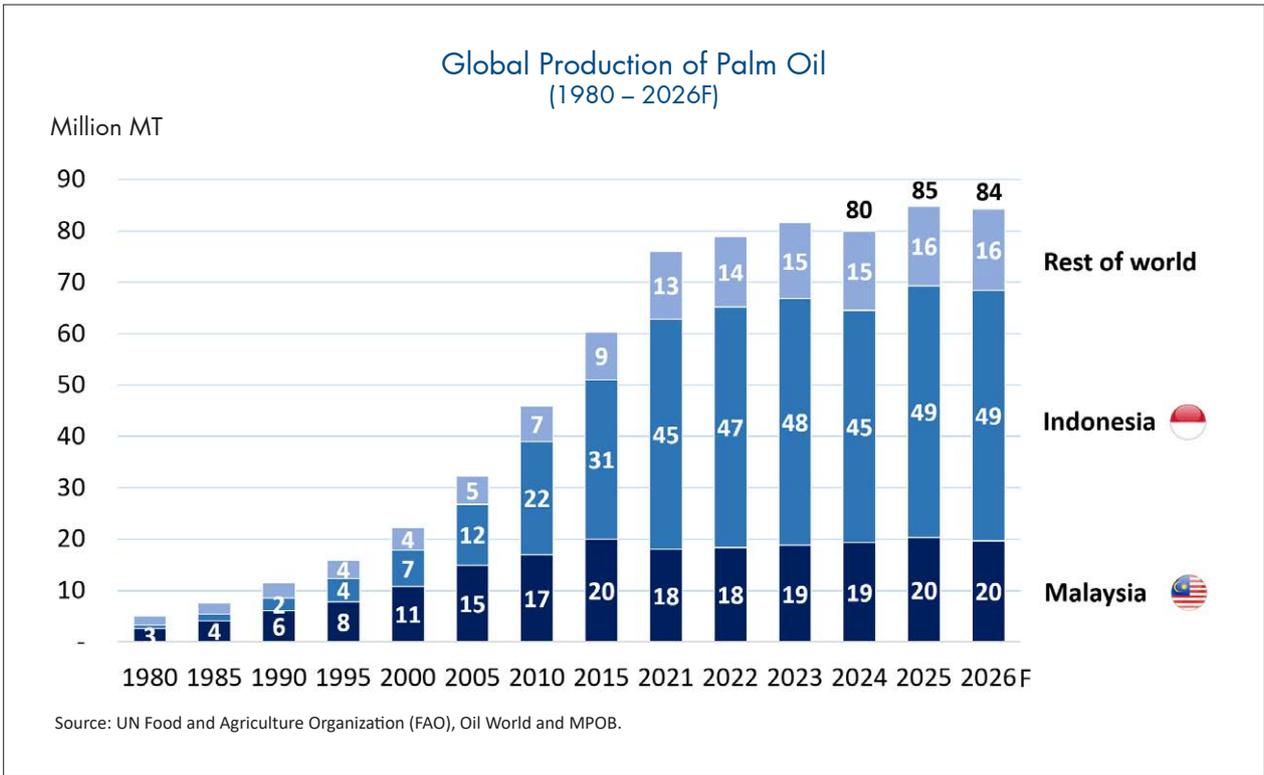
<b>Yields &amp; Extraction Rates</b>	2025	2024	Change
UP Group FFB average yield in MT/ Hectare including Indonesia	29.31	28.10	4.31%
UP Group average Oil Extraction Rates (OER) in %	22.44	21.11	6.30%
UP Group average Kernel Extraction Rates (KER) in %	4.53	4.11	10.22%
UP Malaysian Average Yield in MT CPO/Hectare	6.90	6.22	10.93%
UP Indonesian Average Yield in MT CPO/Hectare	5.30	4.80	10.42%
UP Group Average Yields in MT CPO/Hectare	6.58	5.93	10.96%
Malaysian National yield in MT CPO/ Hectare	3.50	3.28	6.71%

<b>CPO Production in MT</b>	2025	2024	Change
UP Malaysia	239,832	214,141	12.00%
UP Indonesia	46,307	41,868	10.60%
<b>Total UP Group</b>	<b>286,139</b>	<b>256,009</b>	<b>11.77%</b>

<b>PK Production in MT</b>	2025	2024	Change
UP Malaysia	48,020	40,892	17.43%
UP Indonesia	9,730	8,991	8.22%
<b>Total UP Group</b>	<b>57,750</b>	<b>49,883</b>	<b>15.77%</b>

<b>Total Oil Palm Area In Hectares</b>	2025	2024	Change
<b>UP Malaysia</b>			
Mature Area	35,021	34,376	1.9%
Total Group Area having come into Maturity	1,437	849	69.3%
Oil palms between 2 1/2 - 5 years in age	7.52%	7.74%	(2.8)%
Immature Area	2,465	3,131	(21.3)%
Replanted Area	771	1,162	(33.6)%
Total Area under Oil Palm	37,486	37,507	(0.1)%
<b>UP Indonesia</b>			
Mature Area	8,731	8,720	0.1%
Immature Area	-	-	-
Total Area under Oil Palm	8,731	8,720	0.1%
<b>Grand Total for the Group *</b>	<b>46,217</b>	<b>46,227</b>	<b>0.0%</b>

\* net of areas converted to Plasma and conservation.



At a national level, it is also worth noting that the CPO production in Malaysia increased by a solid 4.9% year-on-year, from 19.34 million MT in 2024 to 20.28 million MT in 2025. This growth was mainly supported by higher FFB yields, which improved from 16.70 MT/ha in 2024 to 17.77MT/Ha in 2025. The strong production was supported by favourable weather conditions and improved labour availability which was the primary factor enabling this improvement to take place.

In Indonesia, the overall CPO production increased by about 7.5% from 45.8 million MT in 2024 to 49.3 million MT in 2025. This was mainly due to favourable weather with a more normal rainfall distribution.

#### Cost of Production of Crude Palm Oil

The total cost of production in Malaysia including depreciation and additional remuneration/bonuses for 2025 was RM1,509/MT CPO vs. RM1,588/MT in 2024, the lower cost of production was mainly due to the significant increase in production. This represents a 5% decrease year-on-year, in spite of the impact of inflation and higher energy and labour costs.

Additionally, management’s continued emphasis on curbing costs across numerous field and milling segments facilitated by a higher degree of mechanisation, as well as other pragmatic solutions to raise productivities have also helped mitigate the rising costs. This will continue to be a key focus area in 2026 and beyond.

#### Commodity Prices

In the vegetable oils complex, market conditions in 2025 were shaped by policy uncertainty, weather-

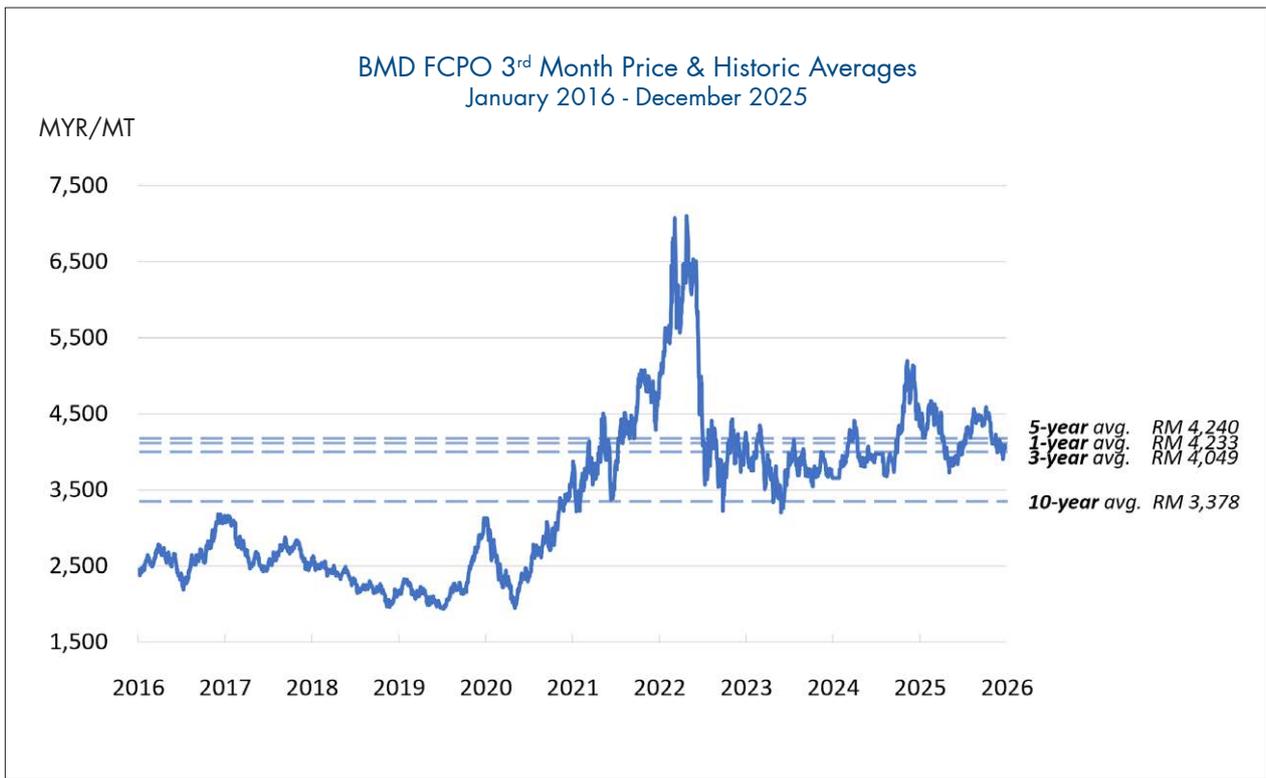
related supply variability, and shifting biofuel mandates resulting in heightened price volatility. While underlying food demand remained resilient, trade disruptions and tariff risks increasingly influenced sourcing patterns, margins and investment decisions across the sector.

Palm oil prices in 2025 ranged between RM3,700–RM4,700/MT, supported by biodiesel-driven demand particularly Indonesia’s B40 mandate as well growing imports in emerging economies notably the African continent and the Middle East.

These supportive factors were on most accounts offset by production recoveries in Malaysia and Indonesia combined with subdued exports to the more traditional markets like India, China and Europe giving rise to increasing inventories exceeding 3 million MT by the year-end. We nevertheless believe that re-stocking of vital vegetable oil supplies in these key markets is necessary in 2026 which should alleviate stocks somewhat.

Indeed, global palm oil supply recorded its first meaningful growth in 2025 after several years of stagnation by reaching 84.86 million MT equal to a 5.59million MT increase year on year.

In Malaysia, which is today the world’s second-largest producer, a new record production of 20.3millionMT of CPO was achieved mainly due to the Malaysian government and the previous Minister of Plantation and Commodities YB. Datuk Seri Johari bin Abdul Ghani resolving the perennial labour shortages, thus enabling most estates in Malaysia to bring out the crop and reduce losses. We commend the Malaysian Government and the Ministers responsible for this timely and prudent intervention.



As shown above, the average market price for 2025 of RM 4,233/MT (third month position) is on par with the 5-year average of RM4,240/MT and relatively close to the 3-year average of RM4,049/MT, but significantly higher than the 10-year average of RM3,378/MT. This reflects a market that, despite its volatility, has remained strong in a historical perspective.

We must nevertheless remain vigilant as the pendulum of prices can quickly test new grounds. Here one must not disregard the implications on the global supply and demand complex that could surface following the recent announcement by the Indonesian Government postponing its B50 mandates.

This decision, if executed, would release approximately 4 million MT of palm oil previously expected to be absorbed by the B50 programme, potentially leading to higher stock levels should production remain robust. On the other hand, the Indonesian Government’s retrospective regularisation of several million hectares affected by historical land zoning overlaps adds further uncertainty to the sector. Beyond the immediate regulatory implications, such measures are likely to disrupt upkeep and fertiliser programmes in the affected areas, which in turn could constrain crop development and reduce yields over the coming 6–8 months. From a market perspective, this potential tightening of supply would be supportive of prices.

**Selling Prices of CPO and Palm Kernels**

Our average Malaysian selling price of Crude Palm Oil achieved during the year increased by 4.8% from RM4,207/MT in 2024 to RM4,410/MT in 2025 as a function

of mainly timely forward sales for a certain portion of the Group’s production. As a result of this, UP’s average sales price achieved in 2025 was thereby slightly higher than the MPOB average price of RM4,293/MT for the year.

Our forward sales policy will usually result in UP achieving a lower average sales price vis-à-vis the MPOB average in a rising market, but a higher average sales price in a falling market. This policy is in place to secure certain margins and to reduce our exposure to large price fluctuations, and is not in anticipation of being able to consistently predict future market prices, which is indeed impossible.

The average selling price for our Palm Kernels in Malaysia increased considerably by 38% to RM3,289/MT in 2025 compared with RM2,383/MT in 2024, mainly due to higher Palm Kernel Oil demand globally.

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

Average Selling Prices in Malaysia						
RM	Crude Palm Oil			Palm Kernel		
	2025	2024	Change	2025	2024	Change
MPOB Avg price	4,293	4,180	2.7%	3,425	2,646	29.4%
UP’s Avg price	4,410	4,207	4.8%	3,289	2,383	38.0%



An aerial view of a newly replanted oil palm field at Jendarata Estate. High quality Germplasm and proven plant breeding techniques to secure high-yields will continue to be used in our new state-of-the-art seed production complex which can be seen in the background.

**Replanting Policy and Yield Targets**

The UP Group’s long-term replanting policy remains a high priority, both in times of low as well as high commodity prices. Failure to implement this critical aspect of plantation management will inevitably lead to stagnating yields and declining production, thereby losing the competitive edge.

All planting materials used for our replanting programme are produced at UP’s Research Department (UPRD) using proven germplasm of the highest quality based on 75 years of proven plant breeding techniques with the ultimate goal of securing high yields.

In this connection, gratifying progress continues to be made at UPRD. Notably with the establishment of a new state-of-the-art Seed Production Complex, which will firmly position United Plantations at the very forefront as a producer of high-yielding planting materials in Malaysia.

This is expected to be commissioned during 2026, and will enable us not only to support our own replanting requirements but also to supply high yielding seeds to external parties, including smallholders, ultimately helping the country raise its national oil yields per hectare.

In parallel, concerted efforts are also continuously made to enhance the Company’s Breeding-Agronomy and Tissue Culture activities.

These developments remain of cardinal importance in terms of our Group’s ability to further our

agronomic productivities, thereby contributing to an overall more sustainable production with a shared goal of producing more edible oil with less land and ultimately being able to better protect the environment.

As we managed to achieve and surpass our previously set target of 6.5MT CPO yield/Ha for the Group in 2025, the below table provides an overview of our updated targets for FFB and CPO yields per Ha. as well as OER, in Malaysia and Indonesia.

UP Group	FFB yields/Ha	OER	CPO yields/Ha
Malaysia	30.0MT	23.25%	7.0MT
Indonesia	25.5MT	25.50%	6.5MT

The differences in terms of targets between the countries is caused by the variance in planting materials, soils, climate, and labour availability.

During 2025, a total of 771Ha. was replanted with oil palms on our Malaysian properties compared to 1,162 Ha. in 2024. With this, a total of approximately 14,172Ha. of oil palms have been replanted on our Malaysian estates over the course of the last 10 years (2016-2025), equal to 38% of the total area under oil palms today.

This is absolutely necessary if we are to further improve the age profile of our established plantations and with that our average yields, which is of special importance in maintaining a favourable cost structure.



*Field dedication: Mr. Khor Boon Wah and Mr. Mohd Ezahar on-site at a coconut estate, inspecting the progress of growth and recovery cycles of the palms.*

### Coconut Production

Our coconut production increased slightly to 90.4 million nuts in 2025 from the production of 90.3 million nuts in 2024 in spite of the coconut estates undergoing a biological resting period with a lower production outlook.

The average yields per ha therefore declined marginally from 21,910 nuts/ha in 2024 to 21,297 nuts/ha in 2025 also due to the larger area of young coconuts that have still not reached their prime yielding phase.

Whilst production has thereby remained stable, growing competition from Indonesian and now Thai as well as Vietnamese nuts flooding the market remain a challenge and should be a serious concern for all coconut growers in Malaysia.

### Sustainability

In UP, we continue to focus on and pursue economic development anchored in environmentally and socially responsible practices. Since our foundation in 1906, the identification and management of sustainability-related risks and opportunities have been fundamental to our continued success and to our core principle of being a good corporate citizen through proper governance, responsible business conduct and by committing ourselves to a long-term perspective.

Today, more than ever, our sustainability commitment is focused on continuous care, attention and responsibility towards our employees, the environment, the community, and the marketplace in which we operate. In the years ahead, we foresee this trend intensifying, compelling everyone to understand that the sustainability journey

is a shared responsibility demanding individual changes. We must therefore all appreciate that transparency is the new normal and that the growing scrutiny across the value chain demands that we take ownership and responsibility for our actions.

Additional efforts are therefore required not only at the individual level but also collectively by all stakeholders in the palm oil industry to continuously strengthen the sustainability standards in line with new developments. This entails not only committing to a NDPE Policy (No Deforestation, No New Peat Planting, No Exploitation) but operationalizing this throughout the value chain and thereby galvanize the palm oil industry's position at the forefront of the agricultural sector insofar as certification and sustainable practices are concerned.

In this context, it is again relevant to highlight the European Union's new regulation on deforestation, which came into force on 29 June 2023.

The EU Deforestation Regulation (EUDR) is a legislative framework adopted by the European Union to fight deforestation and forest degradation caused by the production and consumption of certain commodities – namely soy, palm oil, cattle, wood, coffee and rubber- and their derivatives. It aims to ensure that products placed on the EU market, or exported from it, do not contribute to deforestation or forest degradation globally after 31 December 2020 cut-off date. The objectives are:

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

This new regulation marks a shift from voluntary measures to compulsory legal requirements, which will compel companies to elevate their standards and enhance transparency.

Originally set to take effect on 30 December 2024, the European Parliament and Council both decided to extend the enforcement date by one year just a few weeks before the implementation was due, to allow companies more time to ensure they have procedures in place to comply. However, the new compliance deadline of 30 December 2025 has now once again been pushed by another year, thereby delaying the implementation to end-2026. Whilst the EU Parliament has cited the need to improve the IT systems used for submitting due diligence statements, it is nonetheless understandable that producers who have invested heavily in preparing for compliance are growing increasingly frustrated by the lack of clarity and shifting timelines.

Being a supplier of palm products into EU (directly and indirectly), UP continues to follow these developments closely. Despite the shifting timelines and lack of clarity, our two refineries have nevertheless undergone EUDR Readiness Assessments by an external certification body to ensure that our RSPO SG materials can indeed comply with the EUDR whenever introduced.

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

In this context, a case could be made that the EUDR's "standard" risk classification of Malaysia regrettably fails to reflect the country's substantial sustainability progress whereby deforestation has been curbed with the country's oil palm planted area declining from 5.88 million ha in 2020 to about 5.6 million ha in 2024. This contrasts sharply with the continued expansion of soybean acreage by 10 million ha in Brazil and Argentina over the same period, and highlights the need for more nuanced, fact based benchmarking to avoid unintentionally disadvantaging producers and countries who have taken concrete steps towards sustainability.

### Human Rights

In 2025, we continued to strengthen our human rights focus, not least by building on the learnings and tools acquired over the last several years through our partnerships with "Dignity in Work for All", a social rights NGO formerly known as Verité Southeast Asia, as well as other social NGOs and subject matter experts.

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

Today, all new Guest Workers are recruited through our Ethical Recruitment Procedures, which include the Employer Pays Principle stating that no Guest Worker should pay for a job in UP. Reflecting on the last few years, this has been an important and meaningful milestone, and we now have a much clearer understanding of the significant shift this represents for Guest Workers, many of whom come from cultures where paying recruitment fees to undisclosed middlemen has long been the norm. While we have made substantial progress, we recognise the need to remain vigilant and ensure that standards and our ethical recruitment practices are upheld at all times.

The support and commitment by the Board of Directors, EXCOM and Management has been an important foundation for the progress made, and we remain committed to further develop and strengthen our commitments and policies under the notion of continuous improvement. The details of our recruitment journey are described further in our sustainability report on pages 35 - 128.

### Labour Shortages

In 2025, the labour situation has improved significantly in the Malaysian plantation sector, and for the first time in 15 to 20 years, the plantation industry now finds itself in a situation that is no longer marked by acute labour shortages, but rather one with adequate or manageable labour.

Nevertheless, as seen before, the labour situation can quickly change. Indeed, the Malaysian government temporarily halted the recruitment of migrant workers during the year to address allegations of exploitative recruitment practices. While the recruitment channel for Indonesian and Indian Guest Workers opened again shortly after the freeze was imposed in March, the recruitment of Bangladeshi Guest Workers remains frozen and continues to be on hold to date.

Despite this freeze, dedicated efforts by our HRSS Department have ensured that the labour situation on our estates has remained stable throughout the year with a total of 1,006 new Guest Workers being recruited through our Ethical Recruitment Procedures in 2025.

With this, I can confidently state that we are at a stage of stability when with regards to our labour situation. This bodes well for the years to come; however, one must not forget nor underestimate the importance of directing sufficient resources towards onboarding and upskilling our new Guest Workers through the never ending "Reach & Teach and Reach & Remind" programmes.

Similarly to previous years, we have also again in 2025 been advertising for vacancies for local workers on all our estates, however with little or no success despite potential field employees being able to earn a monthly salary which is considerably higher than the minimum wage in Malaysia.

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

## Performance of our Subsidiaries

### PT SSS Indonesia

In Indonesia, our plantation subsidiary, PT SSS, today spans across 8,731Ha of our own oil palm plantings, 1,378 Ha of plasma land for smallholders, and more than 7,500Ha of permanent conservation areas, and provides employment for around 1,400 employees.

During 2025, PT SSS has continued the positive transformation which began in earnest in October 2024 with the introduction of a new experienced management team led by the President Director, Mr Choo Kah Leong, the Senior General Manager, Mr. Kumaresan, as well as other experienced UP Officers, and duly supported by the Estates Director Upriver, Mr. Edward Daniels.

With this, PT SSS has turned a corner by bringing back the UP operational standards whereby stability and good agricultural practices are now the norm. This has helped secure a 10.6% rise in CPO output, from 41,868 MT in 2024 to 46,307 MT in 2025, with yields also improving 10.4%, from 4.80 MT/Ha to 5.30 MT/Ha.

Indeed, this is a testimony to the hard work done but above all else the enormous dedication and teamwork displayed where everyone has worked as one unit towards a shared and common goal. With the continued support from the EXCOM as well as the many frequent visits by not least our UP Research Department providing vital agronomic advice and guidance, this bodes well for even further improvements in the years to come, thereby narrowing the gap to our Malaysian operations.

In terms of profitability, PT SSS also achieved a record Group contribution of RM91.6 million in 2025 vis-à-vis RM86.3 million in 2024, which represents an increase of 5.5% year-on-year. On top of the improved production, this record result was also aided by significantly higher market prices for Palm Kernels. In this context, it is with much satisfaction that after 20

years of operations since entering Indonesia, the efforts and commitment towards the difficult expansion process into Central Kalimantan are paying off not only financially but just as importantly from a socioeconomic and environmental point of view.

With high-quality modern living quarters for our executives, staff and workers, their social facilities, upkeep standards, roads and drainage, PT SSS today resembles a world-class example of plantation development in Indonesia. This would not have been possible without the commendable dedication and commitment of our Directors, Management and Employees, as well as our shareholding partners Dr. Soedjai Kastasasmita and Bapak Suryadi to whom we also wish to extend our sincere appreciation for their support over the years.

After the close of the financial year, we were saddened by the passing of Dr. Soedjai Kastasasmita, a close friend of the late Tan Sri B. Bek-Nielsen and a stalwart within the Indonesian Palm Oil Industry, who has provided the EXCOM with invaluable suggestions and recommendations during the initial expansion into Central Kalimantan. Having lived a long and full life, passing away at the age of 99, he remained an inspiration to many until the very end.

We wish to record our sincere appreciation for his outstanding service and contributions to the Group and will cherish his memory and principles of always thinking positively, being honest and having a long-term perspective for the sake of the Company's progress.

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



Taken during one of the field visits to PT SSS - The Estates Director, Mr Edward Daniels, President Director, Mr. Choo Kah Leong, Senior General Manager, Mr. Kumaresan, Manager, Mr Azrul Hurnizam together with some of the other key staff of Lada Estate.

These sanctuaries are a testament to our Group's commitment towards maintaining an important balance between economy and ecology and where conservation means development as much as it does protection of the environment.

These assets are now overseen and managed by our Biodiversity Department in close cooperation with the Copenhagen Zoo.

Further to the sector-wide regulatory developments outlined above, we continue to engage with the Indonesian authorities on an administrative land-status matter arising from historical overlaps between forestry and agricultural land classifications — an issue affecting many plantation operators and several million hectares across the region, including Malaysian companies.

The clarification and regularisation process is being coordinated through the Government's initiatives, including Satgas Garuda and Agrinas, involving relevant forestry, land and provincial authorities to align historical classifications with current national land-use planning.

For United Plantations, the area concerned represents less than 2% of our Indonesian land holdings and relates to land developed under valid titles and in accordance with the regulations prevailing at the time.

Discussions remain ongoing, and the land-zoning alignment is expected to be resolved during 2026. The matter remains limited in scope and is not material to the Group's plantation footprint, financial position or sustainability standards.

## Manufacturing Division - Unitata & UniFuji

In our Group's manufacturing division, we are engaged in a range of downstream activities, including the refining of edible oils and the production and packaging of specialty fats, ultimately aiming to meet the world's highest sustainability, safety, and quality standards through full traceability right from our upstream plantations to the finished goods.

To support this, our two state-of-the-art refineries, Unitata and UniFuji, add value to our certified sustainable crude palm oil and palm kernel oil by converting them into high quality processed products for our customers worldwide.

Today's consumers increasingly prioritise safety, health, and transparent supply chains with lower water, energy, and carbon footprints. As one of the most efficiently managed, certified sustainable, and fully integrated plantation companies globally, UP is able to ensure the highest levels of quality and traceability by maintaining control over every stage of production - from the agricultural source to the final delivered product.

### Unitata Refinery

In 2025, Unitata continued to face challenges, particularly from lower demand, intensified competition from Indonesia as well as margin pressures, not least due to a significant strengthening of the MYR vis-à-vis the USD, which is illustrated by the graph on the right. Nevertheless, our strong partnerships with both local and global customers based on our unwavering commitment to quality and sustainability allowed us to cushion the challenges and achieve a result of RM59.3 million in 2025 vs. RM83.3 million in 2024.



*Since 1974, the Unitata Refining Complex has proudly stood as Malaysia's first inland palm oil refinery. Oil Processing plant in the foreground reflecting decades of progress.*



The interest for high quality certified sustainable palm oil remains strong and at Unitata we are committed to providing tailor-made solutions to customers who demand palm fractions which go well beyond the sustainability criteria of the RSPO and standard quality parameters.

In this context, customers who work with our Group can be assured of a consistent supply of high-end, fully traceable palm oil fractions encompassing the lowest possible levels of food contaminants such as 3-MCPD, GE and MOSH/MOAH in the edible oil industry today.

To accomplish this goal, and to prepare our Group for future opportunities, we continue to invest in technology and capable people that can successfully propel Unitata forward. In 2026, focus will again be channelled towards expanding our

sales and marketing capabilities as we continue to explore further opportunities to market our speciality fats directly through B2B arrangements globally.

### UniFuji Refinery

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

The UniFuji complex, which today remains a prime example of what the circular economy can look like by operating without fossil fuels, generated a record profit after tax of RM46 million in 2025 versus RM45 million in 2024, an improvement of 2%.

This pleasing result was mainly driven by higher margins on sales locked in at a time when favourable developments in cocoa prices resulted in stronger demand for our speciality fats solutions, as well as improved efficiencies and production volumes.

Heading into 2026, the sharp decline in cocoa prices and changes in supply-demand dynamics present a more challenging outlook for our speciality fats solutions.

Nevertheless, whilst demand has softened, customer commitments remain strong and we are optimistic that our focus on the world’s highest standards of sustainability, traceability and quality will continue to yield positive results.



*The well-laid out UniFuji refinery, which runs without the use of fossil fuels, is a fine example of the “circular economy”.*

***“The record result of RM830 million after tax was attributable to an all-time high CPO production and CPO yield of 6.58 MT per hectare supported by firmer commodity prices.”***

***Dato’ Carl Bek-Nielsen, Chief Executive Director (CED)***



*Aerial view from UP's de Havilland Beaver aircraft of Jendarata Estate and the Division II Housing Complex.*



Prospects and Outlook for 2026

Looking ahead, UP is mindful of the challenges that 2026 may bring, particularly amid uncertainties surrounding geopolitical conflicts and the lagged impact of recently imposed tariffs. In this environment, we are preparing for developments that may influence the demand and supply outlook for vegetable oils, including palm oil, potentially leading to softer price levels.

In addition to rising labour costs, the cost of energy, fertilisers, chemicals and building materials is expected to remain elevated, thereby exerting upward pressure on our cost base.

With this in mind, efforts are being directed towards enhancing cost efficiencies, boosting yields and improving productivity without making any sacrifices insofar as quality is concerned.

This objective will be pursued through ongoing mechanisation initiatives and the replanting of older, less productive oil palm stands with the latest superior in-house planting materials developed by our Research Department in the soon-to-be commissioned state-of-the-art Seed Production Complex.

In 2026, we will also continue to strengthen our focus on ESG-related risks and opportunities, particularly matters concerning Human Rights, the Environment and Safety. As always, we aspire to demonstrate leadership and act responsibly in all our dealings, thereby contributing to the continuous raising of standards within the global agricultural industry.

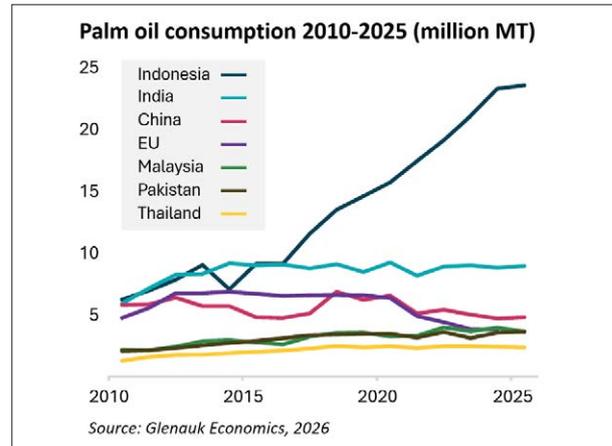
To that end, greater attention will be given to operationalising our sustainability commitments so that these are “built in” and not merely “bolted on”. This is essential if we are to maintain our trajectory of positive development and value creation.

Insofar as the price outlook is concerned, three main factors will be monitored closely:

1. The impact of Indonesia’s B40 biodiesel mandate and progress towards B50, given that Indonesia now accounts for about 35% of global palm oil consumption and represents the primary source of incremental demand growth. Any deviation from or rollback of B40 would have a considerable bearish impact on global palm oil prices.
2. Palm oil production in Malaysia and Indonesia, which will be determined mainly by weather developments, labour availability and the uncertainties relating to land reclassifications in Indonesia.

3. Finally, global economic growth sentiment — which influences business activity and consumer spending, and thereby overall demand for vegetable oils — will also shape inventory developments, potentially leading to a build-up or drawdown in stock levels depending on how these factors unfold.

Overall, and in spite of the significant uncertainties relating to the three main factors mentioned above, we nevertheless believe that the UP Group will be able to perform satisfactorily in 2026.



Acknowledgement

In closing, and on behalf of the EXCOM, I would like to once again thank all our customers, business partners, government agencies and shareholders for their continued support and confidence in our Group where we will continue to do our best to live up to your aspirations and demands.

Furthermore, I would like to also applaud Management for the concerted efforts made in 2025 without which we would not have been able to achieve a new all-time record Group CPO yield of 6.58MT/Ha, which indeed has facilitated the record profit after tax.

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

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



*The Surau at Tanarata Estate was officially opened in February 2025 by Dato' Carl Bek-Nielsen and Datin Maria Bek-Nielsen, together with their three children. They were joined by Group Manager Encik Azhar bin Yazid and his wife, Puan Fadzilah binti Abdullah. The new surau provides a dedicated place of worship for the Muslim community residing and working on the plantation.*

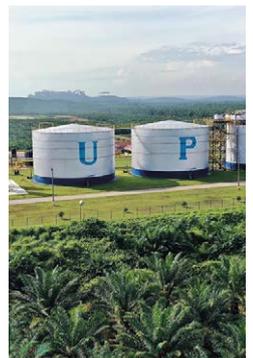


*The magnificent egrets, often seen in wetland habitats, are a symbol of ecological richness and biodiversity.*

# Sustainability Report 2025

## Contents

About this Report	36
Message from the Chief Executive Director	37 - 43
Materiality	46 - 47
Stakeholder Engagement & Sustainability Framework	48 - 49
Performance Scorecard & Our Value Creation Model	50 - 53
Environment, Social & Sustainability Governance	54
<b>Environment</b>	<b>55 - 84</b>
- Climate Action on Carbon Footprint Initiatives	55 - 61
- No Deforestation and No New Planting on Peat	62 - 63
- Partnership, Biodiversity & Conservation	64 - 76
- Water and Waste Management	78 - 79
- Integrated Pest Management	80 - 84
<b>Social</b>	<b>87 - 102</b>
- Our Employees	87
- Human Rights	88 - 99
- Our Communities	100 - 101
- Plasma Schemes and Smallholders	102
<b>Sustainability Governance</b>	<b>104 - 107</b>
- Governance Structure	104
- Awards and Recognitions	106
- Sustainability Certifications	106 - 107
<b>Marketplace</b>	<b>109 - 117</b>
- Edible Oil Refining and Speciality Fats Production	109
- Commitment to Quality	109
- Food Safety & Certifications	112
- Traceability	112 - 114
- Suppliers	115 - 117
- Our Integrated Sustainable Value Chain	118 - 120
<b>Others</b>	<b>121 - 128</b>
Bursa Malaysia's CSI Prescribed Table	121
Independent Assurance Opinion Statement	122 - 123
GRI Content Index	124 - 126
Sustainability Accounting Standards Board (SASB)	127
Glossary	128



## 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.

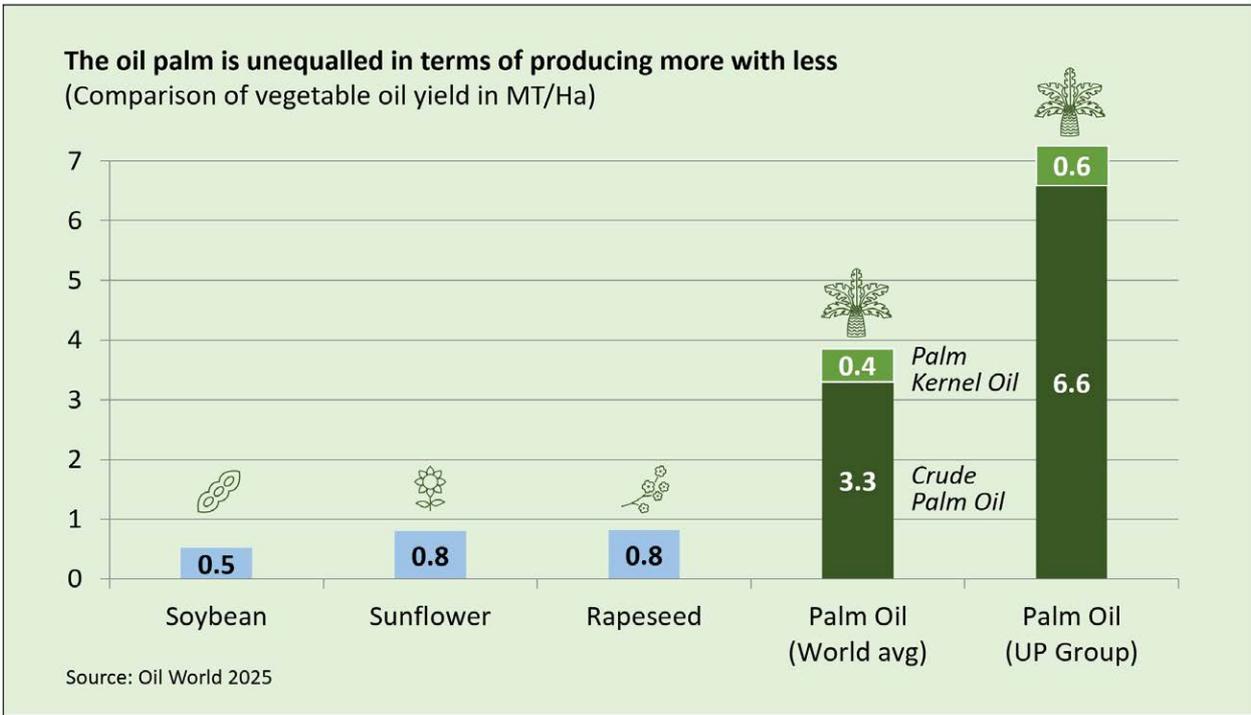
In this connection, it is important to note that 10 years after signing the Paris Agreement, the demand for coal is still growing, and the world now burns nearly double the amount of coal compared to 2000 and 4 times more than it did in 1950. The UN had stated that to keep global warming to 1.5°C, emissions 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<sub>2</sub> (-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.

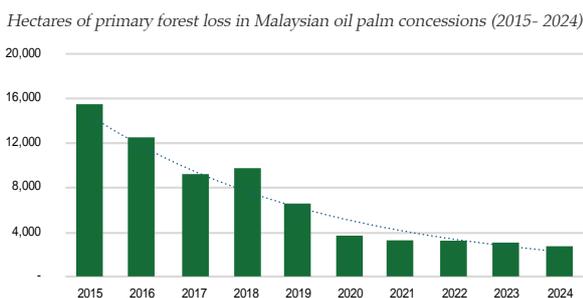
It is, regrettably, a reality that much information today is consumed through social platforms, where the most circulated content tends to be the most exaggerated or confrontational.

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**



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%
<b>United Plantations Bhd</b>	=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.

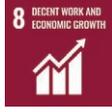
The resulting Materiality Matrix is as shown on the following page. Material issues which have been identified are then assessed by the Sustainability Reporting Team to establish if there are policies and procedures in place to address and manage these issues, and if none, to ensure implementation plans 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.

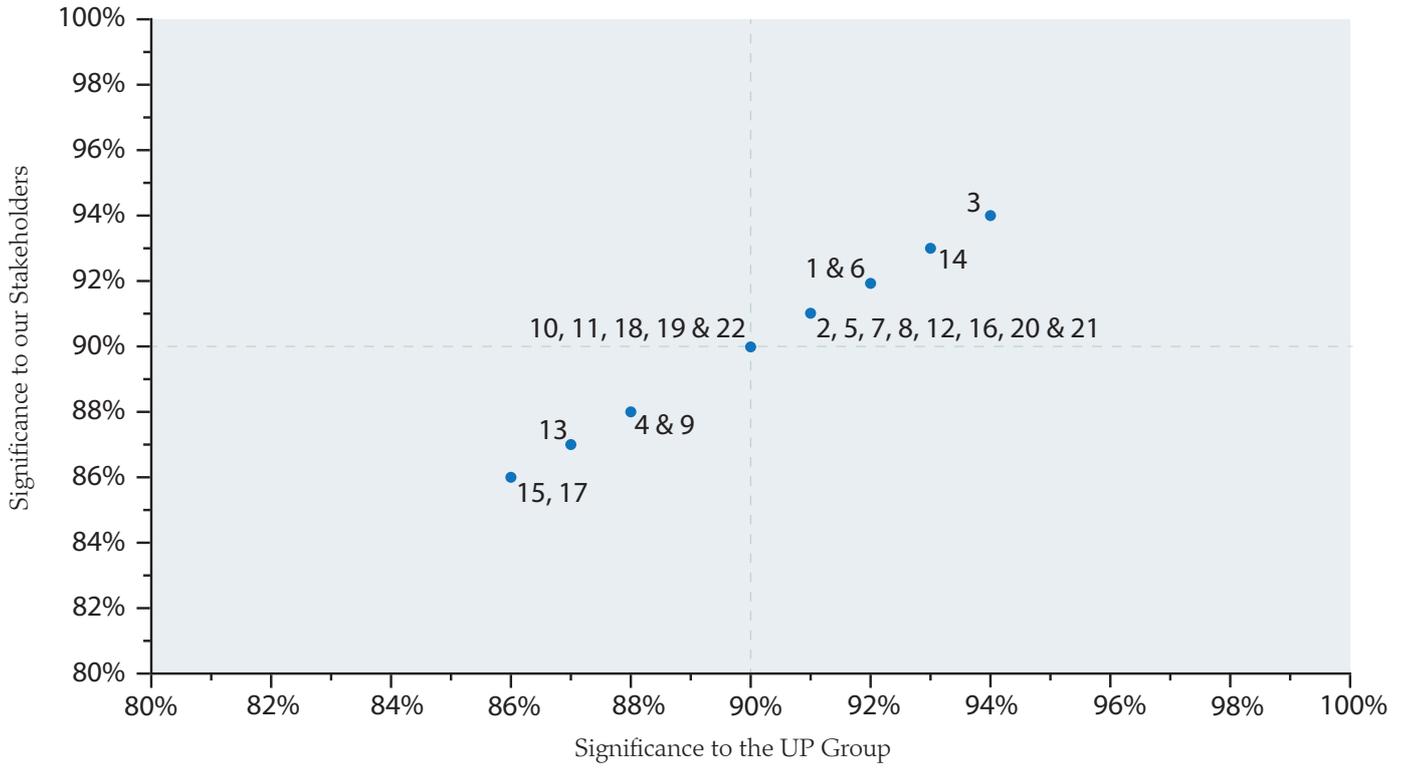
For more information, please refer to our website, [www.unitedplantations.com/sustainability/](http://www.unitedplantations.com/sustainability/).

Summary of Materiality Matters

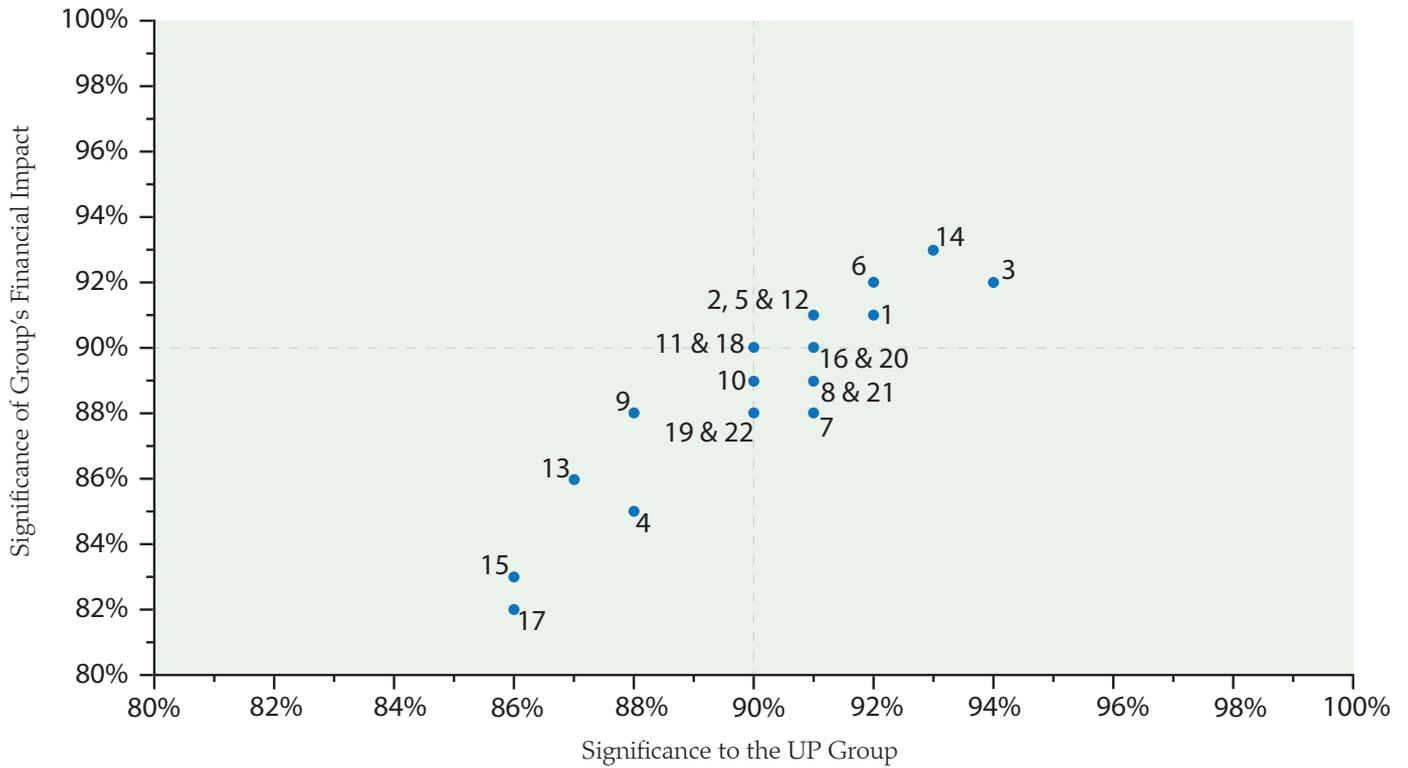
22 Key Sustainability Issues	Relevant UN SDGs*	UP supports UN SDGs
1. Human rights protection, child labour and fair & decent wages	1,8	  
2. Product Quality	12	  
3. Occupational Safety & Health	3,9	  
4. Commodity Prices	12	  
5. Social commitments and Amenities	2,4,8	  
6. Certifications for Food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

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

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	<ul style="list-style-type: none"> <li>Engagement surveys</li> <li>Annual General Meetings</li> <li>Analysts briefings</li> </ul>	<ul style="list-style-type: none"> <li>At least once a year</li> <li>Once a year</li> <li>At least once a year</li> </ul>	Deforestation, pesticides & chemical usage, Occupational Safety & Health (OSH), free, prior & informed consent (FPIC) and product quality	Good relationship with shareholders and positive reputation amongst investors constructive feedback
Customers/ Consumers	Major consumer goods manufacturers, Refineries, and end consumers	<ul style="list-style-type: none"> <li>Engagement survey</li> <li>One-to-one meetings</li> <li>Visits to Estates, Mills and our Refineries</li> </ul>	<ul style="list-style-type: none"> <li>At least once a year</li> <li>Periodically</li> <li>Periodically</li> </ul>	GHG emissions, discharges & waste management, deforestation, high carbon stock, peat development, human & workers' rights, social welfare, OSH, product quality, food safety & sustainability certifications and supply chain	Better awareness of our Group's commitment to sustainability, and better understanding of our policies, culture and values
Employees	Executives, staffs and workers	<ul style="list-style-type: none"> <li>Annual employee survey</li> <li>Group Sustainability Committee meetings</li> <li>Gender committee meetings</li> <li>Guest Workers Welfare Committee</li> <li>Occupational Safety &amp; Health Committee</li> <li>Internal trainings</li> </ul>	<ul style="list-style-type: none"> <li>Once a year</li> <li>Once a year</li> <li>Twice a year</li> <li>Six times a year</li> <li>Four times a year</li> <li>Periodically</li> </ul>	Human & workers' rights, social welfare, OSH, equal treatment, grievance resolution, product quality, food safety & sustainability certifications	Improved understanding of company policies and efforts taken to date inclusiveness in the management decision making
Smallholders & Local Communities	Smallholders surrounding and near our operations in Malaysia and Indonesia	<ul style="list-style-type: none"> <li>Annual Smallholders' Field Day</li> <li>One-to-one communications</li> </ul>	<ul style="list-style-type: none"> <li>Once a year</li> <li>Periodically</li> </ul>	Biodiversity & conservation, pesticides & chemical usage, workers' rights. OSH, product quality and food safety & sustainability certifications	An opportunity to sustainably enhance the agricultural practices of smallholders, amicable solutions to grievances, better social relations with our Group
Government Agencies	DOSH, Labour Department, Indonesian Local Government, Indian High Commission	<ul style="list-style-type: none"> <li>Engagement Surveys</li> <li>One-to-one meetings</li> </ul>	<ul style="list-style-type: none"> <li>Periodically</li> <li>As and when necessary</li> </ul>	Pesticides & chemical usage, human & workers' rights social welfare, OSH, equal treatment. Code of ethics & governance, product quality, supply chain and evaluation of supplier/contractors' sustainability commitment	An opportunity to share our Group's commitment, and policies and procedures to sustainable operations
Non-governmental organisations	SUHAKAM, TENAGANITA, AMESU, MAPA, NUPW	<ul style="list-style-type: none"> <li>One-on-one meetings</li> <li>Engagement surveys</li> <li>Direct correspondences via email and telephone conversation</li> </ul>	<ul style="list-style-type: none"> <li>As and when necessary</li> <li>Once a year</li> <li>As and when necessary</li> </ul>	Biodiversity & conservation, water impacts, pesticides & chemical usage, workers' rights, social welfare, code of ethics & governance, grievance resolution and product quality	Better understanding of NGO concerns and improved awareness of UP's sustainability commitments by the NGOs
Palm Oil Industry Groups	Neighbouring plantations and, MPOA, MPOC, MPOCC, RSPO	<ul style="list-style-type: none"> <li>Engagement surveys</li> </ul>	<ul style="list-style-type: none"> <li>Once a year</li> </ul>	GHG emissions, fire & haze, discharges & waste management, pesticides & chemical usage, human & workers' rights, OSH, product quality, food safety & sustainability certifications and commodity prices	Good relationship with the industry groups and knowledge sharing to enhance the sustainability of the industry
Suppliers and Contractors	Suppliers of various inputs and key contractors within the Group	<ul style="list-style-type: none"> <li>Engagement surveys</li> <li>One-to-one meetings</li> </ul>	<ul style="list-style-type: none"> <li>Once a year</li> <li>Periodically</li> </ul>	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	 1 NO POVERTY	 2 ZERO HUNGER
Water Impacts	Grievance Resolution	 3 GOOD HEALTH AND WELL-BEING	 4 QUALITY EDUCATION
Pesticides and Chemical usage	Community Development and Welfare	 5 GENDER EQUALITY	 6 CLEAN WATER AND SANITATION
	Smallholder and Plasma Development	 7 AFFORDABLE AND CLEAN ENERGY	 8 DECENT WORK AND ECONOMIC GROWTH
		 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	 10 REDUCED INEQUALITIES
		 11 SUSTAINABLE CITIES AND COMMUNITIES	 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
		 13 CLIMATE ACTION	 14 LIFE BELOW WATER
		 15 LIFE ON LAND	
		 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	
		 17 PARTNERSHIPS FOR THE GOALS	Aligned 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 LTIFR 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 <sub>2</sub> -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: FFB Yield Per Hectare: 27.0MT/Ha Oil Extraction Rate: 24.0% CPO Yield Per Hectare: 6.5MT/Ha	29.31MT/Ha 22.44% 6.58MT/Ha	Product Quality

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	HUMAN RESOURCES	INTELLECTUAL RESOURCES	SOCIAL RESOURCES	MANUFACTURED RESOURCES	NATURAL RESOURCES
<p>Strong and stable financial position enabling investments</p> <p>Strong Balance Sheet with high borrowing capacity</p>	<p>Dedicated and competent employees</p> <p>Succession planning and training</p> <p>Sustainability focus</p>	<p>Vast experience and knowledge</p> <p>Innovation and R&amp;D capabilities</p> <p>Good agricultural practices and policies</p>	<p>Key stakeholders including suppliers and international customers</p> <p>Good collaboration with local government institutions and surrounding communities</p>	<p>Well-functioning palm oil mills and refineries integrated with estates</p> <p>Quality control and R&amp;D investment in place</p>	<p>Fertile and strategically located land bank</p> <p>Biomass availability</p> <p>Water availability through adjacent rivers</p>
<p>MARKET CAP</p> <p><b>RM18.77 billion</b> <small>(As at 31 December 2025)</small></p> <p>CASH POSITION</p> <p><b>RM428 million</b></p> <p>DEBT/EQUITY RATIO</p> <p><b>0.15</b></p>	<p>EMPLOYEES</p> <p><b>6,926</b></p>	<p>SINCE</p> <p><b>1906</b></p> <p>R&amp;D ESTABLISHED</p> <p><b>1951</b></p>	<p>PLASMA</p> <p><b>1,378 Ha</b></p> <p>COPENHAGEN ZOO COLLABORATION</p> <p><b>Since 2010</b></p> <p>SOCIAL COMMITMENTS</p> <p><b>RM29 million</b></p>	<p>REFINERIES</p> <p><b>2</b></p> <p>PALM OIL MILLS</p> <p><b>5</b></p> <p>BIOGAS PLANTS</p> <p><b>5</b></p>	<p>LAND BANK</p> <p><b>62,458 Ha</b></p> <p>PLANTED AREA</p> <p><b>50,856 Ha</b></p> <p>CONSERVATION</p> <p><b>8,022 Ha</b></p>

### Our Integrated Business

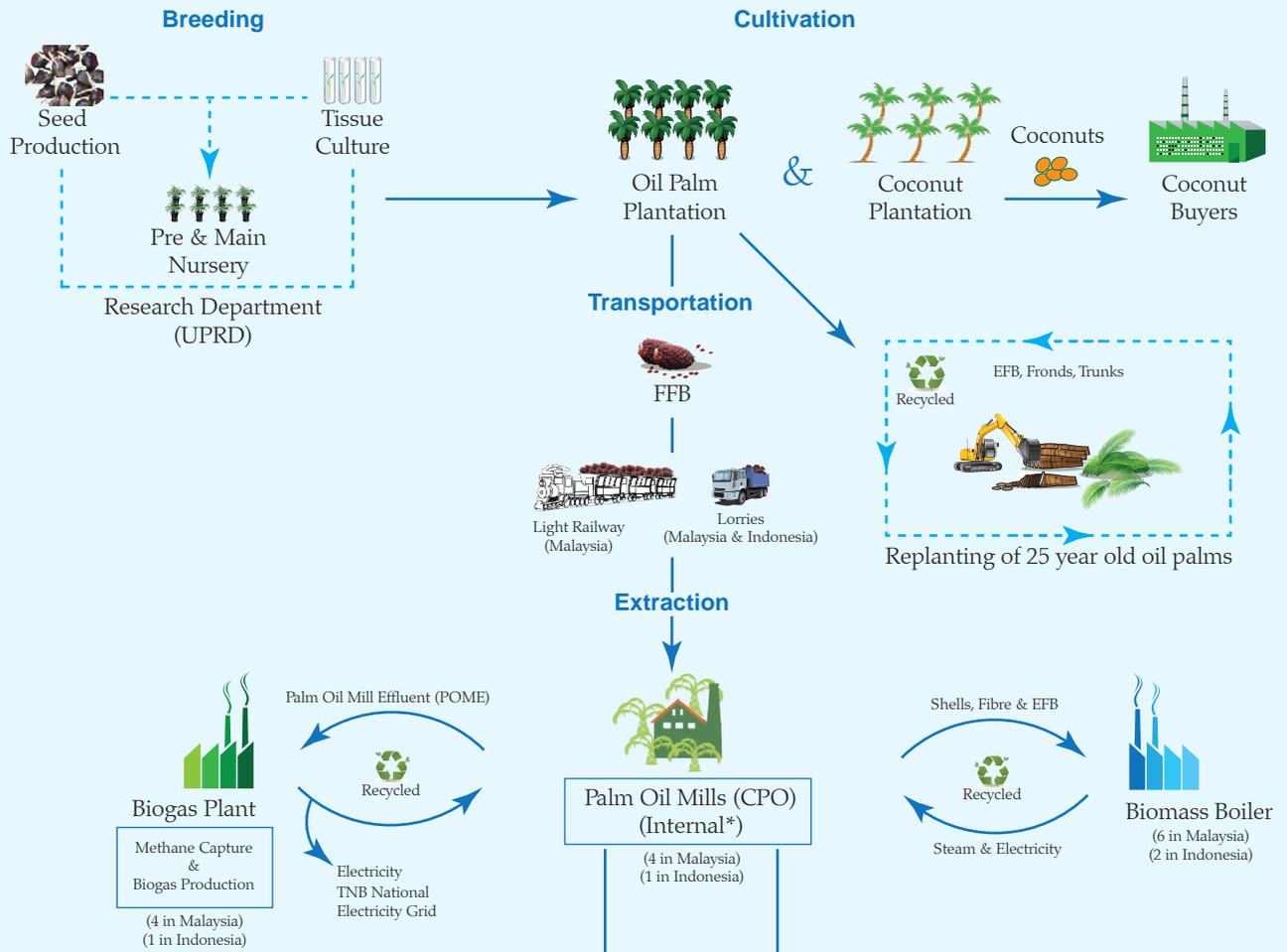


### Short, Medium and Long-term Business Resources (Output)

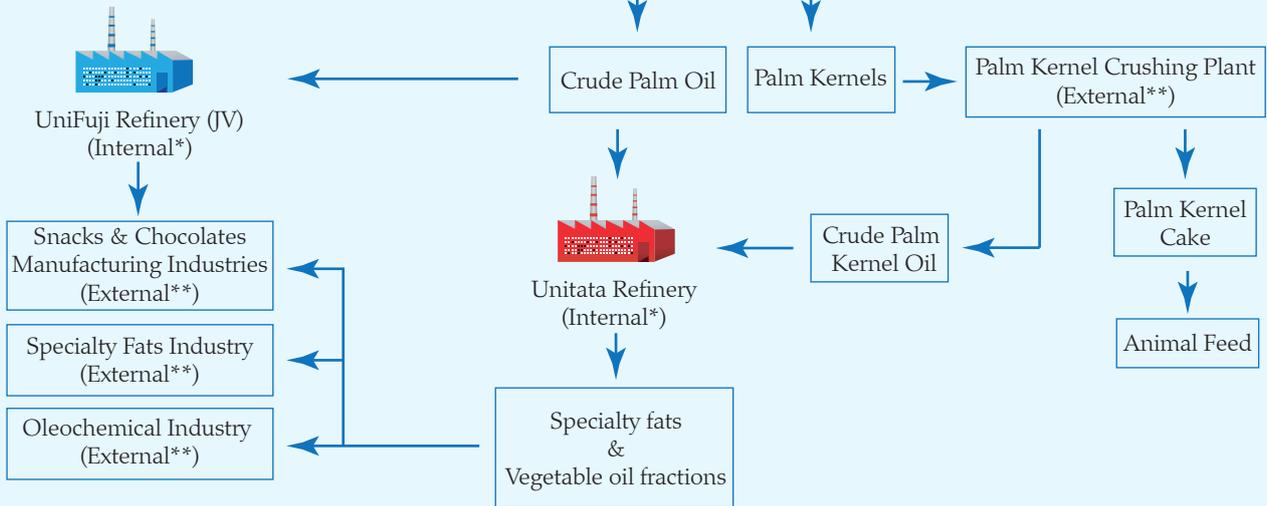
SHAREHOLDER VALUE	EMPLOYEE SATISFACTION AND SHARED VALUE	CERTIFIED SUSTAINABLE PALM OIL	BALANCE BETWEEN ECONOMY AND ECOLOGY	QUALITY PRODUCTS	GREEN HOUSE GAS EMISSIONS AND WASTE
<p>Value created through good performance</p> <p>Capital appreciation and sustainable dividends over time.</p>	<p>Safe and respectful work environment</p> <p>Good housing, medical &amp; education facilities</p> <p>Advancing the economic and social condition in the surrounding communities</p>	<p>Sustainability practices operationalised</p> <p>Increasing sales of certified sustainable products of high quality</p>	<p>Focus on R&amp;D and efficiency to optimise yields</p> <p>Preserving the environment through conservation efforts</p>	<p>Delivering premium quality products and services that are safe and based on a high level of responsibility</p>	<p>Key focus and investments in the circular economy where waste is converted to renewable energy.</p>
<p>PROFIT AFTER TAX</p> <p><b>830 million</b></p> <p>EARNING PER SHARE</p> <p><b>133 sen</b></p> <p>DIVIDEND YIELD</p> <p><b>4.16%</b></p>	<p>SAFETY PERFORMANCE</p> <p>UP MALAYSIA : LTIFR - 5.01 UP INDONESIA : LTIFR - 53.85</p> <p>PLASMA FARMERS</p> <p><b>850</b></p>	<p>RSPO CERTIFIED PALM OIL</p> <p><b>~245,000 MT</b></p> <p>RSPO CERTIFIED PALM KERNEL</p> <p><b>~50,000 MT</b></p> <p>RSPO CERTIFIED AREA</p> <p><b>84%</b></p>	<p>FFB YIELD/Ha</p> <p><b>29.31 MT</b></p> <p>OER</p> <p><b>22.44%</b></p> <p>CPO YIELD/Ha</p> <p><b>6.58 MT</b></p> <p>TOTAL ANIMAL SPECIES</p> <p><b>542</b></p>	<p>CERTIFICATION</p> <p><b>ISO 9001, HACCP, HALAL, KOSHER, BRC, GMP, MeSTI, FDA, GMP +B2, MPCA, SEDEX, RSPO SCCS, MSPO SCS</b></p> <p>LOW CONTAMINANTS</p> <p>3-MCPD &lt; 0.5 ppm GLYCIDYL &lt; 1.0 ppm</p>	<p>REDUCTION OF GHG EMISSIONS SINCE 2004 (INCLUDING iLUC &amp; NATURE CONSERVATION)</p> <p><b>69%</b></p> <p>GROUP BIOMASS UTILISATION RATE</p> <p><b>99.7%</b></p>

Creating Value Through UP's Integrated Business Activities

Upstream (Plantation Division)



Downstream (Manufacturing Division)



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

Segmental Contribution 2025

UPSTREAM	DOWNSTREAM	OTHERS
<b>95%</b>	<b>10%</b>	<b>(5)%</b>
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

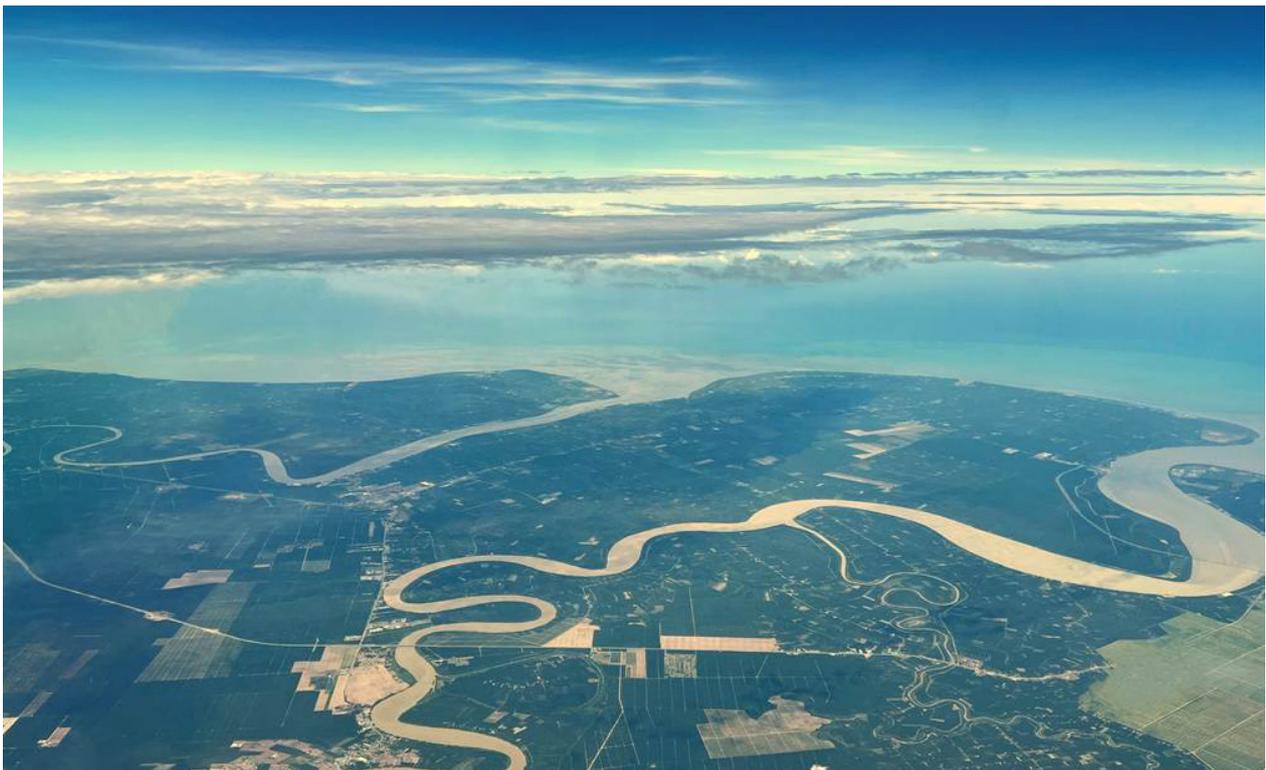
climate risks will be deliberated and reviewed as deemed necessary during the Group Sustainability Committee (GSC) Meeting. Lastly, climate change is also listed as an important indicator under our materiality assessment and the level of prioritisation is assessed annually based on feedback from our 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.*

## Transition Risks

Types of transition risks	Risks	Opportunities	Challenges
<b>Current &amp; emerging regulations</b> <ul style="list-style-type: none"> <li>Adhering to existing and new rules and regulations on emissions or climate change mitigations.</li> </ul>	<ul style="list-style-type: none"> <li>Higher compliance costs (additional costs associated with carbon pricing, taxes imposed on fossil fuels, etc). ●</li> <li>Failure to comply with new regulations which restrict emissions or promote climate-change adaptation. ●</li> </ul>	<ul style="list-style-type: none"> <li>Low carbon footprint operations will significantly reduce the operational costs arising from increasing carbon prices and the dependence on non-renewable fuels.</li> </ul>	<ul style="list-style-type: none"> <li>Significant investments needed to meet new requirements.</li> </ul>
<b>Technology</b> <ul style="list-style-type: none"> <li>Innovative technologies to optimise production efficiency.</li> </ul>	<ul style="list-style-type: none"> <li>New processing methods and technologies lead to different waste output and environmental impact. ●</li> <li>Increasing costs associated with conventional systems that are energy inefficient. ●</li> </ul>	<ul style="list-style-type: none"> <li>New innovative technologies and circular economy solutions could improve energy-use efficiency and natural resource resilience.</li> </ul>	<ul style="list-style-type: none"> <li>High costs associated with the advancement of new technologies to reduce carbon footprints.</li> <li>Availability of new proven technologies to continuously reduce carbon footprints.</li> </ul>
<b>Market</b> <ul style="list-style-type: none"> <li>Increasing consumer awareness of climate change and rising expectations to manage climate-related impacts.</li> </ul>	<ul style="list-style-type: none"> <li>Failure to comply with increasing customer expectations and requirements insofar as low carbon products are concerned. ●</li> </ul>	<ul style="list-style-type: none"> <li>A lower footprint could give access to markets and customers with strict carbon emissions regulations and requirements.</li> </ul>	<ul style="list-style-type: none"> <li>Reduced pool of compliant suppliers.</li> <li>Reduced demand for commodities that fail to meet market expectations.</li> </ul>
<b>Reputational</b> <ul style="list-style-type: none"> <li>Increased scrutiny from non-governmental organisations (NGOs) and consumers.</li> </ul>	<ul style="list-style-type: none"> <li>Reputational risks arising from increased stakeholder focus on companies' carbon footprints and their plans to manage climate-related risks. ●</li> </ul>	<ul style="list-style-type: none"> <li>An improved environmental score and reputation could open up new opportunities with sustainability-conscious customers.</li> </ul>	<ul style="list-style-type: none"> <li>The industry as a whole must raise the bar or all companies risk being painted with the same brush regardless of individual efforts.</li> </ul>

## Physical Risks

Types of transition risks	Risks	Opportunities	Challenges
<b>Acute</b> <ul style="list-style-type: none"> <li>Temperature change and increased frequency of extreme weather events such as floods and droughts.</li> </ul>	<ul style="list-style-type: none"> <li>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. ●</li> </ul>	<ul style="list-style-type: none"> <li>Safeguard operations by ensuring that emergency response teams are prepared to deal with fire and flood during drought and flood seasons.</li> </ul>	<ul style="list-style-type: none"> <li>Peat areas possess high risk of fire outbreaks during drought seasons and maintaining adequate water levels is therefore crucial.</li> </ul>
<b>Chronic</b> <ul style="list-style-type: none"> <li>Rising sea levels.</li> </ul>	<ul style="list-style-type: none"> <li>We have some properties located close to the coast, for which there are risks related to the rising sea levels. ●</li> </ul>	<ul style="list-style-type: none"> <li>Develop mitigation plans to address the risk of rising levels, and identify alternative water sources and water retention facilities to increase operational resilience.</li> </ul>	<ul style="list-style-type: none"> <li>There are significant costs associated with establishing additional water retention facilities.</li> </ul>

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
<ul style="list-style-type: none"> <li>Reduce dust emissions at palm oil mills to levels below DOE requirements.</li> <li>New plants to treat wastewater down to the lowest possible industry levels.</li> <li>New polishing plant to reduce the mill effluent BOD after biogas capture to levels below current requirements.</li> </ul>	<ul style="list-style-type: none"> <li>About RM10 million has been spent in the current reporting period on the highlighted measures to mitigate the risks.</li> </ul>		<ul style="list-style-type: none"> <li>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.</li> </ul>
<ul style="list-style-type: none"> <li>Investments in new steam and biogas turbines, and solar panels to reduce our usage of fossil fuels.</li> <li>Actuator valves to preserve energy throughout our refineries</li> </ul>	<ul style="list-style-type: none"> <li>About RM10 million has been spent in the current reporting period on the highlighted measures to mitigate the risks.</li> </ul>		<ul style="list-style-type: none"> <li>Several million MYR has been budgeted for technology advancements to further improve our energy efficiencies.</li> </ul>
<ul style="list-style-type: none"> <li>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.</li> <li>Capacity building for a newly appointed Refinery Sustainability Officer, responsible for customer disclosures and reporting.</li> </ul>	<ul style="list-style-type: none"> <li>More than RM100,000 has been spent in the current reporting period on the highlighted measures to mitigate the risks.</li> </ul>		<ul style="list-style-type: none"> <li>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.</li> </ul>
<ul style="list-style-type: none"> <li>Annual assessment of our GHG footprints through LCA study covering scope 1, 2 and 3 emissions.</li> <li>Partnership with Copenhagen Zoo.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> </ul>		<ul style="list-style-type: none"> <li>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.</li> </ul>

Mitigation measures	Financial impacts in the current reporting period	Medium- term Financial Impacts	Long-term Financial Impacts
<ul style="list-style-type: none"> <li>Frequent fire drills to ensure readiness of equipment and Emergency Response Team.</li> <li>Maintaining water levels at 40-60cm from the ground in collection drains of peat areas.</li> <li>Rainwater capturing facilities available at all operational sites.</li> <li>Ensuring proper drainages are constructed prior to replanting.</li> </ul>	<ul style="list-style-type: none"> <li>More than RM5 million has been spent in the current reporting period on the highlighted measures to mitigate the risks.</li> </ul>		<ul style="list-style-type: none"> <li>Several million MYR has been budgeted to improve and maintain the water gates, bunds and desilting drains as flood mitigation measures.</li> </ul>

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<sub>2</sub> (-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<sub>2</sub> (-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.

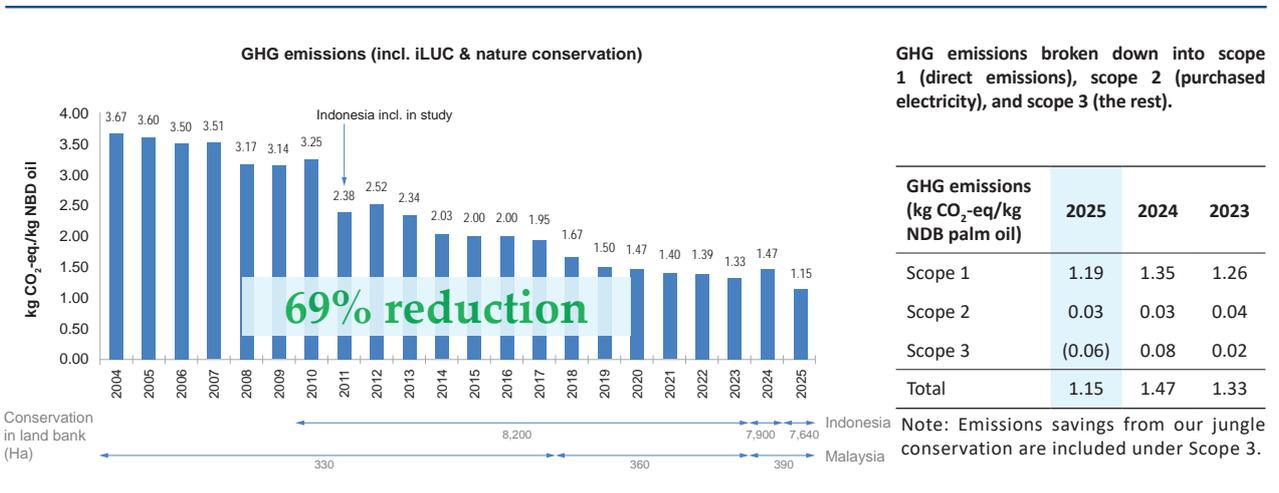
Significant reduction in UP’s GHG emissions since 2004

Looking at the below time series of GHG emissions from palm oil at UP, our footprint has significantly reduced from 1.47 kg CO<sub>2</sub>-eq emissions per kg NBD oil in 2024 to 1.15 kg CO<sub>2</sub>-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

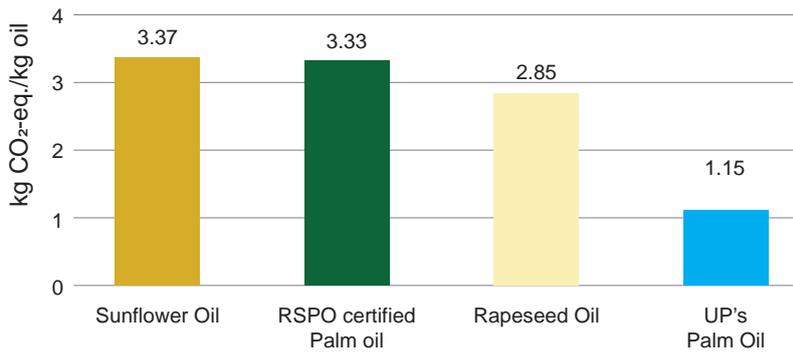
In 2025, we achieved our internal goal of reaching a 66% reduction by 2030 when compared to 2004 levels (with iLUC and nature conservation), five years ahead of time. However, in line with our Group’s commitment to environmental leadership, we acknowledge that even more can be done and we have therefore 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.



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 <sub>2</sub> -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/](http://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 CO<sub>2</sub> by 70% and CH<sub>4</sub> 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<sup>3</sup> 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<sup>3</sup> 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 <sup>3</sup> )
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 0.150g/Nm<sup>3</sup>
- 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.

Parameters (mg/L)	Malaysian Operations			Indonesian Operations		
	2025	2024	2023	2025	2024	2023
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.

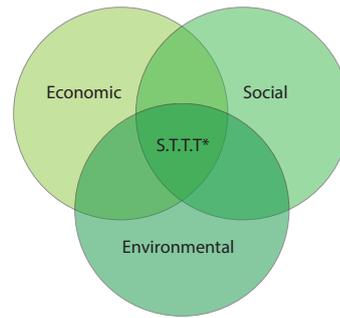
Furthermore, we have strengthened our High Conservation Value (HCV) assessment by combining it with a High Carbon Stock (HCS) assessment and Land Use Change Analysis (LUCA) for new plantings since 2014. With this we strive to maintain an open and dynamic approach towards continuous improvements for the 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)

Sustainable Development



\*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
<b>Total</b>	<b>0</b>	<b>0.32</b>	<b>25.79</b>

**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
<b>Total</b>	<b>12,327,259</b>	<b>11,387,561</b>	<b>6,149,139</b>	<b>29,863,960</b>



*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)**

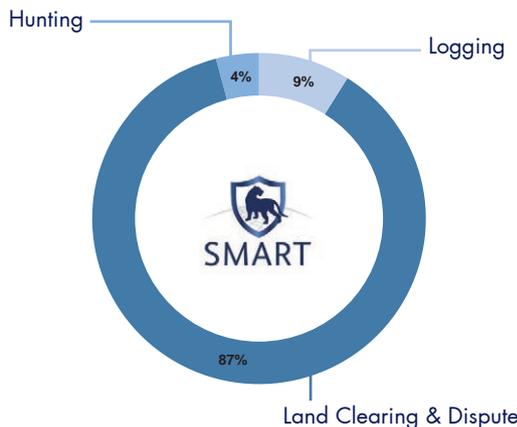
Protecting conservation areas is one of BioD’s core activities. The aim is to prevent possible negative impacts from illegal logging, hunting, fire, overfishing and land clearing. BioD continues to use the Spatial Monitoring and Reporting Tool (SMART) software to store all records in a digital format, 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.

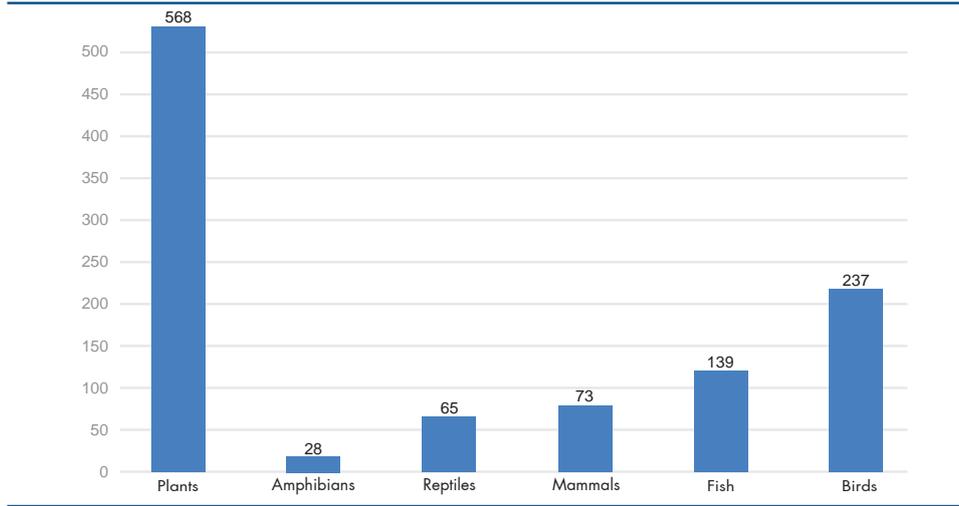
**SMART Patrol Report**



(THREAT HCV REPORT 2025)

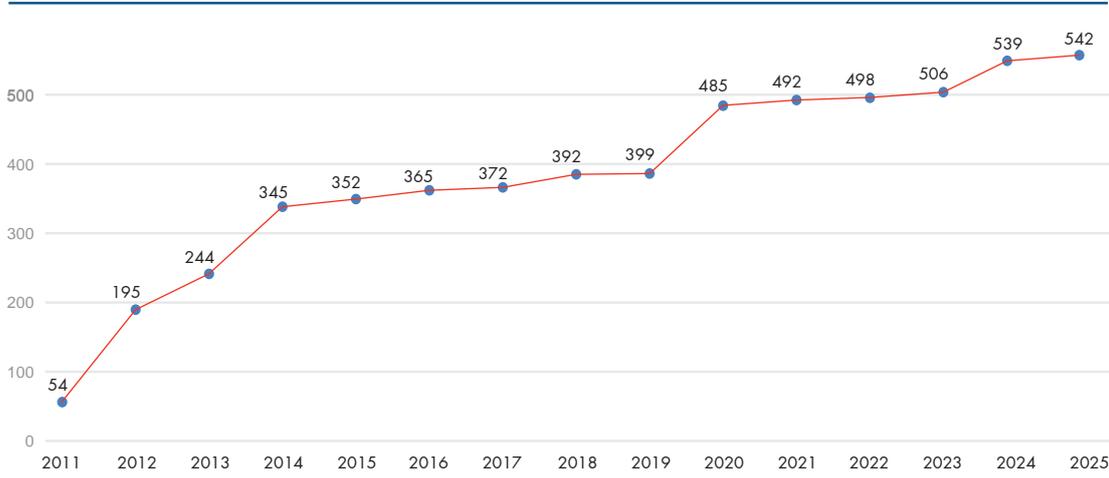
Threat	Activities
Logging	5
Land Clearing & Dispute	47
Hunting	2
Fire	0
Fishing	0
Others	0
n=54	

### Number of Species



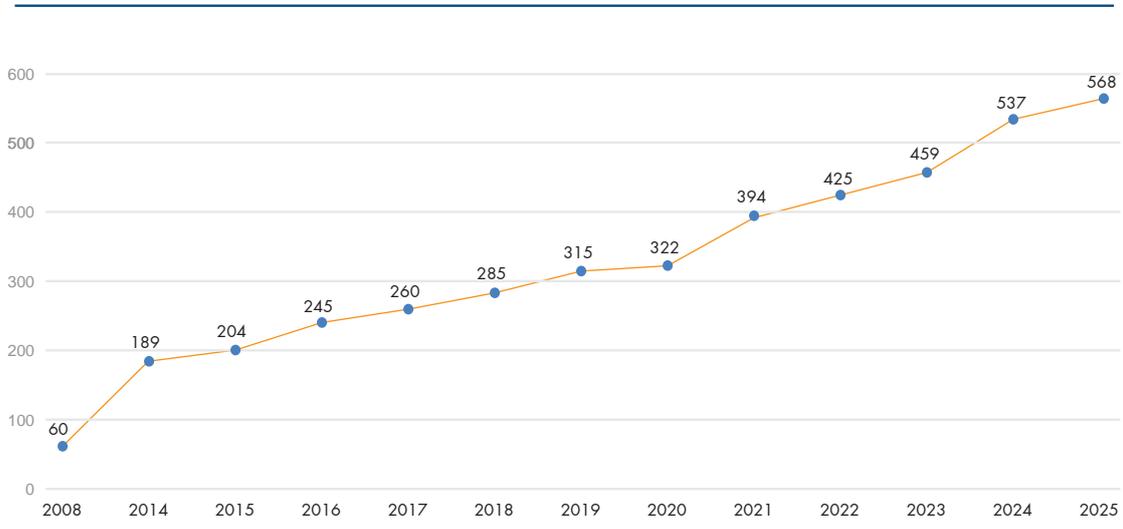
Vertebrate and plant species that have been recorded in PT SSS' conservation areas.

### 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  $\pm 202.840$  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 ( $\Delta 1 = 0.726$  (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**

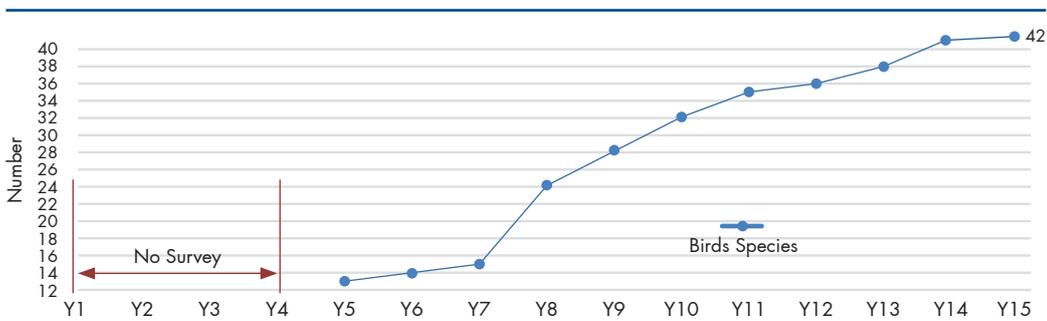
Through the past decade, the BioD Team has documented PT SSS' HCV area rich with vertebrate species. In total 542 species including Mammals,

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.

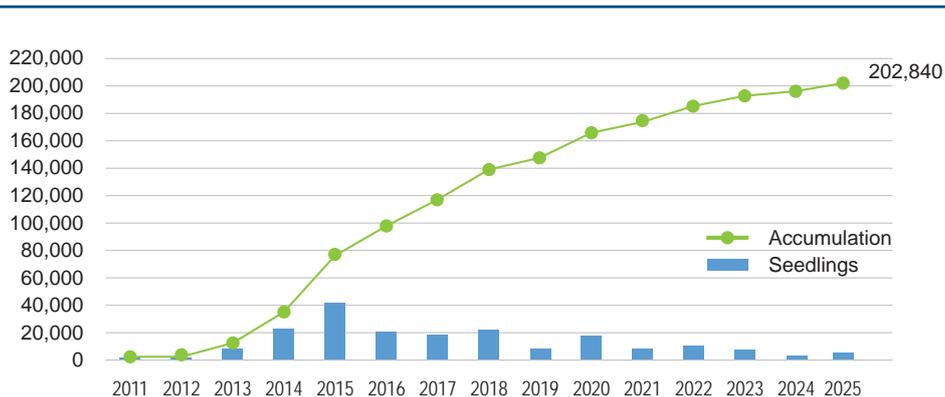
Adaptive conservation management is applied proactively with continuous effect to explore the opportunity to engage with stakeholders such as the Indonesian Forestry Department (BKSDA), local NGOs, and local community in running conservation programs together. This collaborative approach gives nature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

**Cumulative Curve of Bird Species Recorded in Rehabilitation Areas from 2011 - 2025**



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.

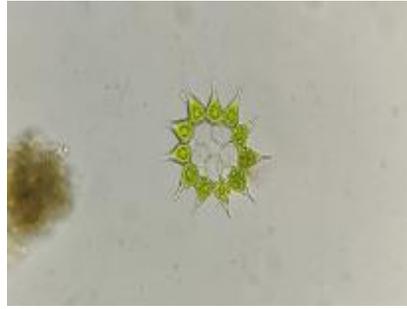
**Seedlings planted from 2011 - 2025**



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.

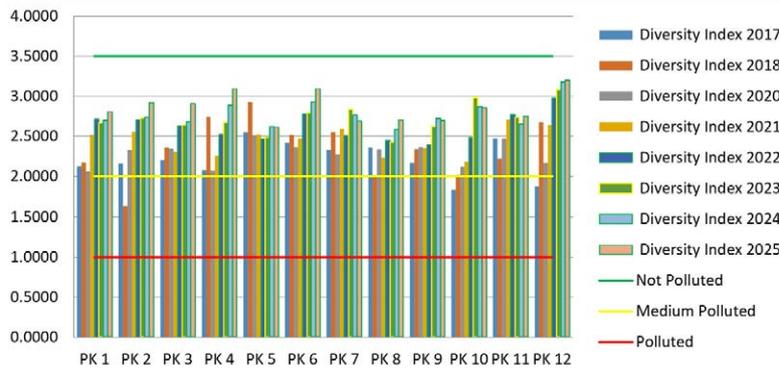
The BioD Team has continuously monitored the water quality in PT SSS' property to ensure actual water conditions in the water bodies across the estates remain as pristine as possible, or to improve the conditions of degraded systems. For this, the BioD Team focuses on aquatic microorganisms as indicators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

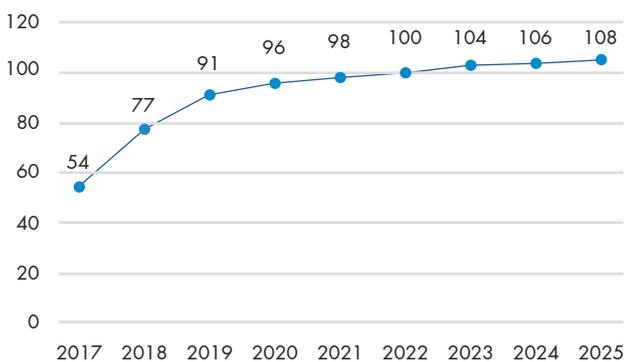
This means that the water is slightly polluted but showing signs of improving. The rehabilitation of riparian forest along the streams in PT SSS is showing positive trend, not least by minimizing organic and inorganic pollution washout in all three estates. What remains in the rehabilitation process 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

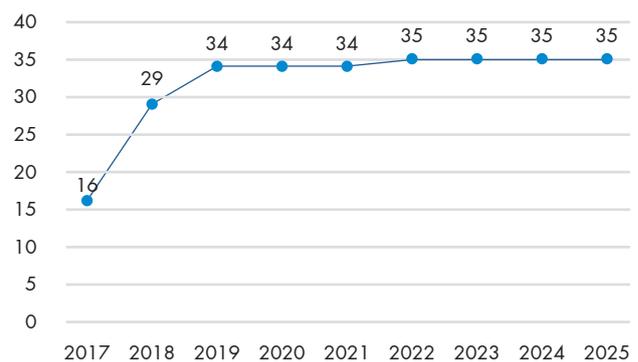
*Plankton diversity index used to evaluate the quality of water bodies.*



### 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 predated 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.

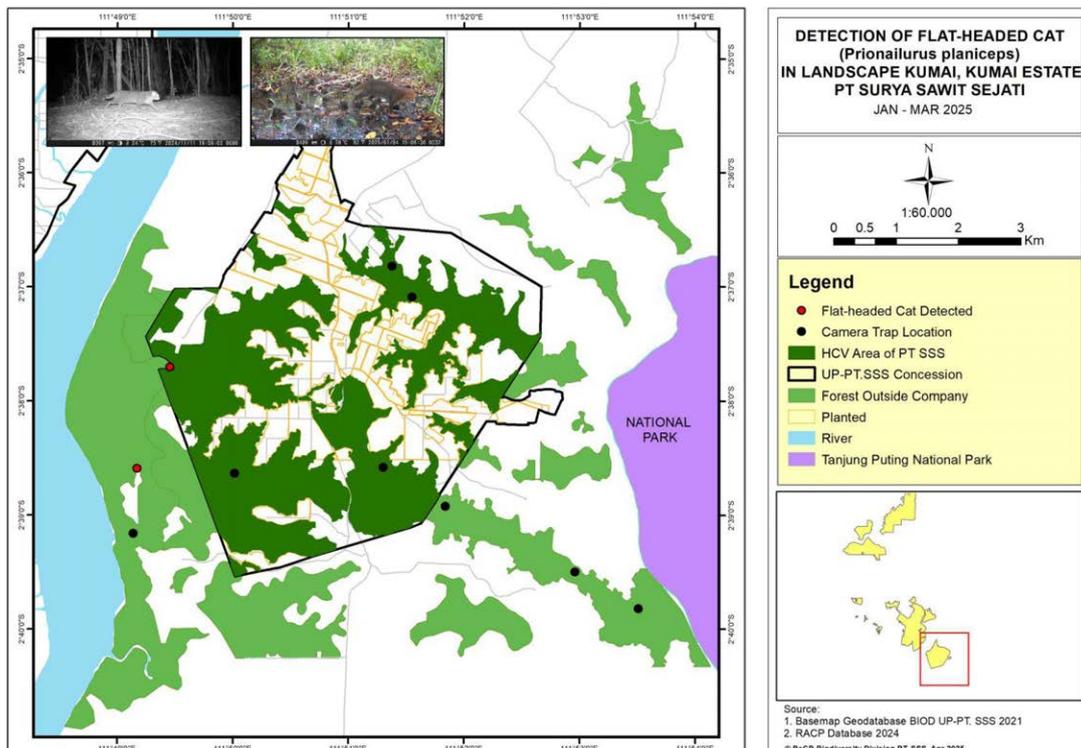
Most camera trap studies within the Flat-headed cat's range tend to place cameras along large trails, potentially reducing the likelihood of detecting this elusive species. To address this, PT SSS has recently expanded its monitoring strategy in the Kumai landscape to better understand the occurrence 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 Pemerhati Burung Indoensia (KPPBI) 7<sup>th</sup>*” 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 Gajah 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 Gajah 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

*Mu.*

**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 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 comutus*, 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.

<b>Triple rinsed plastic pesticide containers (MT)</b>	2025	2024	2023
Malaysia operations	17.0	16.8	16.4
Indonesia operations	5.7	5.0	4.0

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

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

<b>Spent fuel filters (pieces)</b>	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<sub>2</sub>) 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.

<b>Domestic Water Consumption</b> (gallons per capita per day)	2025	2024	2023
Malaysian operations	79.19 (0.36m <sup>3</sup> )	88 (0.40m <sup>3</sup> )	79 (0.36m <sup>3</sup> )
Indonesian operations	92.39 (0.42m <sup>3</sup> )	88 (0.40m <sup>3</sup> )	77 (0.35m <sup>3</sup> )

<b>Mill water consumption</b> (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

### Pesticides and Chemical Usage

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

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

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

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

### Integrated Pest Management (IPM)

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

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

Flowering plants planted	Malaysia	Indonesia
<i>Cassia cobanensis</i>	43,051 planted	14,782 planted
<i>Tunera subulata/ulmifolia</i>	104,070 planted	85,436 planted
<i>Antigonon leptopus</i>	18,058 planted	97 planted
<i>Carambola sp</i>	3,554 planted	10 planted
Others	5,671 planted	8,634 planted
<b>Total</b>	<b>174,404 planted</b>	<b>108,959 planted</b>

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

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 Agrosiences (China) and UPL (India).

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

Through those 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 <sub>2</sub> O <sub>5</sub> -kg)	8	8	8	77	72	42
Potash (K <sub>2</sub> O-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 <i>Bacillus thuringiensis</i>	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 predated 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<sup>2</sup> 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<sup>2</sup>.

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

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

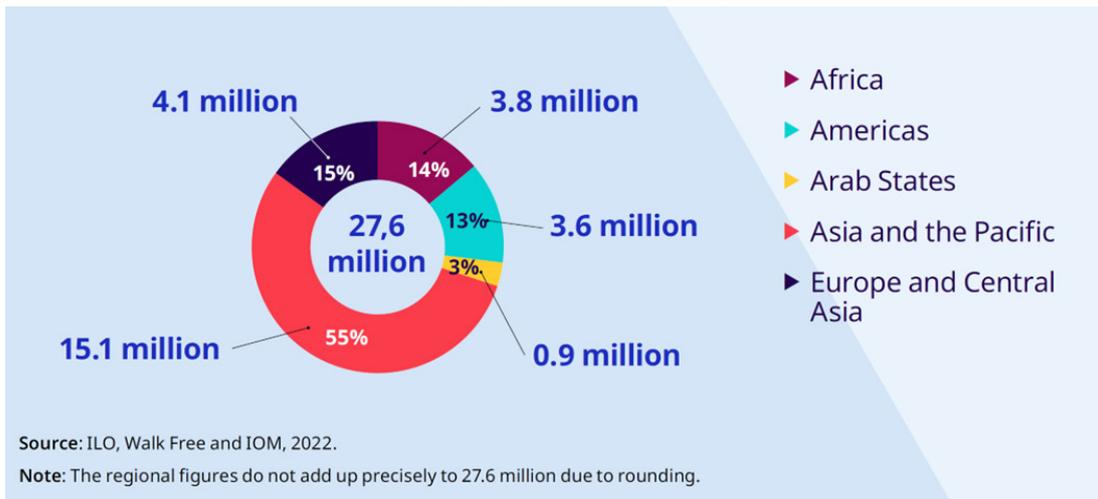
respect all universal human rights including prohibiting the use of child or forced labour in our operation.

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.

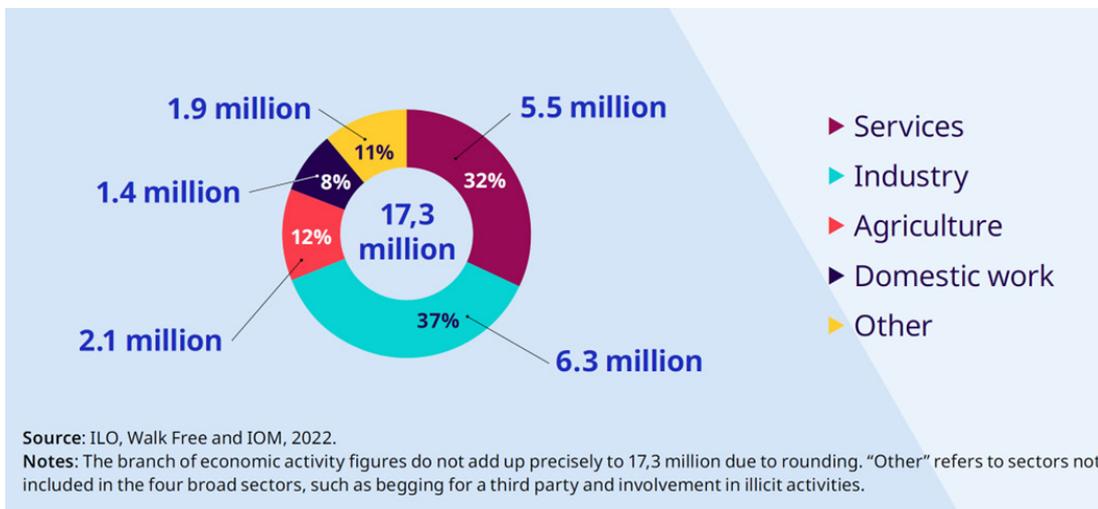
According to statistics by the ILO from September 2022, there are 50 million people globally in situations of modern slavery on any given day, either forced to work against their will or in a marriage that they were forced into.

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



Privately-imposed forced labour, by branch of economic activity



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



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

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

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

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

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

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

Strengthening human rights standards is a journey with no finishing line, and we remain totally committed to our 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
<b>Total</b>	<b>374</b>	<b>86</b>

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
<b>Total</b>	<b>29,448,347</b>	<b>39,054,117</b>	<b>22,493,451</b>	<b>90,995,915</b>

\*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/](http://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](mailto:up@unitedplantations.com)

For further details on our grievance redressal procedures for external stakeholders, please refer to our website, [www.unitedplantations.com/sustainability/](http://www.unitedplantations.com/sustainability/).

### Land Disputes and Free, Prior and Informed Consent (FPIC)

We are committed towards the principles of Free, Prior and Informed Consent (FPIC) and adhere to these principles in all our negotiations and interactions with stakeholders prior to any development or acquisition of land.

In Indonesia, land disputes are inevitable and part of managing plantations in the country. To minimise land issues, free, prior, and informed consent sessions with stakeholders are conducted as a vital part of sustainable plantation development.

UP has been involved with several thousand land deals with the local community and whilst most cases of disputes have been amicably resolved based on facts and full transparency in line with our Standard Operating Procedure (SOP) for Land Disputes Settlement as per FPIC.

We are pleased to inform that there is no pending land dispute case in our operations. All land dispute cases shall be addressed as per our Land Dispute Redressal Procedure.

For further details on or SOP for Land Disputes Settlement as per FPIC protocols, please refer to our website, [www.unitedplantations.com/sustainability](http://www.unitedplantations.com/sustainability).

### Landscape Approach

A landscape approach is all about having communities discuss and agree on various sustainability issues to provide an optimal balance between community, commercial and conservation interests.

At United Plantations, we recognise that community engagement, assessment and feedback are an integral part of our global sustainability strategy and initiatives. The community groups which are key to our operations and which have significant influence over the impacts of our business are carefully identified and engaged at various platforms and intervals throughout the year.

The community engagement process, which includes a proactive and both formal and informal approach, is carried out to fully understand their sustainability concerns and issues with a view to ensuring that their key interests in these areas are aligned with that of our Group. Partnerships with the local communities are crucial to achieve success in Indonesia and it is therefore of utmost importance that the local communities also benefit from UP's development.

A Stakeholder meeting is held annually for all the business units within our operations to discuss and collate their feedback on the Social and Environment Impact Assessment (SEIA). This is reviewed annually with the participation of stakeholders.

For further details on our landscapes initiatives, please refer to our website, [www.unitedplantations.com/sustainability/](http://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.

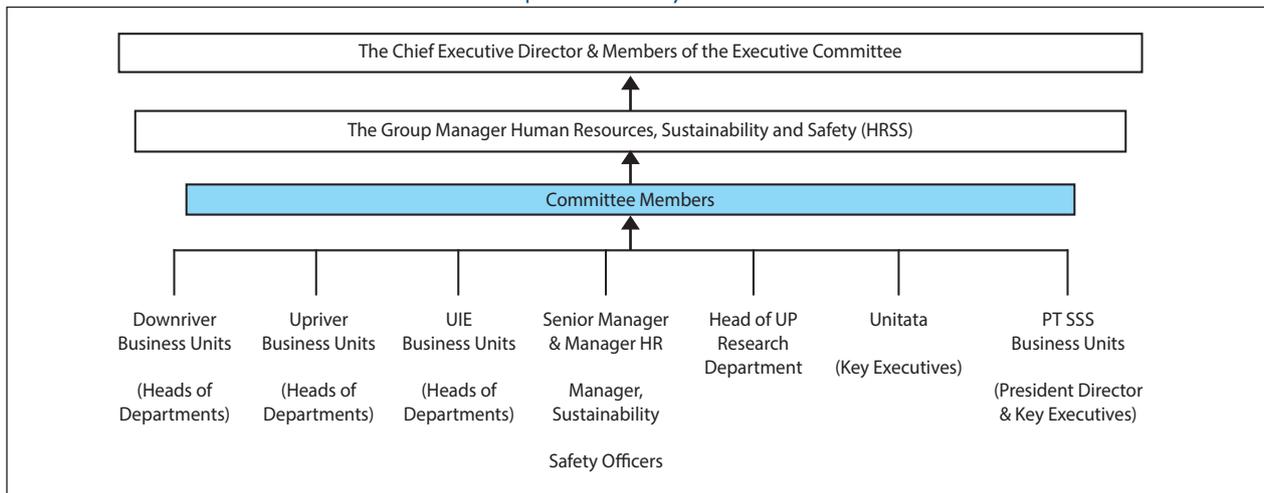
The GSRT collates all the information from the GSC, stakeholders' responses and prepares the Sustainability Report. Officially established in 2003, the GSC provides policy direction on strategic leadership on UP's Sustainability agenda, identifies our Group's most material issues in relation to risks 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.

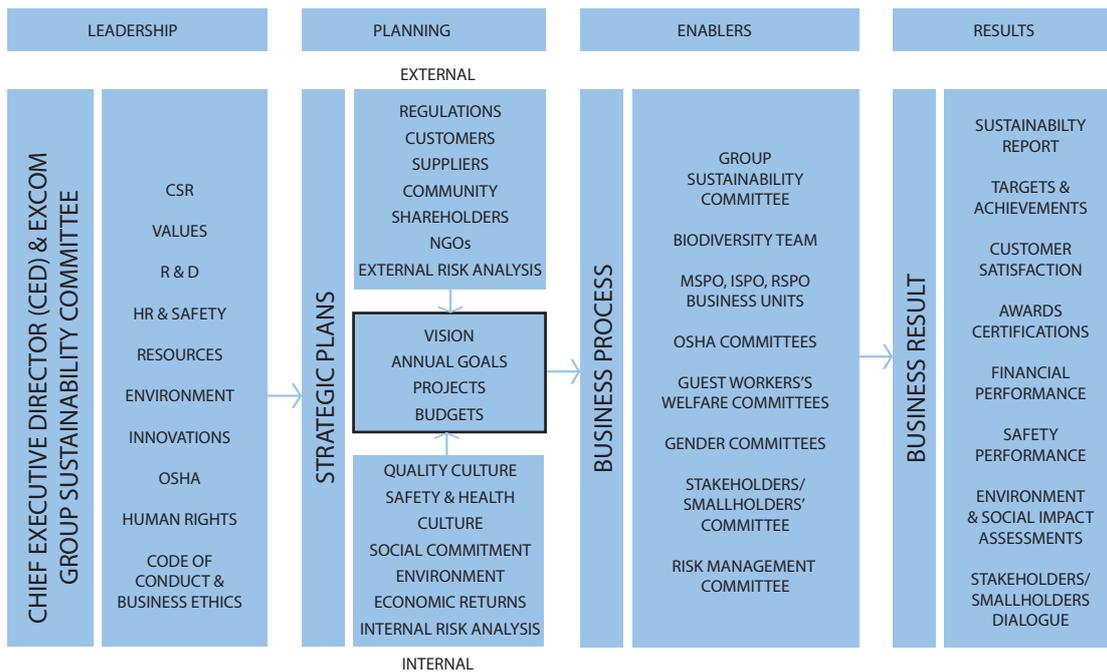
Sustainability Governance Management Structure



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/](http://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 Deodoriser 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:

**U**pholding the name and reputation of UP as a top producer of premium quality palm products.

**N**urturing a diligent work force who takes pride in contributing to the development of the Company.

**I**nitiating and innovating positive, progressive work ethics, methods and incorporating a winning culture.

**T**raining of personnel is the key to upgrading our skills and keeping in trend with the marketplace.

**E**nsuring that only high quality palm products are produced, to the satisfaction of our customers’ needs

**D**elivering 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.

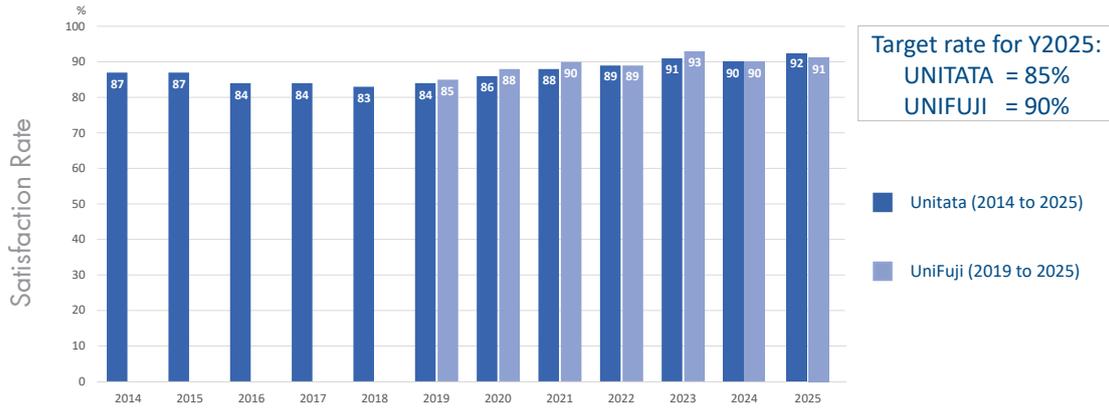
As a result of the goal-directed quality controls and assessments, UP, Unitata and UniFuji are today able to meet the ever tightening, threshold prerequisites for oils that will be used in a variety of food products, especially in the production of infant formula.

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 Survey



### Customer Satisfaction

At Unitata and UniFuji, the annual customer satisfaction survey is used to measure how our finished products meet our customers’ expectations. This is an important measure in relation to our continuous improvement attitude and provides us with an important understanding of our service and collaboration with our customers based on their valuable feedback.

Through interactions with customers and other stakeholders, a deep understanding of this responsibility has been developed and provides a healthy avenue for continuous improvements in quality and food safety by minimizing risks throughout the supply chain. Furthermore, UP has gained much knowledge on market trends and have become more capable of responding to them.

The survey focuses on three key areas which are:

- (i) Product quality
- (ii) Service quality
- (iii) Delivery timeliness

The results are analysed and tabulated in an appropriate graphical form for presentation at the management review meetings as well as during the various certification audits throughout the year. Besides that, Unitata and UniFuji also adopt an on-going communication method with customers to keep them engaged with their products.

Regular communication with customers enables Unitata and UniFuji to develop products and provide the necessary service to ensure continuous customer satisfaction, which cannot be taken for granted in the competitive business of refining.



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.

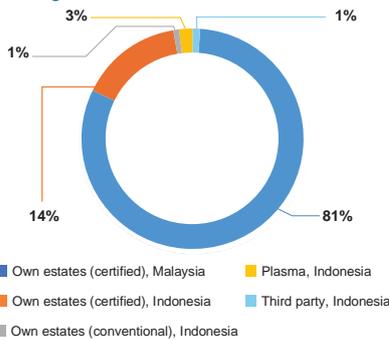
## Upstream Traceability

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

Origin of FFB Processed at UP Mills



The location of UP owned mills is tabulated below:

Name of Mills	GPS Coordinates	
	Latitude	Longitude
UIE	N 4°26'53"	E 100°43'11"
Jendarata	N 3°51'14"	E 100°58'06"
Ulu Bernam Optimill	N 3°46'19"	E 101°13'14"
Ulu Basir	N 3°43'28"	E 101°15'21"
Lada (PT SSS)	S 2°35'24"	E 111°46'16"

The location of third-party FFB suppliers for PT SSS is tabulated below:

Name of FFB Suppliers	GPS Coordinates	
	Latitude	Longitude
Koperasi Tani Bahagia	600918	9678406
Koperasi Karya Tunggal Jaya	589868	9728251
CV Inti Sawit Perkasa/Bapak Iswanto	591276	9708506

As at 31 December 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.

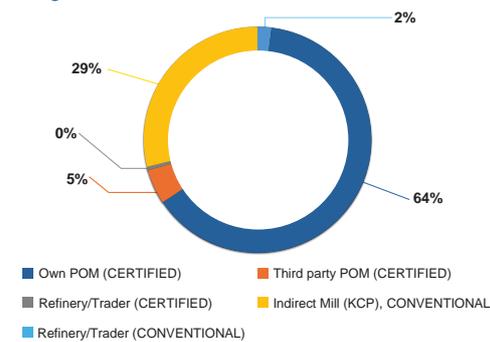
One of Unitata's key commitments to its customers is to ensure that our finished products can be traced back to their origins, namely palm oil mills and further to the plantation level. This is particularly important in relation to the implementation of the EU Deforestation Regulation (EUDR).

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:

Origin of raw material sourced at Unitata Bhd.



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 own 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**

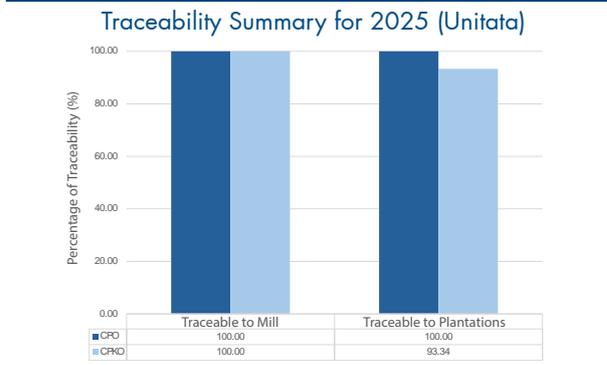
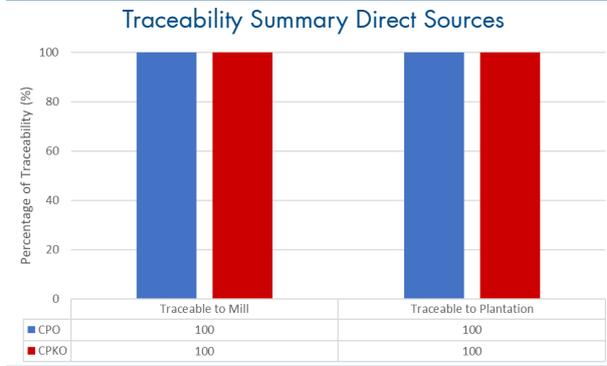
Our direct supplier mills for CSPO have been 100% traceable to plantations level since 2010, whereas our indirect supplier mills for CPKO via Kernel Crushing Plant (KCPs) have been 100% traceable to mill level since 2021.

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.

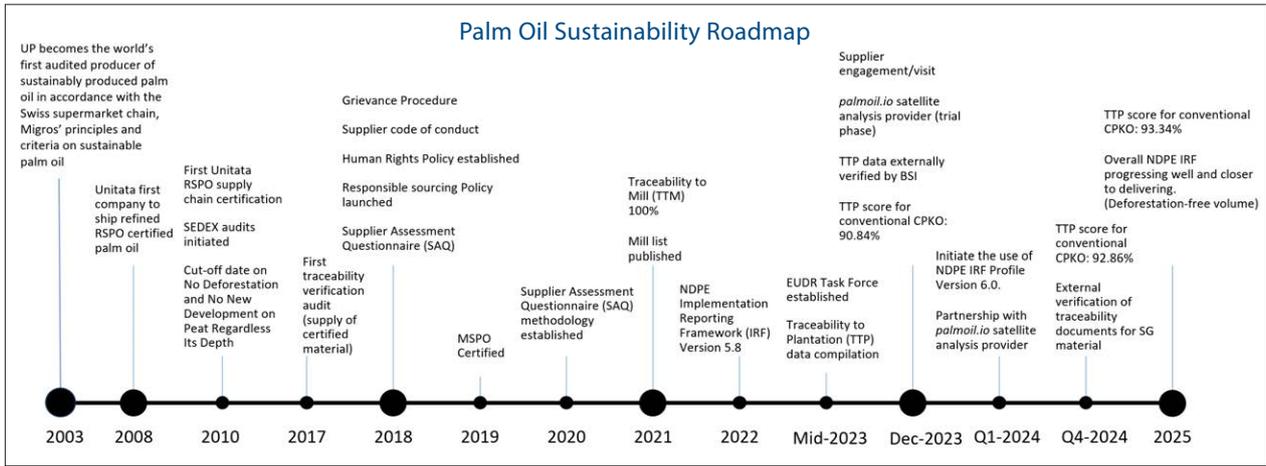


**NDPE Implementation Reporting Framework (NDPE IRF)**

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.

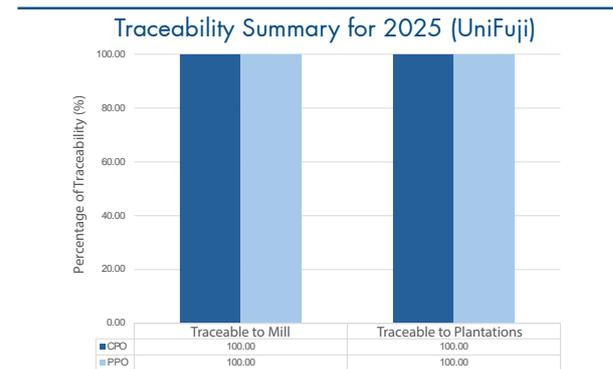
**Direct Mill Suppliers:**

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 overcome. 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, suppress weeds, conserve moisture and reduce erosion

## POLLINATION

Oil palms have both male and female flowers and are pollinated through wind and insects. Each palm can produce about 12-14 fresh fruit bunches per year, each containing over thousand fruitlets

### 8. Insect pollination



Oil palms are both wind & insect pollinated, the latter being efficiently handled by the pollinating weevil *Elaeidobius kamerunicus*

### 9. Harvesting of fruit bunches



Efficiency is key to maintain low harvesting rounds, high yields, and to keep the fields healthy and productive for generations

### 10. Tall palm harvesting



Harvesting (and pruning) of tall oil palms sometimes exceeding 15 metres is a manual task requiring skilled workers

## HARVEST

The oil palm is a perennial crop, which must be attended to approximately every two weeks all year round. Timely harvesting intervals and fruit evacuation is crucial in order to achieve high yields and quality

### 11. Fruit bunch loading



Quick evacuation of fresh fruit bunches after harvesting ensures the highest quality for further processing at the palm oil mills

### 12. Gentle transport, low GHG footprints



UP's unique light Railway System facilitates an efficient, timely and gentle transport of fresh fruit bunches to the palm oil mill

### 13. Receiving fresh fruit bunches



Fresh fruit bunches are quality checked & railway wagons are weighted at the mill's weighbridge before further processing

## MILLING

The milling process and operations are targeted at extracting as much crude palm oil and palm kernels as possible from the incoming fruit bunches, which ideally are no more than a day old upon processing

### 14. Sterilisation



Quick processing ensures high oil quality. Cages enter directly into the sterilisers, where fruits are cooked under pressure

### 15. Digestion & screw pressing



At the screw press station, crude palm oil from cooked fruitlets is extracted and separated from shells, nuts and fibre

## PRODUCE

Whilst the extraction of crude palm oil and palm kernels often receives the most attention, it is also of great economical and environmental value to utilise all by-products

### 16. Palm fruit fractions



Crude palm oil (CPO) and palm kernels are extracted from the mill, and fibres, shells & empty bunches sent for further processing

### 17. Renewable energy



Fibres and shells are consumed in biomass boilers to produce green steam & electricity, which is used at the oil mills & refineries

### 18. Renewable energy from effluent



Under anaerobic conditions in the biogas plant, 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

Date & Time: 2026-02-18 12:38:38

United Plantations Berhad  
IFRS S2

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Carbon footprint	Ratio of GHG emissions	kg CO2-eq/kg NBD oil	115	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	7919 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

## 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 reviews, 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 (hectare) 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 Smallholders 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 assurers 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.

Verifier of the Report:




For and on behalf of BSI:

Ms Evelyn Chye  
Managing Director

14 February 2026



AA1000  
Licensed Report  
000-4/V3-REURO

Mr. Shaijful Rahman  
Lead Assuror

GRI content index

<b>Statement of use</b>	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.
<b>GRI 1 used</b>	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION
<b>GRI 2: General Disclosures 2021</b>	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
<b>GRI 3: Material Topics 2021</b>	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
<b>GRI 201: Economic Performance 2016</b>	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
<b>GRI 202: Market Presence 2016</b>	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
<b>GRI 203: Indirect Economic Impacts 2016</b>	203-1 Infrastructure investments and services supported	Social Commitments and Social Amenities, Page 95
	203-2 Significant indirect economic impacts	Information unavailable, Nil
<b>GRI 204: Procurement Practices 2016</b>	204-1 Proportion of spending on local suppliers	We endeavour to support local suppliers in the countries we operate in, which is Malaysia and Indonesia, Nil

GRI STANDARD	DISCLOSURE	LOCATION
<b>GRI 205: Anti-corruption 2016</b>	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
<b>GRI 206: Anti-competitive Behavior 2016</b>	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Information unavailable,Nil
<b>GRI 207: Tax 2019</b>	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
<b>GRI 301: Materials 2016</b>	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
<b>GRI 302: Energy 2016</b>	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"
<b>GRI 303: Water and Effluents 2018</b>	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
<b>GRI 304: Biodiversity 2016</b>	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"
<b>GRI 305: Emissions 2016</b>	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
<b>GRI 306: Waste 2020</b>	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
<b>GRI 308: Supplier Environmental Assessment 2016</b>	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
<b>GRI 401: Employment 2016</b>	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: <a href="http://www.unitedplantations.com/employees/#Demographic-of-Employees">www.unitedplantations.com/employees/#Demographic-of-Employees</a>
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: <a href="http://www.unitedplantations.com/wp-content/uploads/2020/03/Personal_Data_Protection_Policy.pdf">www.unitedplantations.com/wp-content/uploads/2020/03/Personal_Data_Protection_Policy.pdf</a>

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 <sub>2</sub> eq Metric tons (t) CO <sub>2</sub> -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 <sup>3</sup>	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 <sub>2</sub> Equivalents	Carbon dioxide equivalents (CO <sub>2</sub> eq) provide a universal standard of measurement against which the impacts of releasing (or avoiding the release of) different greenhouse gases can be evaluated.
Crude Palm Oil (CPO)	Oil produced from oil palm fruits in milling process.
Creating Shared Value (CSV)	A responsibility to manage our resources resourcefully and engage in activities that optimize return for shareholders and the society we operate in.
Deforestation	Defined by UP as direct human-induced conversion of forest to non-forests, with an exception for small scale low intensity subsistence conversion by indigenous peoples and forest dependent traditional communities (consistent with RSPO P & C as well as Indonesian laws, Environmental Impact Assessments (EIA) and High Conservation Value Assessment (HCV).
Effluents	Water discharged from one source into separate body of water, such as mill process water.
ERT	Emergency Response Team
Forced Labour	A person who is coerced to work under the threat of violence, intimidation, or undue stress of penalty.
Free, Prior and Informed Consent (FPIC)	The principle that a community has the right to give or withhold its consent to proposed projects that may affect the lands they customarily own, occupy or otherwise use.
Fresh Fruit Bunches (FFB)	Bunch harvested from the oil palm tree. The weight of the fruit bunch ranges between 10 kg to 40 kg depends on the size and age.
FDA	Food and Drug Administration
Global Reporting initiative (GRI)	A multi-stakeholder standard for sustainability reporting, providing guidance on determining report content and indicators.
Greenhouse Gas (GHG) emissions	Greenhouse gas or carbon emissions are gasses in an atmosphere that absorb and emit radiation within the thermal infrared range. This process is the fundamental cause of the greenhouse effect. The primary greenhouse gases in the Earth's atmosphere are water vapor, carbon dioxide, methane, nitrous oxide, and ozone.
HRSS	Human Resources Sustainability and Safety
High Conservations Value (HCV)	The concept of High Conservation Value Forests (HCVF) was first developed by the Forest Stewardship Council (FSC) in 1999 as their ninth principle. The FSC defined HCVF as forests of outstanding and critical importance due to their environmental, socio-economic and cultural biodiversity and landscape value.
High Carbon Stock (HCS)	The HCS Approach is a methodology to avoid deforestation in land development. The approach stratifies the vegetation on an area of land into different classes using analyses of satellite images and field plot measurements. Each vegetation class is validated through calibrating it with carbon stock estimates in the above-ground tree biomass.
Hak Guna Usaha(HGU)	The right to enjoy immovable property of another person with the obligation to pay the annual income to the landowner.
ILO (International Labour Organisation)	Is a tripartite world body representative of labour, management and government, and is an agency of the United Nations. It disseminates labour information and sets minimum international labour standards called "conventions", offered to member nations for adoption.
Integrated Pest management (IPM)	A pest management system that in context of the associated environment and the population dynamics of the pest species utilizes all suitable techniques and methods in as compatible a manner as possible and maintains the pest population at levels below those causing economically unacceptable damage and loss.
IUCN Red List	Based in Switzerland, the International Union for Conservation of Nature and Natural Resources (also known as The World Conservation Union) is an organisation involved in the preservation of natural resources. IUCN publishes the Red Data Book, which lists the endangered species of every nation.
Identity Preserved/ IP	Certified sustainable palm oil is physically separated from other certified and non-certified palm oil throughout the supply chain, i.e from the RSPO mill through to the end-user.
Oil Extraction Rate	The amount of oil extracted from oil palm fruit at a mill. Crude palm oil (CPO) is extracted from the flesh; palm kernel oil (PKO) from the nut.
Mass Balance	Certified sustainable palm oil and non-certified palm oil is mixed to avoid the cost of keeping the two quantities controlled. The mass balance system is constructed in such a way that volumes of RSPO certified products shipped will never exceed volumes received by the end-user.
Mature Oil Palm	After planting, the oil palm tree is classified as immature until fresh fruit bunches are produced, which is approximately 30 months later, whereupon the oil palm tree is classified as mature.
MOSH	Mineral Oil Saturated Hydrocarbons
MOAH	Mineral Oil Aromatic Hydrocarbons
Non-Governmental Organisation (NGO)	Is used in this report to refer to grassroots and campaigning organisations focused on environmental or social issues.
Palm oil Mill effluent (POME)	By-product of processed fresh fruit bunch (FFB).
Peat	Peat is an accumulation of partially decayed vegetation matter. Peat forms in wetlands or peat lands, variously called bogs, moors, muskegs, pocosins, mires, and peat swamp forests.
Plasma schemes	A programme initiated by the Indonesian government to encourage the development of smallholders' plantations with the assistance and cooperation of plantation companies (the nucleus) which assist and support the surrounding community plantations (the plasma).
Palm Kernel (PK)	Seed of the oil palm fruit, which is processed to extract palm kernel oil and other by-products.
Roundtable on sustainable palm oil (RSPO)	A non-governmental multi-stakeholder organisation based in Kuala Lumpur, Malaysia. The organisation has developed a certification scheme for sustainable palm oil.
Social Impact Assessment	A process of analysing, monitoring and managing the intended and unintended, both positive and negative social consequences of planned interventions (policies, programs, plans, projects) and any social change processes invoked by the interventions. Its primary purpose is to bring about a more sustainable and equitable biophysical and human environment.
Segregated/ SG	Certified sustainable palm oil is physically separated from non-certified palm oil throughout the entire supply chain.
Stakeholders	Any group or individual who are affected by or can affect a company's operations.
Sustainability	A term expressing a long-term balance between social, economic and environmental objectives. Often linked to Sustainable Development which is defined as "Development that meets the need of current generations without compromising the needs of future generations"
Traceability	Traceability is the capability to track sustainable palm oil along the entire supply chain.
Toxicity	Toxicity measures the degree to which a substance is harmful to living organisms.

## Governance

### List of content

Corporate Governance Overview Statement	130- 135
Statement on Directors' Responsibility	136
Statement on Risk Management and Internal Control	137- 138
Audit and Risk Committee Report	139- 142
Nomination Committee Report	143- 145
Additional Disclosures	145



*The Board of Directors, together with the Company Secretary, having a Board Meeting, with one board member joining remotely via video conferencing.*

## Corporate Governance Overview Statement

The Board of Directors recognizes the importance of good corporate governance and continues to be committed to ensuring that high standards of corporate governance are practiced throughout the Group to deliver long term sustainable value to the shareholders and other stakeholders. With this in mind, the Board of Directors is pleased to present the Corporate Governance Overview Statement for 2025 (“CG Overview Statement”).

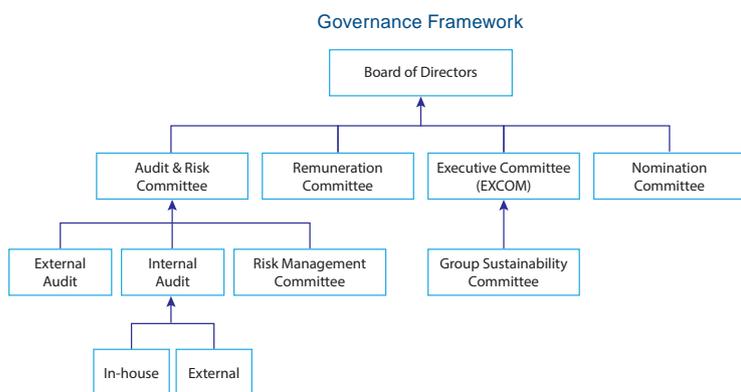
This CG Overview Statement explains the Board’s recognition of corporate governance as a vital element contributing to the long-term sustainability of the Group’s businesses and performance. The Board in pursuit of this objective, dedicates substantial efforts to identify and formalize best practices, ensuring high standards of corporate governance across the entire Group. This commitment is based on the conviction that robust and effective corporate governance practices are fundamental to the efficient, and transparent operation of the Group enhancing long-term shareholders’ value, instilling investor confidence, and safeguarding stakeholders’ interests.

This CG Overview Statement outlines how UP Group has adhered to the following three principles outlined in the Malaysian Code on Corporate Governance 2021 (“MCCG”):

- a) Board leadership and effectiveness;
- b) Effective audit and risk management; and
- c) Integrity in corporate reporting and meaningful relationship with stakeholders.

This document is to be read in conjunction with the Corporate Governance Report (“CG Report”), published on the Company’s website, [www.unitedplantations.com](http://www.unitedplantations.com) which provides further elaboration on the application or departure of each practice as prescribed in the Code. Explanations including measures taken to achieve the intended outcome are given for the departure practices.

The Group’s Governance Framework is outlined below.



### A) Board Charter

The Board Charter sets out the Board’s strategic intent and outlines the Board’s roles and responsibilities. The Charter elaborates the fiduciary and leadership functions of the Board and serves as a primary reference for prospective and existing Board members and senior management. The Charter is reviewed periodically

to ensure it complies with current legislation and best practices. The Board Charter was updated on 24 February 2024 to ensure that it remains relevant and appropriate for the Board in discharging its duties. The Fit and Proper Policy which serves as a guide for the assessment of Directors and candidates for the Board was updated on 24 February 2024. The Board Charter and the Fit and Proper Policy can be viewed at the Company’s website at [www.unitedplantations.com](http://www.unitedplantations.com).

### B) Strengthen Composition

Specific responsibilities are delegated to Board Committees where appropriate. The Board Committees comprises of Nomination Committee, Remuneration Committee, Audit and Risk Committee and Executive Committee. Each Committee operates within its respective Terms of Reference which have been approved by the Board. The Terms of Reference of the Nomination Committee, Remuneration Committee and Audit and Risk Committee are disclosed at the Company’s website at [www.unitedplantations.com](http://www.unitedplantations.com).

#### B1.1 Nomination Committee

The Nomination Committee is responsible to make recommendations to the Board regarding the appointment of directors, evaluation of the skills, experience, competencies of the Directors, diversity of the Board’s composition. The Nomination Committee consists of 3 members, majority of whom are Independent, Non-Executive Directors. The Chairman is a Non-Independent Non-Executive Director.

While the MCCG recommends that the Nomination Committee be chaired by an Independent Director to promote objectivity in board appointments and evaluations, the Board is of the view that the Company’s current arrangement continues to meet the intended outcome of the MCCG. Mr. Jorgen Balle is conscious of his responsibilities as the Chairman of the Nomination Committee and ensures that all matters are deliberated thoroughly and objectively at the committee level before any recommendations are submitted to the Board. The Nomination Committee comprises a majority of Independent Directors who actively participate in discussions and influence all deliberations and decisions of the Committee, thereby providing effective checks and balances and ensuring that independent judgement is exercised.

All deliberations and recommendations of the Nomination Committee are made collectively and have been arrived at unanimously after taking into consideration diverse perspectives, skills, experience and insights contributed by all committee members. This approach promotes transparency, objectivity and balanced decision-making, consistent with the intent and spirit of the Intended Outcome 5.1.

The Board remains satisfied that this structure ensures there is balanced and robust deliberations, objective decision-making, meaningful consideration of diverse perspectives, and outcomes that are in the best interests of the Company and its stakeholders. Accordingly, the Board considers that the alternative practice adopted achieves the spirit and intended outcome of the MCCG, notwithstanding the deviation from the recommended practice.

The full report of the Nomination Committee can be found from pages 143 - 145 of this Corporate Governance Overview Statement 2025.

## B1.2 Remuneration Committee and Directors Remuneration

The Remuneration Committee consists of two (2) independent, non-executive directors, and one (1) non-independent, non-executive director. Its primary function is to review and recommend the remuneration for the Company's executive directors and to review the fees, benefits, and allowances of Non-Executive Directors.

The members of the Remuneration Committee are stated here below:-

**Mr. Jorgen Balle \***  
(Non-Independent, Non-Executive Director)

**Mr. Yap Seng Chong**  
(Independent, Non-Executive Director)

**Ybhg. Dato' Mohamad Nasir bin Ab. Latif \*\***  
(Independent, Non-Executive Director)

**Mr. R. Nadarajan \*\*\* (Past Chairman)**  
(Independent, Non-Executive Director)

\* Appointed as Chairman after the retirement of Mr. R. Nadarajan on 23 April 2025

\*\* Appointed as member of NC on 23 April 2025

\*\*\* Retired from the Board on 23 April 2025

It is the Remuneration Committee's usual practice to draw information on the Company's remuneration policy from the Executive Committee to assist them with their duties. Executive directors do not participate in the deliberations of the Remuneration Committee. Only the executive directors have contracts of service which are normally reviewed every three years. The executive directors' salaries are linked to their position, seniority, experience, and the Company's overall profitability which would vary from year to year.

The salary components are determined in accordance with the Company's established remuneration policy for executive directors, this policy was last reviewed in March 2020. The remuneration packages are sufficiently attractive to attract and retain executive directors. All directors are paid annual fees. The Chairman and members of the Audit and Risk Committee receive additional fees taking into account the nature of their responsibilities. Members of other Board committees do not receive any additional fees. The directors' fees are reviewed by the Board only when it deems necessary, subject however to approval by the shareholders at the Annual General Meeting.

The amount of fees payable to each Director is related to their level of responsibilities. Periodical review of the fees is undertaken based on market information on directors' fees. A fixed daily meeting attendance allowance is paid for all attendances at Board and Board Committee meetings except for the Executive Committee meetings. The Remuneration Committee held one (1) meeting in early 2026 to deliberate on the bonuses for the executive directors and made their recommendation to the Board. The aggregate remuneration for the year for the following directors is as shown in the table below.

## B1.3 Audit and Risk Committee

The Audit and Risk Committee consists of two (2) independent non-executive directors, and one (1) non-independent, non-executive director. All three (3) members are non-executive directors as required under the Main Market Listing Requirements.

The scope and functions of the Audit and Risk Committee are as spelt out under the Terms of Reference. The activities of the Audit and Risk Committee during the financial year 2025 have been described at length in a separate statement in this Annual Report. (pages 139 - 142).

	Directors' Fees		Salary*	Bonus	Benefits- in Kind	Other Benefits	Meeting Attendance Allowance	Total
	Company	Subsidiaries						
	(RM)	(RM)						
Ybhg. Dato' Mohammad Nasir bin Ab. Latif (Chairman, Independent, Non-Executive) (wef 22 April 2021)	210,000	-	-	-	-	-	9,000	219,000
Ybhg. Dato' Carl Bek-Nielsen (Chief Executive Director)	145,000	30,000	2,046,000	318,000	77,373	389,760	7,500	3,013,633
Mr. Martin Bek-Nielsen (Executive Director)	130,000	25,000	1,926,000	306,000	72,963	367,710	7,500	2,835,173
Mr. Loh Hang Pai (Executive Director)	130,000	-	1,246,800	210,000	49,617	247,980	7,500	1,891,897
Mr. R. Nadarajan (Independent, Non-Executive) (rtf wef 23 April 2025)	44,890	-	-	-	-	-	9,000	53,890
Mr. Jorgen Balle (Non-Independent, Non-Executive)	145,000	-	-	-	-	-	13,500	158,500
Ms. Belvinder Kaur a/p C Nasib Singh (Independent, Non-Executive)	140,397	-	-	-	-	-	12,000	152,397
Mr. Yap Seng Chong (Independent, Non-Executive)	160,000	-	-	-	-	-	18,000	178,000
Mr. Iwan Azlan bin Mokhtar (Non-Independent, Non-Executive)	130,000	-	-	-	-	-	7,500	137,500
<b>Total</b>	<b>1,235,287</b>	<b>55,000</b>	<b>5,218,800</b>	<b>834,000</b>	<b>199,953</b>	<b>1,005,450</b>	<b>91,500</b>	<b>8,639,990</b>

\* including additional remuneration

## B1.4 Executive Committee

The Executive Committee consists of executive directors only. The scope and functions of the Executive Committee are as stated in the Terms of Reference approved by the Board. It is responsible to oversee the day-to-day management of the Group's operations which includes reviewing of the annual revenue and capital budgets before presenting to the Board, reviewing the monthly, quarterly and annual results of the Company and Group and comparing them with the respective business units budgets and taking remedial actions for budget variances, implement policies and procedures approved by the Board, implement recommendations of the Audit and Risk Committee, identify key risks annually and implement mitigating actions where practicable, recommend expansion and diversification plans, implement policies for succession, labour recruitment, ensure continuity of business, review of replanting programmes and replacement of plant and machinery, and the review of research policies and projects.

The Executive Committee has established the Group Sustainability Committee which reviews sustainability issues concerning the environment, social/community, employees, and market place. The Sustainability Report has been included in a separate statement in this Annual Report. The Executive Committee has access to the services of the Company Secretary who records and maintains minutes of Executive Committee meetings.

The Executive Committee met formally 3 times during 2025, and the minutes thereof were included in the Board file for information and deliberation by the Board. All the executive directors attended all 3 meetings. The Executive Committee also met informally on more than 20 occasions during the year to deal with matters that required prompt response and decisions.

## C. Reinforce Independence

### C.1 Board Balance and Independence of Directors

The Company has an effective Board entrusted with leadership responsibilities by its shareholders. It is headed by a Chairman who is independent of management and whose key role is the stewardship of the Board. The Chief Executive Director on the other hand is the head of management whose key responsibilities are to run the business and implement the policies and strategies approved by the Board. Due to their contrasting roles at the head of the Company, the two roles are not combined. Following this division of responsibilities at the head of the Company we have in the Board's composition included a balance of executive and independent non-executive directors so that no one group would dominate the decision-making process.

For the financial year 2025, your Board after the retirement of Mr. R Nadarajan consists of eight (8) directors, three (3) of whom are executives who have an intimate knowledge of the business. Amongst the remaining five (5) non-executive directors, three (3) of them are independent directors. The Board is satisfied that the current board size fulfils its requirements adequately and would review this as and when necessary.

The Board has in late 2025 identified a suitable replacement for Mr. R Nadarajan and she will join the Board in July 2026. The Board acknowledges the MCCG recommendation to utilise independent sources in identifying candidates for Board appointments to broaden the talent pool and enhance objectivity. During the financial year, following the retirement of Mr. R Nadarajan, the Nomination Committee considered the appointment of a former woman director as part of the Board's succession planning and gender diversity objectives.

The candidate had previously served on the Board and was assessed against the Board's skills matrix, diversity targets and independence requirements. Based on her prior tenure, the Nomination Committee had direct and demonstrable evidence of the candidate's competencies, professional conduct, and effectiveness in Board deliberations, including her ability to provide constructive challenge and engage independently with both Executive Directors and fellow Board members. Her familiarity with the Group's business and governance framework further reduced execution and onboarding risks.

In view of the above, the Nomination Committee determined that reliance on independent external sources was not necessary for this specific appointment, as the Board had sufficient information to make a robust, merit-based assessment while achieving its diversity objectives. The Board remains committed to utilising independent search sources where appropriate to ensure access to a wider candidate pool and will continue to review its succession planning practices in line with the intended outcome of the MCCG.

The composition of the Board reflects a mix of skills and experience and other qualities which non-executive directors should bring to the Board. Due to the diversified backgrounds and their independence, the non-executive directors are ably engaged in healthy discussions and debates with the executive directors at the Board meetings which are conducive for an effective Board. Their independent directors play a pivotal role in the Board's responsibilities. However, they are not accountable and responsible for the day to day running of the business, which is the role of the executive directors.

The independent non-executive directors and non-independent non-executives directors are actively involved in various Board committees and contribute significantly to areas such as performance monitoring and enhancement of corporate governance by providing independent assessment and opinions on proposals put forward by the executive directors and act as a check and balance for the executive directors. The Board has established in the Board Charter a formal and transparent policy for the role of the executive and non-executive directors.

Biographies of the Directors as given in this Annual Report, show the necessary depth to bring experience and judgment to bear on the collective decision-making processes of the Board. The Board's composition fairly represents the ownership structure of the Company with appropriate representatives from the

two largest shareholders. There are adequate number of representatives on the Board who fairly reflect the interests of the minority shareholders.

The Board has established position descriptions for the role of each of the executive directors who has specific management responsibilities for the day to day running of the business. The Company has included a Group Philosophy Statement in the inside cover of this Annual Report and it has clearly described its objectives in the statement on sustainability to which the Board is deeply committed.

The Board notwithstanding the view that diversity should be in tandem with expertise, experience and skills and not gender alone acknowledges the importance of gender diversity. The Board in recognition of this has updated the relevant article of the Board Charter in 2022. Additionally, the Nomination Committee has been tasked to look for suitably qualified female candidates when there is a vacancy.

In compliance with Main Market Listing Requirements, the Company has at least one woman director on the Board. Ms. Belvinder Kaur was appointed to the Board on 6 November 2021 and remains on the Board to-date. The Board shall continue to increase woman board representation on the Board.

#### D. Foster Commitment

The Non-Executive Directors are expected to commit approximately 30 to 45 days in a year of his/her time to the Group. Time spent includes not only formal board meetings but also preparation for meetings, Board committee meetings, discussion with management, dealing with the authorities when necessary, professional and educational conferences and Company functions. The Board is satisfied with the level of time commitment given by each of the directors towards fulfilling their roles on the Board and Board Committees.

The Board meets not less than four (4) times a year to review and approve the quarterly and annual results for announcements. The Board meetings for the ensuing year are fixed in advance. Notice of meetings and the agenda are given in a timely manner.

Standard matters set out in the agenda for the Board meetings are as follows:-

- 1) Matters arising from the previous minutes of the Board and Committees of the Board
- 2) Monthly, Quarterly and Yearly Financial Statements and financial forecasts/projections
- 3) Matters relating to the business namely finance, land matters, staff & labour, succession planning, budgets, production, marketing, ESG, safety, sustainability and others
- 4) New Investments
- 5) Subsidiary Companies and Joint Venture Company
- 6) Sustainability Issues
- 7) General

During the year under review four (4) Board meetings were held and the directors' attendances thereat are summarised here below:-

Directors	No. of Meetings	
	Attended	Held
YBhg. Dato' Mohamad Nasir bin Ab. Latif -Chairman	4	4
YBhg. Dato' Carl Bek-Nielsen	4	4
Mr. Martin Bek-Nielsen	4	4
Mr. Loh Hang Pai	4	4
Mr. R. Nadarajan*	1	4
Mr. Jorgen Balle	3	4
Ms. Belvinder Kaur a/p C Nasib Singh	4	4
Mr. Yap Seng Chong	4	4
Mr. Iwan Azlan bin Mokhtar	4	4

\*Retired from the Board on 23 April 2025

The Directors are also mindful of their continuous training requirements. Directors are encouraged to attend various external and internal professional programs relevant and useful in contributing to the effective discharging of their duties as directors.

The Company Secretary facilitates programme registration for interested directors and would maintain such records of the programmes and their attendance thereat. All directors are allowed to choose courses/ seminars of relevance in discharging their duties.

The Board, with the input from the Company Secretary, assessed the training needs of individual directors and satisfied that all directors have met their training needs. Relevant training programmes, seminars and conferences attended by Directors during the financial year ended 31 December 2025 were:

- 1) MFRS Updates organised by KPMG Malaysia - 7 January 2025.
- 2) PwC Global 2024 year-end Audit Committee Webcast organised by PwC - 20 January 2025.
- 3) Future Proofing the Board: ISSB Standards And the Next Frontier of ESG Leadership organised by RHB - 9 February 2025.
- 4) E-Invoicing Directors Programme; Navigating the New Compliance Landscape presented by ICDM organised by RHB - 17 February 2025.
- 5) Malaysian Institute of Accountants- Global Minimum Tax: Latest Developments and Implications for Businesses & Public Sector Sustainability Reporting- webinar organised by Deloitte Malaysia - 13 February 2025.
- 6) Mandatory Accreditation Programme (MAP) Part 2 organised by ICDM - 19 & 20 February 2025, 18 & 19 June 2025 and 7 & 8 October 2025.
- 7) E-Invoicing presented by Ernst & Young Tax Consultants Sdn. Bhd. organised by RHB - 6 March 2025.

- 8) Enterprise Risk Management (ERM) IFRS Readiness, Transition Risk Quantification and GHG Review organised by MRCB - 7 April 2025.
- 9) Muzakarah Zakat KWSP 2025 organised by EPF - 8 April 2025.
- 10) Strategic Success on the Path to Near Zero organised by RHB - 11 April 2025.
- 11) Greenwashing - Can your green claims stand up to scrutiny organised by EY Global - 29 April 2025.
- 12) Amaran SCAM organised by Malaysian Institute of Accountants - 29 April 2025.
- 13) Trump, The US Dollar and The International Monetary System: What's Next organised by Asia School of Business (ASB) - 2 May 2025.
- 14) Portfolio Carbon Inventory: Board, IP and Nominee Directors Workshop presented by Mckinsey organised by EPF - 6 May 2025.
- 15) Boardroom Blind Spots: Navigating Grey Zones and Managing Conflicts of Interest organised by EPF - 8 May 2025.
- 16) Global Workshop on IFRS Sustainability Disclosure Standards S1 and S2 organised by ISSB - 27 May 2025.
- 17) E-Invoicing Handling for Directors & Budget 2025 Updates presented by Ernst & Young Tax Consultants Sdn Bhd organised by RHB - 2 June 2025.
- 18) Shariah Screen and Cryptocurrency organised by RHB - 30 June 2025.
- 19) Mastering Technology and Data Risk in the Age of Generative AI (YTL Corporation Berhad organised - speaker Mr. Ramesh Pillai (Chairman, Board of Governors, Institute of Enterprise Risk Practitioners) - 24 June 2025.
- 20) Navigating ESG Risk in the Trump Era: Challenges and Opportunities (YTL Corporation Berhad organised -speaker Mr. Ramesh Pillai (Chairman, Board of Governors, Institute of Enterprise Risk Practitioners) - 1 July 2025.
- 21) Khazanah Mega Trends 2025 organised by Khazanah Nasional Bhd. - 10 July 2025.
- 22) Spotlight on Plastics in Healthcare (Sunway Medical Centre) - 31 July 2025.
- 23) ASEAN Investment Conference 2025 organised by RHB - 4 August 2025.
- 24) Resolving Boardroom and Shareholders Disputes presented by Companies Commission of Malaysia organised by Yinson - 7 September 2025.
- 25) Navigating anti-corruption: insights on the US Foreign Corrupt Practices Act (FCPA) and the impact on Asean businesses organised by EY Global - 23 September 2025.
- 26) World Social Security Forum presented by International Social Securities Association organised by PERKESO - 25 September 2025.
- 27) Asean Business & Investment Summit 2025 organised by Asean Business Advisory Council - 25 & 26 October 2025.
- 28) A Boardroom Simulation : Experience it Live organised by EPF - 28 October 2025.
- 29) IFRS Foundation-Governance of sustainability-related risks and opportunities - 9 November 2025.
- 30) EPF Investment Seminar (EIS) 2025 organised by EPF - 20 November 2025.
- 31) The Chairpersons' Circle organised by Bursa Malaysia Bhd. - 21 November 2025.
- 32) Audit Oversight Board's (AOB) Conversation with Audit Committee - 25 November 2025.
- 33) Cybersecurity & Emerging Risk organised by RHB - 26 November 2025.
- 34) Integrity & Governance: Building a Resilient Organisation organised by RHB - 27 November 2025.
- 35) Establishing Islah Through Islamic Finance presented by Malaysia International Islamic Finance Centre (MIFFC) organised by RHB - 28 November 2025.
- 36) Internal audit insights webinar: Strengthening Governance in the second line: Internal audit's role compliance, operations and responsible AI organised by PwC Global - 15 December 2025.

#### E. Sustainability

The Board recognises UP's long history of embedding sustainable practises in its operations and is responsible for approving the overall sustainability strategy and direction through effective governance. During the year under review, the Board has assessed the sustainability performance and management's progress in operationalising sustainability within various areas of our Group.

These areas are summarised as follows:-

- Annual RSPO and MSPO audits as evaluation of sustainability performance.
- Materiality assessment involving various groups of stakeholders.
- Annual suppliers risk assessment.
- Annual stakeholders meeting.
- Improving Human Rights and Ethical Recruitment Procedures.
- CPH ZOO Collaboration and Biodiversity focus.
- Cascading sustainability policies to all level of our workforce through "Reach and Teach, Reach and Remind" programmes.

The Board also formalises our Sustainability Policy for the purpose of communicating our commitment to stakeholders. The Sustainability Policy is available on the Company's website at [www.unitedplantations.com](http://www.unitedplantations.com). Further details on our sustainability reporting can be found in the Sustainability

Statement as disclosed on pages 36 - 128 of this Annual Report.

## F. Integrity in Financial Reporting

The Board in compliance with paragraph 15.26a of Bursa Malaysia's Main Market Listing Requirements issues a Statement explaining its responsibility for preparing the annual audited financial statements. The Board is required by law to prepare financial statements for each financial year which will give a true and fair view of the state-of-affairs of the Group and of the Company at the end of the financial year in a manner which is comprehensive and transparent. In the preparation of the financial statements, the directors will consider compliance with all applicable Financial Reporting Standards in Malaysia and the provisions of the Companies Act 2016.

### F.1 Internal Control

The Board recognises its responsibility for the group's system of internal controls. In this connection, the Audit and Risk Committee conducts, an annual review of the adequacy and effectiveness of the system of internal controls and renders a statement to the shareholders to this effect. In this connection, the Audit and Risk Committee is assisted by an in-house internal audit department and an external independent professional firm who conducts regular reviews of the internal controls and report to the Audit and Risk Committee directly. The external auditors are appointed by the Board to review the Statement of Internal Control and to report thereon.

### F.2 Relationship with the Auditors

The Board maintains a formal procedure of carrying out an independent review of all quarterly reports and annual audited financial statements by the Audit and Risk Committee, at its meetings. The external auditors and representatives of the management are present to answer questions and provide explanations to the Audit and Risk Committee. The activities of the Audit and Risk Committee have been described at length in a separate statement given in this Annual Report.

## G. Recognise and Manage Risks

The Board, assisted by the Audit and Risk Committee, reviews the risk management policies formulated by management, headed by the Executive Director, Finance & Marketing, and makes relevant recommendation to the management. The Group continues to maintain and review its internal control policies and procedures to ensure, as far as possible, to protect the Group's assets. The Board has established internal audit function, complimented by an in-house team and an external professional firm. Both the internal and external audit teams report directly to the Audit & Risk Committee. Details of the Group's internal control system and framework are set out in the Statement on Risk Management and Internal Control.

## H. Timely and High Quality Disclosures

The Group has in place a procedure for compliance with the Listing Requirements. The Company Secretary reviews all announcements to ensure accuracy and compliance. The Board reviews and approves all quarterly and other important announcements. The Board is mindful that information which is material is announced immediately. The Group has designated

the executive directors as spokespersons in the handling of discussions and disclosures with investors, fund managers, and the public. The Company has a website [www.unitedplantations.com](http://www.unitedplantations.com) where all the Company's announcements, corporate information and updates are posted.

## I. Strengthen Relationship Between the Company and Shareholders

### I.1 Communications and Investor Relations

The Board acknowledges the need for an effective communication policy with shareholders and investors as the same intimate relationship that exists with management is usually lacking with shareholders with the exception of the controlling shareholders who are represented on the Board. The Company's website: [www.unitedplantations.com](http://www.unitedplantations.com) and the stock exchange websites: [www.bursamalaysia.com](http://www.bursamalaysia.com) are used as a forum to communicate with shareholders and investors where they can access corporate information, company announcements, corporate proposals, quarterly and annual reports, etc.

The Company's executive directors usually hold bi-annual briefings at its corporate office in Kuala Lumpur or virtually with institutional investors, market analysts and fund managers after announcement of the quarterly results. During the year briefings, and Q&A sessions related to company matters were only held at the AGM.. The Management has undertaken to resume analyst briefings in 2026. Questions relating to the quarterly announcements can be directed to Mr. Martin Bek-Nielsen, Executive Director (Finance & Marketing). The Board believes that the Company's Annual Report is a vital source of essential information for shareholders and investors and other stakeholders. The Company strives to provide a high level of reporting and transparency as an added value for users of the company's annual report.

### I.2 The Annual General Meeting (A.G.M.)

The A.G.M is an excellent forum for dialogue with all shareholders for which due notice is given. The shareholders are afforded opportunity to vote on regular business of the meeting, namely consideration and declaration of final dividend, consideration and approval of directors and auditors fees, re-election of Directors, appointment of auditors and special business if any.

The Chairman explains the electronic voting procedure before the commencement of the A.G.M.. The participating shareholders are afforded the opportunity to present their views or to seek more information. The resolutions passed at the meeting are released to Bursa Malaysia in a timely manner. Kindly take note that pursuant to paragraph 2.19 of the Main Market Listing Requirements and Article 162 of the Company's Constitution and in line with UP's "Go Green" initiatives, the Notice of A.G.M., Proxy Form, Statement to Shareholders and Request Form for hardcopy of Annual Report can be downloaded from our website at [www.unitedplantations.com](http://www.unitedplantations.com).

All Board members, Senior Management from the Finance Department and the External Auditors are present to respond to questions from the shareholders during the A.G.M..



*Buffalo-assisted evacuation of fresh fruit bunches on grounds too soft for heavy vehicles.*

## Statement On Directors' Responsibility As At 31 December 2025

The Board is required under paragraph 15.26(a) of the Main Market Listing Requirements of Bursa Malaysia to issue a statement explaining its responsibility for preparing the annual audited financial statements.

The Directors are required by law to prepare financial statements for each financial year which give a true and fair view of the financial position of the Group and of the Company as at the financial year end and of the results and cashflows of the Group and the Company for the financial year then ended.

The Directors consider that, in preparing the financial statements of United Plantations Berhad for the financial year ended 31 December 2025, the Group has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgment and estimates. The Directors also consider that all applicable Financial Reporting

Standards in Malaysia have been complied with and confirm that the financial statements have been prepared on a going concern basis.

The Directors are responsible for ensuring that the Company keeps accounting records which disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the financial statements comply with the provisions of the Companies Act, 2016.

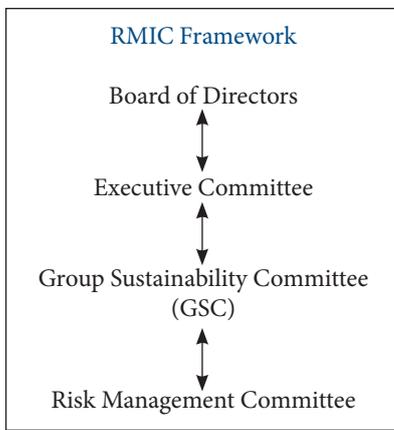
The Directors are also responsible for taking such steps that are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The Auditors' responsibilities are stated in their report to the shareholders.

## Statement On Risk Management and Internal Control

The Board of Directors (“the Board”) of United Plantations Berhad (“the Group”) recognises its responsibility for the Group’s system of Risk Management and Internal Control (RMIC) for the review of its adequacy and effectiveness, whilst the role of management is to implement the Board’s policies on risks and controls. A sound system of RMIC includes the establishment of an appropriate control environment and framework, encompassing financial, operational and compliance controls and management of risks throughout its operations in order to protect its shareholders’ value and the Group’s assets as well as other stakeholders’ interests, at the same time.

The Risk Management Framework is embedded in its culture as documented in the Group Sustainability System Framework as illustrated below. The Risk Management Framework overlaps with the Sustainability Governance Management Structure.



### RMIC Approach

Because of the limitations that are inherent in any system of RMIC, such systems are designed to manage and mitigate risks that may impede the achievement of the Group’s business objectives. Accordingly, the system of RMIC provides only reasonable and not absolute assurance against material misstatement, error or loss. The concept of reasonable assurance also recognises that the cost of control procedures should not exceed the expected benefits.

### Assurance from Management

The Board has received assurances from the Chief Executive Director and the Executive Director, Finance & Marketing, that the Group’s system of RMIC is operating adequately and effectively in all material aspects.

### Internal Control And Risk Management

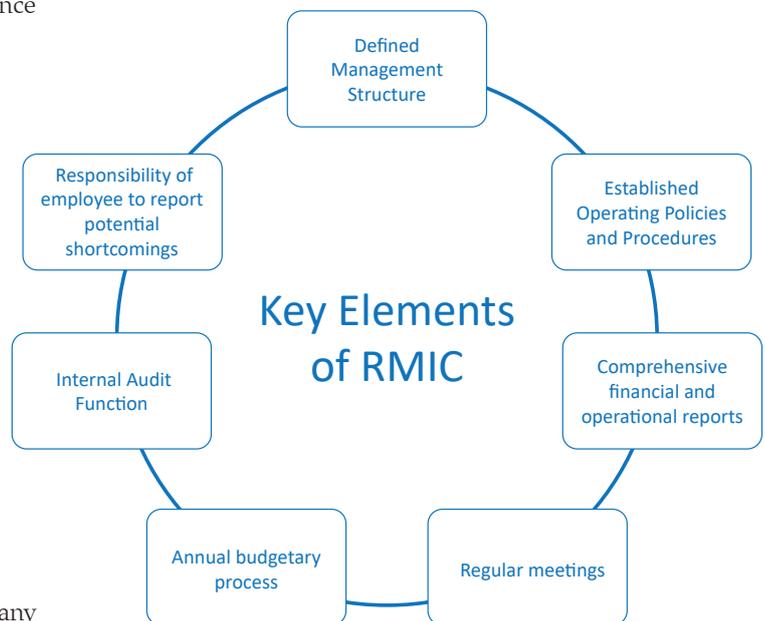
The Board regards risk management as an integral part of business operations. There is in place a formal process to identify, evaluate and manage significant strategic, operational, financial, tax-related and legal risks faced by

the Group. This includes examining principal business risks in critical areas, assessing the likelihood of material exposures and identifying the measures taken and the time frame to mitigate and minimise these risks.

The process is undertaken by a Risk Management Committee headed by the Executive Director, Finance & Marketing and comprises senior executives of the Company and a written report is submitted to the Board. Management proactively reviews the measures taken to manage those identified risks on a timely and consistent manner.

### Other Key Elements Of RMIC

Other key elements of the Group’s system of internal control are as follows:



In addition to the above chart, each subsidiary of the group is (as a minimum requirement) subjected annually to scrutiny of its financial statements by an external auditor, any comments relating to this external audit are passed on to the management in the form of a “management letter”. No significant shortcomings in internal controls have been found in the past.

The Audit and Risk Committee, on behalf of the Board, receives reports from both the internal and external auditors and regularly reviews and holds discussions with management on the actions taken on identified RMIC issues.

The role of the Audit and Risk Committee is further elaborated in the Audit and Risk Committee Report on pages 139 - 142. There is no material joint venture that has not been dealt with as part of the Group for the purpose of Statement on Risk Management and Internal Control.

Risk Management Activities

No major weaknesses in the system of internal controls were identified during the year, nor have any of the reported weaknesses resulted in material losses or contingencies requiring disclosure in the Group’s Annual Report. Those areas of non-compliance with the procedures and policies and those which require improvements as highlighted by the internal and external auditors during the period have been, or are being addressed. The Board confirms that its risk management and internal control systems which were operational throughout the financial year and up to the date of approval of the Annual Report are adequate and effective to safeguard the Group’s assets.

The Board remains committed towards operating a sound system of RMIC and therefore recognises that the system must continuously evolve to support the type of business and size of operations of the Group. As such, the Board, in striving for continuous improvement will put in place appropriate action plans, when necessary, to further enhance the Group’s system of RMIC.

The significant risks identified for the financial year 2025 are outlined in the chart below:

Review of the Statement by External Auditors

The external auditors have performed limited assurance procedures on this Statement on Risk Management and Internal Control in accordance with audit and

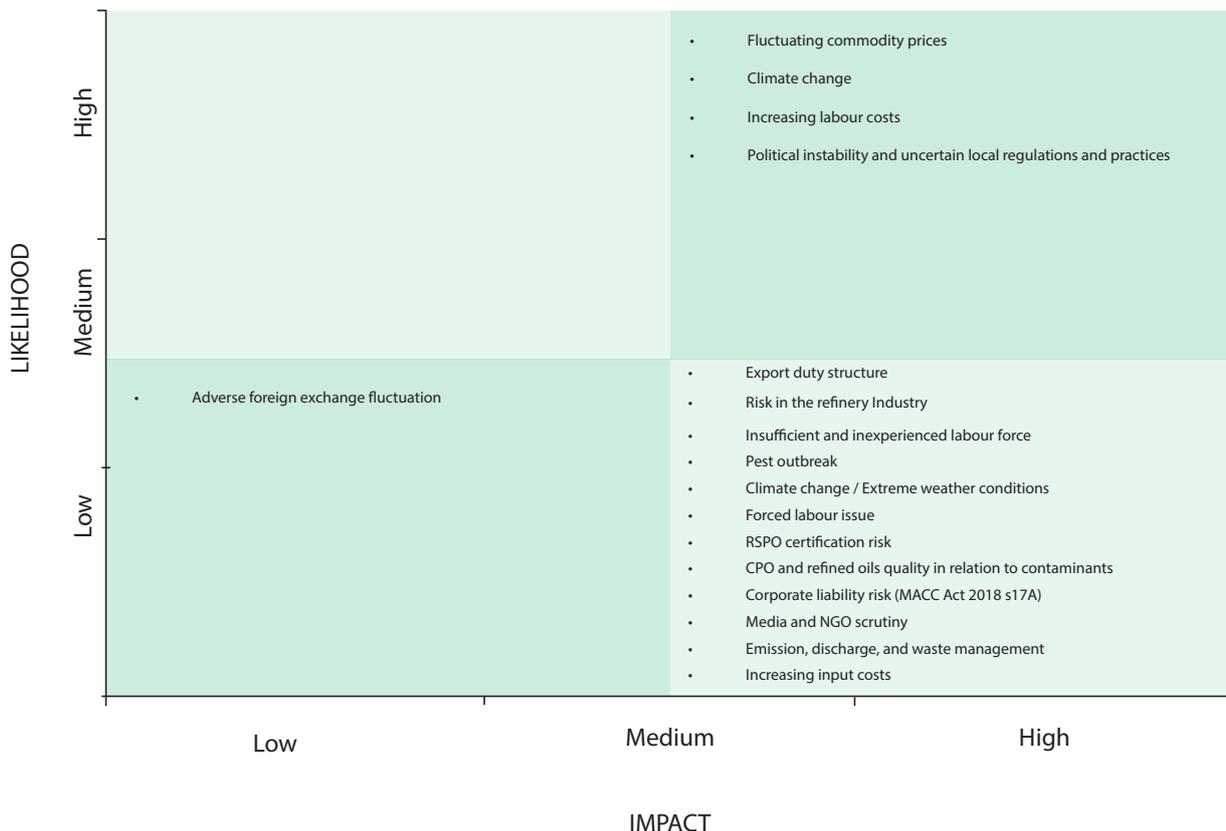
assurance practice guide (“AAPG”) 3 Guidance for Auditors on Engagement to Report on the Statement on Risk Management and Internal Control issued by the Malaysian Institute of Accountants (“MIA”) for inclusion in the Group’s Annual Report for the year ended 31 December 2025 and reported to the Board that nothing has come to their attention that causes them to believe that the statement intended to be included in the Annual Report is not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Guidelines, nor in the Statement factually inaccurate.

AAPG 3 does not require the External Auditors to consider whether the Directors’ Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Groups’ risk management and internal control system including the assessment and opinion by the Directors and management thereon.

The report from the External Auditors was made solely for and directed solely to the Board of Directors in connection with their compliance with the listing requirements of Bursa Malaysia Securities Berhad and for no other purpose or parties.

The External Auditors do not assume responsibility to any person other than the Board of directors in respect of any aspect of this report.

2025 Risk Chart



## Audit and Risk Committee Report

Members of the Audit and Risk Committee:

### Mr. Yap Seng Chong

(Chairman - appointed as a member on 26-4-2022 and assumed the chairmanship on 27-4-2023)  
(Independent, Non-executive Director)

### Mr. Jorgen Balle

(appointed on 27-4-2023)  
(Non-Independent, Non-executive Director)

### Ms. Belvinder Kaur a/p C Nasib Singh

(appointed on 23-4-2025)  
(Independent, Non-executive Director)

### Mr. R. Nadarajan

(appointed on 1-6-2013)  
(Independent, Non-executive Director)  
Retired on 23-4-2025

The Audit and Risk Committee (ARC) consists 2 independent non-executive directors and 1 non-independent, non-executive director. The independent non-executive directors are Mr. Yap Seng Chong and Ms. Belvinder Kaur a/p C Nasib Singh. The non-independent, non-executive director is Mr. Jorgen Balle. Mr. Yap Seng Chong is a member of the Malaysian Institute of Accountants.

This meets the requirement of the Bursa Securities Listing Requirements which requires the composition of the ARC to have majority independent, non-executive directors and at least one qualified accountant as a member of the ARC.

### 1) Objectives

The Committee operates under the Terms and Reference of Audit and Risk Committee containing requirement as spelt out by Bursa Malaysia and the Terms of Reference is posted under Corporate Governance Information section of the Company's website at [www.unitedplantations.com](http://www.unitedplantations.com).

The Terms of Reference prescribes the Committee's scope of responsibilities and the primary objectives of the Committee are:

- a) To assist in discharging the Board's responsibilities as they relate to the Group's management including risk management, internal controls, accounting policies and financial reporting;
- b) To provide, by way of regular meetings, a line of communication between the Board and the external and internal auditors;
- c) To oversee and review the quality of the audits conducted by the external and internal auditors; and
- d) To enhance the perceptions held by interested parties, such as shareholders, regulators, creditors, and employees, of the credibility and objectivity of the financial reports.

### 2) Activities of the Audit and Risk Committee during the year

The Committee held five (5) meetings in 2025 to conduct and discharge its functions in accordance with the Terms of Reference mentioned above. Details of Directors' attendances at Audit and Risk Committee meetings are as follows:

Name of Directors	No. of Meetings	
	Attended	Held
Mr. Yap Seng Chong	5	5
Mr. R. Nadarajan *	2	5
Mr. Jorgen Balle	4	5
Ms. Belvinder Kaur a/p C Nasib Singh **	3	5

\* Retired on 23-4-2025

\*\* Appointed on 23-4-2025

The Audit and Risk Committee met on a scheduled basis. The Group Manager, Finance, Financial Controller and the Manager, Internal Audit were invited to attend the meetings. The internal and external auditors were also invited to discuss their audit findings, management letters, Audit Planning Memorandum and other matters deemed relevant. During the scheduled meetings, the members of the ARC also had three (3) sessions with the outsourced internal auditors and two (2) sessions with the external auditors without the presence of the Management.

During the year, the Committee carried out the following activities:

- a) Internal Audit (IA) (Both in-house and outsourced)
  - i. Reviewed the annual audit plans for 2025 to ensure adequate scope, coverage of the activities of the Company and the Group and the resource requirements and budget of in-house Internal Audit department to carry out its functions;
  - ii. Reviewed the Internal Audit reports, audit recommendations and Management's responses to these recommendations (further details are provided under item 3);
  - iii. Reviewed the status report on corrective actions implemented by Management to rectify the outstanding audit issues to ensure control lapses are addressed;
  - iv. Instructed the conduct of investigations on activities within its terms of reference;
  - v. Evaluated the performance and effectiveness of the outsourced internal auditors, KPMG Management & Risk Consulting Sdn. Bhd. ("KPMG") and the in-house internal auditors;

- vi. Reviewed and assessed the trading manual limits for the Group;
- vii. Reviewed the carry forward capital expenditure to date listing with explanation if expenditure to date is less than 25% of carry forward budget;
- viii. Reviewed the debtors ageing listing with explanation if overdue;
- ix. Reviewed the risk assessment on the Group exposure under S17(A) MACC Amendment Act 2018 and the adequate procedures implemented and

x. Review the Group safety report.

b) External Audit

- i. Reviewed with the external auditor:-
  - The Audit Planning Memorandum and scope of work for the year; and
  - The Results of the audit, the relevant audit reports, and Management Letters together with the Management's responses and comments to the findings.
- ii. Assessed the independence and objectivity of the external auditors during the year and prior to reappointment. The assessment is based on the private discussions, quality of issues raised in their report and their level of participation on issues discussed during the meetings they attended. The Committee also received from the external auditors their policies and written confirmation regarding their independence and the measures used to control the quality of their work and
- iii. Evaluated the performance and effectiveness of the external auditors and made recommendations to the Board of Directors on their reappointment and remuneration.

c) Financial Reporting

Reviewed the quarterly unaudited financial results and the annual audited financial statements of the Company and the Group prior to recommending them for approval by the Board of directors.

The Committee, in the current year, reviewed only the first three quarters of the unaudited quarterly financial results as the fourth quarter announcement had been dispensed with as approved by Bursa since 2015, the approval is on condition that the full financial report is announced within two months from the close of the financial year end.

The review was to ensure that the financial reporting and disclosures are in compliance with:

- i. Provisions of the Companies Act 2016;
  - ii. Listing Requirements of Bursa Malaysia Securities Berhad;
  - iii. Applicable approved accounting standards in Malaysia; and
  - iv. Other legal and regulatory requirements.
- d) Related Party Transactions

During the year the Management had reported to the ARC the related party transactions which were recurrent in nature as disclosed under Note 28 of the financial statements. There were no other related party transactions entered into by the Company and the Group.

e) Annual Report

- Reviewed with the external auditors, their evaluation and report of the state of risk management and internal control of the Group and reported the results thereof to the Board of Directors.
- Reviewed the Audit and Risk Committee Report, Overview Statement on Corporate Governance, Corporate Governance Report and Statement on Risk Management and Internal Control and recommended the reports to the Board for publication in the 2025 Annual Report.

f) Risk Assessment and Management

Reviewed and discussed with Management the outcome of the exercise to identify, evaluate and manage significant strategic, operational, financial, hedging, trading, tax-related and legal risks faced by the Group. The report was compiled annually and presented to the Audit and Risk Committee for further deliberations on the adequacy and effectiveness of the actions taken.

### 3) Internal Audit Function

The Committee is supported by the in-house Group Internal Audit Department and the outsourced internal auditors, KPMG in the discharge of its duties and responsibilities.

The internal auditors provide independent and objective assessment on the adequacy and effectiveness of the risk management and internal controls. The in-house internal auditors also carry out investigative audits whenever improper, illegal and dishonest acts are reported.

The Group Internal Audit Department is headed by a qualified accountant and supported by two (2) executives with experiences in the audit and estate operations. The Internal Audit programs are tailored specifically based on the risk areas identified by the Executive Committee and Audit and Risk Committee with emphasis on operational weaknesses identified and prevalent in the plantation industry. This will ensure that the audit programs add value to management decision making.

The internal auditors review the effectiveness of the internal control structures of the Group's activities focusing on high-risk areas as determined using a risk-based approach.

All operating units (including foreign operations) are audited at least once over a two-year period by the in-house internal auditors, and at least once over a three-year period by the outsourced internal auditors (excluding foreign operations). However, the in-house internal audit was not able to complete the audit of all operating units within 2024/2025 due to more audit focus on high risk areas identified by the Management.

The internal audits cover the review of the adequacy of risk management, operational controls, compliance with established procedures, guidelines and statutory requirements, quality of assets and management efficiency, amongst others. These audits are to ensure that the established controls are appropriate, effectively applied and achieve acceptable risk exposures consistent with the Group's risk management policy. In performing such reviews, recommendations for improvement and enhancements to the existing system of internal controls and work processes are made.

All auditing activities are conducted in line with the Group's objectives and policies, in accordance with applicable laws and regulations, and as guided by Code of Ethics and International Standards for the Professional Practice of Internal Auditing.

For the year 2025, the activities undertaken by the internal auditors were as follows:

- a) Developed an audit plan using risk-based approach, and carried out the assignments according to the audit plan for the year;
- b) Conducted ad-hoc assignments as instructed by the Audit and Risk Committee and the Executive Committee;
- c) Recommended improvements and enhancements to the existing system of internal controls and work procedures / processes;
- d) Conducted investigation into activities or

matters as instructed by the Audit and Risk Committee and Management;

- e) Performed a review and assessment exercise to identify, evaluate and manage significant strategic, operational, financial, hedging, trading, tax-related and legal risks faced by the Group;
- f) Preparation of Audit and Risk Committee Report and Statement on Risk Management and Internal Control for the Company's Annual Report; and
- g) Conducted three (3) (2024: four (4) sessions) of Reach & Teach to the various estates/departments based on audit findings including trainings on MACC S17(A).

A total of 8 (2024: 14) audit engagements (in-house internal audits) were completed in 2025. The in-house internal audit team visited 2 estates, (2024: 1 estate, 1 mill and 1 refinery) in 2025 to conduct internal auditing on the financial and operational aspects of the operations with particular emphasis on cash management, checkroll procedures, stock management, reporting, SOPs compliance and fixed assets.

In addition, 6 special audits (2024: 11) were conducted primarily focusing on SOPs on guest workers recruitment, CCTV reviews, anonymous allegations, fraud investigation and review of coconut count procedures among others. (2024: SOPs on guest workers recruitments, CCTV reviews, review of procurement price and review of tractor repair costs among others.). For the outsourced internal audits, 8 (2024: 5) audit engagements were completed in 2025, encompassing 3 estate audits, 1 mill audit, 2 refinery audits and 2 special audits (2024: 2 estate audits, 1 mill audit, 1 bakery audit and 1 refinery audit).

The audit objectives are to independently assess the system of internal control as established by Management, the adequacy and integrity of such internal control system versus the objectives served, and to make appropriate recommendation thereof. These also include determining the extent of adherence to internal controls by personnel responsible for the function.

Material findings include among others are lapses in FFB cages reconciliation, inadequate petty cash transaction recording, lapses in monitoring storage levels of diesel and petrol, lapses in fixed asset management, lapses in procurement and payments processes, enhancement to safety, health and environment procedures. (2024: weaknesses in the mill operations, lapses in the stock count procedures, weaknesses in the fire safety and prevention control, weaknesses in the checkroll processing, lapses in the fixed asset management, and weaknesses in the safety and environment management.).

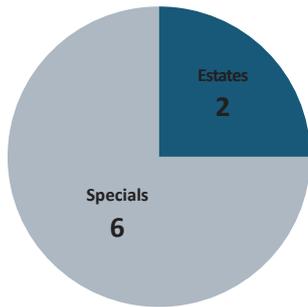
The audit engagements are performed on a rotational basis to ensure that all business units will be audited at least once every 3 years.

Any control and procedural weaknesses identified were discussed with Management and remedial measures instituted to address the weaknesses identified. The Audit and Risk Committee reviewed the audit report presented and the Management’s

responses to ensure that material findings were adequately addressed. Some follow up audit works were done subsequently for material findings to ensure adherence to the audit recommendation if any.

A total of 16 (2024: 19) audit engagements (combined in-house and outsourced internal audits) were completed in 2025, categorized as follows:

Internal Audits completed in 2025 by In-house Internal Audit Team



Internal Audits completed in 2025 by Out-sourced Internal Auditors, KPMG



The Audit and Risk Committee members with the Company Secretary in attendance at a meeting with our auditors Ernst & Young.

## Nomination Committee Report

The members of the Nomination Committee (NC) as at the end of financial year 2025 were as follows:-

**Mr. Jorgen Balle\*** (Chairman)  
(Non-Independent, Non-Executive Director)

**Mr. Yap Seng Chong**  
(Independent, Non-Executive Director)

**Ybhg. Dato' Mohamad Nasir bin Ab. Latif\*\***  
(Independent, Non-Executive Director)

**Mr. R. Nadarajan\*\*\*** (Past Chairman)  
(Independent, Non-Executive Director)

\* Appointed as Chairman after the retirement of Mr. R. Nadarajan on 23 April 2025

\*\* Appointed as member of NC on 23 April 2025

\*\*\* Retired from the Board on 23 April 2025

The Nomination Committee was reconstituted following the retirement of its Chairman, Mr. R. Nadarajan, who retired from the Board after the Annual General Meeting held on 23 April 2025.

Consequent to his retirement, the Board based on the recommendation of the Nomination Committee appointed Mr. Jorgen Balle as the Chairman and Ybhg. Dato' Mohamad Nasir bin Ab. Latif as a member of the Nomination Committee.

The principal function of making recommendations for new appointments to the Board is delegated to the Nomination Committee. The Nomination Committee consists entirely of non-executive directors as required under the Main Market Listing Requirements, the majority of whom are independent directors.

The Committee has access to the services of the Company Secretary who would record and maintain minutes of meetings and obtain information for the purpose of meeting statutory obligations as well as obligations arising from Bursa Malaysia's Main Market Listing Requirements.

### Objectives

The primary objectives of the Committee are:

- a) to assist in discharging the Board's responsibilities as they relate to the Group's board renewal and succession planning;
- b) to assess the effectiveness of the Board and Committees; and
- c) to assess the contributions of individual directors.

### Terms of Reference

The duties of the Committee:

1. To consider, in making its recommendations to the Board, candidates proposed by any director or shareholder or consultant, for all directorships. In making the recommendations, the NC shall consider the candidates':
  - skills, knowledge, expertise and experience;
  - professionalism;
  - integrity; and
  - in the case of candidates for the position of independent directors, the NC shall also evaluate the candidates' ability to discharge such responsibilities or functions as expected from independent non-executive directors.
2. To recommend to the Board, the directors to fill the seats on Board Committees.
3. To review annually the Board's required mix of skills and experience and other qualities, including core competencies that the Board members should bring to the Board and Committees to best serve the business and operations of the Group as a whole.
4. To assist the Board by formulating and periodically reviewing the criteria and procedure to be carried out by the Committee for assessing the effectiveness of the Board and Board Committees as a whole.
5. To assess the board balance by reviewing the size, structure, and composition of the Board.
6. To assess the independence of the independent directors annually and to recommend to the Board whether an independent director may continue to serve on the Board as an independent director after his tenure has exceeded a cumulative term of nine years.
7. To consider directors who are due to retire on rotation at the AGM and recommend their re-election.
8. To develop, review and monitor the policies and approach toward boardroom diversity.
9. To review and assess the effectiveness of the Board's succession plan.
10. To ensure there is gender diversity on the Board notwithstanding the view that the appointment of director must be on merits and not on gender alone.

11. To review the adequacy of the Terms of Reference in the light of new practices and regulatory requirements to ensure that the Committee is operating at maximum effectiveness, and to recommend changes as and when required.
12. To perform such other functions relating to the foregoing as the Board may, from time to time, request.

**Board Members’ Selection Criteria**

Selection of candidates to be considered for appointment as directors is facilitated through recommendations from members of the Board and/or shareholders, industry acquaintances, consultants, etc. to gain access to a wide pool of potential candidates.

The Nomination Committee will normally meet with the proposed candidates to assess their suitability in terms of age, qualifications, experience, expertise, any potential conflict of interest, and leadership quality before recommending them for appointment to the Board.

**Activities of the NC during the year**

In 2025, the NC met thrice (3) and the attendance of members of the Committee was as follows:-

Name of Directors	No. of Meetings	
	Attended	Held
Mr. Jorgen Balle* <i>(Chairman, Non-Independent, Non-Executive)</i>	3	3
Mr. Yap Seng Chong <i>(Independent, Non-Executive)</i>	3	3
Ybhg. Dato’ Mohamad Nasir bin Ab. Latif** <i>(Independent, Non-Executive)</i>	1	3
Mr. R. Nadarajan*** <i>(Past Chairman, Independent, Non-Executive)</i>	2	3

\* Appointed as NC Chairman after the retirement of Mr. R. Nadarajan on 23 April 2025  
 \*\* Appointed as member of NC on 23 April 2025  
 \*\*\* Retired from the Board and stepped down as NC Chairman on 23 April 2025

The Nomination Committee had in 2025 undertaken various activities in the discharge of its duties and these are summarised as follows:-

**A) Evaluated and recommended suitable Candidates for appointment to the Board**

During the year, the Nomination Committee had been actively looking for a suitable candidate to replace Mr. R. Nadarajan, who had stepped down from the Board on 23 April 2025. After completing the selection process, the Nomination Committee identified and met with Puan Rohaya, who had served as a nominee director of EPF on the UP Board from 30 November 2017 to 31 May 2023.

Puan Rohaya has been with EPF since 2008 and is retiring from her position as Chief Investment Officer. Prior to joining EPF, she had many years of working experience in investment banking with Maybank. She

graduated from the Australian National University with a Bachelor of Commerce (Accountancy) degree and is also a Certified Public Accountant (CPA) of Australia. She is the Chairperson of KWAP Investment Panel and is currently serving on the boards of MAHB, Tenaga and Maybank.

After interviewing Puan Rohaya, the Nomination Committee found her to be suitably qualified, honest, and possessing the right attitude for a Board position in UP. After due deliberation, the Nomination Committee unanimously resolved to propose to the Board that Puan Rohaya be considered for appointment as an Independent Director, with effect from 1 October 2026.

**B) Review of Board Charter and Terms of Reference of Nomination Committee**

The Board, in recognizing the importance of compliance with the amended listing requirements and upholding a high standard of corporate governance approved the recommendation of the Nomination Committee.

The Terms of Reference (TOR) of the NC has been reviewed and updated on 21 February 2026. The TOR Board Charter as well as the Fit and Proper Policy are available at our website [www.unitedplantations.com](http://www.unitedplantations.com).

**C) Annual Assessment**

- Reviewed and assessed the performance of individual Directors during the year. When deliberating on the performance of a particular Director who is also a member of the Nomination Committee, that member has abstained from the discussions. The criteria used for such assessment are competency, fit and proper, skill, knowledge, and preparedness. For independent directors, they are also being assessed on their abilities to exercise independent judgement.
- Conducted assessment and made recommendation to the Board to support and table to the shareholders for approval to re-elect the Directors who were retiring Article 107 of the Company’s Constitution at the forthcoming A.G.M..
- Conducted the annual assessment of the effectiveness of the Board and the Board Committees. The criteria used for such assessment are the composition with regard to the required mix of skills, knowledge, and experience, and the effectiveness of the Board and Committees in discharging their respective duties.
- Reviewed the composition of the Board based on the required mix of skills, experience and other qualities considered important for the Board.
- Reviewed the composition of the Board Committees based on the provisions of the relevant guidelines and regulations including annual review of succession planning and boardroom diversity.

In addition to the above, the Nomination Committee has also like in past years carried out an independence assessment on all Independent Directors to evaluate whether the Independent Directors are able to exercise independent judgements without being unduly influenced.

The Nomination Committee has after evaluation found that all Independent Directors have discharged their duties to the satisfaction of the Committee. When the evaluation involved a member of the Nomination Committee, the particular member would abstain from the deliberation.

#### Evaluation for Board, Board Committees and Individual Directors

The Nomination Committee facilitated by the Company Secretary carried out the annual assessment to evaluate the performance of the Board, its Board Committees, and each individual Director in 2025. The assessments of the Board, Board Committees, and individual Directors were carried out based on questionnaire.

The evaluation process was managed by the Company Secretary who forwarded the questionnaires on the

Board, Board Committees, and individual Directors to the Chairman of the Nomination Committee who after consultation with members of the Nomination Committee completed the evaluation by completing the questionnaires.

The findings and recommendations of the Nomination Committee were tabled at the Board for further discussion and approval. Based on the evaluation results, the Committee reached the conclusion that the Board and the Directors in their individual capacity supported the current needs of the Company.

All Directors have the requisite competence, integrity, and character to serve on the Board and had demonstrated their commitment to the Group.

The Board was satisfied with the outcomes of the evaluation. The Board is of the view that it is not necessary to appoint an independent third party to conduct the evaluation process.

The Nomination Committee will continue to assess the need for the appointment of an independent third party and will take the necessary action as and when deemed useful.

## Additional Disclosures

Pursuant to the listing requirements of Bursa Malaysia Securities Berhad, additional disclosures by the Group for the financial year ended 31 December 2025 are as follows: -

### 1) Utilization of proceeds raised from Corporate Proposals

There was no corporate proposal to raise funds during the financial year.

### 2) Non-audit fees paid to External Auditors

Non-audit fees paid and payable to Company and Subsidiaries' external auditors for the financial year were as follows: -

Tax services: RM200,296

### 3) Cost of Internal Audit

RM800,603 was incurred by the Group in the financial year for its outsourced internal audit and in-house internal audit department.



*A plentiful harvest, delivered with care—our unique rail system ensures swift transport to the mill, preserving the oil quality.*

## Directors' Report and Financial Statements For the year ended 31 December 2025

### Contents

Report of the Directors	148-152
Statement by Directors	153
Statutory Declaration	153
Report of the Auditors	154-157
Statements of Comprehensive Income	158-159
Statements of Financial Position	160-161
Consolidated Statement of Changes in Equity	162
Statement of Changes in Equity - Company	163
Statements of Cash Flows	164-165
Notes to the Financial Statements	166-215

## Report Of The Directors For The Financial Year Ended 31 December 2025

The Directors have pleasure in submitting for your consideration the audited financial statements of the Group and of the Company for the financial year ended 31 December 2025.

### Principal Activities

The Company carries on the business of oil palm and coconut cultivation and processing on its plantations in Peninsular Malaysia.

The Company also has an active research centre providing improved planting material for the Group's estates as well as for the Malaysian agricultural sector in general.

The subsidiary companies are primarily engaged in the following activities:

- (a) Business of oil palm cultivation and processing in Indonesia;
- (b) Refining of palm oil, manufacturing edible oils, fats, cocoa butter substitute and trading in crude palm oil and palm kernel products; and
- (c) Trading, marketing and investment holding.

Other information relating to the subsidiary companies, associated company and joint ventures are disclosed in Note 3 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

### Financial Results

	Group RM'000	Company RM'000
Profit after taxation	829,674	974,344
Attributable to:		
Equity owners of the parent	825,081	974,344
Non-controlling interests	4,593	-
<b>Total</b>	<b>829,674</b>	<b>974,344</b>

There were no material transfers to or from reserves or provisions during the financial year, other than as disclosed in the financial statements.

In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature, other than as disclosed in the financial statements.

## Report Of The Directors For The Year Ended 31 December 2025

### Dividends

Dividends paid by the Company since the end of the previous financial year were as follows:

- (a) A final single-tier dividend of 47 sen per share amounting to RM292,423,414 in respect of the previous financial year was declared and paid on 24 February 2025 and 9 May 2025 respectively.
- (b) A final special single-tier dividend of 27 sen per share amounting to RM167,987,919 in respect of the previous financial year was declared and paid on 24 February 2025 and 9 May 2025 respectively.
- (c) An interim single-tier dividend of 30 sen per share amounting to RM186,653,243 in respect of the current financial year was declared and paid on 12 November 2025 and 8 December 2025 respectively.
- (d) An interim special single-tier dividend of 14 sen per share amounting to RM87,104,847 in respect of the current financial year was declared and paid on 12 November 2025 and 8 December 2025 respectively.

At the forthcoming Annual General Meeting, a final single-tier dividend of 51 sen per share amounting to RM317,310,513 and a final special single-tier dividend of 30 sen per share amounting to RM186,653,243 in respect of the financial year ended 31 December 2025 on the ordinary shares in issue at book closure date will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect these proposed dividends. Such dividends, if approved by the shareholders, will be accounted for in shareholders' equity as an appropriation of retained profits in the next financial year ending 31 December 2026.

### Treasury Shares

The shareholders of the Company, by a resolution passed at the Annual General Meeting held on 18 June 2005, approved the Company's plan to purchase up to 10% of the issued and paid-up share capital of the Company. The authority granted by the shareholders was subsequently renewed during subsequent Annual General Meetings, including the last meeting held on 23 April 2025. Notwithstanding the above, the Company in exercising this mandate shall ensure that the public spread shall not fall below 25% as required under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

There has been no purchase, resale and/or cancellation of the treasury shares by the Company in the preceding 12 months. On 10 February 2025, the Company increased the number of its ordinary shares by way of bonus issue of 208,134,266 ordinary shares on the basis of one (1) new ordinary share for every two (2) existing ordinary shares held. This resulted in the increase of the treasury shares from 1,483,548 shares to 2,225,322 shares. These treasury shares were held in accordance with the requirement of Section 127 of the Companies Act 2016.

The Company has the right to cancel, resell these shares and/or distribute these shares as dividends at a later date. As treasury shares, the rights attached to voting, dividends and participation in other distribution are suspended.

As at the end of the financial year, the number of ordinary shares in issue after deducting treasury shares is 622,177,476 ordinary shares.

### Issue of Shares

During the financial year, the Company increased the number of its ordinary shares by way of bonus issue of 208,134,266 ordinary shares on the basis of one (1) new ordinary share for every two (2) existing ordinary share held.

These new ordinary shares are issued as fully paid, at no consideration and without capitalisation from the Company's reserves and are ranked pari passu in all respects with the existing ordinary shares of the Company.

## Report Of The Directors For The Year Ended 31 December 2025

## Directors

The names of the Directors of the Company in office since the date of the last report and at the date of this report are:

YBhg. Dato' Mohamad Nasir bin Ab. Latif  
 YBhg. Dato' Carl Bek-Nielsen\*  
 Mr. Martin Bek-Nielsen\*  
 Mr. Loh Hang Pai  
 Mr. Jorgen Balle  
 Ms. Belvinder Kaur d/o C Nasib Singh  
 Mr. Yap Seng Chong  
 Mr. Iwan Azlan bin Mokhtar  
 Mr. R Nadarajan (retired on 23 April 2025)

The name of the director of a subsidiary of the Company since the beginning of the financial year to the date of this report, not including those directors listed above is:

Mr. Geoffrey Ian George Cooper (demised on 23 February 2025)

The following Directors who held office at the end of the financial year had according to the register required to be kept under Section 59 of the Companies Act 2016 an interest in shares of the Company and its subsidiary companies, as stated below:

\* These Directors are also directors of the Company's subsidiaries.

	Number of ordinary shares						31 December 2025	% of issued share capital*
	1 January 2025	Bought before bonus issue	Sold before bonus issue	Adjustment for bonus issue	Bought after bonus issue	Sold after bonus issue		

## The Company:

YBhg Dato' Mohamad Nasir bin Ab. Latif

- held directly	140,000	-	-	70,000	35,000	(200,000)	45,000	0.01
- deemed interested	-	-	-	-	200,000	-	200,000	0.03

YBhg. Dato' Carl Bek-Nielsen

- held directly	5,161,000	-	-	2,580,500	-	-	7,741,500	1.24
- deemed interested	200,742,858 <sup>*1</sup>	-	-	100,371,429	-	-	301,114,287 <sup>*1</sup>	48.40

Mr. Martin Bek-Nielsen

- held directly	1,455,778	-	-	727,889	-	-	2,183,667	0.35
- deemed interested	200,682,742 <sup>*2</sup>	-	-	100,341,371	-	-	301,024,113 <sup>*2</sup>	48.38

Mr. Loh Hang Pai

- held directly	1,000,000	-	-	500,000	-	-	1,500,000	0.24
-----------------	-----------	---	---	---------	---	---	-----------	------

Mr. Jorgen Balle

- held directly	4,000	-	-	2,000	-	-	6,000	-
-----------------	-------	---	---	-------	---	---	-------	---

## Report Of The Directors For The Year Ended 31 December 2025

### Notes:

\*<sup>1</sup> YBhg Dato' Carl Bek-Nielsen

29,155,713 shares	-	Deemed interested in the shares registered in the name of UIE Plc
271,823,400 shares	-	Deemed interested in the shares registered in the name of Maximum Vista Sdn. Bhd.
135,174 shares	-	Deemed interested through immediate family members
<b>301,114,287 shares</b>		

\*<sup>2</sup> Mr. Martin Bek-Nielsen

29,155,713 shares	-	Deemed interested in the shares registered in the name of UIE Plc
271,823,400 shares	-	Deemed interested in the shares registered in the name of Maximum Vista Sdn. Bhd.
45,000 shares	-	Deemed interested through immediate family members
<b>301,024,113 shares</b>		

\* calculated based on 622,177,476 shares which do not include 2,225,322 treasury shares.

By virtue of their interest in the shares of UIE Plc and Maximum Vista Sdn. Bhd., Dato' Carl Bek-Nielsen and Mr. Martin Bek-Nielsen are also deemed to have interest in the shares of all the subsidiary companies of the Company to the extent the Company has an interest in them.

The remaining Directors in office at the end of the financial year did not have any interest in shares in the Company or its related corporations during the financial year.

Neither at the end of the financial year, nor at any time during the financial year, did there subsist any arrangement to which the Company was a party, whereby the Directors might acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no Director has received or become entitled to receive any benefits (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the Directors or the fixed salary of a full-time employee of the Company as shown below) by reason of a contract made by the Company or a related corporation with any Director or with a firm of which the Director is a member or with a company in which the Director has a substantial financial interest.

The Directors' benefits are as follows:

	Group RM'000	Company RM'000
Salaries and other emoluments	6,088	6,088
Defined contribution plan	971	971
Directors' fees	1,290	1,235
Others	92	92
	<b>8,441</b>	<b>8,386</b>

### Directors' indemnity and insurance cost

During the financial year, the Directors of the Company are covered under the Directors' and Officers' liability insurance in respect of liabilities arising from acts committed in their respective capacity as inter alia, the Directors of the Company subject to the terms of the insurance policy. The total amount of coverage effected for the Directors was RM20,000,000 at the premium of RM28,738 which was shared between the Company and all the Directors at the ratio of 95:5.

### Other statutory information

- (a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the Directors took reasonable steps:
  - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that there were no known bad debts and that no allowance for doubtful debts was necessary; and
  - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

Report Of The Directors For The Year Ended 31 December 2025

(b) At the date of this report, the Directors are not aware of any circumstances which would render:

- (i) it necessary to write off any bad debts or to make any allowance for doubtful debts in the financial statements of the Group and of the Company; and
- (ii) the values attributed to current assets in the financial statements of the Group and of the Company misleading.

(c) At the date of this report, the Directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(d) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

(e) As at the date of this report, there does not exist:

- (i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
- (ii) any contingent liability in respect of the Group and of the Company which has arisen since the end of the financial year.

(f) In the opinion of the Directors:

- (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet its obligations when they fall due; and
- (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

Subsequent event

Details of subsequent event are disclosed in Note 33 to the financial statements.

Indemnity to external auditors

To the extent permitted by law, the Company has agreed to indemnify its external auditors, Ernst & Young PLT, as part of the terms of the audit engagement against claims by third parties arising from the audit (for an unspecified amount). There has not been any third party claims and no payment has been paid to indemnify Ernst & Young PLT for the financial year ended 31 December 2025.

External auditors and their remuneration

The external auditors, Ernst & Young PLT, have expressed their willingness to continue in office.

The external auditors' remuneration of the Group and Company are RM659,000 and RM376,000 respectively.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 21 February 2026.

	Directors
DATO' MOHAMAD NASIR	}
BIN AB. LATIF	}
	}
	}
	}
DATO' CARL BEK-NIELSEN	}

## Statement By Directors

Pursuant to Section 251(2) of the Companies Act 2016

We, DATO' MOHAMAD NASIR BIN AB. LATIF and DATO' CARL BEK-NIELSEN, being two of the Directors of United Plantations Berhad, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 158 to 215 are drawn up in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and of the results and the cash flows of the Group and of the Company for the financial year then ended.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 21 February 2026.

DATO' MOHAMAD NASIR BIN AB. LATIF

DATO' CARL BEK-NIELSEN

## Statutory declaration

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, NG ENG HO, the Officer primarily responsible for the financial management of United Plantations Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 158 to 215 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by  
the abovenamed NG ENG HO at  
Teluk Intan in the State of Perak Darul Ridzuan  
on 23 February 2026.

NG ENG HO

Before me,

Siti Suhadah Bt Shoeb  
Commissioner For Oaths,  
Teluk Intan,  
Perak Darul Ridzuan,  
Malaysia.

## Independent auditors' report to the members of United Plantations Berhad (Incorporated in Malaysia)

### Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of United Plantations Berhad, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Company, and statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information as set out on pages 158 to 215.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and of their financial performance and their cash flows for the financial year then ended in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

#### Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

#### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements of the Group and of the Company. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis of our audit opinion on the accompanying financial statements.

### Revenue recognition

Revenue from sale of produce stocks and finished goods recognised by the Group during the financial year amounted to RM2,514 million. We identified revenue recognition in respect of sale of produce stocks and finished goods to be an area of audit focus as we consider the high volume of transactions for numerous types of produce stocks and finished goods produced and sold by the Group to be a possible cause of higher risk of material misstatements in relation to the timing and amount of revenue recognised. We have specifically focused our audit efforts to determine the possibility of overstatement of revenue.

Our audit procedures for revenue recognition included testing the operating effectiveness of the Group's internal controls over timing and amount of revenue recognised. We have on a sampling basis, inspected the terms of significant sales contracts to determine the point at which control is transferred to the customer. We have independently obtained confirmation of finished goods sales transactions by the Group to key customers for the current financial year. We have also on a sampling basis, inspected documents which evidenced the delivery of goods to customers. We have also focused on testing the recording of sales transactions close to the financial year end and credit notes issued after financial year end, to establish whether sales transactions were recorded in the correct accounting period. We have also used data analytics on the audit of revenue recognised by establishing the correlation between revenue, trade receivables and cash.

Refer to Notes 2.4(k) and 4 to the financial statements.

### Information other than the financial statements and auditors' report thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the directors for the financial statements

The directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

### Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control;
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- (d) Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern;
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation; and
- (f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 3 to the financial statements.

#### Other matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

ERNST & YOUNG PLT  
202006000003 (LLP0022760-LCA) & AF 0039  
Chartered Accountants

EDWIN JOSEPH FRANCIS  
No. 03370/05/2026 J  
Chartered Accountant

Kuala Lumpur, Malaysia  
21 February 2026

Statements Of Comprehensive Income  
For The Financial Year Ended 31 December 2025

	Note	Group			Company		
		2025 RM'000	2024 RM'000	Changes (%)	2025 RM'000	2024 RM'000	Changes (%)
Revenue	4	2,514,201	2,197,810	14.4	1,319,215	1,133,327	16.4
Other income		40,392	52,100	(22.5)	28,959	33,430	(13.4)
		2,554,593	2,249,910	13.5	1,348,174	1,166,757	15.5
Changes in finished goods		79,892	(31,012)	357.6	24,041	(29,207)	182.3
Raw materials and consumables used		(855,762)	(711,621)	20.3	-	-	-
Depreciation of property, plant and equipment		(106,345)	(103,583)	2.7	(78,093)	(75,752)	3.1
Depreciation of right-of-use assets		(5,916)	(5,986)	(1.2)	(4,893)	(4,884)	0.2
Staff costs	5	(281,351)	(244,959)	14.9	(223,359)	(191,265)	16.8
Other expenses		(318,270)	(259,700)	22.6	(160,859)	(193,080)	(16.7)
Profit from operations	5	1,066,841	893,049	19.5	905,011	672,569	34.6
Finance costs	6	(842)	(847)	(0.6)	(835)	(838)	(0.4)
Investment and interest income	7	19,572	23,943	(18.3)	291,830	223,435	30.6
Share of results of joint ventures	14	23,027	22,732	1.3	-	-	-
Profit before taxation		1,108,598	938,877	18.1	1,196,006	895,166	33.6
Taxation	8	(278,924)	(219,468)	27.1	(221,662)	(169,936)	30.4
Net profit for the financial year		829,674	719,409	15.3	974,344	725,230	34.3
Attributable to:							
Equity owners of the parent		825,081	715,081	15.4	974,344	725,230	34.3
Non-controlling interests		4,593	4,328	6.1	-	-	-
		829,674	719,409	15.3	974,344	725,230	34.3
Earnings per share (sen)	9	133	115	15.7			

The accompanying notes form an integral part of the financial statements.

Statements Of Comprehensive Income  
For The Financial Year Ended 31 December 2025

	Group			Company		
	2025 RM'000	2024 RM'000	Changes (%)	2025 RM'000	2024 RM'000	Changes (%)
Net profit for the financial year	829,674	719,409	15.3	974,344	725,230	34.3
Other comprehensive income:						
Items that will be reclassified subsequently to profit or loss:						
Currency translation differences						
- subsidiaries	(36,460)	(23,365)	56.0	-	-	-
Cash flow hedge						
- changes in fair value	(23,933)	(61,173)	(60.9)	-	-	-
- transfers to profit or loss	40,744	22,604	80.3	-	-	-
	(19,649)	(61,934)	(68.3)	-	-	-
Items that will not be reclassified subsequently to profit or loss:						
Actuarial changes on defined retirement benefit obligations	(57)	159	(135.8)	-	-	-
	(57)	159	(135.8)	-	-	-
Total other comprehensive loss for the financial year	(19,706)	(61,775)	(68.1)	-	-	-
Total comprehensive income for the financial year	809,968	657,634	23.2	974,344	725,230	34.3
Total comprehensive income attributable to:						
Equity owners of the parent	807,201	654,474	23.3	974,344	725,230	34.3
Non-controlling interests	2,767	3,160	(12.4)	-	-	-
	809,968	657,634	23.2	974,344	725,230	34.3

The accompanying notes form an integral part of the financial statements.

## Statements Of Financial Position As At 31 December 2025

Group

	Note	2025 RM'000	2024 RM'000
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	10 (a)	1,279,417	1,261,498
Right-of-use assets	10 (b)	395,438	402,925
Associated company	13	50	50
Joint ventures	14	110,260	87,233
Goodwill	15	356,856	356,856
Other receivables	17	1,198	405
Derivatives	31 (g)	-	613
		2,143,219	2,109,580
<b>Current Assets</b>			
Biological assets	11	65,664	63,180
Inventories	16	299,042	228,485
Trade and other receivables	17	271,295	304,696
Prepayments	18	86,513	11,030
Tax recoverable		16,200	35,085
Derivatives	31 (g)	9,098	4,369
Cash and bank balances	19 (a)	425,771	484,528
Short term funds	19 (b)	2,370	2,291
		1,175,953	1,133,664
<b>Total Assets</b>		<b>3,319,172</b>	<b>3,243,244</b>
<b>Equity and Liabilities</b>			
<b>Equity attributable to owners of the parent</b>			
Share capital	20 (a)	390,054	390,054
Treasury shares	20 (b)	(18,668)	(18,668)
Reserves	21	2,501,425	2,428,393
		2,872,811	2,799,779
Non-controlling interests		8,501	17,450
<b>Total Equity</b>		<b>2,881,312</b>	<b>2,817,229</b>
<b>Non-Current Liabilities</b>			
Deferred tax liabilities	22	175,490	176,288
Retirement benefit obligations	23	15,425	14,083
Derivatives	31 (g)	114	-
Lease liabilities	25	13,442	13,445
		204,471	203,816
<b>Current Liabilities</b>			
Trade and other payables	24	148,925	141,924
Tax payable		71,271	36,632
Retirement benefit obligations	23	3,146	2,946
Lease liabilities	25	3	3
Derivatives	31 (g)	10,044	40,694
		233,389	222,199
<b>Total Liabilities</b>		<b>437,860</b>	<b>426,015</b>
<b>Total Equity and Liabilities</b>		<b>3,319,172</b>	<b>3,243,244</b>

The accompanying notes form an integral part of the financial statements.

## Statements Of Financial Position As At 31 December 2025

Company

	Note	2025 RM'000	2024 RM'000
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	10 (a)	1,043,329	1,009,551
Right-of-use assets	10 (b)	358,965	363,443
Subsidiary companies	12	27,130	27,147
Associated company	13	50	50
Joint ventures	14	30,500	30,500
Goodwill	15	356,856	356,856
		1,816,830	1,787,547
<b>Current Assets</b>			
Biological assets	11	58,150	51,888
Inventories	16	69,188	51,148
Trade and other receivables	17	184,910	183,857
Prepayments	18	77,289	4,624
Cash and bank balances	19 (a)	238,114	106,210
Short term funds	19 (b)	1,606	1,552
		629,257	399,279
<b>Total Assets</b>		<b>2,446,087</b>	<b>2,186,826</b>
<b>Equity and Liabilities</b>			
<b>Equity attributable to owners of the parent</b>			
Share capital	20 (a)	390,054	390,054
Treasury shares	20 (b)	(18,668)	(18,668)
Reserves	21	1,737,937	1,497,762
<b>Total Equity</b>		<b>2,109,323</b>	<b>1,869,148</b>
<b>Non-Current Liabilities</b>			
Deferred tax liabilities	22	173,020	172,190
Retirement benefit obligations	23	7,473	6,880
Lease liabilities	25	13,442	13,445
		193,935	192,515
<b>Current Liabilities</b>			
Trade and other payables	24	76,797	86,485
Tax payable		63,531	36,449
Retirement benefit obligations	23	2,498	2,226
Lease liabilities	25	3	3
		142,829	125,163
<b>Total Liabilities</b>		<b>336,764</b>	<b>317,678</b>
<b>Total Equity and Liabilities</b>		<b>2,446,087</b>	<b>2,186,826</b>

The accompanying notes form an integral part of the financial statements.

Statements Of Changes In Equity  
For The Financial Year Ended 31 December 2025

Group	← Attributable to equity owners of the parent →									
	← Non-distributable →				← Distributable →					
	Note	Share capital (Note 20(a))	Cash flow hedge reserve (Note 21)	Capital reserve (Note 21)	Foreign currency translation reserve (Note 21)	Treasury shares (Note 20(b))	Retained profits (Note 21)	Total	Non- controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2025		390,054	(23,598)	21,798	(31,135)	(18,668)	2,461,328	2,799,779	17,450	2,817,229
Total comprehensive income for the financial year		-	16,811	-	(34,634)	-	825,024	807,201	2,767	809,968
Dividends, representing total transaction with owners of the parent	26	-	-	-	-	-	(734,169)	(734,169)	-	(734,169)
Dividends to non-controlling shareholders of a subsidiary		-	-	-	-	-	-	-	(11,716)	(11,716)
At 31 December 2025		390,054	(6,787)	21,798	(65,769)	(18,668)	2,552,183	2,872,811	8,501	2,881,312
At 1 January 2024		390,054	14,971	21,798	(8,938)	(18,668)	2,451,223	2,850,440	16,980	2,867,420
Total comprehensive income for the financial year		-	(38,569)	-	(22,197)	-	715,240	654,474	3,160	657,634
Dividends, representing total transaction with owners of the parent	26	-	-	-	-	-	(705,135)	(705,135)	-	(705,135)
Dividends to non-controlling shareholders of a subsidiary		-	-	-	-	-	-	-	(2,690)	(2,690)
At 31 December 2024		390,054	(23,598)	21,798	(31,135)	(18,668)	2,461,328	2,799,779	17,450	2,817,229

The accompanying notes form an integral part of the financial statements.

## Statements Of Changes In Equity For The Financial Year Ended 31 December 2025

Company	Note	← Distributable →			Total
		Share capital (Note 20(a))	Treasury shares (Note 20(b))	Retained profits (Note 21)	
		RM'000	RM'000	RM'000	RM'000
At 1 January 2025		390,054	(18,668)	1,497,762	1,869,148
Total comprehensive income for the financial year		-	-	974,344	974,344
Dividends, representing total transaction with owners	26	-	-	(734,169)	(734,169)
At 31 December 2025		390,054	(18,668)	1,737,937	2,109,323
At 1 January 2024		390,054	(18,668)	1,477,667	1,849,053
Total comprehensive income for the financial year		-	-	725,230	725,230
Dividends, representing total transaction with owners	26	-	-	(705,135)	(705,135)
At 31 December 2024		390,054	(18,668)	1,497,762	1,869,148

The accompanying notes form an integral part of the financial statements.

Statements Of Cash Flows  
For The Financial Year Ended 31 December 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Cash Flows From Operating Activities</b>					
Receipts from customers		2,513,083	2,162,272	1,317,511	1,134,078
Payments to suppliers		(859,425)	(693,097)	-	-
Payments of operating expenses		(587,325)	(526,258)	(373,283)	(349,421)
Receipts/(payments) of deposits in derivatives operations		31,590	(63,635)	-	-
Payments of taxes		(231,525)	(241,233)	(193,750)	(179,918)
Other receipts		37,742	50,533	22,697	26,067
<b>Net cash generated from operating activities</b>		<b>904,140</b>	<b>688,582</b>	<b>773,175</b>	<b>630,806</b>
<b>Cash Flows From Investing Activities</b>					
Proceeds from disposal of property, plant and equipment		3,170	1,567	2,911	1,250
Investment in a joint venture		-	(500)	-	(500)
Interest income		19,297	23,931	10,758	7,794
Net change in deposits with licensed banks with tenure more than 3 months		59,602	(55,602)	4,000	-
Net change in short term funds		(79)	51,438	(54)	30,305
Dividend received from subsidiary companies		-	-	281,706	216,000
Purchase of property, plant and equipment	(a)	(139,784)	(125,287)	(114,443)	(92,371)
Payment for right-of-use assets		(2,609)	(7,589)	(415)	(4,462)
Prepayment for purchase of land		(76,781)	-	(76,781)	-
<b>Net cash (used in)/generated from investing activities</b>		<b>(137,184)</b>	<b>(112,042)</b>	<b>107,682</b>	<b>158,016</b>
<b>Cash Flows From Financing Activities</b>					
Interest paid		(842)	(86)	(835)	(77)
Dividends paid		(734,169)	(705,135)	(734,169)	(705,135)
Dividends paid to non-controlling shareholders of a subsidiary		(11,716)	(2,690)	-	-
Inter-company balances		-	-	(4,081)	(81,799)
Associated company balances		6	(10)	6	(10)
Joint ventures balances		876	(4,373)	(5,867)	4,131
<b>Net cash used in financing activities</b>		<b>(745,845)</b>	<b>(712,294)</b>	<b>(744,946)</b>	<b>(782,890)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>21,111</b>	<b>(135,754)</b>	<b>135,911</b>	<b>5,932</b>
Cash and cash equivalents at the beginning of financial year		397,926	548,851	75,210	69,283
Effect of exchange rate changes on cash and cash equivalents		(20,266)	(15,171)	(7)	(5)
<b>Cash and cash equivalents at the end of financial year</b>	(b)	<b>398,771</b>	<b>397,926</b>	<b>211,114</b>	<b>75,210</b>

## Statements Of Cash Flows

For The Financial Year Ended 31 December 2025

- (a) Total purchases of property, plant and equipment during the financial year for the Group and the Company were made up of purchases which were fully paid in cash (2024 : total purchases of property, plant and equipment for the Group and the Company were made up of purchases which were fully paid in cash, and payments amounting to RM2,632,000 in relation to the amounts included in sundry payable in 2023).
- (b) Analysis of cash and cash equivalents:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Deposits with licensed banks	341,737	320,432	233,208	101,198
Cash at banks and on hand	84,034	164,096	4,906	5,012
	425,771	484,528	238,114	106,210
Less: Deposits with licensed banks with tenure more than 3 months	(27,000)	(86,602)	(27,000)	(31,000)
Cash and cash equivalents at the end of financial year	398,771	397,926	211,114	75,210

The accompanying notes form an integral part of the financial statements.

## Notes To The Financial Statements

### 1. Corporate Information

The Company carries on the business of oil palm and coconut cultivation and processing on its plantations in Peninsular Malaysia. The Company also has an active research centre providing improved planting material for the Group's estates as well as for the Malaysian agricultural sector in general. The principal activities of the subsidiary companies, joint ventures and associated company are as disclosed in Note 3.

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office and principal place of business is located at Jendarata Estate, 36009 Teluk Intan, Perak Darul Ridzuan.

The number of employees at 31 December 2025 for the Group was 6,926 (2024: 6,521) and for the Company was 5,237 (2024: 4,813).

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors dated 21 February 2026.

### 2. Material Accounting Policy Information

#### 2.1 Basis Of Preparation

The financial statements of the Group and of the Company have been prepared in accordance with MFRS Accounting Standards ("MFRSs"), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

#### 2.2 Changes In Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 January 2025, the Group and the Company adopted the following amended MFRSs mandatory for annual financial periods beginning on or after 1 January 2025.

Description	Effective for annual periods beginning on or after
<ul style="list-style-type: none"> <li>Amendments to MFRS 121: Lack of exchangeability</li> </ul>	1 January 2025

The adoption of the above standards and interpretation did not have any material effect on the financial statements of the Group and of the Company.

#### 2.3 Standards Issued But Not Yet Effective

The standards that are issued but not yet effective up to the date of issuance of the Group's and the Company's financial statements are disclosed below. The Group and the Company intend to adopt these standards when they become effective. The Directors do not anticipate that the application of the standards will have a significant impact on the financial statements, except for the presentation and disclosure required by MFRS 18 which introduces new categories and subtotals in the statement of profit or loss. It also requires disclosure of management-defined performance measures and includes new requirements for the location, aggregation and disaggregation of financial information.

Description	Effective for annual periods beginning on or after
<ul style="list-style-type: none"> <li>Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity</li> </ul>	1 January 2026
<ul style="list-style-type: none"> <li>Annual Improvements to MFRS Accounting Standards - Volume 11</li> </ul>	1 January 2026

## Notes To The Financial Statements

• Amendments to MFRS 9 and MFRS 7: Classification and Measurement of Financial Instruments	1 January 2026
• Amendments to MFRS 18: Presentation and Disclosure in Financial Statements	1 January 2027
• Amendments to MFRS 19: Subsidiaries without Public Accountability (Disclosures)	1 January 2027
• Amendments to MFRS 121: Translation to a Hyperinflationary Presentation Currency	1 January 2027
• Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The directors expect that the adoption of the above standards will not have material impact on the financial statements in the period of initial application.

### 2.4 Summary Of Material Accounting Policy Information

#### (a) Subsidiary companies and basis of consolidation

##### (i) Subsidiaries

Subsidiaries are entities over which the Group has the ability to control the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has such power over another entity.

In the Company's separate financial statements, investments in subsidiaries are stated at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

##### (ii) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 December 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

#### (b) Associated companies

The Group holds an interest in an associate, Bernam Bakery Sdn. Bhd.

The most recent available audited financial statements of the associated companies are used by the Group in applying the equity method. Where the dates of the audited financial statements used are not coterminous with those of the Group, the share of results is arrived at from the last audited financial statements available and management financial statements to the end of the accounting period. Uniform accounting policies are adopted for like transactions and events in similar circumstances.

In the Company's separate financial statements, investments in associated companies are stated at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

## Notes To The Financial Statements

### (c) Joint ventures

The Group holds an interest in two joint ventures, Unifuji Sdn. Bhd. and UP Elite Palm Sdn. Bhd..

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control, and a jointly controlled entity is a joint venture that involves an unincorporated entity or the establishment of a separate entity in which each venturer has an interest.

Investment in joint venture is accounted for in the consolidated financial statements using the equity method of accounting as described in Note 2.4(b).

The financial statements of the joint ventures are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies into line with those of the Group.

In the Company's separate financial statements, investments in joint ventures are stated at cost less impairment loss. On disposal of such investment, the difference between net disposal proceeds and their carrying amount is included in profit or loss.

### (d) Goodwill

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit ("CGU") and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

### (e) Current versus non-current classification

The Group and the Company present assets and liabilities in statements of financial position based on current/non-current classification. An asset is current when it is:

- i. Expected to be realised or intended to be sold or consumed in normal operating cycle;
- ii. Held primarily for the purpose of trading;
- iii. Expected to be realised within twelve months after the reporting period; or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- i. It is expected to be settled in normal operating cycle;
- ii. It is held primarily for the purpose of trading;
- iii. It is due to be settled within twelve months after the reporting period; or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group and the Company classify all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

## Notes To The Financial Statements

## (f) Property, plant and equipment and depreciation

All items of property, plant and equipment are initially recorded at cost. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, property, plant and equipment except for freehold land and capital work-in-progress are stated at cost less accumulated depreciation and any accumulated impairment losses. Freehold land and capital work-in-progress are stated at cost less any accumulated impairment losses.

The cost of freehold land initially acquired is allocated between the land, buildings and bearer plants elements in proportion to the relative fair values for the interests in the land element, buildings element and bearer plants element. Freehold land has an unlimited useful life and therefore is not depreciated. Capital work-in-progress are also not depreciated as these assets are not available for use. Other property, plant and equipment are depreciated by equal annual instalments over their estimated economic lives based upon the original cost or deemed cost on a straight line basis to write off the cost of each asset to its residual value over the estimated useful life.

The principal annual depreciation rates used are:

Buildings	2% - 5%
Railways	over 25 years or 4%
Rolling stock	over 14 years or approximately 7.14%
Plant and machinery	5% - 20%
Furniture and office equipment	10% - 20%
Motor vehicles, tractors and implements	7.14% - 25%
Aircraft	5%

Spare parts which are held for use in the production or supply of goods or services and are expected to be used for more than one period, and thus are classified under property, plant and equipment. The cost will be charged out to income statement when the spare parts are utilised.

The residual value, useful life and depreciation method are reviewed at each financial year end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any and the net carrying amount is recognised in the profit or loss.

Bearer plants comprise pre-cropping expenditure incurred from land clearing to the point of maturity. Such expenditure is capitalised and is amortised at maturity of the crop at the following rates which are deemed as the useful economic lives of the crop:

Pre-cropping expenditure - oil palm	over 20 years or 5%
Pre-cropping expenditure - coconut palm	over 30 years or approximately 3.33%

## Notes To The Financial Statements

## (g) Biological assets

Biological assets comprised produce growing on bearer plants. Biological assets are classified as current assets as they are expected to be harvested and sold or used for production on a date not more than 4 weeks after the reporting date.

Biological assets are measured at fair value less costs to sell. Any gains or losses arising from changes in the fair value less costs to sell are recognised in profit or loss.

## (h) Inventories

Agricultural produce stocks are stated at net realisable value at the reporting date.

All other inventories are valued at the lower of cost and estimated net realisable value. Cost includes the actual cost of materials, labour and appropriate production overheads and is determined on a weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

## (i) Taxes

## (i) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of comprehensive income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

## (ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax is not recognised on goodwill and those arising from initial recognition of an asset or liability which at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

## Notes To The Financial Statements

## (j) Foreign currencies

## (i) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

## (ii) Foreign currency transactions

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded in the functional currencies using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are translated at the rates prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated to the functional currency at exchange rates ruling on the transaction dates.

Exchange differences arising on the settlement of monetary items or on the translation of monetary items, are included in profit or loss for the period except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operation. These are initially taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operations, at which time they are recognised in profit or loss. Exchange differences arising on monetary items that form part of the Company's net investment in foreign operation are recognised in profit or loss in the Company's separate financial statements or the individual financial statements of the foreign operation, as appropriate.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in the profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

## (iii) Foreign operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency ("RM") of the consolidated financial statements are translated into RM as follows:

- (a) Assets and liabilities for each statements of financial position presented are translated at the closing rate prevailing at the reporting date;
- (b) Income and expenses for each profit or loss are translated at average exchange rates for the year, which approximates the exchange rates at the dates of the transactions; and
- (c) All resulting exchange differences are taken to the foreign currency translation reserve within equity.

The principal exchange rates used for currency ruling at the reporting dates are as follows:

	2025	2024
	RM	RM
1 United States Dollar (USD)	4.0610	4.4755
100 Indonesian Rupiah (IDR)	0.0244	0.0278

## Notes To The Financial Statements

## (k) Revenue recognition

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer. Revenue from contracts with customers is measured at its transaction price, being the amount of consideration which the Group and the Company expects to be entitled in exchange for transferring promised goods or services to a customer, net of goods and services tax or sales and services tax, returns, rebates and discounts. Transaction price is allocated to each performance obligation on the basis of the relative standalone selling prices of each distinct good or services promised in the contract. Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time.

The Group and the Company have generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer. The Group and the Company recognise revenue from contracts with customers for the sales of goods based on the five-step model as set out below:

## (a) Identify contract with a customer

A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria that must be met.

## (b) Identify performance obligations in the contract

A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

The Group and the Company's contracts with customers are distinctly for sales of produce stocks and finished goods, and include no other performance obligation.

## (c) Determine the transaction price

The transaction price is the amount of consideration to which the Group and the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

## (d) Allocate the transaction price to the performance obligation in the contract

The Group and the Company allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group and the Company expect to be entitled in exchange for satisfying each performance obligation.

## (e) Recognise revenue when (or as) the Group and the Company satisfies a performance obligation

The Group and the Company satisfies a performance obligation and recognise revenue over time if the Group's and the Company's performance:

- (i) does not create an asset with an alternative use to the Group and the Company and has an enforceable right to payment for performance obligation completed to-date; or
- (ii) creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- (iii) provides benefits that the customer simultaneously receives and consumes as the Group and the Company performs.

For performance obligations where any one of the above conditions are met, revenue is recognised over time at which the performance obligation is satisfied.

The following describes the performance obligation in contracts with customers:

*Sale of goods*

Revenue from sale of produce stocks and finished goods is recognised at the point in time when control of the goods is transferred to the customer, measured at fair value of the consideration received or receivable, net of trade discounts.

## Notes To The Financial Statements

Revenue from other sources are recognised as follows:

(a) *Interest income*

Interest is recognised on a time proportion basis that reflects the effective yield on the asset.

(b) *Dividend income*

Dividend income from investment is recognised when the right to receive payment is established.

(c) *Rental income*

Rental income is recognised on a time proportion basis.

(l) *Employee benefits*

(i) *Short term benefits*

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Group and the Company. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) *Defined contribution plans*

Defined contribution plans are post-employment benefit plans under which the Group and the Company pay fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Such contributions are recognised as an expense in the income statement as incurred. As required by law, companies in Malaysia make such contributions to the Employees Provident Fund ("EPF"). In addition, the Group and the Company also contribute to a defined contribution fund set up for certain eligible employees of the Group and the Company.

(iii) *Defined benefit plans*

The Company and certain subsidiary companies provide for retirement benefit for their eligible employees on unfunded defined benefit plans in accordance with the terms of employment and practices. The Group's and the Company's obligations under these plans are determined internally using the Projected Unit Credit Method based on certain actuarial assumptions where the amount of benefits that employees have earned in return for their services rendered is estimated.

Full provision is recognised for retirement benefit payable to all eligible employees. Should an employee leave before attaining the retirement age, the provision made for the employee is written back. Actuarial gains or losses are recognised as income or expense immediately through OCI. Past service costs are recognised immediately.

(m) *Impairment of non-financial assets*

At each reporting date, the Group and the Company review the carrying amounts of its assets, other than inventories, assets arising from employee benefits and financial assets, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, impairment is measured by comparing the carrying values of the assets with their recoverable amounts. Recoverable amount is the higher of an asset's fair value less cost to sell and value in use, which is measured by reference to discounted future cash flows. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit to which the asset belongs and prorated to the asset by reference to the cost of the asset to the cost of the cash-generating unit.

An impairment loss is charged to the income statement immediately.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased. The reversal is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in the income statement immediately, unless the asset is carried at revalued amount.

## Notes To The Financial Statements

### (n) Financial assets

Financial assets are recognised in the statements of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value plus or minus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs. However, receivables without a significant financing component is initially measured at the transaction price.

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include financial assets at amortised cost, financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income ("OCI").

#### (i) *Financial assets at amortised cost*

The Group and the Company measure financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's and the Company's financial assets at amortised cost include trade and other receivables and cash and bank balances.

#### (ii) *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes short term funds and derivative instruments which the Group and the Company had not irrevocably elected to classify at fair value through OCI.

### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The Group and the Company have transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either the Group and the Company have transferred substantially all the risks and rewards of the asset, or the Group and the Company neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

## Notes To The Financial Statements

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Group and the Company commit to purchase or sell the asset.

### (o) Impairment of financial assets

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired.

The Group and the Company recognise an allowance for expected credit losses ("ECL"s) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group and the Company have established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

### (p) Cash and cash equivalent

Cash and cash equivalents represent cash on hand and at banks and short term deposits with a maturity of three months or less that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statements of cash flows, cash and cash equivalents consist of unrestricted cash and bank balances, net of outstanding bank overdrafts, if any, as they are considered an integral part of the Group's and of the Company's cash management.

### (q) Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group's financial liabilities include trade and other payables, bank borrowings, lease liabilities and derivatives financial instruments.

#### Subsequent measurement

##### (i) *Financial liabilities at fair value through profit or loss*

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationship.

##### (ii) *Financial liabilities at amortised cost*

This is the category most relevant to the Group and the Company. After initial recognition, interest-bearing loans and borrowings (including bank overdrafts) are subsequently measured at amortised cost using the EIR method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised as well through the EIR amortisation process.

This category includes trade and other payables, lease liabilities and bank overdrafts.

## Notes To The Financial Statements

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

### (r) Equity instruments

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

### (s) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statements of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### (t) Research and development costs

All general research and development costs are expensed as incurred.

### (u) Provision

Provisions are recognised when the Group and the Company have a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group and the Company expect some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### (v) Derivative financial instruments and hedge accounting

#### Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as commodity futures contracts, to hedge its commodity price risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined).

A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is an economic relationship between the hedged item and the hedging instrument.
- The effect of credit risk does not dominate the value changes that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

## Notes To The Financial Statements

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

#### Cash flow hedge

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit or loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The Group uses commodity futures contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to commodity contracts is recognised in other operating income or expenses. Refer to Note 31(g) for more details.

The amounts accumulated in OCI are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognised in OCI for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

#### (w) Leases

The Group and the Company assess at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Group as a lessee

The Group and the Company apply a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group and the Company recognise lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### (i) Right-of-use assets

The Group and the Company recognise right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at costs, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

#### *Group and Company*

Leasehold land - Up to 98 years

#### *Group*

Land use rights - Up to 27 years

The right-of-use assets are also subject to impairment. The accounting policies for impairment of non-financial assets is as disclosed in Note 2.4 (m).

## Notes To The Financial Statements

### (ii) Lease liabilities

At the commencement date of the lease, the Group and the Company recognise lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and the Company and payments of penalties for terminating the lease, if the lease term reflects the Group and the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group and the Company use their incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's and the Company's lease liabilities are as disclosed in Note 25.

### (iii) Short-term leases and leases of low-value assets

The Group and the Company apply the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). The Group and the Company also apply the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### (x) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group and the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group and the Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

## 2.5 Significant Accounting Estimate

There are no significant accounting estimates and judgements made by management in the process of applying the Group's and the Company's accounting policies that have a significant effect on the amount recognised in the financial statements.

Notes To The Financial Statements

3. Group Structure

The subsidiary companies are as follows:

Companies	Country of incorporation and principal place of business	Percentage of equity held by the Group*		Percentage of equity held by non-controlling interest*		Principal Activities (see below)
		2025 %	2024 %	2025 %	2024 %	
Unitata Berhad	Malaysia	100	100	-	-	(a)
Bernam Advisory Services Sdn. Bhd.	Malaysia	100	100	-	-	(b)
Berta Services Sdn. Bhd.	Malaysia	100	100	-	-	(d)
PT. Surya Sawit Sejati ("PT SSS")	Indonesia	95	95	5	5	(c)
Bernam Agencies Sdn. Bhd.	Malaysia	100	100	-	-	(d)
United International Enterprises (M) Sdn. Bhd.	Malaysia	100	100	-	-	(d)

\* equals to the proportion of voting rights held

The subsidiary companies are primarily engaged in the following activities:

- (a) Refining of palm oil, manufacturing edible oils, fats, cocoa butter substitute and trading in crude palm oil and palm kernel products.
- (b) Trading, marketing and investment holding.
- (c) Business of oil palm cultivation and processing in Indonesia.
- (d) Investment holding.

The joint ventures are as follows:

Company	Country of incorporation and principal place of business	Percentage of equity held by the Group*		Principal Activities
		2025 %	2024 %	
Unifuji Sdn. Bhd.	Malaysia	50	50	Refining of palm oil and trading of palm oil products
UP Elite Palm Sdn. Bhd.	Malaysia	50	50	Research and development in oil palm seeds

\* equals to the proportion of voting rights held

The joint ventures are accounted for using the equity method.

These joint ventures have the same reporting period as the Group. No quoted market prices are available for the shares of Unifuji Sdn. Bhd. and UP Elite Palm Sdn. Bhd. as the companies are private companies.

Unifuji Sdn. Bhd. is a private limited company incorporated and domiciled in Malaysia. The registered office is located at Jendarata Estate, 36009 Teluk Intan, Perak and principal place of business is located at Ulu Bernam Estate, 36500 Mukim Hutan Melintang, Teluk Intan, Perak.

UP Elite Palm Sdn. Bhd. is a private limited company incorporated and domiciled in Malaysia. The registered office and principal place of business is located at Jendarata Estate, 36009 Teluk Intan, Perak.

Notes To The Financial Statements

The associated company is as follows:

Company	Country of incorporation and principal place of business	Percentage of equity held by the Group*		Principal Activity
		2025 %	2024 %	
Bernam Bakery Sdn. Bhd.	Malaysia	30	30	Investment holding

\* equals to the proportion of voting rights held

The associated company is accounted for using the equity method.

The financial statements of the joint ventures and the associated company are coterminous with those of the Group.

All subsidiary companies, the joint ventures and the associated company are audited by Ernst & Young PLT, Malaysia other than PT SSS, which is audited by a member firm of Ernst & Young Global in Indonesia.

4. Revenue

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue from contracts with customers consists of the following:				
Sales proceeds of produce stocks	886,235	729,742	1,319,215	1,133,327
Sales proceeds of finished goods	1,627,966	1,468,068	-	-
	2,514,201	2,197,810	1,319,215	1,133,327
Disaggregation of revenue from contracts with customers				
Upstream (Plantations)				
- Malaysia	638,069	520,461	1,319,215	1,133,327
- Indonesia	248,166	209,281	-	-
Downstream (Refinery)				
- Malaysia	1,627,966	1,468,068	-	-
	2,514,201	2,197,810	1,319,215	1,133,327

The timing of revenue recognition is at a point in time.

## Notes To The Financial Statements

## 5. Profit From Operations

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Profit from operations is arrived at, after charging:				
Directors' remuneration				
- fees	1,290	1,357	1,235	1,302
- emoluments	7,059	6,473	7,059	6,473
- others	92	97	92	97
Auditors' remuneration				
- statutory audit: current year	500	500	367	367
- non-audit service	9	9	9	9
- statutory audit fee received by a member firm of EY Global	150	162	-	-
Inventories written-off	20	83	20	83
Property, plant and equipment written-off	-	4	-	-
Impairment of right-of-use assets	520	-	-	-
Impairment on investment in a subsidiary	-	-	17	16,887
Unrealised foreign exchange loss	5	-	-	-
Realised foreign exchange loss	996	2,514	693	-
Expenses relating to leases of low-value assets	265	308	72	71
Expenses relating to short-term leases	2,791	2,809	-	-
Profit from operations is arrived at, after crediting:				
Rental income	577	569	317	500
Profit on disposal of property, plant and equipment	278	347	331	168
Fair value gain in biological assets, net	3,866	12,173	6,262	7,363
Unrealised foreign exchange gain	8,433	1,972	-	-
Realised foreign exchange gain	4,297	72	-	-

Notes To The Financial Statements

Staff costs of the Group and of the Company incurred during the financial year consist of the following:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Wages and salaries	238,009	206,929	191,268	163,251
Social security cost	5,222	4,161	2,311	1,714
Retirement benefit costs				
- defined contribution plans	9,180	8,715	7,929	7,486
- defined benefit plans (Note 23)	2,747	1,899	1,060	572
Other staff related expenses	26,193	23,255	20,791	18,242
	281,351	244,959	223,359	191,265

Included in staff costs of the Group and of the Company are executive directors' emoluments both amounting to RM7,059,000 respectively (2024: RM6,473,000 respectively).

In addition to contribution to the Employees Provident Fund, the Group also contributes to a defined contribution fund set up for certain eligible employees of the Group.

6. Finance Costs

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Finance costs consist of interest expenses on:				
- Bank overdraft, bankers acceptances and revolving credit facilities	35	86	28	77
- Interest on lease liabilities (Note 25)	807	761	807	761
	842	847	835	838

7. Investment And Interest Income

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Dividend income from subsidiary companies	-	-	281,706	216,000
Interest income from deposits with licensed banks	19,056	23,382	7,341	6,740
Interest income from advances to a subsidiary	-	-	2,589	456
Interest income from advances to a joint venture	516	561	194	239
	19,572	23,943	291,830	223,435

## Notes To The Financial Statements

## 8. Taxation

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Current income tax:				
Income tax	285,089	209,573	220,800	167,028
(Over)/under provision in prior financial years	(40)	1,971	32	1,303
	285,049	211,544	220,832	168,331
Deferred tax (Note 22):				
Relating to origination and reversal of temporary difference	(2,763)	6,354	866	1,430
(Over)/under provision in prior financial years	(3,362)	1,570	(36)	175
	(6,125)	7,924	830	1,605
Tax expense for the financial year	278,924	219,468	221,662	169,936

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2024: 24%) of the estimated assessable profit for the financial year.

A reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Profit before taxation	1,108,598	938,877	1,196,006	895,166
Taxation at Malaysian statutory tax rate of 24% (2024: 24%)	266,064	225,330	287,041	214,840
Effect of different tax rates in other country	(1,878)	(2,181)	-	-
Income not subject to tax	(1,096)	(1,079)	(67,622)	(52,714)
Expenses not deductible for tax purposes	2,501	2,113	2,247	6,332
Effect of reinvestment allowance	-	(2,805)	-	-
(Over)/under provision of deferred tax expense in prior financial years	(3,362)	1,570	(36)	175
(Over)/under provision of income tax in prior financial years	(40)	1,971	32	1,303
Tax effects on share of results of joint ventures	(5,526)	(5,455)	-	-
Deferred tax on undistributed profits of a foreign subsidiary	-	(5,000)	-	-
Income tax expense for the financial year	256,663	214,464	221,662	169,936
Withholding tax on dividend from a foreign subsidiary	22,261	5,004	-	-
Total tax expense for the financial year	278,924	219,468	221,662	169,936

## Notes To The Financial Statements

## 9. Earnings Per Share

## a) Basic

	Group	
	2025	2024
Net profit attributable to owners of the parent (RM'000)	825,081	715,081
Number of shares in issue as of 1 January ('000)	414,784	414,784
Bonus issue ('000)	207,392	-
Adjusted weighted average number of ordinary shares in issue ('000)	622,176	414,784
Basic earnings per share (sen)		
- before issuance of bonus shares (sen)	199	172
- after issuance of bonus shares (sen)	133	115

The basic earnings per ordinary share is calculated by dividing the consolidated net profit attributable to the equity owners of the Company by the weighted average number of ordinary shares (adjusted for treasury shares) during the financial year.

## b) Diluted

The diluted earnings per ordinary share of the Group for the financial year ended 31 December 2025 and 31 December 2024 are the same as the basic earnings per ordinary share of the Group as the Group has no dilutive potential ordinary shares.

## Notes To The Financial Statements

## 10. (a) Property, Plant And Equipment

Group

	Freehold land	Bearer plants	Buildings	Plant and machinery	Capital work-in- progress*	Spare parts	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Cost</b>							
At 1 January 2025	204,413	1,099,147	419,769	1,110,192	29,859	2,276	2,865,656
Additions	-	26,377	16,340	45,295	51,772	-	139,784
Disposals	-	-	-	(10,254)	-	-	(10,254)
Transfer to plasma at cost	-	(1,020)	-	-	-	-	(1,020)
Written off	-	(128)	-	-	-	-	(128)
Reclassifications	-	-	605	2,974	(3,579)	-	-
Exchange differences	-	(16,858)	(8,724)	(12,885)	-	(36)	(38,503)
Net transfer from inventories during the financial year	-	-	-	-	-	207	207
At 31 December 2025	204,413	1,107,518	427,990	1,135,322	78,052	2,447	2,955,742
<b>Accumulated depreciation</b>							
At 1 January 2025	-	678,119	243,379	682,660	-	-	1,604,158
Depreciation for the financial year	-	36,303	14,233	55,809	-	-	106,345
Disposals	-	-	-	(7,362)	-	-	(7,362)
Written off	-	(128)	-	-	-	-	(128)
Exchange differences	-	(11,951)	(4,684)	(10,053)	-	-	(26,688)
At 31 December 2025	-	702,343	252,928	721,054	-	-	1,676,325
<b>Net book value</b>							
At 31 December 2025	204,413	405,175	175,062	414,268	78,052	2,447	1,279,417

## Notes To The Financial Statements

## Group

	Freehold land	Bearer plants	Buildings	Plant and machinery	Capital work-in-progress*	Spare parts	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Cost</b>							
At 1 January 2024	204,413	1,080,378	410,846	1,070,096	6,597	1,966	2,774,296
Additions	-	28,644	13,906	44,960	35,145	-	122,655
Disposals	-	-	-	(9,500)	-	-	(9,500)
Written off	-	(5)	-	-	-	-	(5)
Reclassifications	-	-	9	11,874	(11,883)	-	-
Exchange differences	-	(9,870)	(4,992)	(7,238)	-	(23)	(22,123)
Net transfer from inventories during the financial year	-	-	-	-	-	333	333
At 31 December 2024	204,413	1,099,147	419,769	1,110,192	29,859	2,276	2,865,656
<b>Accumulated depreciation</b>							
At 1 January 2024	-	648,143	231,956	643,369	-	-	1,523,468
Depreciation for the financial year	-	36,505	13,920	53,158	-	-	103,583
Disposals	-	-	-	(8,280)	-	-	(8,280)
Written off	-	(1)	-	-	-	-	(1)
Exchange differences	-	(6,528)	(2,497)	(5,587)	-	-	(14,612)
At 31 December 2024	-	678,119	243,379	682,660	-	-	1,604,158
<b>Net book value</b>							
At 31 December 2024	204,413	421,028	176,390	427,532	29,859	2,276	1,261,498

Under Indonesian laws, the plantation owners are obliged to assist the local communities to develop plasma smallholdings. The area of plasma required is 20% of the planted area and this is one of the conditions which must be fulfilled by all plantation owners before the issuance of HGU (lease certificates) of the estate lands by the authorities. The Group is in the process of complying with this condition. The transfer cost is recoverable from the sales of the crops to the mill belonging to the Group.

\* Capital work-in-progress of the Group mainly consists of construction of plant and buildings at the following locations:

	2025 RM'000	2024 RM'000
In the estates of the Company in Peninsular Malaysia	62,668	22,210
In Unitata Berhad in Peninsular Malaysia	15,384	7,649
	78,052	29,859

## Notes To The Financial Statements

## Company

	Freehold land RM'000	Bearer plants RM'000	Buildings RM'000	Plant and machinery RM'000	Capital work-in- progress RM'000	Spare parts RM'000	Total RM'000
<b>Cost</b>							
At 1 January 2025	203,848	971,555	296,993	726,292	22,210	460	2,221,358
Additions	-	26,377	13,371	30,658	44,037	-	114,443
Disposals	-	-	-	(8,441)	-	-	(8,441)
Reclassification	-	-	605	2,974	(3,579)	-	-
Net transfer from inventories during the financial year	-	-	-	-	-	8	8
At 31 December 2025	203,848	997,932	310,969	751,483	62,668	468	2,327,368
<b>Accumulated depreciation</b>							
At 1 January 2025	-	584,841	192,456	434,510	-	-	1,211,807
Depreciation for the financial year	-	29,879	9,640	38,574	-	-	78,093
Disposals	-	-	-	(5,861)	-	-	(5,861)
At 31 December 2025	-	614,720	202,096	467,223	-	-	1,284,039
<b>Net book value</b>							
At 31 December 2025	203,848	383,212	108,873	284,260	62,668	468	1,043,329
<b>Cost</b>							
At 1 January 2024	203,848	943,307	285,636	701,150	3,067	330	2,137,338
Additions	-	28,248	11,357	27,924	22,210	-	89,739
Disposals	-	-	-	(5,849)	-	-	(5,849)
Reclassification	-	-	-	3,067	(3,067)	-	-
Net transfer from inventories during the financial year	-	-	-	-	-	130	130
At 31 December 2024	203,848	971,555	296,993	726,292	22,210	460	2,221,358
<b>Accumulated depreciation</b>							
At 1 January 2024	-	555,472	183,332	402,018	-	-	1,140,822
Depreciation for the financial year	-	29,369	9,124	37,259	-	-	75,752
Disposals	-	-	-	(4,767)	-	-	(4,767)
At 31 December 2024	-	584,841	192,456	434,510	-	-	1,211,807
<b>Net book value</b>							
At 31 December 2024	203,848	386,714	104,537	291,782	22,210	460	1,009,551

## Notes To The Financial Statements

## 10. (b) Right-Of-Use Assets

## Group

	Leasehold land RM'000	Land use rights RM'000	Total RM'000
<b>Cost</b>			
At 1 January 2025	469,659	45,663	515,322
Additions	415	2,194	2,609
Impairment	-	(1,189)	(1,189)
Exchange differences	-	(4,640)	(4,640)
At 31 December 2025	470,074	42,028	512,102
<b>Accumulated depreciation and impairment</b>			
At 1 January 2025	106,216	6,181	112,397
Depreciation for the financial year	4,893	1,023	5,916
Impairment	-	(669)	(669)
Exchange differences	-	(980)	(980)
At 31 December 2025	111,109	5,555	116,664
Net book value At 31 December 2025	358,965	36,473	395,438
<b>Cost</b>			
At 1 January 2024	465,197	45,040	510,237
Additions	4,462	3,127	7,589
Exchange differences	-	(2,504)	(2,504)
At 31 December 2024	469,659	45,663	515,322
<b>Accumulated depreciation and impairment</b>			
At 1 January 2024	101,332	5,599	106,931
Depreciation for the financial year	4,884	1,102	5,986
Exchange differences	-	(520)	(520)
At 31 December 2024	106,216	6,181	112,397
Net book value At 31 December 2024	363,443	39,482	402,925

## Notes To The Financial Statements

Company	Leasehold land RM'000	Total RM'000
Cost		
At 1 January 2025	469,659	469,659
Addition	415	415
At 31 December 2025	470,074	470,074
Accumulated depreciation		
At 1 January 2025	106,216	106,216
Depreciation for the financial year	4,893	4,893
At 31 December 2025	111,109	111,109
Net book value At 31 December 2025	358,965	358,965
Cost		
At 1 January 2024	465,197	465,197
Addition	4,462	4,462
At 31 December 2024	469,659	469,659
Accumulated depreciation		
At 1 January 2024	101,332	101,332
Depreciation for the financial year	4,884	4,884
At 31 December 2024	106,216	106,216
Net book value At 31 December 2024	363,443	363,443

## Notes To The Financial Statements

## 11. Biological Assets

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
At 1 January	63,180	51,473	51,888	44,525
Exchange differences	(1,382)	(466)	-	-
Transfers to produce stocks	(61,798)	(51,007)	(51,888)	(44,525)
Fair value changes	65,664	63,180	58,150	51,888
At 31 December	65,664	63,180	58,150	51,888
The biological assets of the Group and the Company comprise:				
Oil palm fresh fruit bunches	54,335	55,264	46,821	43,972
Coconuts	11,329	7,916	11,329	7,916
	65,664	63,180	58,150	51,888

The biological assets of the Group and of the Company comprise oil palm fresh fruit bunches ("FFB") and coconuts prior to harvest. The valuation model adopted by the Group and the Company considers the present value of the net cash flows expected to be generated from the sale of FFB and coconuts less cost to sell.

To arrive at the fair value of FFB, the management considered the oil content of the unripe FFB and derived the assumption that the net cash flow to be generated from FFB prior to more than 4 weeks to harvest to be negligible, therefore quantity of unripe FFB on bearer plants of up to 4 weeks prior to harvest was used for valuation purpose. The value of the unripe FFB was estimated to be approximately 49% for FFB that are 3 to 4 weeks prior to harvest and 83% for FFB that are 1 to 2 weeks prior to harvest, based on actual oil extraction rate and kernel extraction rate of the unripe FFB from tests. Costs to sell, which include harvesting and transport cost, are deducted in arriving at the net cash flow to be generated.

To arrive at the fair value of coconuts, the management derived the assumption that the net cash flow to be generated from coconuts prior to more than 4 weeks to harvest to be negligible, therefore quantity of unripe coconuts on bearer plants of up to 4 weeks prior to harvest was used for valuation purpose.

The change in fair value of the biological assets in each accounting period is recognised in profit or loss.

The Group's and the Company's biological assets were fair valued within Level 3 of the fair value hierarchy. Fair value assessments have been completed consistently using the same valuation techniques.

The key assumptions used to determine the fair value are as follows:

	Group	
	2025	2024
Oil palms		
FFB production (MT)	89,275	87,911
Average FFB selling price (RM/MT)	1,020	1,017
Coconut palms		
Coconut production (nuts '000)	7,800	5,900

## Sensitivity Analysis

A 10% increase/decrease in the FFB and coconuts production would result in the following to the fair value of the biological assets:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
10% increase	6,566	6,318	5,815	5,189
10% decrease	(6,566)	(6,318)	(5,815)	(5,189)

## Notes To The Financial Statements

A 10% increase/decrease in the average oil palm FFB selling price (RM/MT) would result in the following to the fair value of the biological assets:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
10% increase	6,582	6,553	5,701	5,253
10% decrease	(6,582)	(6,553)	(5,701)	(5,253)

## 12. Subsidiary Companies

## Investment in subsidiary companies

	Company	
	2025 RM'000	2024 RM'000
Unquoted shares, at cost	44,451	44,451
Less: Accumulated impairment losses	(29,621)	(29,604)
	14,830	14,847
Unquoted Redeemable Cumulative Convertible Preference Shares: As at 1 January / 31 December	12,300	12,300
Total	27,130	27,147

During the current financial year, the Company had recognised an impairment loss of RM17,000 (2024 : RM16,887,000) on an inactive subsidiary companies. This impairment loss was reversed at the Group level and as such, has no impact to the results of the Group for the current financial year.

The Company had in the previous years subscribed to a total of 324,800,000 RCCPS issued by the following subsidiary companies. In the prior financial years, 312,500,000 RCCPS were redeemed by Bernam Advisory Services Sdn. Bhd. and Berta Services Sdn. Bhd., leaving a balance of 12,300,000 RCCPS in Berta Services Sdn. Bhd. as at the end of the financial year.

The salient features of the RCCPS issued by the companies are as follows:

- Each RCCPS entitles the holder the right to be paid, out of such profits available for distribution, a cumulative dividend at a rate as the issuer of the RCCPS shall decide from time to time.
- Each RCCPS entitles the holder the right to vote if there is any resolution for the winding up of the company, reduction of the capital, declaration of dividend on any RCCPS or if a resolution affects the special rights and privileges attached to the RCCPS.
- The RCCPS are redeemable at the option of the issuer for RM1.00 for every RCCPS held.
- The RCCPS are convertible at the option of the issuer into ordinary shares on the basis of one ordinary share for every RCCPS held.
- Each RCCPS entitles the holder the right on winding up or other return of capital (other than the redemption of the RCCPS) to receive, in priority of the ordinary shareholders of the company.

The non-controlling interest in respect of PT SSS is not material to the Group. Hence, summarised financial information of PT SSS are not presented.

## Notes To The Financial Statements

## 13. Associated Company

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Investment in an associated company				
Unquoted shares, at cost	101	101	101	101
Share of post-acquisition losses and reserves (see Note (i) below)	(51)	(51)	-	-
Accumulated impairment losses	-	-	(51)	(51)
	50	50	50	50

	Group	
	2025 RM'000	2024 RM'000
Represented by:		
Share of net assets	50	50
Note (i):		
Share of post-acquisition losses and reserves is arrived at as follows:		
Share of accumulated losses	(51)	(51)
	(51)	(51)

## 14. Joint Ventures

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Unquoted shares, at cost	30,500	30,500	30,500	30,500
Share of post-acquisition reserves	79,760	56,733	-	-
	110,260	87,233	30,500	30,500
Analysed as:				
Unquoted shares, at cost				
At 1 January	30,500	30,000	30,500	30,000
Addition during the financial year	-	500	-	500
At 31 December	30,500	30,500	30,500	30,500
Share of post-acquisition reserve:				
At 1 January	56,733	34,001	-	-
Share of results	23,027	22,732	-	-
At 31 December	79,760	56,733	-	-

The Group has joint control on its joint arrangements as unanimous consent is required for relevant activities from the parties sharing control under the contractual arrangements.

The joint arrangements are structured via separate entities and provide the Group with the rights to the net assets of the entities under the arrangements. Therefore, the entities are classified as joint ventures of the Group.

## Notes To The Financial Statements

Summarised financial information of Unifuji Sdn. Bhd., a material joint venture is set out below. The summarised information represents the amounts in the financial statements of the joint venture and not the Group's share of those amounts.

## (i) Summarised statements of financial position

	2025 RM'000	2024 RM'000
<b>Assets and Liabilities</b>		
Current assets, including cash and cash equivalents RM10,970,000 (2024 : RM26,480,000)	149,404	141,499
Non-current assets	123,472	134,249
Current liabilities	(28,232)	(62,037)
Non-current liabilities, including deferred tax liabilities RM14,521,000 (2024 : RM14,521,000) and long-term borrowing RM10,532,000 (2024 : RM25,708,000)	(25,053)	(40,229)
Equity	219,591	173,482
Group's share in equity - 50% (2024 : 50%)	109,796	86,741
Group's carrying amount of the investment	109,796	86,741

## (ii) Summarised statements of comprehensive income

	2025 RM'000	2024 RM'000
Revenue from contracts with customers	602,324	590,803
Cost of sales	(546,765)	(518,125)
Administrative expenses, including amortisation and depreciation RM15,985,000 (2024 : RM15,249,000)	(7,384)	(31,049)
Finance costs, including interest expense	(1,364)	(3,232)
Interest income	298	323
Profit before tax	47,109	38,720
Income tax expense*	(1,000)	6,736
Profit for the financial year	46,109	45,456
Total comprehensive income for the financial year	46,109	45,456
Group's share of profit for the financial year	23,055	22,728

\* Consists of income tax expense of RM1,000,000 (2024: over provision of income tax in prior financial years - RM3,324,000 and over provision of deferred tax in prior financial years - RM3,412,000).

## (iii) Reconciliation of the summarised financial information presented above to the carrying amount of the Group's interest in the joint venture.

	2025 RM'000	2024 RM'000
Net assets at 1 January	173,482	128,026
Total comprehensive income for the financial year	46,109	45,456
Net assets at 31 December	219,591	173,482
Interest in joint venture (%)	50	50
Carrying value of Group's interest in joint venture	109,796	86,741

## Notes To The Financial Statements

Summarised financial information of UP Elite Palm Sdn. Bhd., a non-material joint venture is set out below. The summarised information represents the amounts in the financial statements of the joint venture and not the Group's share of those amounts.

	2025 RM'000	2024 RM'000
Net assets at 1 January	984	(24)
Issue of share capital during the year	-	1,000
Total comprehensive (loss)/income for the financial year	(56)	8
Net assets at 31 December	928	984
Interest in joint venture (%)	50	50
Carrying value of Group's interest in joint venture	464	492

## 15. Goodwill

	Group/Company 2025/2024 RM'000
At net carrying amount	356,856

The goodwill in the Group's and the Company's statements of financial position represents the excess of the purchase consideration over the fair value of the identifiable assets recognised upon the Group's and the Company's acquisition of the plantation business and assets of Pinehill Pacific Berhad's group of companies.

Goodwill of RM356,856,000 has been allocated to the Group's/Company's cash generating unit ("CGU") identified according to the estate, namely Jendarata-Tanarata estates which are principally involved in plantation activities as the Group and the Company believe that Jendarata-Tanarata estate's operation will benefit from both the enlarged planted/ plantable area and other synergies arising from the acquisition.

The Group and the Company carry out its annual impairment assessment on the goodwill arising from the acquisition. The recoverable amount of the CGU is based on the value-in-use calculation which is derived at using cash flow projection in which the following key assumptions are used:

Jendarata-Tanarata CGU	2025	2024
Projection period	A 96-year cash flow projection, based on the maximum lease period of the leasehold lands	A 97-year cash flow projection, based on the maximum lease period of the leasehold lands
FFB yields per hectare ("Ha")	15 - 28 MT	15 - 28 MT
Selling prices per MT (RM):		
- Crude Palm Oil ("CPO")	4,355	4,034
- Palm Kernel ("PK")	2,795	2,417
Costs of production per MT (RM)		
- Crude Palm Oil ("CPO")	1,137	1,188
- Palm Kernel ("PK")	299	296
Oil extraction rate (%)	22.4%	21.0%
Kernel extraction rate (%)	4.5%	4.0%
Discount rate (Pre-tax)	13.2%	13.2%

The Group's and the Company's impairment assessment of the CGU as outlined above included a sensitivity analysis on the key assumptions used. Based on the results of the sensitivity analysis, no reasonable change in the key assumptions used would result in an impairment charge for current financial year.

Notes To The Financial Statements

16. Inventories

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Produce stocks	49,807	32,367	45,589	21,548
Estate stores	30,729	37,619	23,599	29,600
Raw materials	43,329	41,263	-	-
Finished goods	168,674	110,581	-	-
Consumables	6,503	6,655	-	-
	299,042	228,485	69,188	51,148

17. Trade And Other Receivables

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-Current					
Other receivables					
Sundry receivables	(f)	1,198	405	-	-
Current					
Trade receivables					
Third parties		214,368	213,250	7,786	6,082
Due from subsidiary companies	(b)	-	-	161,164	157,157
Due from a joint venture	(d)	17,053	19,117	4,559	-
Trade receivables, net	(a)	231,421	232,367	173,509	163,239
Other receivables					
Due from subsidiary companies	(b)	-	-	1,148	2,370
Due from an associated company	(c)	27	33	27	33
Due from joint ventures	(d)	2,337	1,149	2,252	944
Deposits	(e)	17,149	56,722	389	8,099
Sundry receivables	(f)	20,361	14,425	7,585	9,172
		39,874	72,329	11,401	20,618
		271,295	304,696	184,910	183,857
Total trade and other receivables		272,493	305,101	184,910	183,857
Add: Cash and bank balances (Note 19(a))		425,771	484,528	238,114	106,210
Total financial assets carried at amortised cost		698,264	789,629	423,024	290,067

Details of how the credit risk is determined and managed are disclosed in Note 31(d).

## Notes To The Financial Statements

## (a) Trade receivables

The average credit terms granted to the Group's customers are 5 to 75 days (2024: 5 to 75 days).

## (b) Due from subsidiary companies (trade and non-trade)

The amounts due from subsidiary companies are unsecured. The trade debt due from a subsidiary company has a repayment term of 7 to 30 days (2024: 7 to 30 days) and the overdue trade and non-trade debts bear an average interest of approximately 3.53% (2024: 3.71%) per annum. The non-trade debts are repayable on demand.

## (c) Due from an associated company

The amount due from an associated company is interest free, unsecured and repayable on demand.

## (d) Due from joint ventures (trade and non-trade)

The amounts due from joint ventures are unsecured. The trade debt due from a joint venture has a repayment term of 7 to 30 days (2024: 7 to 30 days) and the overdue trade and non-trade debts bear an average interest of approximately 3.53% (2024: 3.71%) per annum. The non-trade debts are repayable on demand.

## (e) Deposits

Included in the deposits of the Group is RM16,704,000 (2024: RM48,294,000) being deposits placed with a broker for Bursa Malaysia Derivatives Bhd. for crude palm oil futures.

## (f) Sundry receivables

Included in sundry receivables of the Group is RM1,629,000 (2024: RM959,000) being plasma receivables.

## 18. Prepayments

Included in prepayments of the Group and the Company is RM76,781,000 being advance payments for purchase of land as disclosed in Note 33.

## 19. (a) Cash And Bank Balances

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash at banks and on hand	84,034	164,096	4,906	5,012
Deposits with licensed banks	341,737	320,432	233,208	101,198
Cash and bank balances (Note 17)	425,771	484,528	238,114	106,210

The effective annual interest rates applicable during the financial years were as follows:

	Group		Company	
	Weighted average interest rates		Weighted average interest rates	
	2025 %	2024 %	2025 %	2024 %
Deposits with licensed banks	3.22	3.79	3.44	3.50

The maturity period for deposits with licensed banks of the Group and the Company range from 1 day to 6 months (2024: range from 1 day to 6 months) respectively.

## Notes To The Financial Statements

## (b) Short Term Funds

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Short term funds	2,370	2,291	1,606	1,552

Short term funds are investments in income trust funds in Malaysia. The trust funds invest in highly liquid assets which are readily convertible to known amount of cash with insignificant changes in value. The short term funds are classified as financial assets valued through profit or loss.

The effective annual interest rates applicable during the financial years were as follows:

	Group		Company	
	Weighted average interest rates		Weighted average interest rates	
	2025 %	2024 %	2025 %	2024 %
Short term funds	3.47	3.59	3.46	3.59

## 20. (a) Share Capital

	Group and Company			
	Number of ordinary shares		Monetary value	
	2025 Unit'000	2024 Unit'000	2025 RM'000	2024 RM'000
Issued and fully paid, at no par value:				
At 1 January	416,269	416,269	390,054	390,054
Issuance during the financial year:				
- Bonus issue	208,134	-	-	-
At 31 December	624,403	416,269	390,054	390,054

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

During the financial year, the Company increased the number of its ordinary shares by way of bonus issue of 208,134,266 ordinary shares on the basis of one (1) new ordinary share for every two (2) existing ordinary shares held.

The new ordinary shares are issued as fully paid, at no consideration and without capitalisation from the Company's reserves and are ranked pari passu in all respects with the existing ordinary shares of the Company.

## (b) Treasury Shares

The Directors of the Company are committed to enhancing the value of the Company to its shareholders and believe the purchase of treasury shares is in the best interests of the Company and its shareholders. The Company has the right to cancel, resell and/or distribute these shares as dividends at a later date. As treasury shares, the rights attached to voting, dividends and participation in other distribution are suspended.

There has been no purchase, resale and/or cancellation of the treasury shares by the Company in the preceding 12 months. During the financial year, the Company increased the number of its ordinary shares by way of bonus issue of 208,134,266 ordinary shares on the basis of one (1) new ordinary share for every two (2) existing ordinary shares held. This resulted in the increase of treasury shares from 1,483,548 shares to 2,225,322 shares. These treasury shares were held in accordance with the requirement of Section 127 of the Companies Act 2016.

Notes To The Financial Statements

	Group / Company	
	No of shares	Cost RM'000
<b>2025</b>		
At 1 January	1,483,548	18,668
Issuance during the financial year:		
- Bonus issue	741,774	-
At 31 December	2,225,322	18,668
<b>2024</b>		
At 1 January / 31 December	1,483,548	18,668

The share buy-back was financed by internally generated funds.

21. Reserves

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Distributable					
Retained profits	(a)	2,552,183	2,461,328	1,737,937	1,497,762
Non-distributable					
Cash flow hedge reserve	(b)	(6,787)	(23,598)	-	-
Capital reserve	(c)	21,798	21,798	-	-
Foreign currency translation reserve	(d)	(65,769)	(31,135)	-	-
		(50,758)	(32,935)	-	-
<b>Total</b>		<b>2,501,425</b>	<b>2,428,393</b>	<b>1,737,937</b>	<b>1,497,762</b>

The nature and purpose of each category of reserve are as follows:

(a) Retained profits

The entire retained earnings can be distributed as dividend under the single tier system.

(b) Cash flow hedge reserve

The effective portion of the gain or loss on a hedging instrument is recognised in OCI in the cash flow hedge reserve. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on a hedging instrument and the cumulative change in fair value of the hedged item.

(c) Capital reserve

The capital reserve is in respect of bonus shares issued by subsidiary companies out of their retained earnings.

(d) Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. It is also used to record the exchange differences arising from the translation of monetary items which form part of the Group's net investment in foreign operations.

Notes To The Financial Statements

22. Deferred Taxation

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
At 1 January	176,288	180,403	172,190	170,585
Recognised in profit or loss (Note 8)	(6,125)	7,924	830	1,605
Recognised in other comprehensive income	5,293	(12,135)	-	-
Exchange differences	34	96	-	-
At 31 December	175,490	176,288	173,020	172,190
Presented after appropriate offsetting as follows:				
Deferred tax liabilities	175,490	176,288	173,020	172,190
Deferred tax assets	-	-	-	-
	175,490	176,288	173,020	172,190

The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

Deferred tax liabilities/(assets) of the Group:

	Biological Assets RM'000	Property, plant and equipment RM'000	Minimum tax on the undistributed profits of a foreign subsidiary RM'000	Total RM'000
At 1 January 2025	14,936	180,400	-	195,336
Recognised in profit or loss	945	(995)	-	(50)
Exchange differences	(273)	(40)	-	(313)
At 31 December 2025	15,608	179,365	-	194,973
At 1 January 2024	12,213	176,713	5,000	193,926
Recognised in profit or loss	2,857	3,628	(5,000)	1,485
Exchange differences	(134)	59	-	(75)
At 31 December 2024	14,936	180,400	-	195,336

## Notes To The Financial Statements

Deferred tax liabilities/(assets) of the Group:

	Retirement Benefit Obligations RM'000	Future tax on unrealised fair value adjustments RM'000	Others RM'000	Total RM'000
At 1 January 2025	(3,836)	(5,797)	(9,415)	(19,048)
Recognised in profit or loss	(487)	(1,013)	(4,575)	(6,075)
Recognised in other comprehensive income	(16)	5,309	-	5,293
Exchange differences	137	-	210	347
At 31 December 2025	(4,202)	(1,501)	(13,780)	(19,483)
At 1 January 2024	(3,797)	2,284	(12,010)	(13,523)
Recognised in profit or loss	(158)	4,099	2,498	6,439
Recognised in other comprehensive income	45	(12,180)	-	(12,135)
Exchange differences	74	-	97	171
At 31 December 2024	(3,836)	(5,797)	(9,415)	(19,048)

Deferred tax liabilities/(assets) of the Company:

	Biological Assets RM'000	Property, plant and equipment RM'000	Total RM'000
At 1 January 2025	12,452	165,692	178,144
Recognised in profit or loss	1,502	(280)	1,222
At 31 December 2025	13,954	165,412	179,366
At 1 January 2024	10,685	165,487	176,172
Recognised in profit or loss	1,767	205	1,972
At 31 December 2024	12,452	165,692	178,144

	Retirement Benefit Obligations RM'000	Lease liabilities RM'000	Others RM'000	Total RM'000
At 1 January 2025	(2,186)	(3,228)	(540)	(5,954)
Recognised in profit or loss	(207)	(1)	(184)	(392)
At 31 December 2025	(2,393)	(3,229)	(724)	(6,346)
At 1 January 2024	(2,103)	(3,045)	(439)	(5,587)
Recognised in profit or loss	(83)	(183)	(101)	(367)
At 31 December 2024	(2,186)	(3,228)	(540)	(5,954)

## Notes To The Financial Statements

## 23. Retirement Benefit Obligations

The Company and certain subsidiary companies pay retirement benefits to their eligible employees in accordance with the terms of employment and practices. These plans are generally of the defined benefit type under which benefits are based on employees' years of service and at predetermined rates or average final remuneration, and are unfunded. From the financial year 2011 onwards, the subsidiaries in Indonesia provided employee benefits under the Labour Law No.13. No formal independent actuarial valuations have been undertaken to value the Group's obligations under these plans but are estimated by the Group, except for the obligations of PT SSS where an independent actuarial valuation is used. The obligations of the Group are based on the following actuarial assumptions:

	2025 %	2024 %
Discount rate in determining the actuarial present value of the obligations	6.0 - 7.5	6.0 - 7.5
The average rate of increase in future earnings	4.0 - 10.0	4.0 - 10.0
Turnover of employees	10.0 - 20.0	10.0 - 20.0

The amounts recognised in the statements of financial position are determined as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Present value of unfunded defined benefit obligations	18,571	17,029	9,971	9,106
At 1 January	17,029	16,725	9,106	8,762
Provision during the financial year (Note 5)	2,747	1,899	1,060	572
Paid during the financial year	(696)	(1,070)	(195)	(228)
Actuarial changes during the financial year	73	(203)	-	-
Exchange difference	(582)	(322)	-	-
At 31 December	18,571	17,029	9,971	9,106
Analysed as:				
Current	3,146	2,946	2,498	2,226
Non-current:				
Later than 1 year but not later than 2 years	663	828	238	292
Later than 2 years but not later than 5 years	3,112	2,769	1,553	1,219
Later than 5 years	11,650	10,486	5,682	5,369
	15,425	14,083	7,473	6,880
	18,571	17,029	9,971	9,106

Notes To The Financial Statements

Sensitivity analysis

The impact on changes of each significant actuarial assumption as at the end of the reporting periods are as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Discount rate increases by 1%	(1,341)	(853)	(688)	(213)
Discount rate decreases by 1%	1,542	867	799	213
The average rate of increase in future earnings increases by 1%	424	595	6	6
The average rate of increase in future earnings decreases by 1%	(391)	(533)	(6)	(6)
Turnover of employees increases by 1%	(45)	(143)	(19)	(19)
Turnover of employees decreases by 1%	48	52	19	19

24. Trade And Other Payables

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Current					
Trade payables					
Third parties	(a)	26,532	30,195	483	314
Other payables					
Due to subsidiary companies	(b)	-	-	437	1,733
Advances from customers		2,823	4,871	2,823	4,871
Accruals		55,562	61,789	52,436	57,822
Sundry payables		64,008	45,069	20,618	21,745
		122,393	111,729	76,314	86,171
Total trade and other payables		148,925	141,924	76,797	86,485
Add: Lease liabilities (Note 25)		13,445	13,448	13,445	13,448
Total financial liabilities carried at amortised cost		162,370	155,372	90,242	99,933

(a) Trade payables

Trade payables are non-interest bearing and the average credit terms granted to the Group and the Company range from 30 to 60 days (2024: 30 to 60 days).

(b) Due to subsidiary companies

Amounts due to subsidiary companies are interest free, unsecured and repayable on demand.

## Notes To The Financial Statements

## 25. Lease liabilities

	Group/Company	
	2025 RM'000	2024 RM'000
Current	3	3
Non-current	13,442	13,445
	13,445	13,448

The movement of lease liabilities during the financial years are as follows:

	Group/Company	
	2025 RM'000	2024 RM'000
At 1 January	13,448	12,687
Accretion of interest (Note 6)	807	761
Payments of :		
- Interest	(810)	-
At 31 December (Note 24)	13,445	13,448

The effective financing cost per annum at the reporting year 2025 was 6% (2024: 6%).

The remaining maturities of the lease liabilities as at 31 December 2025 and 31 December 2024 are as follows:

	Group/Company	
	2025 RM'000	2024 RM'000
Within one year	3	3
After one year but not more than five years	15	14
More than five years	13,427	13,431
	13,445	13,448

## Notes To The Financial Statements

## 26. Dividends

	Group / Company			
	Amount		Net dividends per share	
	2025 RM'000	2024 RM'000	2025 sen	2024 sen
Final single-tier dividend paid in respect of previous financial year: - 47.0 sen per share (2024: 46.7 sen per share)	292,423	290,350	47.00	46.70
Final special single-tier dividend paid in respect of previous financial year: - 27.0 sen per share (2024: 26.7 sen per share)	167,988	165,914	27.00	26.70
Interim single-tier dividend in respect of current financial year: - 30.0 sen per share (2024: 26.7 sen per share)	186,653	165,914	30.00	26.70
Interim special single-tier dividend in respect of current financial year: - 14.0 sen per share (2024: 13.3 sen per share)	87,105	82,957	14.00	13.30
	734,169	705,135	118.00	113.40

At the forthcoming Annual General Meeting, a final single-tier dividend of 51 sen per share amounting to RM317,310,513 and a final special single-tier dividend of 30 sen per share amounting to RM186,653,243 in respect of the financial year ended 31 December 2025 on the ordinary shares in issue at book closure date will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect these proposed dividends. Such dividends, if approved by the shareholders, will be accounted for in shareholders' equity as an appropriation of retained profits in the next financial year ending 31 December 2026.

## 27. Significant Inter-Company Transactions

	Company	
	2025 RM'000	2024 RM'000
Dividend income from subsidiary companies	281,706	216,000
Sale of raw materials to a subsidiary company	681,146	612,866
Sale of biomass and biogas steam to a subsidiary company	6,440	6,260
Interest charged to a subsidiary company	2,589	456

## Notes To The Financial Statements

## 28. Significant Related Party Transactions

All transactions with the subsidiary companies are undertaken in the ordinary course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

## (a) Related party transactions

The Group entered into transactions with UIE Services A/S ("UIES"), a company incorporated in Denmark. This company is deemed to be a related party by virtue of common directorship held by certain directors in UIES and the Group.

In addition to the inter-company balances and transactions detailed in Notes 17, 24 and 27 of the financial statements, the Group and the Company had the following transactions with related parties during the financial years:

Nature Of Transactions	Amount Billed Group		Amount Billed Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Interest income from advances to Unifuji Sdn. Bhd.	516	561	194	239
Service fees paid to UIES	83	83	83	83

The Directors are of the opinion that the above related party transactions are undertaken in the ordinary course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

The outstanding balances at the reporting dates in relation to related party transactions are included in Notes 17 and 24.

## (b) Compensation of key management personnel

The remuneration of key management during the financial years were as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Short-term employee benefits	6,088	5,579	6,088	5,579
Post employment benefits:				
Defined contribution plan	971	894	971	894
Directors fees	460	460	405	405
Others	23	18	23	18
	7,542	6,951	7,487	6,896

## Notes To The Financial Statements

## 29. Segmental Information

For management purposes, the Group is organised into business units based on their products and services, and has three reportable operating segments as follows:-

- The plantations segment carries on the business of oil palm and coconut cultivation and processing on its plantations in Peninsular Malaysia and Kalimantan, Indonesia. Under this segment, there is also an active research centre providing improved planting material for the Group's estates as well as for the Malaysian agricultural sector in general.
- The palm oil refining segment which carries on the business of palm oil processing, manufacturing of edible oils, fats, cocoa butter substitute and trading in crude palm oil and palm oil products.
- The other segments consist of a holding company for a subsidiary in Indonesia which is also involved in marketing and trading of the Group's products, and three other investment holding companies.

The Group's principal activities are the cultivation and processing of oil palm and coconut on plantations in Peninsular Malaysia and Indonesia. The activities of the subsidiary companies (except Unitata Berhad) are all incidental to the main activity and in terms of revenue, profit contribution and assets employed, they are insignificant. Inter-segment sales at fair market values have been eliminated.

The principal activity of Unitata Berhad is palm oil refining and its ancillary activities.

The analysis of Group operations is as follows:

## (i) Business segments

	Plantations		Palm oil refining		Other segments		Elimination		Consolidated	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue and expenses										
Revenue:										
External sales	886,235	729,742	1,627,966	1,468,068	-	-	-	-	2,514,201	2,197,810
Inter-segment sales	681,146	612,866	-	-	-	-	(681,146)	(612,866)	-	-
<b>Total revenue</b>	<b>1,567,381</b>	<b>1,342,608</b>	<b>1,627,966</b>	<b>1,468,068</b>	<b>-</b>	<b>-</b>	<b>(681,146)</b>	<b>(612,866)</b>	<b>2,514,201</b>	<b>2,197,810</b>
Results:										
Segment results:										
Operating profit/(loss)	1,015,092	790,304	71,290	102,419	(19,541)	326	-	-	1,066,841	893,049
Investment and interest income	16,849	15,356	4,233	8,017	1,079	1,026	(2,589)	(456)	19,572	23,943
Finance costs	(840)	(845)	(2,591)	(458)	-	-	2,589	456	(842)	(847)
Share of results of joint ventures	(28)	4	23,055	22,728	-	-	-	-	23,027	22,732
Taxation	(246,900)	(192,436)	(13,641)	(26,705)	(18,383)	(327)	-	-	(278,924)	(219,468)
<b>Net profit for the financial year</b>	<b>784,173</b>	<b>612,383</b>	<b>82,346</b>	<b>106,001</b>	<b>(36,845)</b>	<b>1,025</b>	<b>-</b>	<b>-</b>	<b>829,674</b>	<b>719,409</b>

Notes To The Financial Statements

	Plantations		Palm oil refining		Other segments		Elimination		Consolidated	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Assets and liabilities										
Segment assets	2,435,346	2,352,559	768,016	795,511	5,500	7,891	-	-	3,208,862	3,155,961
Investment in an associated company	-	-	-	-	50	50	-	-	50	50
Investment in joint ventures	464	492	109,796	86,741	-	-	-	-	110,260	87,233
Consolidated total assets									3,319,172	3,243,244
Segment liabilities	379,979	349,830	43,232	75,952	14,649	233	-	-	437,860	426,015
Consolidated total liabilities									437,860	426,015
Other information										
Capital expenditure **	125,194	105,993	17,199	24,251	-	-	-	-	142,393	130,244
Depreciation of property, plant and equipment	94,001	92,408	12,293	11,123	51	52	-	-	106,345	103,583
Depreciation of right-of-use assets	5,916	5,986	-	-	-	-	-	-	5,916	5,986
Other significant non-cash expenses :										
Inventories written-off	20	83	-	-	-	-	-	-	20	83
Net realised foreign exchange (gain)/loss	-	-	(3,301)	2,442	-	-	-	-	(3,301)	2,442
Net unrealised foreign exchange gain	-	-	(8,428)	(1,972)	-	-	-	-	(8,428)	(1,972)

(ii) Geographical segments

In determining the geographical segments of the Group, revenue is based on the geographical location of customers. Total assets and capital expenditure are based on the geographical location of assets:

	Malaysia		Indonesia		Europe		United States		Others		Consolidated	
	2025 RM'000	2024 RM'000										
Revenue *	1,272,535	1,054,118	248,166	209,281	57,633	34,973	6,976	15,857	928,891	883,581	2,514,201	2,197,810
Total assets	2,965,726	2,755,147	208,167	368,797	12,085	11,429	-	3,285	133,194	104,586	3,319,172	3,243,244
Capital expenditure **	132,058	118,452	10,335	11,792	-	-	-	-	-	-	142,393	130,244

\* Included in the revenue from others were sales to customers in Singapore amounting to RM833,454,000 (2024: RM754,508,000)

\*\* Capital expenditure presented above consist of the following items as presented in the consolidated statements of financial position:

	Note	Group	
		2025 RM'000	2024 RM'000
Property, plant and equipment	10 (a)	139,784	122,655
Right-of-use assets	10 (b)	2,609	7,589
		142,393	130,244

(iii) Information about a major customer

Revenue from one major customer amounted to RM935,460,000 (2024: RM844,637,000), arising from sales by the palm oil refining segment.

## Notes To The Financial Statements

## 30. Capital Commitments

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Capital expenditure approved by the Directors but not contracted	124,003	131,281	110,053	109,694
Capital expenditure contracted but not provided for	13,436	31,489	10,680	23,184
	137,439	162,770	120,733	132,878

## 31. Financial Instruments

## (a) Financial risk management objectives and policies

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's business whilst managing its interest rate, liquidity, foreign exchange, market and credit risks. The Group operates within clearly defined guidelines that are approved by the Board.

During the financial year, the Group entered into commodity futures contracts. Control and monitoring procedures include, amongst others, setting of trading limits and the manner and timing of management reporting. Such derivative trading is also under the close supervision of the executive committee. These control procedures are periodically reviewed and enhanced where necessary in response to changes in market condition.

## (b) Interest rate risk

The Group's primary interest rate risk relates to short term fixed rate term deposits with licensed banks and negotiable papers issued by licensed banks. The Group does not hedge this exposure. The maturity periods are mixed such that the Group's cash flow requirements are met while yielding a reasonable return. The effective interest rates are as disclosed in Note 19.

Sensitivity analysis for interest rate risk

At the reporting date, if interest rates had been 10 basis points higher/lower, with all other variables held constant, the Group's profit net of tax would have been RM244,000 (2024: RM310,000) higher/lower, arising as a result of higher/lower interest income from deposits with licensed banks, and the Group's retained earnings would have been RM244,000 (2024: RM310,000) higher/lower. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market movements.

## (c) Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of Group entities, primarily RM and Indonesian Rupiah ("IDR"). The foreign currencies in which these transactions are denominated are mainly US Dollars ("USD").

Approximately 46% (2024: 50%) of the Group's sales and 12% (2024: 17%) of costs are denominated in foreign currencies. The Group's trade receivable and trade payable balances at the reporting date have similar exposures.

The Group and the Company also hold cash and cash equivalents denominated in foreign currencies for working capital purposes. At the reporting date, such foreign currency balances amounted to RM5,247,000 (2024: RM16,824,000) and RM3,000 (2024: RM160,000) for the Group and the Company respectively.

Foreign currency transactions denominated in USD are hedged by forward currency contracts, whenever possible. The forward currency contracts must be in the same currency as the hedged item. It is the Group's policy to negotiate the terms of the hedge derivatives to match the terms of the hedged item to maximise hedge effectiveness.

## Notes To The Financial Statements

At 31 December 2025, the Group hedged 100% (2024: 100%) and 100% (2024: 100%) of its foreign currency denominated sales and purchases respectively, for which firm commitments existed at the reporting date, extending to December 2026 (2024: December 2025).

The Group is also exposed to currency translation risk arising from its net investments in Indonesia.

The Group had entered into forward currency contracts with the following notional amounts and maturities:

	Currency	Maturities		Total notional amount RM'000
		Within 1 year RM'000	1 year up to 5 years RM'000	
At 31 December 2025:				
Forwards used to hedge receivables	USD	365,653	-	365,653
At 31 December 2024:				
Forwards used to hedge receivables	USD	568,484	-	568,484

The net recognised gain as at 31 December 2025 on forward exchange contracts used to hedge receivables and payables as at 31 December 2025 amounted to RM9,098,000 (31 December 2024: net recognised loss RM9,031,000).

#### Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit net of tax to a reasonably possible change in the USD exchange rate against the functional currencies of the Group entities, with all other variables held constant.

	Group	
	2025 RM'000 Profit net of tax	2024 RM'000 Profit net of tax
USD/RM		
- strengthened 3%	(10,739)	(17,414)
- weakened 3%	10,739	17,414

#### (d) Credit risk

Credit risks, or the risk of counterparties defaulting, is controlled by the application of credit approvals, limits and monitoring procedures. Credit risks are minimised and monitored via strictly limiting the Group's associations to business partners with high creditworthiness. Except for the amount due from a major customer of the palm oil refinery unit, the Group has no other significant concentration risk that may arise from exposures to a single debtor or to a group of debtors. Trade receivables are monitored on an ongoing basis via Company management reporting procedures (with the exception of fixed deposits and short term funds invested in income trust funds). The average credit terms granted to the Group's customers are 0 to 75 days.

The Group and the Company do not have trade receivables that are impaired.

The Group and the Company do not track changes in credit risk, but instead recognise a loss allowance of trade receivables based on lifetime ECLs at each reporting date. The Group and the Company have established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The ECLs effect on trade receivables is immaterial to the Group and the Company.

Credit risk of commodity futures contracts arises from the possibility that a counterparty may be unable to meet the terms of a contract in which the Group and the Company have a gain position. This amount will increase or decrease over the life of the contracts, mainly as a function of maturity dates and market prices.

Deposits with banks and other financial institutions, investment securities and derivatives that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

## Notes To The Financial Statements

Exposure to credit risk

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position, including derivatives with positive fair values.

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the trade receivables of its operating segments on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the reporting dates are as follows:

Group	2025		2024	
	RM'000	% of total	RM'000	% of total
By Segment:				
Plantations	19,216	6.55	15,475	6.66
Palm oil refining	212,205	93.45	216,892	93.34
	231,421	100.00	232,367	100.00

At the reporting date, approximately 63% (2024: 57%) of the Group's trade receivables were due from a major customer of the palm oil refinery unit.

(e) Liquidity risk

The Group actively manages its cash flows by monthly forecasts of funding requirements. As part of its prudent liquidity management, the Group maintains sufficient levels of cash or cash equivalents, banking facilities of a reasonable level to meet its working capital requirements. As far as possible, the Group funds significant long term investments with internal funding to achieve overall cost effectiveness.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting dates based on contractual undiscounted amounts.

Group	On demand or within 1 year RM'000	1 to 5 years RM'000	Over 5 years RM'000	Total RM'000
<b>2025</b>				
Financial liabilities:				
Trade and other payables	148,925	-	-	148,925
Lease liabilities	810	3,240	72,893	76,943
Total undiscounted financial liabilities	149,735	3,240	72,893	225,868
<b>2024</b>				
Financial liabilities:				
Trade and other payables	141,924	-	-	141,924
Lease liabilities	810	3,240	73,703	77,753
Total undiscounted financial liabilities	142,734	3,240	73,703	219,677

Notes To The Financial Statements

Company	On demand or within 1 year RM'000	1 to 5 years RM'000	Over 5 years RM'000	Total RM'000
<b>2025</b>				
Financial liabilities:				
Trade and other payables	76,797	-	-	76,797
Lease liabilities	810	3,240	72,893	76,943
<b>Total undiscounted financial liabilities</b>	<b>77,607</b>	<b>3,240</b>	<b>72,893</b>	<b>153,740</b>
<b>2024</b>				
Financial liabilities:				
Trade and other payables	86,485	-	-	86,485
Lease liabilities	810	3,240	73,703	77,753
<b>Total undiscounted financial liabilities</b>	<b>87,295</b>	<b>3,240</b>	<b>73,703</b>	<b>164,238</b>

(f) Market risk

Market risk is the potential change in value caused by movement in market prices. The contractual amounts stated under Note 31(g) provide only a measure of involvement in these types of transactions.

Sensitivity analysis for market price risk

At the reporting date, if the value of the commodity futures contracts as stated under Note 31(g) had been 3% higher/lower, with all other variables held constant, the Group's profit net of tax and OCI would have been RM12,351,000 (2024: RM11,365,000) higher/lower, arising as a result of higher/lower fair value gains on held for trading/hedging commodity futures contracts, and the Group's retained earnings would have been higher/lower by the same amount, arising as a result of an increase/decrease in the fair value of the aforementioned commodity futures contracts. As at the reporting date, the impact of changes in the commodity future market, with all other variables held constant, is immaterial to the Group's profit net of tax and equity.

(g) Derivatives

Group	Contract/Notional Amount RM'000	Assets RM'000	Liabilities RM'000
<b>2025</b>			
<b>Current</b>			
Non-hedging derivatives:			
Forward currency contracts	365,653	9,098	-
Commodity futures contracts	32,992	-	(1,228)
Hedging derivatives:			
Commodity futures contracts	449,781	-	(8,816)
		9,098	(10,044)
<b>Non-current</b>			
Hedging derivatives:			
Commodity futures contracts	31,443	-	(114)
		-	(114)
<b>Total derivatives</b>		<b>9,098</b>	<b>(10,158)</b>

## Notes To The Financial Statements

Group	Contract/Notional Amount RM'000	Assets RM'000	Liabilities RM'000
<b>2024</b>			
<b>Current</b>			
Non-hedging derivatives:			
Forward currency contracts	568,484	-	(9,031)
Commodity futures contracts	79,811	4,369	-
Hedging derivatives:			
Commodity futures contracts	495,183	-	(31,663)
		4,369	(40,694)
<b>Non-current</b>			
Hedging derivatives:			
Commodity futures contracts	51,237	613	-
		613	-
<b>Total derivatives</b>		<b>4,982</b>	<b>(40,694)</b>

During the financial year, the Group recognised a loss of RM1,060,000 (2024: loss of RM35,712,000) arising from fair value changes of derivative contracts. The fair value changes are attributable to changes in commodity prices and forward exchange rates.

#### Derivatives not designated as hedging instruments

The Group uses forward currency contracts and commodity futures contracts to manage some of the transaction exposure, as well as to take advantage of favourable market conditions. The forward currency contract is not designated as cash flow or fair value hedges and is entered into for periods consistent with currency transaction exposure and fair value changes exposure. Such derivatives do not qualify for hedge accounting.

Forward currency contracts are used to hedge the Group's sales and purchases denominated in USD for which firm commitments existed at the reporting date, extending to November 2026 (2024: October 2025) (Note 31(c)).

#### Derivatives designated as hedging instruments

##### Cash flow hedge

##### Commodity price risk

The Group has designated certain commodity futures contracts as hedging derivatives to reduce the volatility attributable to price fluctuations of crude palm oil ("CPO"). Hedging of the price volatility of forecast CPO is in accordance with the risk management strategy outlined by the Board of Directors.

There is an economic relationship between the hedged items and the hedging instruments as the terms of the commodity price and commodity forward contracts match the terms of the expected highly probable forecast transactions (i.e., notional amount and expected payment date). The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the commodity price and commodity forward contracts are identical to the hedged risk components. To test the hedge effectiveness, the Group uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

Notes To The Financial Statements

The hedge ineffectiveness can arise from:

- Differences in the timing of the cash flows of the hedged items and the hedging instruments,
- Different indexes (and accordingly different curves) linked to the hedged risk of the hedged items and hedging instruments,
- The counterparties' credit risk differently impacting the fair value movements of the hedging instruments and hedged items, and
- Changes to the forecasted amount of cash flows of hedged items and hedging instruments.

The Group is holding the following commodity forward contracts:

	Maturity			Total RM'000
	Less than 6 months RM'000	6 to 12 months RM'000	More than 12 months RM'000	
<b>As at 31 December 2025:</b>				
Commodity forward contracts				
Notional amount (in MT)	70,400	43,275	7,850	121,525
Notional amount (in RM'000)	278,323	171,458	31,443	481,224
Average hedged rate (in RM'000 per MT)	3.95	3.96	4.01	3.96
<b>As at 31 December 2024:</b>				
Commodity forward contracts				
Notional amount (in MT)	89,625	30,925	12,300	132,850
Notional amount (in RM'000)	368,203	126,980	51,237	546,420
Average hedged rate (in RM'000 per MT)	4.11	4.11	4.17	4.11

There is no amount recognised for the change in fair value used for measuring ineffectiveness in profit or loss in the current financial year.

The impact of hedged items (net of tax) on the statements of financial position is, as follows:

	Cash flow hedge reserve	
	2025 RM'000	2024 RM'000
<b>As at 31 December</b>		
CPO	(6,787)	(23,598)

Determination of fair value

Fair value of the commodity futures contracts is determined by reference to the difference between the contracted rate and the forward rate as at the reporting date.

Fair value of the forward currency contracts is determined by reference to the difference between the contracted rate and the market rate as at the reporting date.

## Notes To The Financial Statements

## (h) Fair value of financial instruments

The Group and the Company use the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The Group and the Company held the following financial instruments carried at fair value in the statements of financial position:

Group	Assets/ (Liabilities) RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
At 31 December 2025				
Fair value through profit or loss:				
Short term funds	2,370	2,370	-	-
Commodity futures contracts	(10,158)	(10,158)	-	-
Forward currency contracts	9,098	-	9,098	-
At 31 December 2024				
Fair value through profit or loss:				
Short term funds	2,291	2,291	-	-
Commodity futures contracts	(26,681)	(26,681)	-	-
Forward currency contracts	(9,031)	-	(9,031)	-

There were no transfers between Level 1, Level 2 and Level 3 in the current and previous financial years.

Company	Assets/ (Liabilities) RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
At 31 December 2025				
Fair value through profit or loss:				
Short term funds	1,606	1,606	-	-
At 31 December 2024				
Fair value through profit or loss:				
Short term funds	1,552	1,552	-	-

There were no transfers between Level 1, Level 2 and Level 3 in the current and previous financial years.

The carrying amount of trade and other receivables and payables are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

## Notes To The Financial Statements

## 32. Capital Management

The primary objective of the Group's and the Company's capital management is to ensure that it maintains acceptable capital ratios in order to support its business and maximise shareholder value.

The Group and the Company manage its capital structure and makes adjustments to it, in light of changes in economic conditions or expansion plans of the Group and the Company. The Group may adjust the capital structure by issuing new shares, returning capital to shareholders or adjusting dividend payment policies. No changes were made in the objectives, policies or processes during the years ended 31 December 2025 and 31 December 2024.

The Group includes within net debt, lease liabilities and trade and other payables, less cash and bank balances and short term funds. Capital includes equity attributable to the owners of the parent.

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Debt</b>				
Lease liabilities	(13,445)	(13,448)	(13,445)	(13,448)
Trade and other payables	(148,925)	(141,924)	(76,797)	(86,485)
	(162,370)	(155,372)	(90,242)	(99,933)
Cash and bank balances	425,771	484,528	238,114	106,210
Short term funds	2,370	2,291	1,606	1,552
Net surplus of cash and bank balances and short term funds over debt	265,771	331,447	149,478	7,829
Equity attributable to the owners of the parent, representing total capital	2,872,811	2,799,779	2,109,323	1,869,148
Surplus of capital, cash and bank balances and short term funds over debt	3,138,582	3,131,226	2,258,801	1,876,977
Gearing ratio	-	-	-	-

There are no externally imposed capital requirements.

## 33. Subsequent Event

On 1 January 2026, the Company acquired agricultural land measuring approximately 600 hectares for a total purchase consideration of RM76,781,205.

## Shareholders Information As At 30 January 2026

Issued Capital	:	No. of shares 624,402,798 (including 2,225,322 treasury shares)
Class of Shares	:	Ordinary Shares
Voting Rights	:	One Vote per ordinary share

## Categories Of Shareholders As At 30 January 2026

Size of Holdings	No. of Holders	% of Holders	No. of Shares	% of Issued Capital *
Less than 100 shares	396	3.81	9,944	0.00
100 to 1,000 shares	3,129	30.10	1,494,431	0.24
1,001 to 10,000 shares	5,008	48.18	18,285,835	2.94
10,001 to 100,000 shares	1,531	14.73	44,777,182	7.20
100,001 to less than 5% of issued shares	328	3.16	263,641,474	42.37
5% and above of issued shares	2	0.02	293,968,610	47.25
<b>Total</b>	<b>10,394</b>	<b>100.00</b>	<b>622,177,476</b>	<b>100.00</b>

## Substantial Shareholders As At 30 January 2026

Name of Shareholder	Direct Interest No. of Shares	% of Issued Capital *	Deemed Interest No. of Shares	% of Issued Capital *
1. Maximum Vista Sdn. Bhd. (MVSB)	271,823,400	43.69	-	-
2. Employees Provident Fund Board	45,796,193	7.36	-	-
3. UIE Plc	29,155,713	4.69	271,823,400* <sup>1</sup>	43.69
4. C & M Holding Limited (C & M HL)	-	-	300,979,113* <sup>2</sup>	48.38
5. Brothers Holding Ltd (BHL)	-	-	300,979,113* <sup>2</sup>	48.38
6. YBhg. Dato' Carl Bek-Nielsen	7,741,500	1.24	301,114,287* <sup>3</sup>	48.40
7. Mr. Martin Bek-Nielsen	2,183,667	0.35	301,024,113* <sup>4</sup>	48.38

## \*Notes

- (1) Deemed interest by virtue of substantial shareholdings in MVSB.
- (2) Deemed interest by virtue of substantial shareholdings in MVSB and UIE Plc.
- (3) Deemed interest by virtue of substantial shareholdings in MVSB, UIE Plc and through immediate family members.
- (4) Deemed interest by virtue of substantial shareholdings in MVSB, UIE Plc and through immediate family members.

## Directors' Shareholdings As At 30 January 2026

Name of Director	Direct Interest No. of Shares	% of Issued Capital *	Deemed Interest No. of Shares	% of Issued Capital *
YBhg. Dato' Mohamad Nasir Bin Ab. Latif	45,000	0.01	200,000	0.03
YBhg. Dato' Carl Bek-Nielsen	7,741,500	1.24	301,114,287	48.40
Mr. Martin Bek-Nielsen	2,183,667	0.35	301,024,113	48.38
Mr. Loh Hang Pai	1,500,000	0.24	-	-
Mr. Jorgen Balle	6,000	0.00	-	-
Ms. Belvinder Kaur a/p C Nasib Singh	-	-	-	-
Mr. Yap Seng Chong	-	-	-	-
Mr. Iwan Azlan Bin Mokhtar	-	-	-	-

## Shareholders Information

Thirty (30) Largest Shareholders As At 30 January 2026			
Name of Shareholder	No. of Shares	% of Issued Capital*	
1. Maximum Vista Sdn. Bhd.	260,673,300	41.90	
2. Citigroup Nominees (Tempatan) Sdn. Bhd. Employees Provident Fund Board	33,295,310	5.35	
3. UIE Plc	29,083,968	4.67	
4. Perbadanan Pembangunan Pertanian Negeri Perak	26,040,600	4.19	
5. Kumpulan Wang Persaraan (Diperbadankan)	13,366,834	2.15	
6. Maximum Vista Sdn. Bhd.	11,150,100	1.79	
7. YBhg. Dato' Carl Bek-Nielsen	7,486,500	1.20	
8. Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Islamic)	7,305,083	1.17	
9. HSBC Nominees (Asing) Sdn. Bhd. Exempt An for Danske Bank A/S (Client Holdings)	5,106,686	0.82	
10. Woo Khai Yoon	5,028,000	0.81	
11. Maybank Nominees (Tempatan) Sdn Bhd Maybank Trustees Berhad for Public Ittikal Fund	4,074,100	0.65	
12. HSBC Nominees (Asing) Sdn. Bhd. JPMCB NA for Vanguard Total International Stock Index Fund	3,820,150	0.61	
13. HSBC Nominees (Asing) Sdn Bhd JPMCB NA for Vanguard Emerging Markets Stock Index Fund	3,558,400	0.57	
14. Cartaban Nominees (Asing) Sdn Bhd BNYM Sa/Nv For Nykredit Bank A/S	3,524,995	0.57	
15. Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Rozilawati Binti Haji Basir	3,495,000	0.56	
16. Affin Hwang Nominees (Tempatan) Sdn. Bhd. Bernam Nominees (Tempatan) Sdn. Bhd. for United Plantations Berhad Education And Welfare Fund	3,372,000	0.54	
17. Affin Hwang Nominees (Tempatan) Sdn. Bhd. Bernam Nominees (Tempatan) Sdn. Bhd. for Jendarata Bernam Provident Fund	3,110,099	0.50	
18. Citigroup Nominees (Asing) Sdn Bhd CBNY For Ishares Core MSCI Emerging Markets ETF	2,764,100	0.44	
19. Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Asianislamic)	2,643,800	0.42	
20. Cartaban Nominees (Asing) Sdn Bhd Exempt An For The Bank of New York Mellon Sa/Nv (Jyske Clients)	2,564,993	0.41	
21. Citigroup Nominees (Tempatan) Sdn Bhd Exempt An For AIA Bhd.	2,341,250	0.38	
22. United Plantations Berhad Share Buy Back Account	2,225,322	0.36	
23. HSBC Nominees (Asing) Sdn Bhd JPMCB NA for Flexshares Morningstar Global Upstream Natural Resources Index Fund	2,224,100	0.36	
24. Mr. Martin Bek-Nielsen	2,183,667	0.35	
25. Mr. Ho Dua Tiam	2,122,200	0.34	
26. Citigroup Nominees (Asing) Sdn Bhd UBS AG	2,034,014	0.33	
27. Maybank Nominees (Tempatan) Sdn. Bhd. Maybank Private Wealth Management for Rozilawati Binti Haji Basir	2,025,000	0.33	
28. Affin Hwang Nominees (Tempatan) Sdn. Bhd. Bernam Nominees (Tempatan) Sdn. Bhd. for United Plantations Workers Benevolent Retirement Scheme	1,997,000	0.32	
29. Amanahraya Trustees Berhad Public Islamic Select Treasures Fund	1,986,600	0.32	
30. HSBC Nominees (Asing) Sdn Bhd JPMCB NA For Vanguard Fiduciary Trust Company Institutional Total International Stock Market Index Trust II	1,955,300	0.31	
	452,558,471	72.74	

\* calculated based on 622,177,476 shares which do not include 2,225,322 treasury shares

## Notice Of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 105th Annual General Meeting of the Company will be held at the Dewan Sanmarka Orang India, 36400 Hutan Melintang, Perak Darul Ridzuan, Malaysia on Wednesday, 22 April 2026 at 9.30 a.m. for the purpose of considering the following business:-

- |   | Ordinary<br>Resolutions |
|---|-------------------------|
| 1. To receive the financial statements for the year ended 31 December 2025 together with the Reports of the Directors and the Auditors thereon. (Refer to Explanatory Note 1).            |                         |
| 2. To approve the payment of a Final Single-tier dividend of 51 sen per share and a Final Special Single-tier dividend of 30 sen per share for the financial year ended 31 December 2025. | 1                       |
| 3. To approve the payment of Directors' fees (inclusive of Board Committees' fees) of RM1,290,287 for the financial year ended 31 December 2025.  | 2                       |
| 4. To approve the payment of Directors' benefits (other than Directors' fees) of RM91,500 for the financial year ended 31 December 2025.  | 3                       |
| 5. To re-elect as Director, YBhg. Dato' Mohamad Nasir bin Ab. Latif who retires by rotation pursuant to Article 107 of the Company's Constitution.  | 4                       |
| 6. To re-elect as Director, Ms. Belvinder Kaur a/p C Nasib Singh who retires by rotation pursuant to Article 107 of the Company's Constitution.   | 5                       |
| 7. To re-elect as Director, Mr.Yap Seng Chong who retires by rotation pursuant to Article 107 of the Company's Constitution.  | 6                       |
| 8. To re-appoint Ernst & Young, PLT as auditors of the Company for the year 2026 and to authorise the Directors to fix their remuneration.  | 7                       |

### As Special Business

To consider and if thought fit, to pass the following ordinary resolutions:

## Notice Of Annual General Meeting

### (a) Proposed Renewal of Authority for Purchase of Own Shares

9. "THAT, subject to the Companies Act 2016 ("the Act") (as may be amended, modified or re-enacted from time to time), the Company's Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia") and approvals of all relevant governmental and/or regulatory authorities, where applicable, the Company be and is hereby authorised to purchase and/or hold such amount of ordinary shares in the Company ("Proposed Share Buy-Back") as may be determined by the Directors of the Company from time to time and upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of ordinary shares purchased and/or held pursuant to this resolution shall not exceed ten per centum (10%) of the total number of issued shares of the Company at any given point in time and an amount of funds not exceeding the total retained profits of the Company based on the audited financial statements for the financial year ended 31 December 2025 be utilised by the Company for the Proposed Share Buy-Back AND THAT at the discretion of the Directors of the Company, the ordinary shares of the Company to be purchased may be cancelled and/or retained as treasury shares and subsequently distributed as dividends, transfer the shares for the purposes of or under an employees' share scheme that has been approved by the shareholders, transfer the shares as purchase consideration or resold on Bursa Malaysia or be cancelled AND THAT the Directors of the Company be and are hereby empowered generally to do all acts and things to give effect to the Proposed Share Buy-Back AND THAT such authority shall commence immediately upon passing of this ordinary resolution until:
- 8
- (i) the conclusion of the next Annual General Meeting of the Company ("AGM") in 2027 at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or
  - (ii) the expiration of the period within which the next AGM is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
  - (iii) revoked or varied by resolution passed by the shareholders in general meeting, whichever is earlier; but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid date and in any event, in accordance with the provisions in the guidelines issued by Bursa Malaysia and/or by any other relevant authorities."

## Notice Of Annual General Meeting

- (b) Authority for Directors to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016
10. “THAT, pursuant to Sections 75 and 76 of the Companies Act 2016 and subject always to the approval of the relevant authorities, the Directors be and are hereby authorised to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit without first offer to holders of existing issued shares of the Company provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten per centum (10%) of the issued shares (excluding treasury shares) of the Company for the time being AND THAT the Directors be and are also authorised to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company.” 9

### Notice on Entitlement and payment of a Final Single-tier Dividend and a Final Special Single-tier Dividend

NOTICE IS HEREBY GIVEN THAT a Final Single-tier dividend of 51 sen per share and a Final Special Single-tier dividend of 30 sen per share, if approved at the 105th Annual General Meeting the total Final Dividends will be paid on 8 May 2026 to shareholders whose names appear in the Record of Depositors and the Register of Members at the close of business on 27 April 2026.

A Depositor shall qualify for entitlement only in respect of :-

- (a) Shares transferred into the Depositor’s Securities Account before 4.30 p.m. on 27 April 2026 in respect of transfers; and
- (b) Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board

NG ENG HO  
Company Secretary  
MIA No. 12913  
SSM PC No. 201908002863

Jendarata Estate,  
36009 Teluk Intan,  
Perak Darul Ridzuan,  
Malaysia  
23 February 2026

## Notice Of Annual General Meeting

### Notes

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to vote in his stead other than an exempt authorised nominee who may appoint multiple proxies in respect of each Omnibus account held. A proxy need not be a member of the Company. If you wish to appoint as your proxy someone other than the Chairman or Vice Chairman of the meeting, cross out the words "The Chairman" or "Vice Chairman" of the meeting and write on the lines the full name and address of your proxy.
2. The instrument appointing a proxy must be deposited at the Registered Office of the Company at Jendarata Estate, 36009 Teluk Intan, Perak Darul Ridzuan, Malaysia not less than 48 hours before the time set for the meeting. The number of shares to be represented by the proxy should be stated in the proxy form. Alternatively, the instrument appointing a proxy can be deposited electronically (for individual, corporate shareholders and nominees) through Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> or via email to [bsr.helpdesk@boardroomlimited.com](mailto:bsr.helpdesk@boardroomlimited.com) before the cut-off time for the lodgement of the Proxy Form as mentioned above.
3. Where this Form of Proxy is executed by a corporation, it must be either under seal or under the hand of any officer or attorney duly authorised.
4. A proxy may vote or abstain from voting as he thinks fit on a specified resolution, if no indication is given on the proxy form by the member appointing the proxy. Voting on all resolutions to be proposed at the AGM will be by way of a poll.
5. In the case of joint shareholders, the proxy form signed by the first named registered shareholder on the register shall be accepted to the exclusion of the other registered shareholder(s). If voting is in person(s) the vote of the first shareholder who tenders the vote shall be taken.
6. Only a depositor whose name appears on the Record of Depositors as at 16 April 2026 shall be entitled to attend the said meeting or appoint a proxy to attend and/ or vote on his/her behalf.

## Notice Of Annual General Meeting

Explanatory Notes on Ordinary Business

### **Audited Financial Statements for the Financial Year Ended 31 December 2025. (Note 1)**

The Audited Financial Statements are laid in accordance with Section 340(1)(a) of the Companies Act 2016 for discussion only and does not require a formal approval of the shareholders and as such, will not be put forward for voting.

**For Ordinary Resolution 4 to 6** - For the purpose of determining the eligibility of the Directors to stand for re-election at the 105th AGM, the Board through its Nomination Committee has assessed the performance and contribution of the retiring Directors, namely YBhg. Dato' Mohamad Nasir bin Ab. Latif, Ms. Belvinder Kaur a/p C Nasib Singh and Mr. Yap Seng Chong. The Board found that the Retiring Directors have a good understanding of the Group's businesses and they have actively participated in the Board meetings. The Board is satisfied with their performance and supports the re-election of these Retiring Directors.

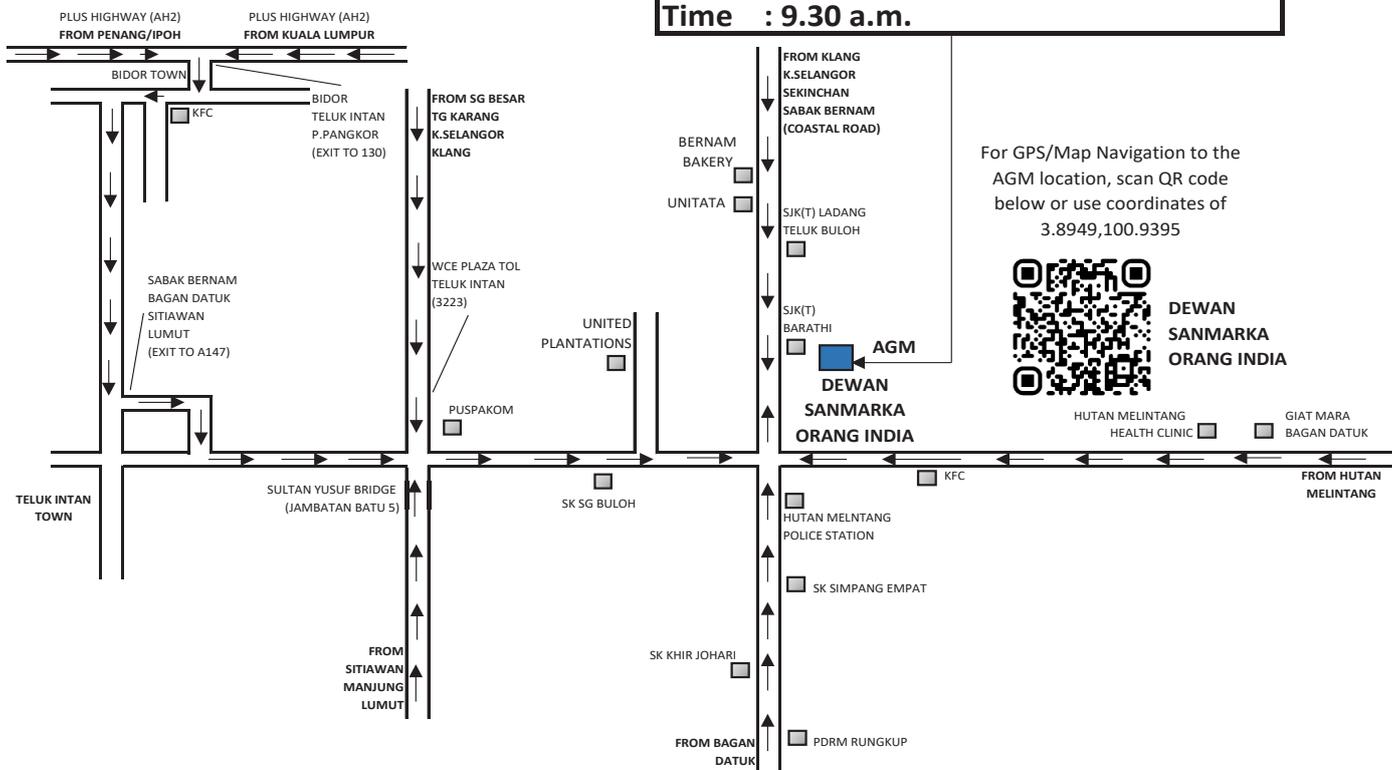
**For Ordinary Resolution 8** - Please refer to explanatory information in the Share Buy-Back Statement to Shareholders dated 23 February 2026.

**For Ordinary Resolution 9** - The Board continues to consider strategic opportunities to broaden the earnings potential of the Company and this may involve equity deals which may require the Company to issue new shares. If passed, the Shareholders' Mandate to grant authority for Directors to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016 will provide flexibility to the Directors to undertake any possible fund raising activities, including but not limited to further placing of shares for the funding of the Company's future investment projects, working capital and/or acquisitions, by issuance of shares at any time up to an aggregate amount not exceeding 10% of the issued shares of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company, without first offer to holders of existing shares of the Company.

The Company did not utilise the Shareholders' Mandate that was approved at the 104th Annual General Meeting. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

105<sup>TH</sup> ANNUAL GENERAL MEETING

**Venue : Dewan Sanmarka Orang India,  
36400 Hutan Melintang,  
Perak Darul Ridzuan, Malaysia**  
**Date : 22 April 2026**  
**Time : 9.30 a.m.**



*The 104th Annual General Meeting in session at the Dewan Sanmarka on the 23rd April 2025.*

## Corporate Information

Country of Incorporation	Malaysia
Board of Directors	YBhg. Dato' Mohamad Nasir bin Ab. Latif (Chairman, Independent, Non-Executive) YBhg. Dato' Carl Bek-Nielsen (Chief Executive Director) Mr. Martin Bek-Nielsen (Executive Director) Mr. Loh Hang Pai (Executive Director) Mr. Jorgen Balle (Non-Independent, Non-Executive) Ms. Belvinder Kaur a/p C Nasib Singh (Independent, Non-Executive) Mr. Yap Seng Chong (Independent, Non-Executive) Mr. Iwan Azlan bin Mokhtar (Non-Independent, Non-Executive Director)
Company Secretary	Mr. Ng Eng Ho
Registered Office and Principal Share Register	United Plantations Berhad Jendarata Estate, 36009 Teluk Intan, Perak Darul Ridzuan, Malaysia Phone : +605-6411411 Fax : +605-6411876 E-mail : up@unitedplantations.com Website : www.unitedplantations.com
Auditors	Ernst & Young PLT
Principal Bankers	<p>Malaysia</p> <p>HSBC Bank Malaysia Berhad Maybank Berhad Standard Chartered Bank Malaysia Berhad Public Bank Berhad OCBC Bank (Malaysia) Berhad United Overseas Bank (Malaysia) Berhad RHB Bank Berhad J.P. Morgan Chase Bank Berhad Deutsche Bank (Malaysia) Berhad AmBank (M) Berhad</p> <p>Indonesia</p> <p>PT Bank Mandiri (Persero) Tbk PT Bank CIMB Niaga Tbk PT Bank UOB</p>
Stock Exchange Listing	<p>Malaysia</p> <p>Bursa Malaysia Securities Berhad (Bursa Malaysia) Website : www.bursamalaysia.com</p>

Group Properties As At 31 December 2025

Properties	Tenure	Area In Hectares	Description	Age In Years	*Net Tangible Asset Value RM '000
Jendarata Estate	Leasehold		Registered Office - 1,369 sq.m.	61	8,394
36009 Teluk Intan	Expiring on:		Research Station - 1,070 sq.m.	60	1,724
Perak Darul Ridzuan	15.01.2062	594.50	Oil Palm & Coconut Estate		129,957
	07.06.2104	611.65	Palm Oil Mill	} 10,032 sq.m.	91
	07.06.2104	34.81	Biomass Plant		
	20.11.2067	982.19			8,515
	22.08.2068	149.67			3,546
	Yr to Yr	33.62			
	Freehold	3,929.19			
Kuala Bernam Estate	Freehold	829.60	Coconut Estate		14,038
Batu 18, Jalan Bagan Datoh					
36300 Sungai Sumun					
Perak Darul Ridzuan					
Sungei Bernam Estate	Leasehold		Coconut Estate	51	42,108
Sungai Ayer Tawar	Expiring on:				
45200 Sabak Bernam	28.03.2056	1.32			
Selangor Darul Ehsan	Freehold	2,274.76			
Ulu Bernam Estate	Freehold	3,102.28	Oil Palm Estate		52,935
36500 Ulu Bernam	Yr to Yr	95.31	Optimill/Biogas/Unifuji - 545,100 sq.m.	8	35,811
Perak Darul Ridzuan					
Changkat Mentri Estate	Leasehold		Oil Palm Estate		27,066
36500 Ulu Bernam	Expiring on:				
Perak Darul Ridzuan	26.11.2067	1,538.61			
	01.10.2081	162.94			
	Freehold	848.95			
Ulu Basir Estate	Leasehold		Oil Palm Estate		33,617
36500 Ulu Bernam	Expiring on:		Palm Oil Mill - 6,352 sq.m.	36	1,529
Perak Darul Ridzuan	26.11.2067	11.40			
	20.01.2087	2,468.00			
	08.12.2099	163.30			
	Yr to Yr	129.48			
	Freehold	1,218.62			
Charong Estate	Leasehold		Oil Palm Estate		75,219
36500 Ulu Bernam	Expiring on:				
Perak Darul Ridzuan	02.11.2064	53.89			
	16.01.2124	728.46			
	Yr to Yr	80.94			
	Freehold	6,038.20			
Seri Pelangi Estate	Leasehold		Oil Palm Estate		24,197
Batu 11 3/4	Expiring on:				
Jalan Bidor	15.06.2068	1,418.90			
36000 Teluk Intan	Freehold	2.82			
Perak Darul Ridzuan	Yr to Yr	6.29			
Lima Blas Estate	Freehold	2,891.89	Oil Palm Estate		135,667
Lot 1899, Mukim Ulu Bernam					
35800, Hulu Selangor, Selangor.					
UIE	Leasehold		Oil Palm Estate		353,273
Pantai Remis	Expiring on:		Palm Oil Mill - 6,148 sq.m.	34	188
Perak Darul Ridzuan	23.12.2103	10,355.26			
	Freehold	9.94			
Unitata Berhad	Freehold	18.45	Palm Oil and Palm Kernel Refinery Complex	} Buildings	51
36009 Teluk Intan					
Perak Darul Ridzuan					58,889
Bernam Bakery	Freehold	0.45	Bakery	41	588
36009 Teluk Intan					
Perak Darul Ridzuan					
Tanarata Estate	Leasehold		Oil Palm Estate		139,083
Mukim Changkat Jong & Mukim Durian Sebatang	Expiring on:				
Hilir Perak.	10.03.2121	3,277.61			
	14.04.2121	364.18			
	Yr to Yr	14.37			
PT Surya Sawit Sejati	Leasehold		Oil Palm Estate		79,355
Pangkalan Bun, Central Kalimantan, Indonesia	Expiring on:		Palm Oil Mill - 90,000 sq.m.	16	2,436
	24.09.2040	2,508.47			
	01.01.2053	6,004.15			
	**	9,520.89			

Notes :

\* Estate Includes Land, Pre-cropping Cost and Buildings

\*\* Awaiting issue of lease

Group Landbank Properties & Age Profile As At 31 December 2025

	Jendarata Hect.	Kuala Bernam Hect.	Sungei Bernam Hect.	Ulu Bernam Hect.	Changkat Mentri Hect.	Ulu Basir Hect.	Charong Hect.	Seri Pelangi Hect.	Lima Blas Hect.	UIE Hect.	Tanarata Hect.	PT Surya Sawit Sejati Hect.	Total
<b>OIL PALM :</b>													
Mature	4,246			2,904	2,221	3,678	6,110	1,000	2,562	8,950	3,350	8,731	43,752
Immature-Planted 2023	158				25		188	161					532
Immature-Planted 2024	480			39	118		282	114	129				1,162
Immature-Planted 2025	328			107		60	168	54	54				771
<b>Sub-Total</b>	<b>5,212</b>	<b>-</b>	<b>-</b>	<b>3,050</b>	<b>2,364</b>	<b>3,738</b>	<b>6,748</b>	<b>1,329</b>	<b>2,745</b>	<b>8,950</b>	<b>3,350</b>	<b>8,731</b>	<b>46,217</b>
<b>COCONUT :</b>													
Mature	762	686	1,991							789			4,228
Immature-Planted 2022		57	182										239
Immature-Planted 2023		50											50
Immature-Planted 2024		18											18
Immature-Planted 2025			82										82
<b>Sub-Total</b>	<b>762</b>	<b>811</b>	<b>2,255</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>789</b>	<b>-</b>	<b>-</b>	<b>4,617</b>
<b>OTHER AREAS:</b>													
Other Crops	22												22
Plasma Areas												1,378	1,378
Conservation (Jungle areas, shrub land, swamps, wetlands & others)					12	129			99	91	58	7,633	8,022
Buildings, roads, drains, air-strip, nurseries, church, toddy tapping areas, railway, mills & others.	340	19	21	148	175	124	153	99	48	535	248	292	2,202
<b>TOTAL</b>	<b>6,336</b>	<b>830</b>	<b>2,276</b>	<b>3,198</b>	<b>2,551</b>	<b>3,991</b>	<b>6,901</b>	<b>1,428</b>	<b>2,892</b>	<b>10,365</b>	<b>3,656</b>	<b>18,034</b>	<b>62,458</b>

Oil Palm		
Age in years	Hectares	% Under crop
4 - 5	2,819	6
6 - 8	5,060	11
9 - 18	26,232	57
19 and above	9,641	21
Mature	43,752	95
Immature	2,465	5
<b>Total</b>	<b>46,217</b>	<b>100</b>

## Comparative Statistics - 10 Years

Year ended 31 December	2025 RM'000's	2024 RM'000's	2023 RM'000's	2022 RM'000's	2021 RM'000's	2020 RM'000's	2019 RM'000's	2018 RM'000's	2017 RM'000's	2016 RM'000's
<b>Balance Sheet Analysis</b>										
Issued Capital	390,054	390,054	390,054	390,054	390,054	390,054	390,054	390,054	390,054	208,134
Reserve	2,482,757	2,409,725	2,460,386	2,500,679	2,284,750	2,229,918	2,154,534	2,191,035	2,133,871	2,154,088
Non-Controlling Interests	8,501	17,450	16,980	14,028	10,669	10,931	9,195	7,828	6,893	5,344
Funds Employed	2,881,312	2,817,229	2,867,420	2,904,761	2,685,473	2,630,903	2,553,783	2,588,917	2,530,818	2,367,566
Property, Plant and Equipment	1,279,417	1,261,498	1,250,828	1,241,751	1,209,944	1,209,385	1,191,913	1,493,021	1,474,059	1,419,373
Land Use Rights	-	-	-	-	-	-	-	38,105	34,115	36,192
Right-of-use assets	395,438	402,925	403,306	406,068	395,415	382,408	391,093	-	-	-
Other Non-Current Assets	468,364	445,157	423,521	424,573	405,008	410,689	401,380	35,412	36,890	1,782
Current Assets	1,175,953	1,133,664	1,185,950	1,246,408	1,142,777	972,367	873,825	1,351,851	1,304,697	1,186,289
Total Assets	3,319,172	3,243,244	3,263,605	3,318,800	3,153,144	2,974,849	2,858,211	2,918,389	2,849,761	2,643,636
Less: Liabilities	437,860	426,015	396,185	414,039	467,671	343,946	304,428	329,472	318,943	276,070
Net Assets Employed	2,881,312	2,817,229	2,867,420	2,904,761	2,685,473	2,630,903	2,553,783	2,588,917	2,530,818	2,367,566
<b>Other Data</b>										
Profit Before Tax	1,108,598	938,877	933,494	846,485	683,420	505,642	357,960	490,872	503,970	417,935
Tax	278,924	219,468	222,473	240,921	161,177	104,065	73,634	116,772	109,288	87,128
Net Profit	829,674	719,409	711,021	605,564	522,243	401,577	284,326	374,100	394,682	330,807
Non-Controlling Interests	(4,593)	(4,328)	(3,250)	(3,880)	(3,908)	(2,033)	(1,040)	(1,683)	(1,702)	(1,319)
Profit attributable to equity owners of the Parent	825,081	715,081	707,771	601,684	518,335	399,544	283,286	372,417	392,980	329,488
Earnings Per Share (sen)*	133	115	114	97	83	64	45	60	63	53
Total Net Dividend Per Share (sen)*	125	114	127	93	77	57	45	47	50	39
Dividend Payout Ratio	0.94	0.99	1.11	0.97	0.92	0.89	1.00	0.78	0.79	0.73
<b>Share Prices On The Bursa Malaysia Securities Berhad</b>										
Highest*	30.30	22.32	12.09	11.44	9.85	10.21	9.27	9.70	9.66	9.48
Lowest*	20.11	11.87	9.89	9.20	9.00	7.67	8.23	8.33	8.94	8.21
<b>Production -Malaysia</b>										
Palm Oil - own - Tonnes	239,832	214,141	219,026	209,020	207,504	195,542	179,045	168,680	158,060	134,999
Palm Kernel - own - Tonnes	48,020	40,892	44,967	41,985	41,535	39,233	36,854	36,789	35,373	29,631
Coconuts - Nuts ('000)	90,414	90,299	83,629	86,137	87,964	81,428	78,104	71,423	75,252	86,052
FFBYield per hectare - Tonnes	30.85	29.56	28.94	28.44	28.90	27.49	26.76	26.67	25.46	21.11
CPOYield per hectare - Tonnes	6.90	6.22	6.30	6.09	6.29	6.13	5.88	5.73	5.34	4.64
Palm Oil extraction rate - %	22.37	21.04	21.78	21.42	21.77	22.29	21.95	21.47	20.97	21.97
Palm Kernel extraction rate - %	4.48	4.02	4.47	4.30	4.36	4.47	4.52	4.68	4.69	4.82
Coconuts Yield per hectare - Nuts	21,297	21,910	21,101	22,172	22,247	22,827	23,557	23,154	25,345	30,305
<b>Cost Of Production - Malaysia **</b>										
Palm Oil - RM/MT	1,509	1,588	1,646	1,657	1,247	1,225	1,286	1,271	1,280	1,319
Palm Kernel - RM/MT	596	630	581	591	522	503	505	483	479	477
<b>Average Sales Price - Malaysia</b>										
Palm Oil - RM/MT	4,410	4,207	4,130	3,792	3,309	2,613	2,356	2,606	2,578	2,424
Palm Kernel - RM/MT	3,289	2,383	2,050	2,751	2,168	1,594	1,312	1,992	2,650	2,138
<b>Production -Indonesia</b>										
Palm Oil - own - Tonnes	46,307	41,868	46,947	45,369	44,097	47,316	46,421	51,049	47,459	44,143
Palm Kernel - own - Tonnes	9,730	8,991	10,265	9,943	8,844	9,678	9,182	9,071	8,387	7,948
FFBYield per hectare - Tonnes	23.20	22.37	24.26	24.24	22.31	23.69	22.93	24.69	22.56	19.53
CPOYield per hectare - Tonnes	5.30	4.80	5.34	5.10	4.87	5.21	5.11	5.66	5.25	4.81
Palm Oil extraction rate - %	22.84	21.46	22.01	21.03	21.84	22.00	22.30	22.92	23.29	24.62
Palm Kernel extraction rate - %	4.80	4.61	4.81	4.61	4.38	4.50	4.41	4.08	4.12	4.43
<b>Cost Of Production - Indonesia</b>										
Palm Oil - RM/MT	1,656	1,784	1,881	1,630	1,509	1,328	1,444	1,290	1,516	1,609
Palm Kernel - RM/MT	668	763	679	665	494	452	492	482	581	534
<b>Average Sales Price - Indonesia</b>										
Palm Oil - RM/MT	3,640	3,712	3,301	3,530	3,079	2,284	1,964	2,003	2,572	2,316
Palm Kernel - RM/MT	3,101	2,388	1,604	2,417	2,144	1,204	1,011	1,356	2,049	1,899

Notes:

\* Comparative adjusted for Bonus Issue.

\*\* Cost of production figures include depreciation and additional remuneration/bonuses.



*Innovation at work-modern tractors redefine estate routines, replacing manpower with machine-driven progress..*

With United Plantations choosing to use Xtelle and Nautilus recycled paper rather than a non-recycled paper, the environmental impact, for the total number of Annual reports produced, was reduced by :

 2,134 kg of landfill

 462 kg CO<sub>2</sub> and green house gases

 17,943 kg of wood

 3,050 Kwh of energy

 48,503 liters of water

Sources :



This Annual Report is printed on Xtelle FSC certified paper



The Financial Statements are printed on Nautilus 100% recycled paper





*A spectacular sunrise unfolds over the fields at Jendarata Estate, as a tractor driver eases into the rhythm of another day's work.*