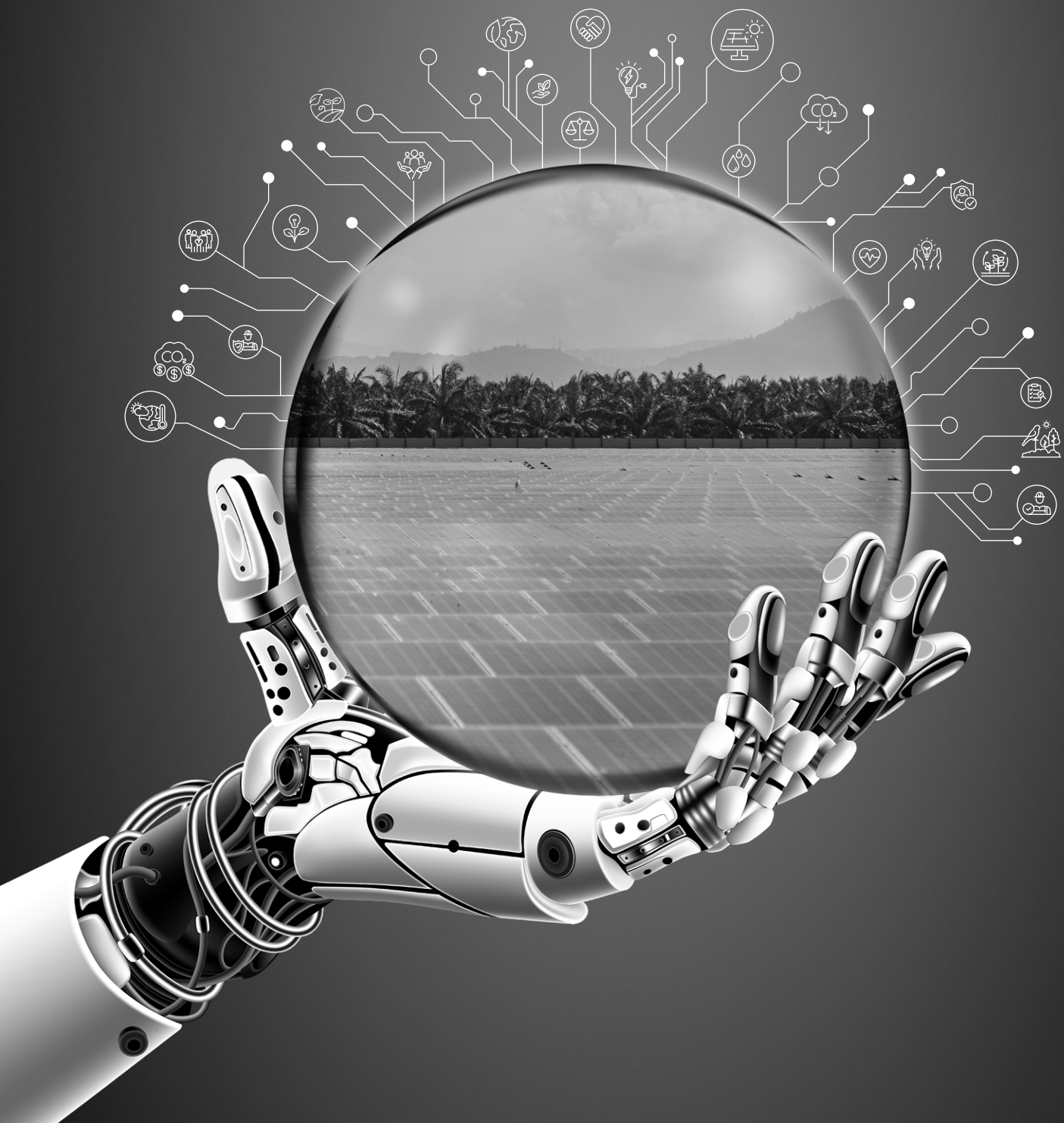


Sustainability Report 2024



What's Inside

Sustainability Report 2024

CONTENTS

ABOUT OUR SUSTAINABILITY REPORT

4	Our Reporting Suite
4	Reporting Scope and Period
4	Reporting Frameworks
5	Statement of Assurance
5	Sustainable Palm Oil Certification
5	Membership of Associations
5	Share Your Feedback
6	The Group Managing Director's Statement
7	Message from the Chief Sustainability Officer
8	SD Guthrie at a Glance

SUSTAINABILITY HIGHLIGHTS, TARGETS AND PROGRESS

9	Our Sustainability Highlights
10	Achieving Targets and Progress
12	Our Sustainability Strategy

JOURNEY TO A SUSTAINABLE FUTURE

13	Journey to a Sustainable Future
14	Governance and Leadership
15	Sustainability Risk Management

OUR MATERIAL SUSTAINABILITY RISKS AND OPPORTUNITIES

16	Our Material Sustainability Risks and Opportunities
----	---

"BEYOND ZERO" FRAMEWORK

ZERO

17	Climate Change
26	No Deforestation, No Peat, and No Exploitation (NDPE)
28	Fire and Haze
30	Supply Chain Management
33	Product Quality and Safety
34	Health and Safety
36	Responsible Consumption and Production
37	Waste and Effluent Management

RESTORE

39	Biodiversity and Conservation
42	Water Management

TRANSFORM

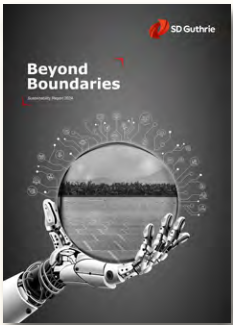
43	Human Rights and Fair Labour Practices
46	Community Rights and Development
50	Diversity and Inclusion

RESPONSIBLE BUSINESS PRACTICES

52	Governance and Anti-corruption
54	Customer Privacy and Data Protection

APPENDIX

55	GRI Content Index
58	Internal Assurance Review Statement
59	Independent Limited Assurance Report

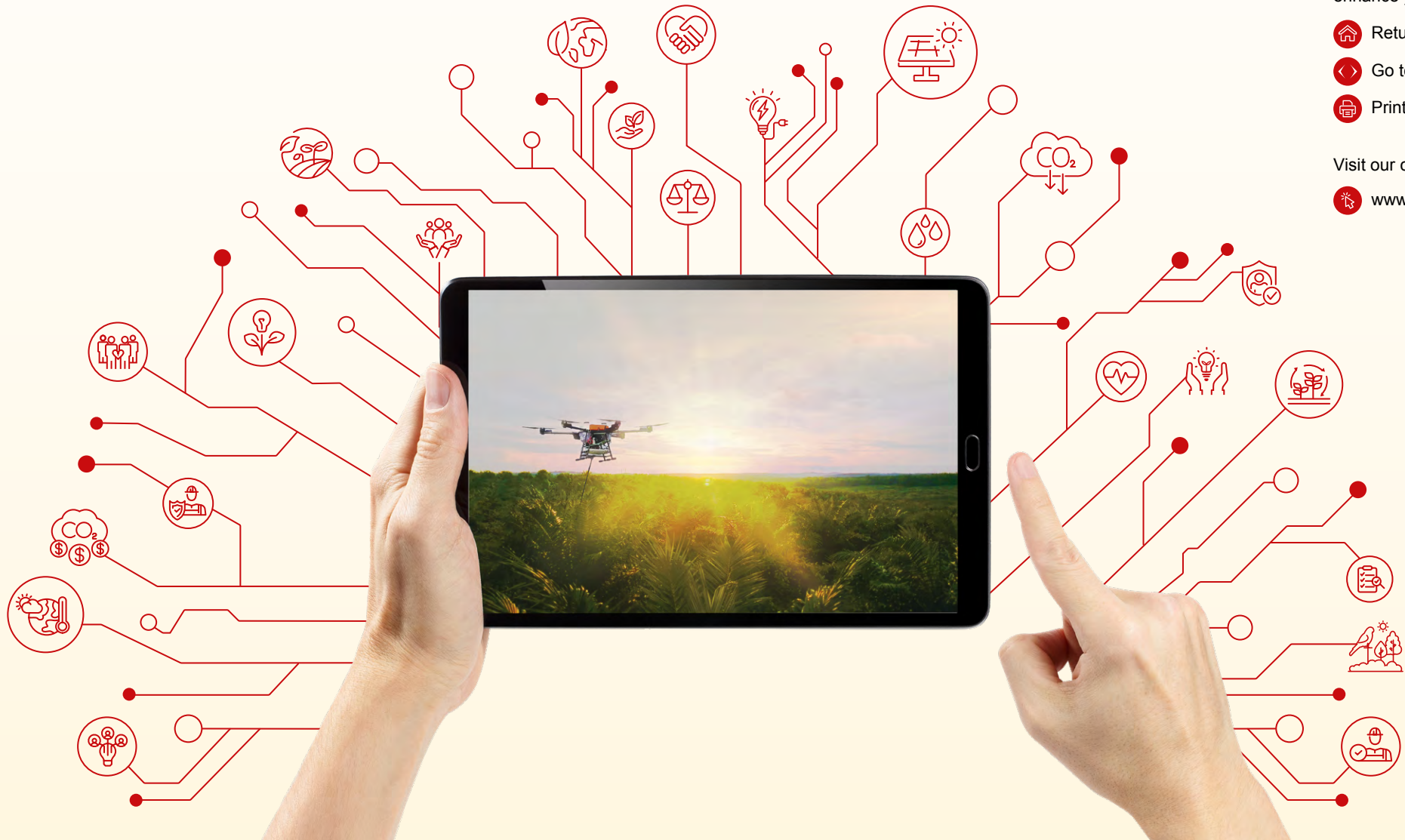


COVER RATIONALE

SD Guthrie's goal is simple: make the industry more sustainable for the benefit of everyone. Innovation and sustainability are the twin pillars guiding our growth, shaping a thriving and responsible palm oil industry.

By harnessing the power of innovation, we unlock sustainable solutions that benefit our people, communities, and the planet. We also embrace mechanisation, automation, and digitalisation to improve efficiency and attract skilled local talent.

Our vision of a "Beyond Zero" future inspires our efforts to create new opportunities for a better world. Anchored in innovation and technology, we challenge boundaries and pioneer breakthroughs in sustainability, reshaping tomorrow for the generations to come.



NAVIGATING OUR REPORT

This interactive report contains the following features to enhance your navigation experience:

- Return to contents page
- Go to the next or previous page
- Print

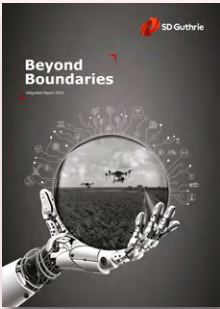
Visit our corporate website for more information:

- www.sdguthrie.com

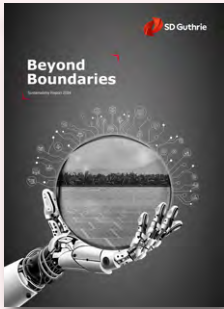


About Our Sustainability Report

OUR REPORTING SUITE



INTEGRATED REPORT 2024
Our Integrated Report is our primary report for stakeholders and has been prepared to provide a balanced assessment of the Group’s ability to create sustainable value based on our short, medium, and long-term strategies whilst supported by our six capitals. It comprises a business review; our annual financial statements, which provide a comprehensive account of the Group’s financial performance for the year; a sustainability statement which provides an overview of our environmental, social, and governance (ESG) performance; and a governance section, which presents detailed reporting of our corporate governance statements including reports from each Board Committee.



SUSTAINABILITY REPORT 2024
Our Sustainability Report provides a detailed account of SD Guthrie’s approach to sustainability, our sustainability governance as well as the material matters that we have identified and which guide us in creating sustainable value for our stakeholders. Referencing the Global Reporting Initiative (GRI) standards, it also provides a detailed account of management’s approach to each material matter, our initiatives to manage them, and our performance.

REPORTING SCOPE AND PERIOD

This report provides a comprehensive overview of SD Guthrie’s operations across our entire palm oil value chain and other crops, covering our global upstream and downstream businesses as well as the research and development arm.

Unless otherwise stated, this report excludes our sugarcane operation, which comprises a minor portion of our portfolio. Also excluded is our new business vertical, industrial park development, which is still in its infancy. However, should these segments become materially significant to our stakeholders, we will consider including them in future reports. The data presented in this report covers the period from 1 January 2024 to 31 December 2024.

REPORTING FRAMEWORKS

This report has been prepared with reference to the Bursa Malaysia Securities Main Market Listing Requirements, the Bursa Malaysia’s Sustainability Reporting Guide (third edition), and the recent Illustrative Reporting Guidelines. Our reporting are aligned with the Global Reporting Initiative (GRI) Standards and the Sustainability Accounting Standards Board (SASB).



STATEMENT OF ASSURANCE

In upholding transparency and accountability, we recognise the importance of independent verification to ensure the accuracy of our sustainability disclosures. For FY2024, we engaged PricewaterhouseCoopers PLT, Malaysia (PwC) to conduct an independent limited assurance on the following sustainability information:

- Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category
- Bursa C1(b) Percentage of operations assessed for corruption-related risks
- Bursa C1(c) Confirmed incidents of corruption and action taken
- Bursa C5(a) Number of work-related fatalities
- Bursa C4(a) Total energy consumption
- Bursa C11(a) Scope 1: Direct GHG emissions (tCO₂e)
- Bursa C11(b) Scope 2: Energy indirect GHG emissions (tCO₂e)
- Bursa C11(c) Scope 3: Other indirect GHG emissions (tCO₂e)
- Scope 1 and Scope 3: Carbon removals (tCO₂e)
- Scope 1 and Scope 2 emissions (net of removal) intensity of estates and mills (tCO₂e/MT of CPO)
- GHG emissions (net of removal) intensity of refineries (tCO₂e/MT of refined products)

In addition, the Company’s Group Corporate Assurance has provided internal assurance on the following Bursa common indicators:

- Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer
- Bursa C2(b) Total number of beneficiaries of the investment in communities
- Bursa C3(a) Percentage of employees by gender and age group, for each employee category
- Bursa C3(b) Percentage of directors by gender and age group
- Bursa C6(a) Total hours of training by employee category
- Bursa C6(b) Percentage of employees that are contractors or temporary staff
- Bursa C6(c) Total number of employee turnover by employee category
- Bursa C6(d) Number of substantiated complaints concerning human rights violations
- Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data

PwC’s independent limited assurance and our internal assurance report can be found on pages 58 to 62.

Previously, our FY2023 supply chain data was externally verified by Control Union Certifications (Malaysia) Sdn. Bhd. The verification covered key traceability areas, including Traceability to Mill, Traceability to Plantation, and compliance with the No Deforestation, No Peat, and No Exploitation Implementation Reporting Framework (NDPE IRF). Verification for FY2024 is currently in progress.

SUSTAINABLE PALM OIL CERTIFICATION

Our sustainability initiatives are guided by globally recognised sustainable palm oil certification schemes, ensuring adherence to best practices in Environmental, Social, and Governance (ESG) standards. We comply with the following sustainability certification programmes: Roundtable on Sustainable Palm Oil (RSPO), Malaysian Sustainable Palm Oil (MSPO), Indonesia Sustainable Palm Oil (ISPO), and International Sustainability and Carbon Certification (ISCC).

MEMBERSHIP OF ASSOCIATIONS

We are committed to advancing sustainability across our value chain by actively engaging with industry stakeholders and promoting responsible practices. This is reflected in our memberships in the following key associations: ASEAN Business Advisory Council Malaysia (ASEAN-BAC), CEO Action Network (CAN), Federation of the European Vegetable Oil and Proteinmeal Industry (FEDIOL), Gabungan Pengusaha Kelapa Sawit Indonesia (GAPKI), Malayan Agricultural Producers Association (MAPA), Malaysia Carbon Market Association (MCMA), Malaysian Biodiesel Association, Malaysian Palm Oil Association (MPOA), Palm Oil Collaboration Group (POCG), Palm Oil Producers Association (POPA) of Papua New Guinea, Palm Oil Refiners Association of Malaysia (PORAM), International Sustainability and Carbon Certification (ISCC), as well as RSPO.

SHARE YOUR FEEDBACK

We value transparency and continuous improvement in our sustainability efforts. Readers and stakeholders are encouraged to share your feedback with us at:

communications@sdguthrie.com



The Group Managing Director’s Statement



DEAR STAKEHOLDERS,

FY2024 marked a significant milestone in our history as we rebranded to SD Guthrie in May. As we embark on this new chapter, we are also proud of the significant strides we have made in our sustainability journey thus far.

Sustainability is a cornerstone of our long-term strategy and a competitive advantage which enhances resilience, as well as future-proofs our organisation. Our commitment to sustainable growth while aligning with national ambitions is reflected in our expansion into renewable energy and development of green industrial parks.

GOING BEYOND

Reinforcing our commitment to Environmental, Social, and Governance (ESG) principles, we introduced our new sustainability framework – “Beyond Zero”. Centred on the three pillars of Zero, Restore, and Transform, this framework guides our ongoing and future initiatives to drive responsible growth holistically, and create long-term value for our stakeholders.

In 2024, we took decisive steps to ensure our palm oil is fully compliant with the EU Deforestation Regulation (EUDR). Leveraging our supply chain in Papua New Guinea and Solomon Islands, we successfully mapped all 17,203 smallholders, overcame logistical challenges, and collected the necessary data. As a result, we delivered our first shipments totalling 40,250 metric tonnes of EUDR-compliant palm oil to Europe and the United Kingdom. This smallholder-inclusive supply chain is an example of a Just Transition, where we ensure smallholders in our supply chain are not left behind in the face of emerging regulations and requirements.

Last year, we also received our highest Sustainable Palm Oil Transparency Toolkit (SPOTT) score to date, ranking third among palm oil industry players for public ESG disclosures. We also achieved other accolades such as the Platinum Award at the Integrity, Governance and Anti-Corruption Awards (AIGA) 2023 and the Silver Award at The Edge Malaysia ESG Awards 2024 in the plantation sector. These achievements reaffirm our commitment to sustainability and responsible business practices.

GROWING RESPONSIBLY

Balancing business growth with sustainability, while challenging, is a necessity for any responsible business.

As we scale our business and sustainability initiatives, we are committed to growing alongside our people, smallholders, and communities, driven by our purpose of “Care to Nourish, Dare to Flourish”. For our people, this means fostering a culture that is rooted in sustainability, operational excellence, and innovation. For our smallholders and suppliers, we actively collaborate with them to promote responsible agriculture practices. In the communities where we operate, we remain dedicated to creating positive impact through shared growth and meaningful partnerships.

ADVANCING SUSTAINABLY

Looking ahead, we will continue to seize new opportunities and explore diverse avenues for growth, while staying anchored in our core strengths. As one of the world’s largest producers of certified sustainable palm oil, we will continue to embrace our role as an industry leader in sustainability.

We extend our gratitude to all our stakeholders who share our vision and invite you to join us in shaping a sustainable future for all.

Message from the Chief Sustainability Officer



Today’s evolving business landscape is marked by unprecedented challenges – from climate change and biodiversity loss to shifting global regulations. At the same time, our stakeholders expect greater accountability and tangible results.

At SD Guthrie, we view sustainability as more than just a compliance requirement, but as a core driver of our strategy and operations. Launched in 2024, our “Beyond Zero” Framework brings together our past achievements, ongoing initiatives, and future goals, guiding us beyond reducing negative impacts towards actively championing positive outcomes.

“BEYOND ZERO” FRAMEWORK IN ACTION

In FY2024, we achieved a 24% reduction in our net Scope 1 Forest, Land, and Agriculture (FLAG) emissions, as well as our Scope 1 Energy and Industrial emissions, compared to our FY2020 baseline. This improvement is primarily due to our initiatives in methane capture and land use transformation within our operations.

Our commitment to safeguard vital ecosystems has led to the conservation and restoration of 51,212 hectares of land within and beyond our concession areas. Collectively, this puts us in a strong position to achieve our target of 100,000 hectares by 2030.

Regenerative agriculture is a key part of our sustainability efforts. We are developing a regenerative agricultural

framework for industrial oil palm plantations to be piloted by 2028. By adopting these practices, we are looking to enhance soil health, biodiversity, and resilience in our agricultural operations.

Another key focus for us is in empowering smallholders, who play a crucial role in our supply chain. Through targeted development programmes, we help them to enhance productivity, adopt responsible practices, and transform their livelihoods. In FY2024, there were 46,672 smallholders in our supply chain across Malaysia, Thailand, Indonesia, Papua New Guinea, and Solomon Islands, with 35,799 benefitting from our engagement programmes. We remain committed to supporting a total of 50,000 smallholders by 2035.

THE ROAD AHEAD

Moving forward, we will continue to stay true to our purpose, “Care to Nourish, Dare to Flourish”, fostering sustainable success and responsible practices that benefit both our people and the planet, while strengthening partnerships and collaborations with key stakeholders to ensure a Just Transition. At the same time, we will leverage new innovations and digital solutions to encourage data-driven decision-making and improve outcomes.

Sustainability is our shared responsibility. We invite you to join us on this journey towards a “Beyond Zero” future – together, we can ignite positive change for a sustainable world.



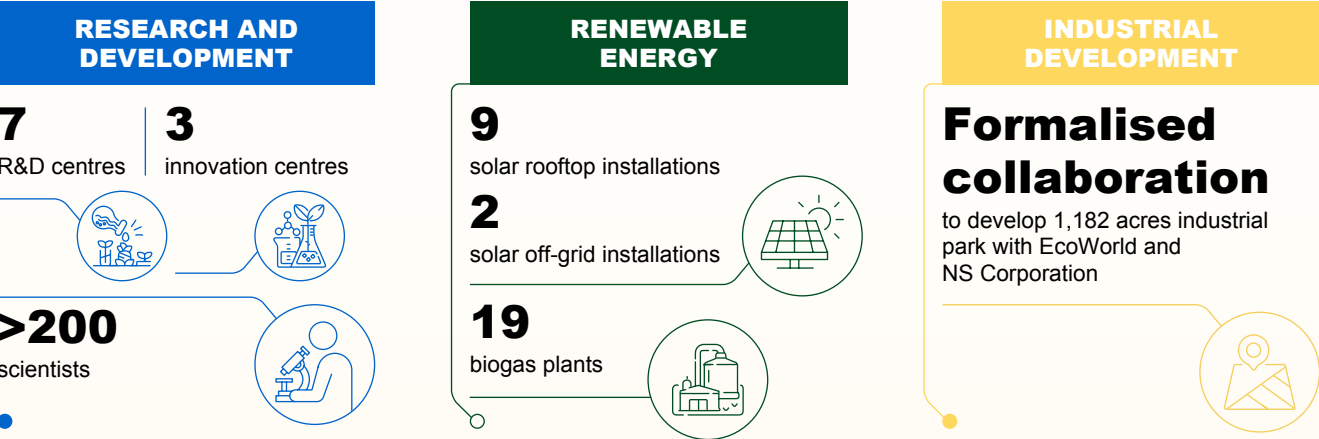
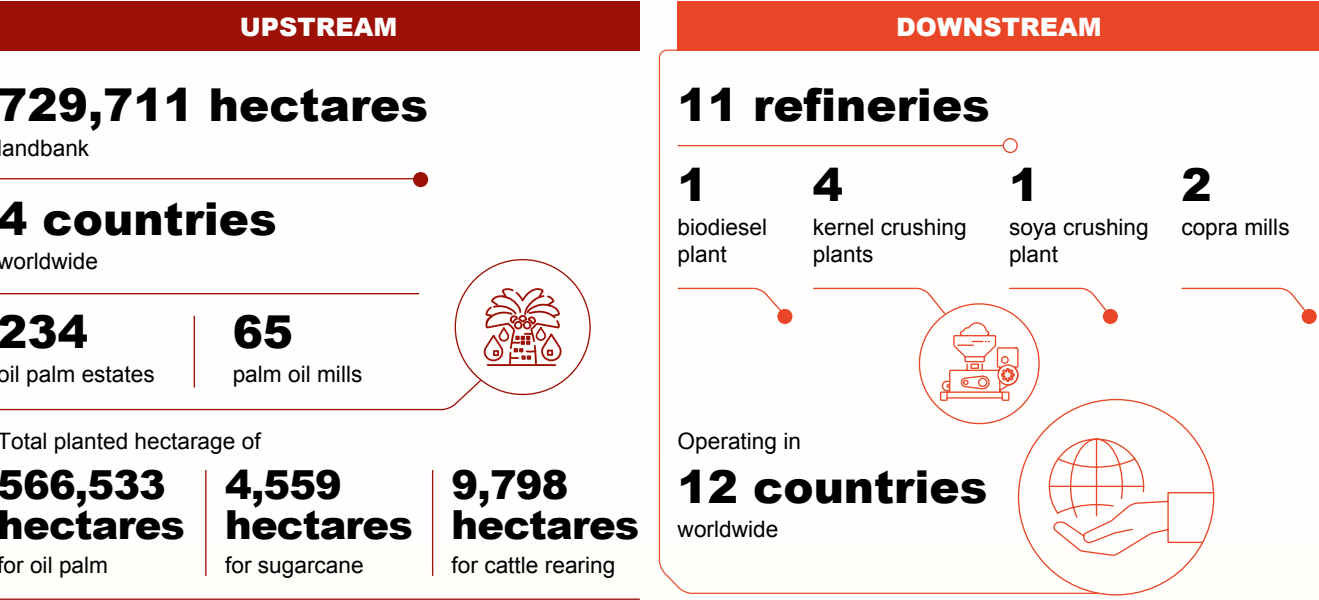
SD Guthrie at a Glance

With a heritage spanning two centuries, SD Guthrie is a globally recognised, vertically integrated palm oil company, operating across the entire palm oil value chain alongside other crops. In line with our new brand identity, we are also involved in two new business verticals – renewable energy and industrial park development.

OUR INTEGRATED VALUE CHAIN

Our upstream operations focus on the production of Certified Sustainable Palm Oil (CSPO) and extend across Malaysia, Indonesia (represented by our subsidiary, Minamas Plantation), Papua New Guinea, and Solomon Islands (represented in both countries by our subsidiary, New Britain Palm Oil Limited).

Our downstream business, SD Guthrie International, formerly known as Sime Darby Oils, has a presence in 11 countries and engages in the trading, manufacturing, sales, and marketing of refined oils and fats products, oleochemicals, biodiesel, nutraceuticals, and other palm oil derivatives.



Both our upstream and downstream business segments are supported by our Research and Development (R&D) arm that focuses on the continuous improvement of productivity, quality, and sustainability throughout our operations.

As a founding member of the Roundtable on Sustainable Palm Oil (RSPO), we are a key driver of sustainability efforts in our industry. In 2023, we contributed 12% of the global CSPO supply¹. Headquartered in Malaysia, we operate in 12 countries with a workforce of over 80,000 serving customers in more than 90 markets worldwide. With a market capitalisation of RM33.96 billion, we are among the largest companies listed on Bursa Malaysia.

¹ As at 31 December 2023

Our Sustainability Highlights

The “Beyond Zero” Framework is the foundation for our long-term success. Anchored by this framework, we continue to build on our sustainability progress. Our key achievements in FY2024 across the Zero, Restore, and Transform pillars drove meaningful change towards a sustainable supply chain, revitalising ecosystems, and uplifting communities.

AWARDS AND ACCOLADES

Sustainable Palm Oil Transparency Toolkit (SPOTT) Ranking: Achieved 3rd place, marking our highest ranking on SPOTT

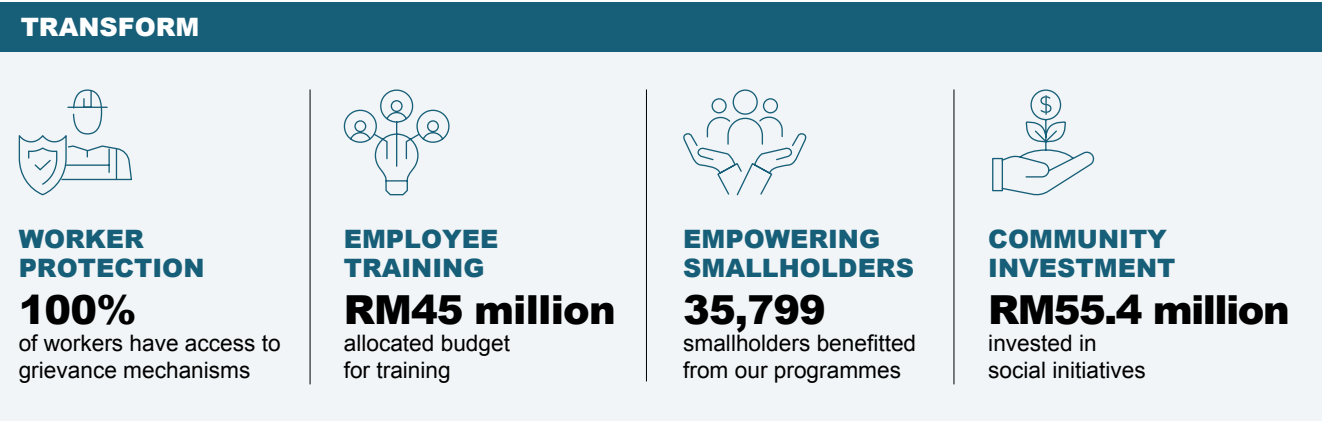
CDP Climate Rating: Earned an A- rating

The Edge ESG Awards 2024: Won the Silver Award for Best Performer by Sector in Equities (Plantation Category)

ASEAN Energy Awards (AEA): Secured 2nd Runner-Up (On-Grid: National Grid category)

Minamas Plantation: Received the Silver Award for Corporate Social Responsibility (CSR) and the PDB (*Pembangunan Desa Berkelanjutan*) programme at the Indonesia Social Sustainability Forum (ISSF) 2024 (Community Development Category)

KEY ACHIEVEMENTS IN FY2024





Achieving Targets and Progress

In 2024, SD Guthrie achieved new milestones across the three pillars of our “Beyond Zero” Framework, Zero, Restore, and Transform. This demonstrates our commitment to continuous sustainability progress. We regularly assess and refine our objectives, aligning with industry best practices and emerging trends to ensure our goals remain relevant in an ever-evolving landscape.

Commitments	Sustainability Risks and Opportunities	Performance
Zero		
Zero Emissions: Reach net-zero greenhouse gas (GHG) emissions across our value chain by 2050.	<ul style="list-style-type: none">Climate Change and No Deforestation, No Peat, and No Exploitation (NDPE)Fire and Haze	<ul style="list-style-type: none">Net-zero Progress (compared to FY2020 baseline respectively):<ul style="list-style-type: none">Net total Scope 1 and 2 emissions reduced by 23%.Net Scope 1 Forest, Land, and Agriculture (FLAG) and Energy and Industrial emissions reduced by 24%.Our No Deforestation progress stands at 78%, while our No Peat progress stands at 87%.
Zero Harm: Ensure a fully traceable, deforestation-free supply chain by 2025.	<ul style="list-style-type: none">Supply Chain ManagementHealth and SafetyProduct Quality and Safety	<ul style="list-style-type: none">Achieved 96.9% traceability to mill and 84.9% to plantations, as well as 100% traceability to plantation for SD Guthrie-owned mills.
Tackling Waste Through Circularity: Maintain circularity in waste streams and develop pathways to minimise other waste.	<ul style="list-style-type: none">Responsible Consumption and ProductionWaste and Effluent Management	<ul style="list-style-type: none">86% of all energy used in our operations was derived from biomass and biogas.Effluent intensity:<ul style="list-style-type: none">Malaysia: 0.65 m³/metric tonne fresh fruit bunches (FFB).Indonesia: 0.67 m³/metric tonne FFB.Papua New Guinea (PNG)/ Solomon Islands (SI): 0.61 m³/ metric tonne FFB.
Restore		
Improving Biodiversity: Develop and implement a Biodiversity Conservation Plan by 2025.	<ul style="list-style-type: none">Biodiversity and ConservationResponsible Consumption and ProductionWater Management	<ul style="list-style-type: none">Biodiversity Conservation Plan is in progress.
Regenerative Agriculture: Establish and pilot a regenerative agriculture framework for palm oil by 2028.		<ul style="list-style-type: none">Regenerative agriculture framework is in progress.
Restoration and Conservation: Restore, rehabilitate or conserve 100,000 hectares by 2030.		<ul style="list-style-type: none">Restoration and conservation:<ul style="list-style-type: none">Reforestation in Malaysia: 434 hectares in 2024.Protection and restoration of 51,212 hectares across four countries (Malaysia, Indonesia, Papua New Guinea and Solomon Islands), within and outside SD Guthrie’s concession area.

Commitments	Sustainability Risks and Opportunities	Performance
Transform		
Promoting Human, Land, and Labour Rights: Advocate for industry-wide progress.	<ul style="list-style-type: none">Human Rights and Fair Labour Practices	<ul style="list-style-type: none">Ongoing participation in:<ul style="list-style-type: none">Human Resources Ministry events on tackling forced labour.Chair of Roundtable of Sustainable Palm Oil (RSPO) Human Rights and participation in RSPO Human Rights Working Groups:<ul style="list-style-type: none">Human Rights Due Diligence Sub-GroupLabour Sub-Group
Transforming Lives Through Smallholder Engagement: Support 50,000 smallholders with capacity-building programmes and new livelihood opportunities by 2035.	<ul style="list-style-type: none">Community Rights and Development	<ul style="list-style-type: none">46,672 smallholders in our supply chain across Malaysia, Indonesia, Papua New Guinea, Solomon Islands, and Thailand*.35,799 smallholders are engaged through capacity building and training programmes.19,555 smallholders in our supply chain are RSPO certified. <p><small>* In Thailand, this only includes RSPO-certified smallholders.</small></p>
Workforce and Community Well-Being: Enhance the quality of life for over 100,000 people across our workforce and communities by fostering growth and offering support at every stage of life.	<ul style="list-style-type: none">Diversity and Inclusion	<ul style="list-style-type: none">Indonesia: 1,000 Pintu housing project achieved 25% of our total target of 6,890 units by 2032 as of December 2024.PNG/SI: Commencement of Worker Housing Replacement Project to replace 3,786 units of houses over a span of 15 years.133 reverse osmosis (RO) water stations set up in all workers’ housing in Indonesia.
Responsible Business Practices		
Customer Privacy and Data Protection: Maintain zero non-compliance with data privacy and cybersecurity laws.	<ul style="list-style-type: none">Customer Privacy and Data Protection	<ul style="list-style-type: none">Achieved zero non-compliance.
Corporate Governance and Anti-Corruption: Assess all operations for fraud and corruption risks.	<ul style="list-style-type: none">Governance and Anti-Corruption	<ul style="list-style-type: none">Completed anti-corruption assessment covering 100% of the operations.



Our Sustainability Strategy

Unveiled at the RSPO Roundtable 2024 conference in Bangkok in November 2024, our “Beyond Zero” Framework articulates SD Guthrie’s sustainability strategy that is designed to address today’s global challenges while supporting our growth as a business. Built on the pillars of Zero, Restore, and Transform, it embodies our dedication to mitigate negative impacts while proactively creating positive outcomes. Our key priorities include science-based goals to reach net-zero, cultivating positive outcomes for nature, and advancing human and labour rights in the palm oil sector. Through this framework, we bring to life our purpose: “**Care to Nourish, Dare to Flourish**”, while proactively managing sustainability risks and opportunities.

Developed through extensive engagement with both key internal and external stakeholders, the framework was approved by the Group Managing Director, reviewed by the Board Sustainability Committee, and endorsed by the Board.

ZERO

Zero Emissions

Reducing operational emissions is critical to all businesses. We are guided by our Net-Zero Roadmap and targets – making us the first in our industry to be approved by the Science Based Targets initiative (SBTi).

Zero Harm

Traceability, supplier engagement, and labour rights are fundamental to our operations, and a testament towards our commitment of No Deforestation, No Peat, and No Exploitation (NDPE).

Tackling Waste Through Circularity

Waste management and reduction efforts are sustained across our operations. By identifying new waste stream pathways, we are able to minimise environmental impact while enhancing resource efficiency and sustainability.

RESTORE

Improving Biodiversity

In safeguarding biodiversity, we will build on existing initiatives and develop a Biodiversity Conservation Plan across our key sourcing countries. We also aim to issue a Taskforce on Nature-related Financial Disclosures (TNFD)-aligned report.

Regenerative Agriculture

By developing a regenerative agricultural framework through collaborative efforts for use across our operations, we are able to further enhance soil health, biodiversity, and resilience of our agricultural operations.

Restoration and Conservation

We extend our efforts beyond our operations, actively supporting nature via multiple ongoing conservation initiatives, including reforestation, peatland rehabilitation and the conservation of 100,000 hectares across our sourcing landscape.

TRANSFORM

Transforming Lives and Livelihoods

With smallholders being an essential part of our supply chain, we strive to improve their lives and livelihoods through training and certification.

Promoting Human, Land, and Labour Rights

To support our workers and bolster our supply chain, we continuously seek to improve human rights and labour standards while leveraging our influence to advocate for greater change across the industry.

Great Place to Work and Live

We surround our workforce and communities with essential infrastructure and support the long-term careers of our people, creating the right conditions for them to thrive. This ensures that we can deliver long-term value as an organisation.

RESPONSIBLE BUSINESS PRACTICES

STRONG GOVERNANCE

TRANSPARENT & TRACEABLE SUPPLY CHAIN

RESEARCH & DEVELOPMENT

OPERATIONAL HEALTH & SAFETY

HUMAN RIGHTS

EXCELLENT PRODUCT QUALITY & SAFETY

Journey to A Sustainable Future

SD Guthrie integrates robust business practices with our Environmental, Social, and Governance (ESG) commitments, focusing on climate resilience, fair labour practices, and responsible agriculture. By achieving new milestones year after year, we ensure our efforts remain aligned with our long-term sustainability objectives while driving meaningful impact.

2018–2019

Achieved **100%** Malaysian Sustainable Palm Oil (MSPO)-certified mills and became the largest producer of MSPO-certified palm oil

Achieved **98%** traceability to mill for SD Guthrie’s global supply chain

Harvested the very first GenomeSelect® oil palms, demonstrating the potential to **increase yield by 20%** as compared to SD Guthrie’s previous best planting material

2020–2021

Achieved **100%** Roundtable on Sustainable Palm Oil (RSPO)-certified mills

Established a **2030 target** for greenhouse gas (GHG) emissions intensity (40% against 2009 baseline)

Officially transitioned towards accelerated **mechanisation, automation, and digitalisation** to transform plantation operations and reduce dependence on manual labour

2022–2023

Became the **first palm oil company** with net-zero targets approved by SBTi

Secured a **15 MW** quota for the development of SD Guthrie’s first solar power plant in Bukit Selarong (Kedah, Malaysia) under the Corporate Green Power Programme (CGPP)

2024 ACHIEVEMENTS

Launched the **BEYOND ZERO Framework** for sustainability

Ranked **3rd** in the 2024 SPOTT Palm Oil Assessment, with a score of 94.8%

326 MWp solar power in operation on SD Guthrie’s land as of 2024

Installed three new biogas plants, bringing the total number of biogas plants in operation to **19**

2030

To become **fully traceable** and **deforestation-free**

To launch SD Guthrie’s **Biodiversity Conservation Plan** and develop a Regenerative Agriculture Framework by 2025

SD Guthrie’s most material suppliers to have science-based reduction targets in line with SBTi resources by 2027

To install **46** biogas plants by 2030

To restore, rehabilitate, and conserve **100,000 hectares** by 2030

To achieve **30.3%** and **42%** reduction in GHG emissions in Forest, Land, and Agriculture (FLAG) as well as Energy and Industrial categories respectively by 2030

2050

Reach net-zero greenhouse gas emissions across our value chain by 2050

12 SD Guthrie

Sustainability Report 2024 13



Governance and Leadership

SD Guthrie’s Sustainability Governance Structure ensures accountability and oversight in implementing strategic sustainability initiatives. This framework establishes clear roles and responsibilities across the organisation to drive meaningful progress in our sustainability efforts. The Group’s governance structure comprises key leadership bodies, each playing a distinct role in integrating sustainability into our business operations.

The Group Managing Director (GMD) is responsible for the Corporate Scorecard for the Group, which incorporates areas related to Environmental, Social, and Governance (ESG) as Key Performance Indicators (KPIs). Approved by the Board, the KPIs cover the most material ESG issues of the Group and are conveyed to the appropriate Group Leadership Council (GLC) members. The Sustainability Committee monitors and reviews the progress of the Group’s sustainability performance and raises key issues to the Board.

In 2022, we introduced the ESG Scorecard for all executive-level staff in our Upstream Malaysia operations. It measures the efficacy of key human rights initiatives, including Grievance Channels and Social Dialogues, Workplace Safety, Worker Satisfaction Surveys, Climate Action initiatives, and regulatory compliance.

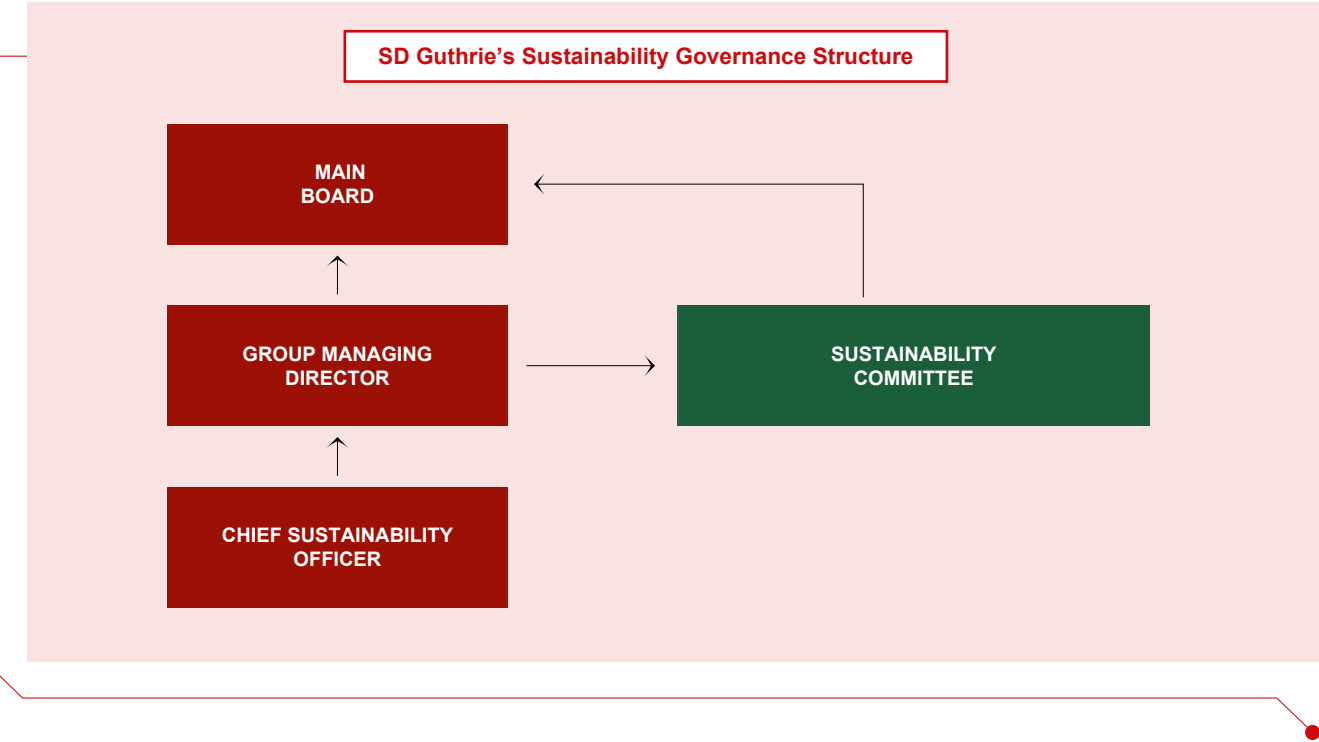
MAIN BOARD

At the highest level, the Group’s Board of Directors (Board) provides overarching direction, setting the vision and values that guide SD Guthrie’s sustainability journey. It ensures that business activities align with sustainability goals and stakeholder expectations, while reviewing the progress of the sustainability strategy, key initiatives, and risk management measures.

The Board also assesses climate and sustainability-related risks and opportunities, and incorporates ESG considerations into its decision-making processes. The performance of the Board in addressing sustainability risks and opportunities is taken into consideration through the Board and Director’s Effectiveness Evaluation.

SUSTAINABILITY COMMITTEE

The Sustainability Committee drives SD Guthrie’s sustainability strategy while ensuring transparent disclosure of material economic, environmental, and social risks and opportunities in the Group’s integrated and sustainability reports. The committee meets quarterly to review the latest sustainability developments and challenges.



Sustainability Risk Management

Supporting the Board, the committee oversees the implementation and performance of SD Guthrie’s “Beyond Zero” Framework, covering, amongst others, the following matters:

- Health and safety
- Human rights
- Climate risks and decarbonisation
- Biodiversity and conservation
- Supply chain sustainability

To reduce the risk of an oversight, the committee engages with key stakeholders, including investors, financial institutions, and non-governmental organisations (NGOs), on global best practices, emerging trends, and their expectations of SD Guthrie’s sustainability commitments.

GROUP MANAGING DIRECTOR

Bridging strategy and execution, the GMD drives sustainability initiatives across our organisation. As Chair of the GLC, the GMD spearheads discussions on the progress of “Beyond Zero”, as well as the Group’s strategic initiatives, risk management, and sustainability compliance at monthly GLC meetings.

CHIEF SUSTAINABILITY OFFICER (GROUP SUSTAINABILITY)

The Chief Sustainability Officer (CSO) oversees the execution of sustainability strategies, targets, and plans by the sustainability team across all business units. The CSO reports directly to GMD and provides quarterly updates to the Sustainability Committee on progress, challenges, and key concerns.

In addition, the CSO evaluates sustainability risks and opportunities, major transactions, and risk management policies. This includes evaluating trade-off to ensure informed decision-making. Furthermore, the CSO oversees the establishment and monitoring of SD Guthrie’s “Beyond Zero” targets, while driving continuous improvement and ensuring alignment with global standards.

GROUP LEADERSHIP COUNCIL

Comprising leaders from various functions across the Group, the GLC ensures that sustainability initiatives are effectively implemented within their respective areas while working closely and aligning efforts with other relevant functions. Meanwhile, the Grievance Committee (GC) is responsible for reviewing grievances, which can range from issues related to workplace policies, employee conduct, and other internal matters, and ensuring that these concerns are thoroughly investigated. All grievances managed are reported to the Sustainability Committee.

With this robust governance structure, SD Guthrie remains committed to fostering sustainability excellence, ensuring responsible business practices, and delivering long-term value for all stakeholders.

INTEGRATED RISK FRAMEWORK

SD Guthrie proactively integrates sustainability-related risks – including climate, nature, and human rights – into the Group’s overarching risk management framework. Adhering with the ISO31000:2018 standard, the Group adopts a systematic approach to identifying, assessing, and prioritising these risks. Regular evaluations of data sources and operational scope enhance our risk assessments, enabling us to swiftly adapt to emerging challenges, while embedding sustainability considerations into decision-making processes across all operations.

GOVERNANCE AND OVERSIGHT

Sustainability risks within the Group are overseen by Board committees which rigorously monitor risks, implement mitigation strategies, and escalate significant concerns to the Board. Meeting at least four times a year, the Board provides strategic guidance to align sustainability risk management with the Group’s broader objectives and long-term resilience.

Beyond risk mitigation, our Group Sustainability team actively identifies and prioritises sustainability-related opportunities. Comprehensive assessments and recommendations are presented to the GLC, the Sustainability Committee and the Main Board for endorsement. The development of the “Beyond Zero” Framework, for example, involved extensive interviews and workshops with internal leaders and business unit representatives, before obtaining approval from the GMD and presentation to the Sustainability Committee.



Our Material Sustainability Risks and Opportunities

At SD Guthrie, sustainability is integrated into our risk management framework to identify key risks and opportunities that impact our business. Based on our FY2023 materiality reassessment and Bursa Malaysia’s Main Market Listing Requirements, we have incorporated these risks and opportunities within our “Beyond Zero” Framework.

In FY2024, we conducted a further assessment of sustainability-related risks and opportunities affecting our short, medium, and long-term prospects. This evaluation considered our operations, value chain and stakeholder insights to ensure a comprehensive approach to risk management.

Climate change remains a critical risk, but it also can be translated into an opportunity that influences our cash flow, access to financing and cost of capital positively. The table below highlights the key risks linked to climate change that were identified through our materiality assessment.

Risk Category	Risk Description	Summary of Management Approach	Affected Component of the Reporting Boundary
Climate Transition Risk: Carbon pricing regulation	Increased cost incurred from carbon pricing mechanism.	<ul style="list-style-type: none">Reduction of SD Guthrie’s reliance on carbon-intensive materials and processesReduction of emissions from key sources	<ul style="list-style-type: none">Operations
Technology Risk: Transitioning to lower emissions technology	Increase in capital expenditure due to investments in green technologies as part of the Group’s efforts to decarbonise.	<ul style="list-style-type: none">Reduce operational emissions through energy efficiency	<ul style="list-style-type: none">Operations
Regulatory Risk: EU Deforestation Regulation (EUDR)	Potential penalties or fines for non-compliance.	<ul style="list-style-type: none">Adopt best practices to prevent non-complianceSet up EUDR-compliant supply chain and delivered 40,250 metric tonnes (MT) of EUDR-compliant palm oil to Europe and the United Kingdom in September 2024	<ul style="list-style-type: none">OperationsSuppliers
Climate Physical Risk: Flooding	Coastal and riverine flooding may reduce yield, disrupt operations, and cause damages to assets, leading to an increase in operating costs, capital costs and insurance premiums.	<ul style="list-style-type: none">Flood and water management and monitoring (examples include water gates and earth bunds)Research and development (R&D) on climate modelling	<ul style="list-style-type: none">Operations

Zero

Working towards a net-zero future, SD Guthrie is committed to embedding sustainability across our operations. Through responsible supply chain management, ethical sourcing, and effective waste management reduction strategies, we continue to minimise our environmental footprint while building long-term resilience.

Climate Change | NDPE | Fire and Haze | Supply Chain Management | Product Quality and Safety | Health and Safety | Responsible Consumption and Production | Waste and Effluent Management

Climate Change



As a leader in the palm oil industry, we aim to protect the environment and reduce emissions to drive sustainable agriculture. By proactively identifying and managing climate and sustainability-related risks and opportunities, we ensure long-term business resilience while upholding environmental stewardship.

Impact on Business Model and Value Chain	Impact on Strategy and Decision-Making
We prioritise supplier engagement to encourage climate action and ensure compliance with No Deforestation, No Peat, and No Exploitation (NDPE) commitments. By implementing methane capture technologies, enhancing energy efficiency, and optimising sustainable logistics, we are actively reducing our supply chain’s carbon footprint.	We continue to integrate climate assessments into our business decision-making processes. Any proposed investments, acquisitions, divestments, or capital expenditures reviewed by the Group Investment Committee must include an evaluation of their impact on the Group’s greenhouse gas (GHG) emissions.
Our low-carbon oil proposition is key to maintaining and expanding market access, aligning with customers on a low-carbon trajectory. Through rigorous emissions tracking and strategic customer engagement, SD Guthrie International continues to strengthen its position as a preferred supplier of low-carbon palm oil solutions.	We have expanded into new growth areas, including renewable energy and industrial development, reinforcing our commitment to reduce the Group’s carbon footprint, while leveraging climate-related opportunities to generate additional revenue streams. In 2024, our R&D’s 2040 strategy was revised to position Climate Change as a key focus area. Projects, objectives, and plans under our “Beyond Zero” Framework were streamlined to address climate challenges. Ongoing key initiatives include fertiliser-use efficiency, zero liquid discharge technology, soil health enhancement, climate modelling, and the development of climate-tolerant palm varieties. In 2024, an estimated RM4.3 million was allocated for climate-related research and development.

SD GUTHRIE’S APPROACH

Low Carbon Oils

Global demand for low-carbon palm oil is rising, driven by regulatory frameworks and corporate climate commitments. In Europe, the EU Renewable Energy Directive (RED) and national sustainability policies have positioned the region as a key market for low-carbon palm oil, with businesses increasingly integrating climate action into procurement strategies.

As an industry leader, SD Guthrie International plays a pivotal role in this transition by supplying high-quality, refined oils and fats that meet stringent sustainability

standards. With operations spanning 11 countries, we implement best-in-class carbon reduction strategies, reinforcing our commitment to environmental responsibility and innovation.

Over 70% of our refineries now produce oils with lower carbon emissions than the industry benchmark¹. We achieved this through progress in deforestation-free sourcing, sustainable land use and biogas adoption. To date, 29% of our mills are equipped with biogas plants.

¹ Comparative Life Cycle Assessment of RSPO-certified and Non-certified Palm Oil, Jannick Schmidt and Michele De Rosa (2020).



Financial Effects

We define our reporting periods by years as follows:

- current period: 2024
- short-term: 2025–2029
- medium-term: 2030–2049
- long-term: 2050–2100

Financial impacts may arise from increasing operational costs over the short, medium, and long term. Cash flow pressures could result from higher costs of goods sold, coupled with revenue fluctuations – potentially necessitating additional funding through new credit lines or loans.

Without effective adaptation and mitigation measures, SD Guthrie's financial position, performance, and cash flows could be materially impacted due to:

- Higher operational costs from climate adaptation strategies and compliance with evolving regulations.
- Reduced revenue from lower yields and declined productivity, as well as potential impacts from supply chain disruptions.

Our current risk mitigation measures enhance climate resilience. Short- and medium-term scenario analyses indicate that our strategies are robust, minimising financial risks to the business. Based on the net-zero scenario, we anticipate insignificant to moderate financial effects from climate-related risks.

However, carbon pricing poses a potentially catastrophic risk if aggressive carbon tax policies are introduced in the short to medium term. While current physical and transition risks are well-managed in the short term, their long-term impact will depend on the effectiveness and pace of global climate action.

Projected number of facilities that are affected by flooding and classified as having High or Extremely High water stress baseline in 2030 and 2050 under future Representation Concentration Pathway (RCP) 8.5¹ scenarios.

Country	2030		2050	
	Flood (Coastal and Riverine) (% of Operations)	High and Extremely High-Water Stress Baseline (% of Operations)	Flood (Coastal and Riverine) (% of Operations)	High and Extremely High-Water Stress Baseline (% of Operations)
Malaysia	121 (38%)	2 (<1%)	126 (40%)	2 (<1%)
Indonesia	36 (11%)	0	56 (18%)	0
Papua New Guinea	16 (5%)	0	17 (5%)	0
Thailand	2 (<1%)	2 (<1%)	2 (<1%)	2 (<1%)
Solomon Islands	3 (<1%)	0	3 (<1%)	0
South Africa	0	1 (<1%)	0	1 (<1%)
United Kingdom	1 (<1%)	0	1 (<1%)	0

Source: Flood projections obtained from WWF Risk Filter and water stress baseline obtained from WRI Water Risk Atlas, Aqueduct 4.0.

¹ RCP8.5 is a high-emissions scenario used in climate modelling, representing a future pathway where GHG emissions continue to grow unmitigated, leading to a projected global temperature increase of about 4-6°C by 2100 compared to pre-industrial levels. Source: van Vuuren, D. P., et al. (2011). The representative concentration pathways: An overview. Climatic Change, 109(1-2), 5–31. <https://doi.org/10.1007/s10584-011-0148-z>

Climate Risk Scenario Analysis Methodology

The climate-related scenario modelling serves as a guide for evaluating hypothetical outcomes based on a set of assumptions. The impacts presented are subject to uncertainties and should not be interpreted as forecasts. These scenarios are derived from publicly available data from the Network of Central Banks and Supervisors for Greening the Financial System's (NGFS), including the Current Policies and Net-Zero 2050 climate scenarios.







Description	Transition Risks	Physical Risks
Time Horizon	Current period, short, medium, and long-term	Current period, short, medium, and long-term
Scenarios	<ul style="list-style-type: none">Business as Usual (BAU) (+4.0°C):<ul style="list-style-type: none">High emissions scenario assuming development without introduction of low-carbon measures.Orderly – net-zero (1.5°C): Immediate action to curb emissions with increasing regulatory requirements	<ul style="list-style-type: none">RCP 8.5<ul style="list-style-type: none">BAU: High-emissions scenario projecting significant increases in global temperatures.RCP 4.5<ul style="list-style-type: none">Moderate scenario where emissions peak around 2040 and then decline and aims to limit global warming to more manageable levels.
Scope	<ul style="list-style-type: none">Upstream and downstream operations.	<ul style="list-style-type: none">Direct operations, production and assets/ facilities owned by Upstream Malaysia, Minamas Plantation and New Britain Palm Oil Limited (NBPOL).
Assumptions and Significant Areas of Uncertainty	<ul style="list-style-type: none">Climate policy ambitions are expected to strengthen over time, with more aggressive mitigation efforts under the net-zero scenario compared to BAU.Carbon prices are expected to rise, covering only Scope 1 emissions, and will be significantly higher in the net-zero scenario.The net-zero scenario relies more heavily on emerging technologies compared to the BAU scenario. With green technologies maturing over time, it lowers investment costs as adoption rate increases.There is considerable uncertainty surrounding future carbon pricing, influenced by factors such as regulations and market demand.	<ul style="list-style-type: none">There is significant uncertainty regarding how climate change will affect the frequency and intensity of future flooding and drought events, due to variability in climate projects and unpredictable shifts in weather patterns.
Metrics	<ul style="list-style-type: none">Estimated annualised impact based on the latest five-year average budgeted recurring Profit After Tax and Minority Interest (PATAMI) for the Group (for projected increases in cost) and the absolute annualised impact (for increased Capital Expenditure spending) in line with the Group's Enterprise Risk Management Framework.	<ul style="list-style-type: none">Estimated projected average annualised financial impacts resulting from operational disruptions and loss of plantation land due to sea level rise, in line with the Group's Enterprise Risk Management Framework.



Risk Likelihood & Risk Impact Criteria (Financial)

Score		Rating	Financial Impact Criteria
	5	Catastrophic	More than 25% of budgeted recurring PATAMI
	4	Major	15% to 25% budgeted recurring PATAMI
	3	Moderate	5% to 15% budgeted recurring PATAMI
	2	Minor	1% to 5% budgeted recurring PATAMI
	1	Insignificant	Up to 1% budgeted recurring PATAMI

The table below outlines the current and projected financial impacts of climate-related physical risks and transition risks.

Description	Financial Impact in Current Reporting Period	Anticipated Financial Impact over the	
		Medium-term	Long-term
Transition Risk			
Carbon pricing	 Insignificant	 Catastrophic	
	Not applicable as none of the Group's operations was subject to carbon tax.	The estimated financial impact of carbon tax implementation is based on NGFS net-zero scenario, with carbon pricing projected at USD141.39/tCO ₂ e (for short term) and USD526.43/tCO ₂ e (for medium term). These estimates apply to the Group's 2030 and 2050 residual Scope 1 emissions – covering GHG emissions from Forest, Land, and Agriculture (FLAG), and Energy and Industrial categories – after implementing reduction strategies aligned with our Net-Zero Roadmap.	
Transitioning to lower emissions technology	 Moderate	 Moderate	
	Approved and committed capital expenditure for 2024 includes investments in various green technologies and renewable energy initiatives.	Projected financial impact from the average annual capital expenditure required for green technologies to meet net-zero climate change commitments.	
EU's regulation on deforestation-free Products	 Insignificant	 Insignificant	
	Additional expenses in 2024 were primarily associated with implementing new processes and procedures to ensure compliance with anticipated documentation requirements. Extensive costs have already been incurred in certifying operations and smallholders, as well as collection of data from suppliers. This is already an ongoing cost that is incurred.	Based on current available regulatory information, the Group does not anticipate incurring significant additional expenses, as it is well-prepared to meet these requirements. Extensive costs have already been incurred as part of certification of operations and smallholders, as well as collection of data from suppliers.	

Description	Financial Impact in Current Reporting Period	Anticipated Financial Impact over the	
		Medium-term	Long-term
Physical Risk			
Flooding	<div><div></div> Insignificant</div>	<div><div></div> Minor</div>	
	<p>Financial impact of flooding across several operational locations primarily resulted in additional expenses for flood-related repairs, including bund restoration, road repairs, machinery hire, and drain desilting. Despite intermittent flooding, the Group did not record any permanent loss of plantation land due to rising sea levels or riverine flooding.</p> <p>To mitigate and adapt to these risks, we focused on constructing earth embankments in estates and mills within high-risk areas to prevent flooding and coastal inundation.</p>	<p>Estimated projected impact on the average annualised upstream profit due to operational disruptions and loss of plantation land from rising sea levels.</p> <p>This estimate accounts for the potential long-term impact of increased coastal and riverine flooding on SD Guthrie's concession areas in Malaysia, Indonesia, Papua New Guinea, and Solomon Islands.</p>	

Our Capacity to Adjust or Adapt Strategy and Business Model

Processes, controls, and policies to manage climate-related risks and opportunities

The Group integrates climate risks and opportunities into our business strategies, reflected in our approach to land use, conservation, supply chain management, and renewable energy. ESG due diligence is a mandatory component for all acquisitions, reinforcing the integration of sustainability considerations into our business strategy. Since FY2023, we have strengthened our business decision-making processes by incorporating climate assessments. Any proposed investments, divestments or capital expenditure reviewed by the Group Investment Committee must include an assessment of the impact on the Group's GHG emissions. We have implemented a proactive, ongoing process to identify, evaluate, and manage significant climate-related risks and opportunities. These risks and opportunities are fully embedded within SD Guthrie's Group Risk Management Framework, where they are managed with the same rigour as other business risks.







Risk Management		
Identification of Climate-related Risks	Managing Climate-related Risks	Integration of Climate-related Risk Management
<ul style="list-style-type: none">Climate-related risks are identified through risk identification, risk assessment and risk mitigation along with continuous monitoring. Significant risks are escalated to the Risk Management Committee and the Board.The Board and relevant committees meet at least four times a year to discuss strategic business matters, including climate-related issues.	<ul style="list-style-type: none">The Risk Management Committee and Sustainability Committee ensure that sustainability and climate risks are actively monitored and managed, assessing their anticipated or actual impact on operations.These committees oversee the implementation of mitigation actions for identified sustainability and climate risks.The SD Guthrie Group Risk Management Framework adheres to the ISO31000:2018 standard on risk management, identification, analysis, evaluation, treatment, reporting, communication, monitoring, and review.	<ul style="list-style-type: none">Climate-related risks are integrated into the Company's Risk Management framework, ensuring structured oversight and comprehensive risk mitigation.



We take a structured approach to evaluating climate-related risks, addressing both transition risks and physical risks. Scenario analysis helps us anticipate potential challenges related to climate change. Additionally, we update our climate risk register annually to document the nature, likelihood, potential impact, and mitigation measures for each identified risk.

Climate Adaptation Strategies

Our operations and R&D teams are actively implementing and exploring long-term solutions to mitigate the impact of changing weather patterns on our operations. Additionally, further evaluation is required to determine the suitability of these high-risk areas for future replanting cycles and the renewal of long-term leases. To address climate-related physical risks, specifically flooding, the Group has budgeted resources to implement the following strategies.

Adaptation Strategy	Measures taken by SD Guthrie	Adaptation Strategy	Measures taken by SD Guthrie
 Construction of Bunds	Constructing, upgrading, and heightening bunds to mitigate rising tides.	 Planting of Mangrove Trees	Planting vegetation along mangrove swamps and offshore areas to prevent bund erosion.
 Construction of Armour Rock Bund	Strengthening earth bunds against frequent erosion from intense waves.	 Planting of Vetiver Grass	Establishing protective planting along estate bunds to prevent erosion and deter mud lobster burrowing.
 Construction of Gabion Wall	Installing gabion walls, which are wire mesh containers filled with rocks, for landslide prevention and shoreline protection.	 Strategically Located Screw Gates, Electrical Pumps, and Flood Lift Pumps	Installing screw gates, electrical pumps, and flood lift pumps to efficiently evacuate excess water in coastal, riverine estates, and low-lying fields.

Metrics and Targets

The Group discloses our GHG emissions to assess climate-related risks and opportunities in line with our strategy and risk management framework. Furthermore, climate-related KPIs are incorporated into downstream operations and the ESG Scorecard for Upstream Malaysia. These KPIs track the implementation of climate-related initiatives in estates and mills, and energy consumption reduction across downstream operations.

SD Guthrie's approved Science Based Target initiative (SBTi) targets (against 2020 baseline) are as follows:

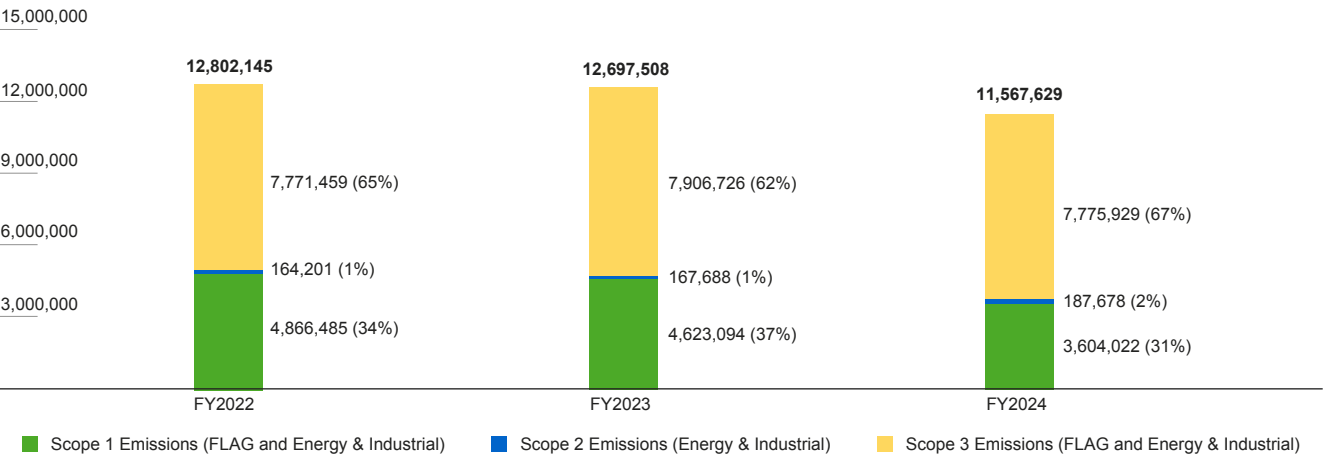
Category	2030 Target	2050 Target
Forest, Land, and Agriculture ("FLAG") GHG Emissions	30.3% absolute reduction (Scope 1 and 3)	72% absolute reduction (Scope 1 and 3)
Energy and Industrial GHG Emissions	42% absolute reduction (Scope 1 and 2)	90% absolute reduction (Scope 1, 2 and 3)

Our GHG Emissions

SD Guthrie calculates our GHG emissions using the GHG Protocol Corporate Accounting and Reporting Standard, GHG Corporate Value Chain (Scope 3) Standard, the draft GHG Protocol Land Sector and Removals Guidance, and guidance from the Sustainability Accounting Standards Board (SASB).

» For more details on our methodology and emissions data, refer to the FY2024 GHG Inventory Methodology Statement and Performance Data on our website: www.sdguthrie.com/beyond-zero/resource-centre

TOTAL NET EMISSIONS (tCO₂e)



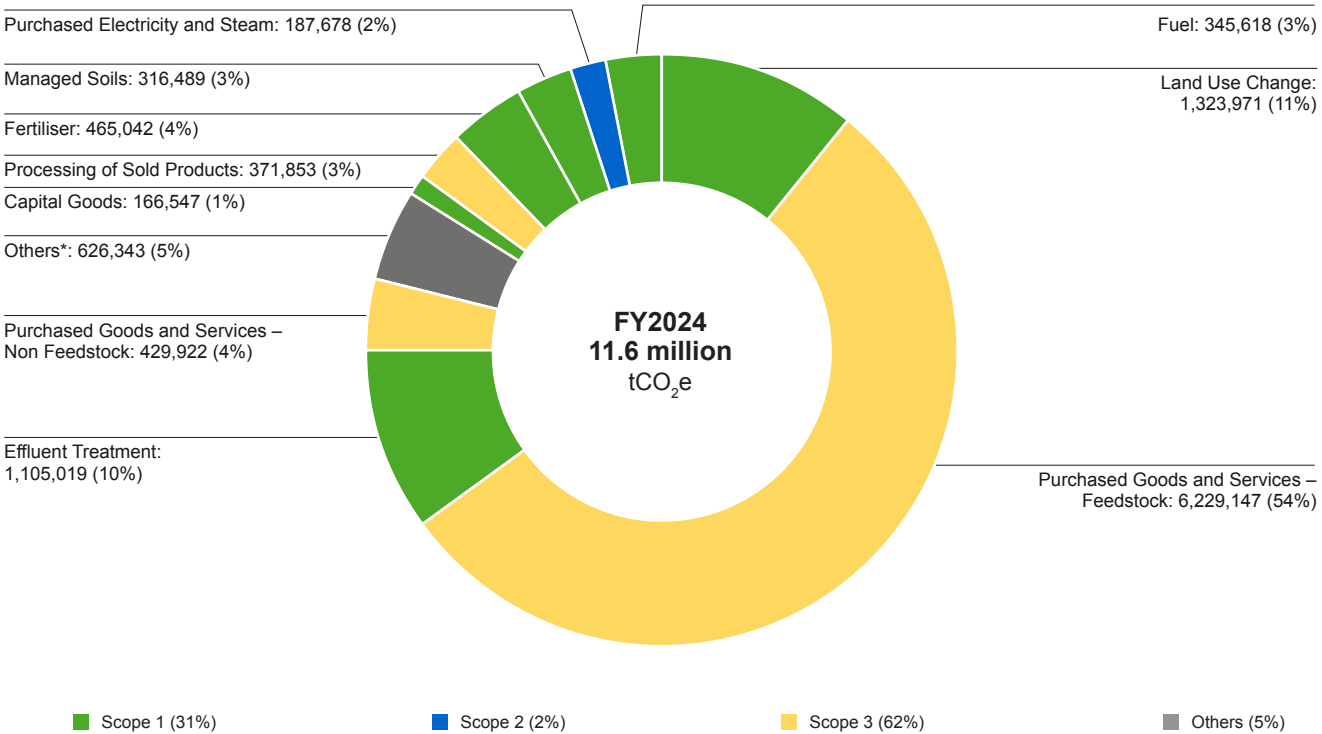
Total Emissions (tCO ₂ e)			
	FY2022	FY2023	FY2024
Scope 1: Direct GHG Emissions	10,569,340 ¹	10,245,293 ¹	9,398,397 [Ⓢ]
Scope 2: Energy Indirect GHG Emissions	164,201	167,688	187,678 [Ⓢ]
Scope 3: Other Indirect GHG Emissions	8,961,121	9,128,227	9,031,799 [Ⓢ]
Total GHG Emissions	19,694,662	19,541,208	18,617,874
Scope 1 – Carbon Removals	(5,702,855)	(5,622,199)	(5,794,375)
Scope 3 – Carbon Removals	(1,189,662)	(1,221,501)	(1,255,870)
Scope 1 and Scope 3 – Carbon Removals	(6,892,517)	(6,843,700)	(7,050,245) [Ⓢ]

¹ These emissions have been restated due to changes in estimate in the land use change emissions.
[Ⓢ] This data was subjected to external independent limited assurance by PricewaterhouseCoopers PLT, Malaysia ("PwC"). For the results of that assurance, refer to PwC's limited assurance report on pages 59 to 62 and SD Guthrie Berhad GHG Inventory Methodology Statement (issued on 23 April 2025) published on our website: www.sdguthrie.com/beyond-zero/resource-centre



The FY2024 total emissions amounted to 18,617,874 tCO₂e excluding Scope 1 and 3 carbon removals from the sequestration of oil palm, rubber, and high conservation value (HCV) areas, which account for 7,050,245 tCO₂e. With 67% of our net emissions attributed to Scope 3 emissions from our supply chain, we continue to strengthen our supply chain engagement efforts to address and reduce these emissions in collaboration with our suppliers.

NET EMISSIONS BY SOURCE (tCO₂e)



* Others refer to Scope 1 Enteric fermentation, Scope 1 Manure management, Scope 3 Fuel and energy-related activities, Scope 3 Upstream Transportation and Distribution, Scope 3 Waste generated, Scope 3 Business travel, Scope 3 Employee commuting, Scope 3 Downstream Transportation and Distribution, Scope 3 Use of Sold Product, Scope 3 End-of-Life, Scope 3 downstream-leased assets, and Scope 3 Investments. Two Scope 3 categories are excluded as they are irrelevant to SD Guthrie's operations – upstream-leased assets and Franchises.

GHG Emissions Intensities	Unit	FY2023	FY2024
GHG Emissions (Net of Removal) Intensity of Refineries	tCO ₂ e/MT of refined products	2.71 ¹	2.57 ² ⓘ
Scope 1 and Scope 2 Emissions (Net of Removal) Intensity of Estates and Mills	tCO ₂ e/MT of CPO	2.05	1.61 ³ ⓘ

¹ Restated 7,248,032 tCO₂e to produce 3,523,546 MT of refined product due to changes in estimates for Scope 1 emissions for 2023, and refinement of methodology for refinery intensity calculations.

² 7,790,399 tCO₂e to produce 3,033,197 MT of refined product, which includes Scope 1 and 2 emissions of supplying estates and mills to 15 SD Guthrie International refineries, kernel crushing plants and biodiesel plant. For further details, please refer to the SD Guthrie GHG Inventory Methodology Statement.

³ 3,469,604 tCO₂e (SD Guthrie's Scope 1 and Scope 2 net emissions of estate and mill operations) to produce 2,158,308 MT of CPO.

ⓘ This data was subjected to external independent limited assurance by PricewaterhouseCoopers PLT, Malaysia ('PwC'). For the results of that assurance, refer to PwC's limited assurance report on pages 59 to 62 and SD Guthrie Berhad GHG Inventory Methodology Statement (issued on 23 April 2025) published on our website: www.sdguthrie.com/beyond-zero/resource-centre

Note:
FLAG: All emissions related to agriculture to the farm gate (excluding processing), land use change and land management.
Energy and Industrial Processes: Emissions from operational activities beyond the farm gate, i.e., emissions from fossil fuels combustion.

Aligned with our net-zero emissions target, we successfully reduced our Scope 1 FLAG net emissions by 24% compared to FY2020, driven by our NDPE policy, reduction in peat areas, and availability of actual data. Additionally, we lowered our Scope 1 Energy and Industrial emissions by 24%, due to an increase in biogas capture plants, from nine in 2020 to 19 in 2024.

Scope 2 emissions were reduced by 3% against the baseline, driven by the increase in solar rooftop installations powering our office facilities.

As for Scope 3 emissions, FLAG sector emissions increased by 24% compared to FY2020, owing to boundary expansions. Conversely, emissions from the Energy and Industry sector decreased by 22%, due to reduced non-feedstock purchases and improved methodology, which replaced assumptions with actual data.

MOVING FORWARD

The Group remains committed to achieving deeper emission reductions through our strategic Net-Zero Roadmap, which includes:

- Expanding renewable energy adoption across our estates, mills, refineries, and production sites to further reduce Scope 1 and 2 emissions. In 2024, our total energy consumption amounted to 41,254,412 GJ ⓘ, with 90% from biomass, biogas, biofuel and solar sources. Our renewable energy division actively develops solar and biogas projects, with a target of 46 biogas plants by 2030.

» More details on our renewable energy efforts can be found in the Business Review: Renewable Energy section of the FY2024 Integrated Report.

- Enhancing Scope 3 emission reductions through supplier engagement, regenerative agriculture, and nature-based solutions. We are working with partners to drive various initiatives on deforestation, reforestation, and supplier engagement. In 2024, we signed a Memorandum of Understanding (MOU) with Alliance Bank to train key suppliers in Malaysia on sustainability and climate action. Similar initiatives will be expanded to other countries. SD Guthrie also engaged with suppliers on climate action through the CDP Supply Chain Programme, direct engagements, and capability building sessions to align suppliers' commitments with our net-zero targets, and enhance suppliers' understanding of SBTi. As a member of the CDP Supply Chain Programme, we engaged over 320 key suppliers across the Group, reinforcing our dedication to environmental transparency.

- Strengthening full traceability to ensure sustainable sourcing and compliance with our deforestation-free commitments.

ⓘ This data was subjected to external independent limited assurance by PricewaterhouseCoopers PLT, Malaysia ('PwC'). For the results of that assurance, refer to PwC's limited assurance report on pages 59 to 62 and SD Guthrie Berhad GHG Inventory Methodology Statement (issued on 23 April 2025) published on our website: www.sdguthrie.com/beyond-zero/resource-centre



» Rooftop solar PV system under Net Energy Metering (NEM) scheme with Power Generation of 342,669 kWh/year installed at SD Guthrie's R&D centre at Banting, Selangor, Malaysia.





No Deforestation, No Peat, and No Exploitation (NDPE)



Our NDPE commitment is integral to achieving net-zero emissions and ensuring sustainable palm oil production. By upholding stringent NDPE standards, we protect forests, conserve peatlands, and promote ethical practices across our supply chain.

SD GUTHRIE'S APPROACH

Our NDPE commitment is enshrined in our Responsible Agriculture Charter and Human Rights Charter and is strictly implemented throughout our operations and supply chain. It forms the foundation of our "Beyond Zero" Framework which emphasises environmental protection, biodiversity conservation, and social accountability within the palm oil sector.

Our Responsible Sourcing Guidelines (RSG) stipulate the sourcing requirements that all our suppliers must adhere to, including our NDPE commitments. We rigorously monitor supplier performance and compliance with these guidelines while fostering engagement to ensure adherence.

By integrating Just Transition principles, we emphasise constructive engagement over outright suspension for the non-compliant suppliers on NDPE. We believe that working collaboratively with suppliers to implement improved practices is more effective in achieving NDPE compliance than merely suspending them, which could lead to poor practices being displaced elsewhere and becoming less visible.

2024 marked significant progress in our NDPE commitments, particularly in enhancing traceability across our supply chain. We are proud to have achieved 84.9% traceability to plantations across our global supply chain, alongside 100% traceability for all SD Guthrie-owned mills. This year, 78% of supply is delivering on No Deforestation commitments, an improvement from 73% in 2023. Additionally, 87% of our supply comes from suppliers meeting No Peat commitments.

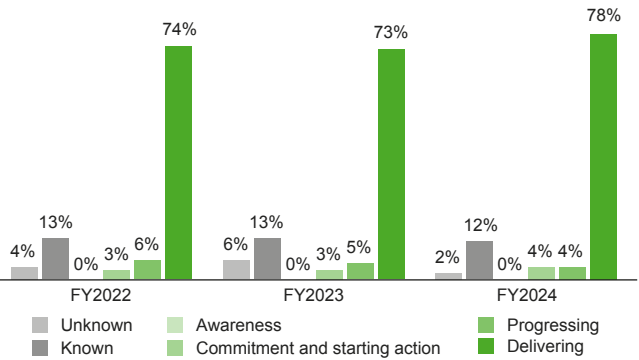
To fulfil our commitment in having a fully traceable and deforestation-free supply chain, we plan to intensify supplier engagement, focusing on enhancing traceability, strengthening grievance monitoring, building capacity, and implementing robust risk mitigation strategies. Our peat restoration projects have also begun in previously degraded areas, helping to safeguard sensitive ecosystems and prevent carbon release from peat soils.

NDPE Implementation Reporting Framework (NDPE-IRF)

The NDPE-IRF template serves as a reporting tool for companies to track their progress in meeting NDPE commitments within their palm oil supply chains. Collaborative efforts with industry stakeholders promote advancements in NDPE implementation and reporting through a unified set of indicators and methodologies. This fosters a consistent understanding of progress in realising NDPE commitments across the entire supply base.

Currently, 100% of our suppliers are assessed using the NDPE-IRF framework, enabling us to implement our comprehensive action plans and initiatives across our entire supply chain at both the mill and production levels. To uphold credibility, our NDPE-IRF reports undergo third-party verification for accuracy and transparency. The third-party verification data for FY2023 is available on our website, while FY2024's audited data will be posted at a later date.

PROGRESS ON NO DEFORESTATION COMMITMENTS AT MILL LEVEL



Our NDPE data for FY2023 has been successfully verified by Control Union and subsequently restated based on assured data.

EU Regulation on Deforestation-free Products (EUDR)

The EUDR requires companies to ensure that products sold in the EU market are deforestation-free, legally sourced, and traceable to their origin. Key commodities affected by this regulation are palm oil, soy, beef, coffee, cocoa, timber, and rubber.

In September 2024, SD Guthrie International achieved a significant milestone by delivering its first shipment of 40,250 metric tonnes (MT) of EUDR-compliant palm oil to Europe and the United Kingdom (UK). The initial pilot shipment of 24,250 MT arrived at SD Guthrie International's Zwijndrecht Refinery in the Netherlands, followed by a second shipment of 16,000 MT to the Liverpool Refinery in the UK. These shipments were sourced from 102,337 hectares of oil palm plantations and smallholder farms within our supply chain.

To comply with the regulation, we created detailed polygon maps using our online traceability dashboard, Crosscheck, and performed deforestation-free assessments of all plantations that meet stringent EUDR definitions. Using satellite imagery and collaborating with a third-party verifier, we assessed a forest baseline covering six billion hectares and analysed approximately 600,000 hectares of our plantations for deforestation risks. These efforts were backed by comprehensive audit reports demonstrating compliance with national legislation, International Labour Organization (ILO) standards, and respect for native customary rights. Extensive costs have already been incurred as part of certification requirements, smallholder engagement, and data collection from suppliers to ensure the readiness of our segregated supply chains to the EUDR requirements.

Looking ahead, we are further strengthening our commitment to realise a transparent and sustainable supply chain. We plan to increase the use of satellite monitoring and enhance our collaboration with smallholders to ensure continued compliance with the EUDR. By investing in technology and fostering transparent partnerships, we aim to remain at the forefront of sustainable palm oil production and promote a deforestation-free supply chain.

Human Rights

The Human Rights Charter was revised to reflect SD Guthrie's unwavering commitment to respecting, supporting, and upholding human rights, including the rights of local communities, indigenous people, workers, and children. While supporting our "Beyond Zero" Framework and our commitment to NDPE, the revision ensures our continued compliance with mandatory regulations and aligns with ambitious voluntary frameworks including the ILO and Roundtable on Sustainable Palm Oil (RSPO) on human and labour rights.

>> More information can be found in Zero: Health and Safety on pages 34 and 35.

Human Rights Defender Policy

At SD Guthrie, we are committed to addressing any complaint or feedback channelled through our whistleblowing channels in a timely and effective manner. In addition, our Human Rights Defender policy ensures that internal mechanisms are in place to protect individuals who raise any human rights complaints.

This policy supports SD Guthrie's Whistleblowing Policy, which aims to ensure that investigations carried out in response to complaints are transparent and impartial.

Social Compliance Governance

In 2024, a human rights and labour assessment (HRLA) was introduced along with RSPO and Malaysian Sustainable Palm Oil (MSPO) internal audits to detect any potential non-compliances or areas for improvement through worker interviews and reviewing operational practices in Malaysia. Independent Human Rights Assessment was also carried out in 2024 for Indonesia. These assessments have fundamentally built a strong base for our operations to comply with stringent human rights requirements and high labour standards.

Gender Committees

With the aim to provide equal opportunities for all and to maintain a zero-tolerance stance on discrimination, we have set up Gender Committees (GC) since 2008 to ensure adequate opportunities for the advancement and empowerment of women at our workplace. Designated team members from Sustainability Compliance units act as mentors for the GC's respective operating units and supervise the GC in attaining various objectives.

The objectives of the GC include:

- To raise awareness, identify opportunities and improvements for women's welfare and empowerment at work.
- To address issues of concern to create a safe working and living environment within the operating units.
- To enhance awareness of the workforce related to sexual harassment and gender-based violence.
- For women to have access to opportunities and resources to improve themselves through training and capacity development programmes.

Some of the activities conducted in the year include a gender training workshop by Women's Aid Organisation in May 2024. Additionally, a Train the Trainers module was conducted, focusing on essential topics such as providing psychological first aid, handling resistance, and implementing survivor-centric case management.

Ethical Recruitment

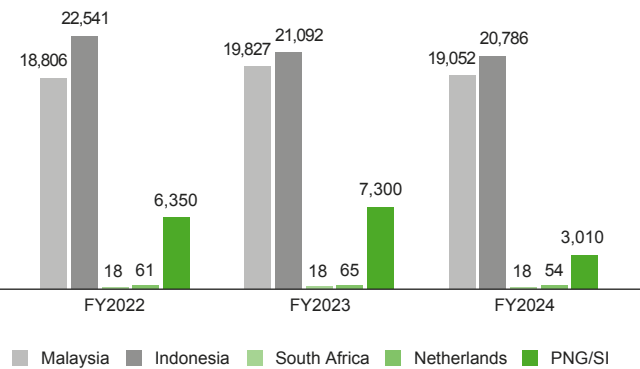
Our recruitment agents are selected in an open tender process to ensure fairness and transparency. Heavy emphasis is placed on due diligence to ensure that they adhere to ethical recruitment practices and processes, and we do so through intensive training and mentorship.

We strictly define recruitment fees in alignment with ILO standards. Our core principle of zero-cost recruitment means that we bear all recruitment costs when it comes to securing jobs for our workers. We respect our workers' rights and freedom of movement by not withholding or detaining their passports or personal documents, and ensure that all workers voluntarily agree to their employment terms and conditions without any deception or coercion. Contract substitution is strictly prohibited, with workers required to sign their contracts before departing for their necessary destinations. Through these safeguards, we guarantee that the terms they agreed to are the ones they work under. Finally, we make grievance channels available in source countries to monitor recruitment mechanisms effectively.

Freedom of Association

We continue to respect our employees' and workers' rights to freedom of association and collective bargaining over the years, with 42,920 employees in union associations in FY2024.

UNIONISED EMPLOYEES BY COUNTRY



MOVING FORWARD

We will work towards further engagement with our suppliers and customers by emissions to have set science-based targets, reinforcing our commitment to emission reduction across our value chain.

In line with relevant international frameworks, we expect to establish a fully traceable and NDPE-compliant supply chain – not just for palm-based products but across all supplies. This structured approach to responsible sourcing ensures compliance with our sustainability principles at every level.

To support this transition, we will continue to provide targeted supplier training and engagement programmes to help our supplying mills understand, implement, and uphold their commitments to responsible sourcing and NDPE compliance.



Fire and Haze



Wildfires pose a serious risk to ecosystems, biodiversity and community well-being, while contributing to transboundary haze and greenhouse gas emissions. Tackling this issue requires proactive community engagement to raise awareness about the risks of open and illegal burning, the need for monitoring, and prevention initiatives.



>> Fire fighting demonstration at PT Tamaco Graha Krida.

SD GUTHRIE'S APPROACH

Zero Burning Replanting Technique

Pioneered by SD Guthrie in 1985 and now an industry benchmark for sustainable agriculture, this technique eliminates burning when clearing old palms and allows natural decomposition to enrich the soil. This significantly reduces pollution as well as the risk of wildfires and haze.

Hotspot Monitoring System

Our fire hotspot monitoring system ensures rapid detection of and response to wildfires when they arise. This helps us identify hotspots, mobilise our fire response teams, and minimise the spread of fire.

Community-based Fire Prevention

SD Guthrie collaborates with local communities to raise awareness of fire risks and prevention, as well as to promote sustainable agricultural and land-use practices.

Since 2014, Minamas Plantation has implemented the *Desa Mandiri Cegah Api* (DMCA) programme in high-risk areas, covering 29 villages across 160,692 hectares. This initiative educates communities about fire prevention and includes outreach programmes such as:

- *Guru Peduli Api* – a programme that engaged 118 educators on fire prevention awareness.

- *Sekolah Peduli Api* – a collaboration with the Indonesia Heritage Foundation to engage a total of 67 educators and seven schools.
- *Penghargaan Desa Bebas Api* – a programme that encouraged to adopt zero-burning practices. In 2024, three villages were recognised for the commitment and cooperation in carrying out forest and land fire control together with the Company.



>> Sekolah Peduli Api programme in collaboration with Indonesia Heritage Foundation.

Minamas Plantation also strengthened fire prevention efforts by training 410 participants from local communities on fire fighting measures.

In 2023, our PNG/SI operations experienced an increase in fires from surrounding communities. To address this, fire prevention awareness training was conducted for surrounding communities throughout 2024.

Groundwater Table Monitoring

Piezometers installed across our estates to monitor groundwater tables have enabled effective water management to reduce wildfire risks, especially in peatland areas, where poor water management can lead to peat fires.

Fire Towers

Strategically placed fire towers provide early fire detection and aids in facilitating rapid response, preventing fires from escalating. Minamas Plantation actively monitors and responds to fire occurrences within a 5 km radius of its estate boundaries, in line with our 5 km radius zero-burning commitment.

Drones Hotspot Monitoring

Drones provide efficient surveillance of vast plantation areas, enabling early detection of fire hazards. The drones are deployed according to the fire hazard class, ranging from twice a day for medium to four times a day for those classified as dangerous zones. In FY2024, our aerial monitoring efforts in Indonesia covered approximately 181,000 hectares by utilising 45 drones to assess fire risks across our operations.

SD GUTHRIE'S PERFORMANCE

Confirmed Fires and Hotspots

Indicator	FY2022	FY2023	FY2024
Total confirmed fires	198	812	320
Within estate boundaries	59	67	44
Within 5 km radius of estate boundaries*	139	745	276

* The 5 km radius monitoring commitment applies only to Indonesia.

Causes of Fires within Estate Boundaries

Causes of Fires	FY2024
Arson/sabotage	0
Spread from neighbouring area	0
Illegal burning by communities	17
Weather/dry season	0
Illegal hunting activities	0
Land preparation for new planting	0
Shifting cultivation by communities	0
Others	0
Unknown	27
Total	44

>> For more information, please refer to the Hotspot Dashboard section on SD Guthrie's website at <https://sdguthrie.com/who-we-are/hotspot>

MOVING FORWARD

We will continue to adopt a multifaceted approach that leverage technology, community partnerships, and sustainable land management practices to mitigate fire risks and combat transboundary haze.



Supply Chain Management



SD Guthrie is committed to upholding ethical and sustainable standards in the palm oil industry. Our approach focuses on responsible sourcing, traceability, and supplier engagement – ensuring that our supply chain actively addresses environmental and social challenges, drives ethical labour practices, and supports smallholder inclusion.



>> SD Guthrie International's Zwijndrecht Refinery in the Netherlands received a landmark shipment of 24,250 metric tonnes (MT) of palm oil in September 2024. This pilot shipment is fully traceable and verified to meet stringent deforestation-free standards.

SD GUTHRIE'S APPROACH

Enhancing Traceability in the Palm Oil Industry

Ensuring traceability in the palm oil industry presents significant challenges due to the complex network of stakeholders, including smallholders and traders. At SD Guthrie, we aim to achieve complete traceability of primary raw materials, ensuring every product entering our supply chain can be traced back to its source.

In 2019, SD Guthrie introduced Crosscheck, an online traceability dashboard that enhances supply chain transparency by enabling traceability of raw materials throughout our palm oil supply chain. Crosscheck provides detailed maps of all supplying mills (including ownership information), risk assessments highlighting critical environmental areas, as well as comprehensive profiles and risk ratings for SD Guthrie and third-party supplier mills.

Commitment to Responsible Sourcing

All suppliers are required to sign our Responsible Sourcing Guidelines (RSG) or demonstrate an equivalent commitment. The RSG provides a framework for supplier engagement, ensuring products are sourced legally, sustainably, and responsibly. It outlines clear standards based on our Responsible Agriculture Charter, Human Rights Charter, and Code of Business Conduct.

Mitigating Supplier Risks

At SD Guthrie, we are dedicated to delivering a responsible and sustainable supply chain. We conduct periodic Supplier Risk Assessments to evaluate sustainability risks in our supply chain and address critical challenges while promoting continuous improvement. These assessments track supplier grievances using technology and monitoring systems, classifying suppliers by high, medium, and low grievance levels.

Addressing Supply Chain Grievances

Our grievance management system addresses complaints related to our No Deforestation, No Peat, and No Exploitation (NDPE) commitments from various stakeholders. To ensure a deforestation-free supply chain, we utilise biweekly deforestation monitoring data from PT Inovasi Digital/Earthqualizer (EQ), covering all our sourcing regions. This monitoring employs Sentinel-1 and Sentinel-2 satellite imagery to identify land-use changes within oil palm concessions and assess impacts on High Carbon Stock (HCS) and High Conservation Value (HCV) areas.

We verify satellite monitoring reports, investigate any grievances received, and publish the outcomes of these investigations on our website, enhancing stakeholder understanding of location-based issues and supply chain connections. Throughout the investigations, SD Guthrie maintains regular communication with whistleblowers and impacted stakeholders to ensure that their concerns are addressed.

Empowering Suppliers Through Training

Our supplier training webinars, PalmSmart, focus on addressing key sustainability issues in palm oil production. These sessions align suppliers with our RSG and NDPE commitments, offering insights into sustainable practices and industry standards. Our training programme emphasises capacity building, traceability enhancement and continuous improvement through feedback and sharing of best practices.

We partner our suppliers to improve their operational practices, meet global sustainability standards, and tackle challenges like deforestation and human rights abuses. These practices align with SD Guthrie's new sustainability framework, "Beyond Zero", which reinforces our commitment to ensuring that our suppliers adhere to our Code of Conduct.

Deforestation-Free Sourcing in Coconut Production

SD Guthrie International conducted a comprehensive assessment of coconut plantations in Papua New Guinea, enhancing supply chain transparency and sustainability. Using satellite and ground mapping, the initiative identified 199,818 hectares of coconut plantations, primarily in lowland coastal regions to assess whether our activities contribute to deforestation. This assessment supports deforestation-free sourcing at SD Guthrie International's Madang and Buka copra crushing mills, and plays a crucial role in aligning coconut production with top environmental and ethical standards. It enables full traceability and transparency, verifying that coconut supplies originate only from existing plantations and ensuring zero contribution to deforestation or land clearing.

Madang, Papua New Guinea

- Madang houses the largest coconut plantation, spanning 30,323 hectares.
- 86% of the coconut trees in Madang are over 20 years old, indicating that no recent deforestation has taken place for expansion.
- With the crop's long plantation rotation cycle and trees that remain productive for decades, cultivated land has remained unchanged for years, contributing to low deforestation risk.
- Most coconut plantations are situated in areas with minimal primary forest clearing, further ensuring responsible land use.

Buka, Papua New Guinea

- SD Guthrie International directly sources from 13,665 hectares of Buka province's 20,480 hectares of coconut plantations.
- Most of the coconut trees were planted more than 20 years ago, demonstrating that no recent land clearing or deforestation has occurred for new plantations.
- Mirroring Madang, Buka's plantations have remained unchanged for decades, thus validating the deforestation-free nature of SD Guthrie International's coconut supply chain.

SD GUTHRIE'S PERFORMANCE

Towards Complete Traceability to Mills and Plantations

Progress

Traceability to Mills	
• Overall Traceability to Mills (TTM)	96.9%
– SD Guthrie-owned mills	100%
– Third-party direct mills/suppliers	100%
– Third-party indirect mills/suppliers	49.5%

Traceability to Plantation	
• Overall Traceability to Plantations (TTP)	84.9%
– SD Guthrie-owned mills	100%
– Third-party direct mills/suppliers	68.1%
– Third-party indirect mills/suppliers	26.4%

Our traceability data for FY2023 was successfully verified by Control Union and restated with TTM at 95.7% and TTP at 81.5%.

Supplier Compliance to RSG

In 2024, 95% of our suppliers either demonstrated their commitment or have aligned their policies to our RSG.

SD Guthrie International Pulau Laut Refinery

At SD Guthrie International's Pulau Laut refinery in Indonesia, we established a rigorous screening process for supplying mills, tailored to the nature of our operations. This process combines spatial and non-spatial data to evaluate suppliers and communicate our sourcing decisions. Non-spatial data includes a desktop review of news and reports related to legal, community, environmental, and liability matters. Spatial data analysis leverages the Global Forest Watch Pro (GFW Pro) platform to assess forest cover, peatlands, and protected areas within a supplier's sourcing zone. This thorough screening ensures that both existing and potential suppliers meet our compliance standards.

In 2024, we completed 31 screenings for new potential suppliers, categorising five as high risk, 20 as medium risk, and six as low risk. These assessments guide our purchasing decisions for the Pulau Laut refinery in line with our RSG.



Assessing Supplier Risk Levels

SD Guthrie employs a comprehensive approach to managing supplier grievances, categorising them into high, medium, and low risk levels to tailor engagement strategies and drive continuous improvement.

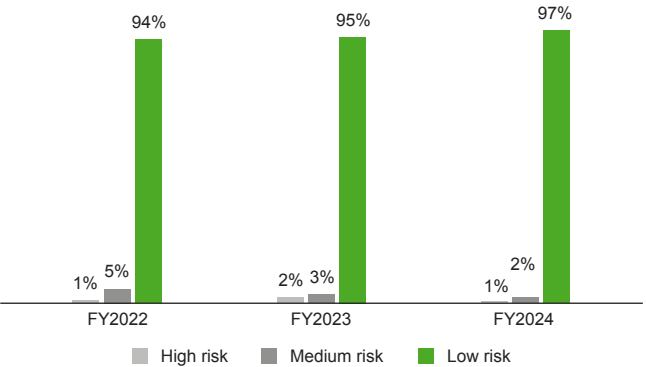
High risk suppliers have open grievance cases requiring immediate attention due to potential impacts on social, environmental, or governance standards. These suppliers undergo continuous monitoring and engagement for timely resolution.

Medium risk suppliers have either resolved grievances or cases under investigation. While they do not pose immediate risks, they are closely monitored with corrective measures implemented to prevent recurrence. By emphasising transparency and collaboration, we address root causes and learn from past issues.

Low risk suppliers have no reported issues during reporting periods and adhere to ethical sourcing and sustainability standards. Through routine assessments, we ensure they maintain their positive standing.

Through our rigorous risk assessment process, we identified 1% of our suppliers as high risk in FY2024. In line with our ‘Working with Suppliers to Draw the Line on Deforestation’ policy, we promptly engaged these suppliers to address risks.

SUPPLIER RISK STATUS FOR SD GUTHRIE GLOBAL SUPPLY CHAIN



Supply Chain Grievance Management

Between 2022 and 2024, we recorded a total of 14 cases against third-party suppliers in our Supplier Grievance Register. Most of these cases pertained to indirect suppliers who provide goods to SD Guthrie through traders. In 2024, three grievance reports were filed against our direct suppliers.

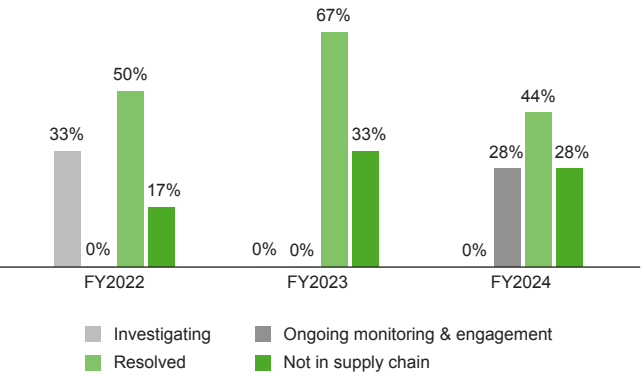
As of December 2024, we have successfully resolved 44% of these cases. An additional 28% are under ongoing monitoring and engagement, while the remaining 28% involve suppliers

who are no longer part of our supply chain. Suppliers may exit our supply chain due to commercial reasons, or suspension and exclusion resulting from non-compliance with our NDPE policy.

Most of the reported grievances involved deforestation which was detected via satellite imagery or raised by stakeholders.

SD Guthrie will remain committed to enhancing our supplier risk assessment framework, advancing responsible business practices, and collaborating with stakeholders to drive meaningful progress across the palm oil industry.

SUPPLY CHAIN PUBLIC GRIEVANCES STATUS



SUPPLIER TRAINING AND PERFORMANCE

In 2024, our PalmSmart Supplier Programme featured four webinars covering topics such as RSG, climate change, human-wildlife conflict, and human rights. These sessions attracted 129 attendees from 24 companies across Malaysia, Indonesia, and Thailand. Additionally, we seek to ensure all suppliers have access to SD Guthrie’s capacity-building programmes, and will continuously improve their implementation of key sustainability principles.

Specific to our Indonesian subsidiary, we continued to host the Sustainability Monthly Event, engaging over 400 employees and partners via eight sustainability-focused webinars. Building on this success, we will continue to upskill and further empower our suppliers to implement impactful changes within their businesses.

MOVING FORWARD

SD Guthrie is dedicated to enhancing supply chain transparency and fostering stakeholder collaboration. Our pledge to deforestation-free sourcing is driven by advanced traceability tools and ongoing supplier engagement. We leverage technology, data-driven monitoring, and risk assessments to ensure responsible sourcing, and strengthen the long-term resilience of our supply chain.

Product Quality and Safety



Trusted by customers worldwide, we supply high-quality products to reputable fast-moving consumer goods (FMCG) companies, traders, processors, and food manufacturers. As such, upholding stringent product quality and safety standards is fundamental to safeguarding consumer health and complying with regulations, while maintaining our brand reputation.

SD GUTHRIE'S APPROACH

Our commitment to product quality and safety is embedded across both our upstream and downstream operations, and in line with our One Stream approach throughout our core business segments.

Upstream

We introduced Project OMEGA to go beyond industry standards and set a new benchmark for food safety in the palm oil sector. Under this initiative, we continue to transform our palm oil mills into certified food safe facilities, while enhancing mill safety and operational efficiency in line with international food production standards.

Key efforts under Project OMEGA include:

- Conducting Food Safety and Hazard Analysis Critical Control Points (HACCP) training to reinforce certification awareness among our workforce.
- Incorporating Overall Equipment Efficiency (OEE) metrics to track equipment performance.
- Implementing 5S methodology (sort, set in order, shine, standardise, and sustain) across all mills to reinforce structured workplace organisation and sanitation.
- Carrying out regular Good Manufacturing Practice (GMP) inspections to maintain hygiene and safety standards.
- Monitoring Mineral Oil Saturated Hydrocarbons (MOSH) and Mineral Oil Aromatic Hydrocarbons (MOAH) levels in crude palm oil to ensure compliance with food safety regulations. We managed to reduce our MOSH levels to 13ppm (FY2023: 16ppm) and MOAH levels to less than 1ppm (FY2023: 1.1ppm) across our Malaysian operations. In Papua New Guinea and Solomon Islands (PNG/SI), we attained 100% compliance with MOSH and MOAH requirements for all certified sustainable palm oil (CSPO) sales.



Another project that we embarked on included the production of clean crude palm oil in Benuang Mill in Sabah, Malaysia to meet customer demands of low MOSH and MOAH readings. Some of the measures taken included the implementation of team-based harvesting and MOH Critical Control Point (MCCP) checklist to uphold stringent quality standards, as well as good hygiene practices such as zero dumping on ramp floors and fabrication/modification of mill machinery to eliminate direct contamination by lubricants.

Downstream

We proactively eliminate contaminants throughout the production process, ensuring product integrity from plantation to refinery. By employing advanced techniques such as chemical refining and post-stripping, we reduce potential risks of contamination. We also collaborate with suppliers to ensure compliance with customer requirements and conformance to the international food safety standards such as Food Safety System Certification (FSSC) 22000 Version 6 and Brand Reputation through Compliance (BRCGS) Global Food Safety Standard Issue 9.

SD GUTHRIE'S PERFORMANCE

Upstream

Our products meet stringent quality standards and hold internationally recognised certification. For our upstream mills, 55 out of 65 mills are HACCP certified (85%).

HACCP Certification Status

Country	HACCP Certification
Malaysia	31 mills (94%)
Indonesia	12 mills (60%)
PNG/SI	12 mills (100%)

Downstream

At the close of FY2024, nine out of 17 SD Guthrie International's business units were certified under FSSC 22000, with one facility certified under BRCGS Global Food Safety Standard.

MOVING FORWARD

We will continue to uphold the highest standards for product quality and safety. Our focus will remain on the following priorities:

- Achieving full HACCP certification across all mills
- Upholding compliance for key certifications
- Proactively mitigating risks related to harmful contaminants
- Maintaining low MOSH and MOAH levels of below 10ppm and 1ppm respectively across our Malaysia and Indonesia operations
- Ensuring adherence to European Food Safety Authority regulations

By continuously enhancing our safety and quality measures, SD Guthrie remains a trusted partner in delivering safe, high-quality palm oil products to the global market.

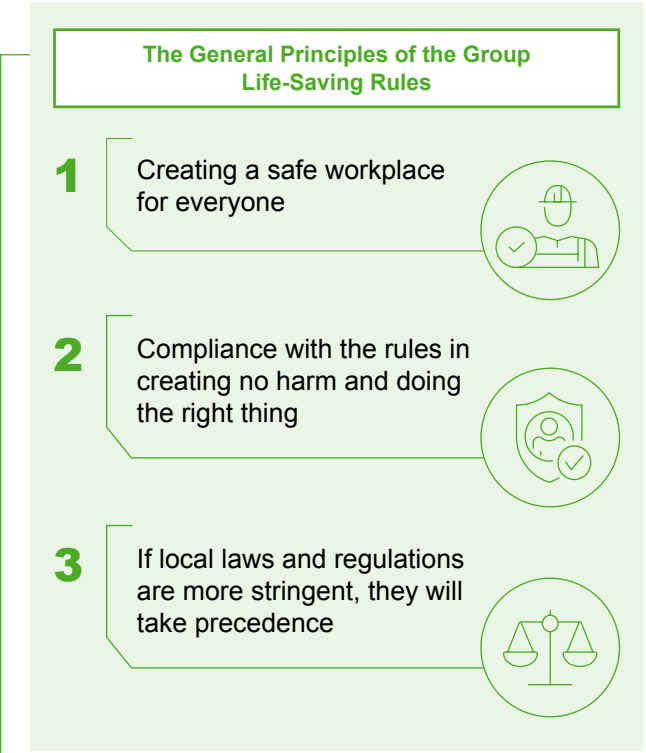
Health and Safety



The health and safety of our workforce is important to us. SD Guthrie fosters a safe and supportive work environment that upholds responsible business practices. By adhering to stringent safety and health standards, we protect our people and also strengthen our reputation as a responsible employer.

SD GUTHRIE'S APPROACH

To enhance workplace safety and health across all our operating units, SD Guthrie has implemented a Group-wide approach anchored in the Group Life-Saving Rules. Developed by the Group Health, Safety, and Environment (HSE) Unit, they consist of 10 critical rules that mitigate hazards and risks faced by workers.



Group Environmental Framework

In FY2024, a Group Environmental Framework was developed, following a few incidents of non-compliance which have been rectified. We have also put in interventions and learnings across the Group to avoid future occurrences.

We comply strictly with the law and emphasise environmental protection. The framework includes:

- Group Environmental Performance Monitoring for scheduled waste, effluent discharge, and air emissions, which focuses on compliance monitoring (such as offsetting parameter monitoring against internal control limits)
- Enhanced collaboration and engagement with local authorities

- Targeted Guided Self-Regulation (GSR) Self-Assessment
- Green Volunteer Programmes/Initiatives/Collaborations
- Annual environmental compliances reporting

Malaysia

Frontline Supervisor Training

In FY2024, we built on the progress made in 2023 when frontline supervisors were certified as Occupational Safety and Health Coordinators. Our HSE team in Upstream Malaysia conducted comprehensive training sessions, focusing on internal HSE plans, initiatives, procedures, and incident management. The training equipped participants with theoretical knowledge and practical skills, enabling them to effectively implement safety practices in their daily operations and foster a culture of safety and compliance at SD Guthrie.

Weekly Walk-Through HSE Inspections

Emphasising our commitment to safety, we conduct weekly HSE walk-through inspections at our mills to identify and promptly address potential hazards, ensuring a safe working environment for employees.

SD Guthrie International

Process Safety Management (PSM) – Gap Analysis Findings

Building upon the completed Process Safety Management (PSM) pilot programme (Phase 1) in early 2023, SD Guthrie International initiated PSM Phase 2 Audit in 2024.

The PSM Programme Phase 2 advanced the structured implementation of PSM across SD Guthrie International's manufacturing plants, with a focus on safeguarding people, the environment, assets, and reputation. It encompassed six business units:

- SD Guthrie International Pasir Gudang Refinery
- SD Guthrie International Bintulu
- SD Guthrie International Morakot
- SD Guthrie International Nonthaburi
- SD Guthrie International Pulau Laut Refinery
- SD Guthrie International Port Klang Refinery

Additionally, a total of seven business units, including SD Guthrie International's Langat Refinery, underwent an intensive programme called Hypercare, designed to accelerate their performance in process safety management.

FlyBy Visit Assessment – Quick HSE Check!

The FlyBy Visit is a one-day HSE walkabout conducted on a regular basis that focuses on identifying HSE gaps that need to be improved to ensure conformity with our HSE Management System as well as applicable statutory and regulatory requirements.

Papua New Guinea and Solomon Islands

Through the Sustainability Quarterly Newsletters distributed to each operational site, we share valuable information about our safety initiatives with employees and engage both internal and external stakeholders. These newsletters serve as a crucial platform for highlighting our ongoing efforts to promote a safe work environment, detailing innovative practices, updates on safety protocols, and success stories that inspire a culture of safety among our teams and partners.

Indonesia

PPE One Alert: Ensuring Timely Availability of Protective Equipment

Adequate protective equipment is critical for safeguarding workers in potentially hazardous environments. To ensure uninterrupted PPE availability, we implemented the PPE One Alert system, which proactively monitors stock levels and maintains a minimum inventory of 20%. This allowed us to anticipate potential supply shortages.

Standardising Clinics to Enhance Medical Performance

We standardised the operational protocols of our clinics through a rigorous accreditation process for 10 facilities, categorising them as Paripurna, Utama, or Madya. Paripurna accreditation indicates excellence in all aspects of service, Utama accreditation requires at least 80% of standards met, and Madya accreditation shows higher standards than basic with room for improvement. By upholding stringent standards of care and service delivery, the accreditation ensures that our medical facilities and personnel can effectively address the health needs of our workforce.

SD GUTHRIE'S PERFORMANCE

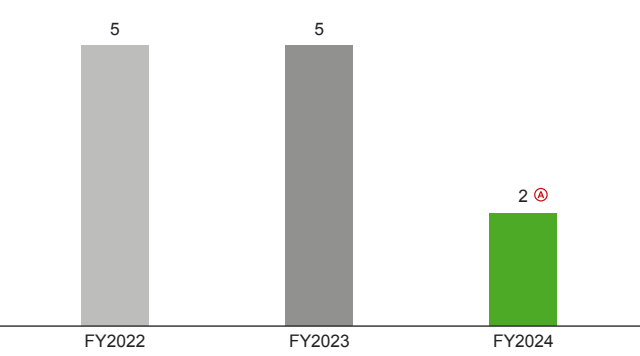
We regret to report that a total of two[Ⓐ] work-related fatalities occurred within the Group in FY2024. In February, an Occupational Fatality Severity Rating 5 incident occurred in Papua New Guinea when a harvester was fatally bitten by a venomous snake while carrying out slashing activities in the fields. In March, another occupational fatality incident was recorded in Malaysia, involving a contractor who succumbed to his injuries after he was hit by a fallen oil palm tree, whilst carrying out tree clearing activities at a line site.

We take these incidents seriously and thorough investigations were conducted to identify the root causes of the fatalities. Subsequently, corrective actions were implemented. Our operational procedures were also updated accordingly to strengthen safety at our premises. To date, 9,432 of our employees are also trained on health and safety.

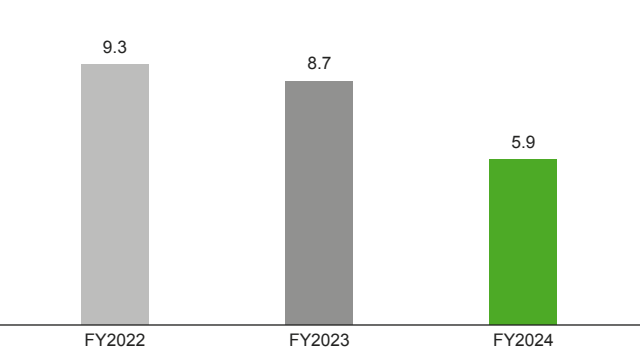
We have also implemented a rigorous escalation process for major incidents resulting in fatalities. These cases undergo Group-level review, chaired by the Group Managing Director (GMD), to assess the thoroughness of investigation reports and adequacy of corrective and preventive actions. Additional improvements and disciplinary action, if warranted, are recommended in accordance with the Group's Human Resources policies. Following this review, the head of the relevant operating unit, supported by the Regional CEO, presents a detailed Investigation Report with final findings to the Sustainability Committee. All occupational fatality cases are reported directly to the Board of Directors.

[Ⓐ] This data was subjected to external independent limited assurance by PricewaterhouseCoopers PLT, Malaysia ('PwC'). For the results of that assurance, refer to PwC's limited assurance report on pages 59 to 62 and SD Guthrie Berhad GHG Inventory Methodology Statement (issued on 23 April 2025) published on our website: www.sdguthrie.com/beyond-zero/resource-centre

WORK-RELATED FATALITIES

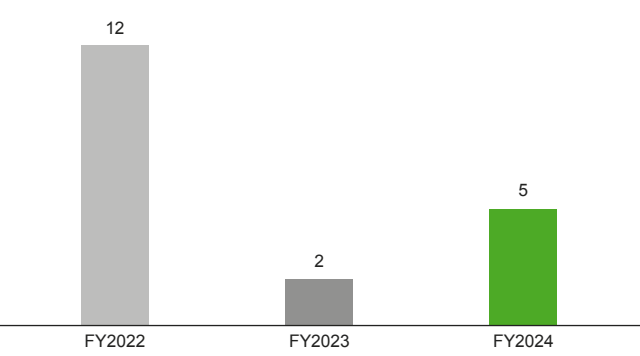


LOST TIME INJURY FREQUENCY RATE (LTIFR)*



* LTIFR measures frequency of lost-time injuries per million hours worked.

NUMBER OF NON-COMPLIANCE INCIDENTS



MOVING FORWARD

For the year ahead, we strive to further reduce health, safety, and environmental incidents, while aiming for zero fatalities across our operations. To accomplish this, we will intensify our initiatives and strengthen HSE training for our employees. This renewed focus on HSE aligns with our "Beyond Zero" Framework, which aims to create positive outcomes for people and the planet while driving sustainable business growth.



Responsible Consumption and Production



At SD Guthrie, we believe that we can achieve higher yields and optimise agricultural productivity if we use resources sustainably and minimise environmental impact.

SD GUTHRIE'S APPROACH

We maximise resource recovery and reuse, in our upstream palm oil operations.

Sustainable Resource Management

Guided by our Responsible Agriculture Charter, we take proactive steps in minimising pollution, hazards, and waste production to ensure that our operations minimise harm towards the ecosystem. These practices range from using organic mulching for soil and water conservation, to integrated pest management which lowers chemicals and pesticide usage.

Circularity

We continue to use palm oil biomass including shells and fibres in mill biomass boilers. Additionally, we utilise mulched empty fruit bunch (EFB) and treated palm oil mill effluent (POME) as organic fertilisers in our plantations. Sludge from POME is becoming increasingly recognised as a valuable commodity, especially in the biofuel industry.

In our downstream operations, the use of palm kernel expeller (PKE) in animal feed not only supports sustainable agricultural practices but also maximises resource efficiency by utilising a by-product that would otherwise go to waste.

Spent Bleaching Earth (SBE), a by-product generated from the oil refining process, is repurposed into eco-friendly construction materials and recycled to recover residual oils.

We also have successfully launched the Oil Recovery System (ORS) at SD Guthrie International Langat Refinery to meet water quality standards and recover sludge oil as Technical Grade Oil.

Our circularity programme, Circularity @ SD Guthrie International, aims to enhance energy efficiency and reduce carbon emissions by reducing, reusing or recycling of waste and water. We have installed rainwater harvesting systems, redesigned water distribution infrastructure to minimise leakages, and implemented various heat and cold energy recovery systems, while also pursuing energy optimisation projects and cleaner fuel initiatives.

SD Guthrie International's Initiatives

SD Guthrie International uses an environmental, social, and governance (ESG) scorecard with KPIs to evaluate the effectiveness of its ESG efforts. Separately, the annually organised ESG Challenge recognises outstanding initiatives within its operations, encouraging business units to develop impactful projects. It emphasises alignment with Sustainable Development Goal's values, data-driven proof of impact, and applicability across different business units.

Pipeline Heating System Upgrade at
Zwijndrecht, Netherlands

FY2024 witnessed the successful implementation of several projects under the SD Guthrie International ESG Challenge.

One of them included SD Guthrie International Zwijndrecht Refinery upgrade of its pipeline heating system, which involved replacing 460 metres of steam-traced pipelines with electrical tracing. This initiative resulted in annual savings of 767 metric tonnes of steam and a reduction of 129 tCO₂e.

The shift from steam to electrical tracing marks a major improvement in energy efficiency. While steam tracing is a traditional method that uses steam-filled tubes to heat pipelines, it is less efficient, consuming large amounts of natural gas and causing substantial heat loss. In contrast, electrical tracing heats pipelines more effectively, reducing energy consumption by 59% and minimising energy waste.

Future phases of the project could potentially replace up to 22 km of pipeline, with estimated annual savings of around 7,000 tCO₂e, or 16% of Zwijndrecht's Scope 1 and 2 emissions.

Used Cooking Oil (UCO) Buy Back Programme

SD Guthrie International Biodiesel launched the UCO Buy Back Programme to educate employees about proper UCO disposal. It involves collecting UCO and converting it into biodiesel at SD Guthrie International Biodiesel's refinery. Under the programme, two appointed UCO collectors conduct monthly collections at 10 designated points across several locations.

Plans to expand the initiative are underway to promote proper disposal practices. These include UCO collection from selected vendors.

SD GUTHRIE'S PERFORMANCE

Throughout FY2024, we observed an overall increase in palm oil yield across our operations in Malaysia, reflecting the success of our sustainable agricultural practices and initiatives. This positive development underscores our push towards responsible production and operational efficiency.

Demonstrating our progress in driving a circular economy, we collected a total of 15,135 kg of UCO through our UCO Buy Back Programme. In FY2024, 131,915 tonnes of PKE were used to produce animal feed, contributing further to our resource optimisation and waste reduction. Additionally, a significant portion of our biomass waste was used to generate energy and 86% of all energy used in our operations were derived from biomass and biogas.

» For a more comprehensive overview of SD Guthrie's performance and initiatives across various markets, please refer to the Business Review section of our Integrated Report.

MOVING FORWARD

We will continue to focus on increasing yield while implementing a range of initiatives, such as upholding responsible agricultural practices. By enforcing sustainable agricultural practices across our operations, we will continue to balance productivity growth with environmental stewardship, reinforcing our commitment to long-term sustainable development.

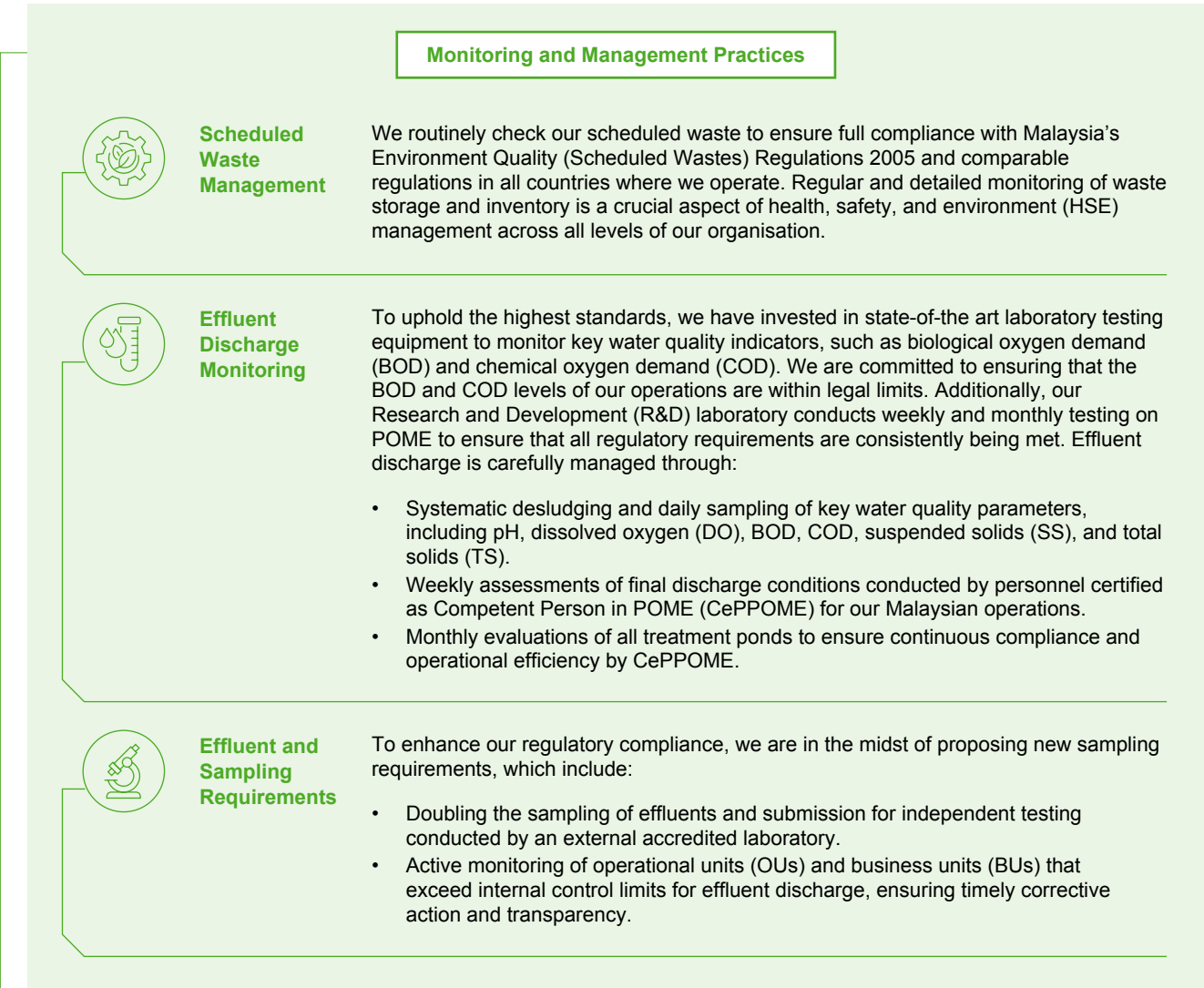
Waste and Effluent Management



Responsible waste disposal and effluent management are critical in minimising our environmental footprint and fostering cleaner, healthier communities. By capturing and converting methane from palm oil mill effluent (POME) into biogas, we actively reduce greenhouse gas emission (GHG), while optimising resource efficiency.

SD GUTHRIE'S APPROACH

We are committed to rigorous environmental stewardship across our operations. Comprehensive monitoring and management practices are in place to ensure compliance with environmental regulations, while minimising our ecological impact.



We actively recover and repurpose by-products to create value and reduce waste as per our Circularity approach.

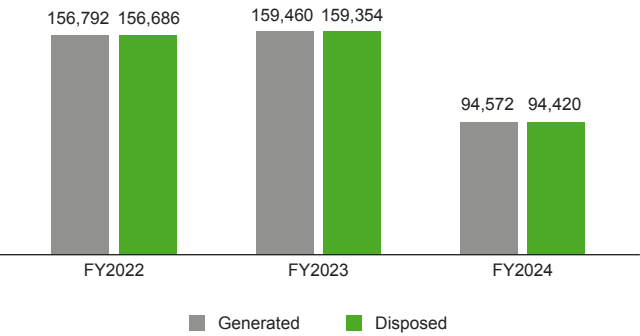


SD GUTHRIE'S PERFORMANCE

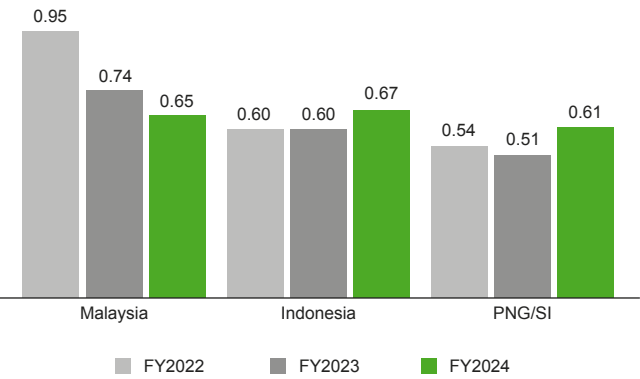
In FY2024, we generated a total of 6,383,928 m³ of effluent and 225,831 tonnes of waste.

Upstream

TOTAL WASTE GENERATED AND DISPOSED*

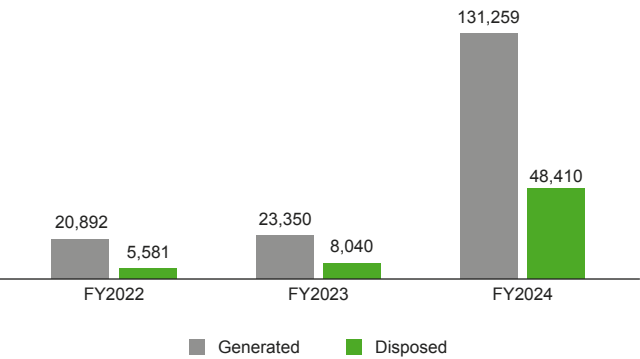


EFFLUENT INTENSITY (GENERATED) (m³/MT FFB PROCESSED)



Downstream

TOTAL WASTE GENERATED AND DISPOSED*



* Total waste includes domestic and scheduled waste.

The increase in waste generation was largely due to more accurate and comprehensive data collection process. Consequently, while the reported figures are higher, they represent improved visibility rather than an actual increase in waste generation.

MOVING FORWARD

We remain committed to improving the management of both hazardous and non-hazardous waste, while continuously working towards improving wastewater treatment across our operations. Looking ahead, we will continue to focus on circular economy solutions and meeting effluent discharge quality and standards. We are also dedicated to advancing circular economy solutions for material waste streams and pursuing innovative strategies to reduce waste throughout our business.



>> Effluent clarity post-treatment – a clear water sample from SD Guthrie International Langat, showcasing the effectiveness of the Oil Recovery System in treating CPO washing effluent whilst recovering technical-grade oil before discharge.

Restore

At the core of SD Guthrie's environmental stewardship is a commitment to restoring nature. This involves conserving various species of biodiversity, mitigating and managing human-wildlife conflicts, and pursuing large-scale reforestation initiatives to safeguard vital ecosystems. Additionally, we prioritise responsible water conservation and management to ensure a sustainable future for both people and planet, in line with our "Beyond Zero" Framework.

Biodiversity and Conservation

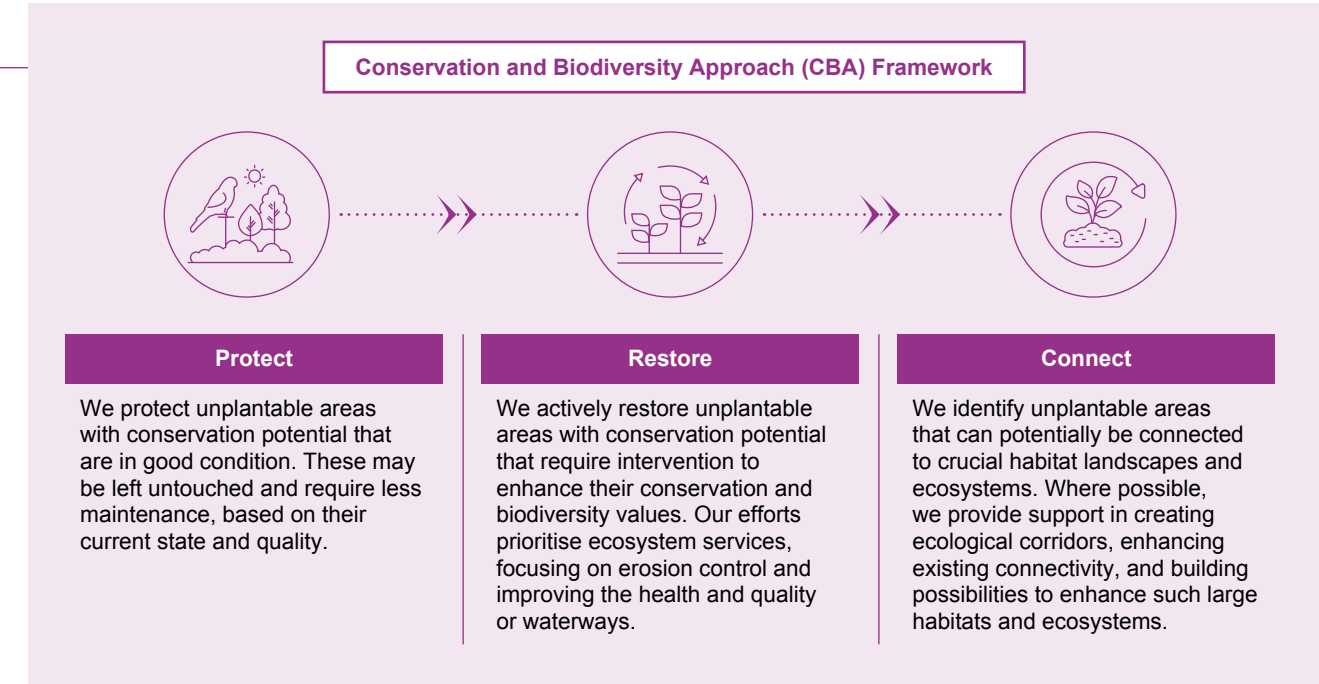


SD Guthrie operates in regions with some of the world's richest biodiversity. Our environmental management practices focus on minimising our ecological footprint while conserving and rehabilitating the areas which we operate in. Our sustainability initiatives focus on conserving key species such as elephants, orangutans, tigers, otters, proboscis monkeys, Queen Alexandra's Birdwing Butterflies, and Santa Cruz Ground Doves through awareness programmes, habitat management, and restoration and breeding programmes across Malaysia, Indonesia, Papua New Guinea, and the Solomon Islands.

SD GUTHRIE'S APPROACH

The Group focuses on the protection, rehabilitation, and conservation of Rare, Threatened, and Endangered (RTE) species and ecosystems. Introduced in 2023, our Biodiversity Policy reinforces the principles outlined in our Responsible Agriculture Charter. It emphasises SD Guthrie's commitment to biodiversity conservation by adhering to internal standard operating procedures (SOPs) and relevant external guidelines for managing conservation set asides and biodiversity areas. We focus on minimising human-wildlife conflicts, maintaining identified high conservation value (HCV) areas, and implementing wildlife awareness programmes to support the coexistence of human beings and wildlife. We expanded reforestation efforts during the year, focusing on RTE and native species to enhance biodiversity and carbon sequestration.

Building on our Biodiversity Policy, we are working towards developing a comprehensive Conservation and Biodiversity Framework by FY2025, in line with our aims under the "Beyond Zero" Framework.





Santa Cruz Dove Project

A key initiative in our biodiversity efforts in Solomon Islands is the Santa Cruz Ground Dove Species Recovery Centre at Guadalcanal Plains Palm Oil Ltd (GPPOL). Formalised in 2024, this collaborative effort involves the Toledo Zoo, GPPOL, and the Solomon Islands Ministry of Environment (MECDM). Under the agreement, GPPOL is responsible for the construction, maintenance, and management of the centre's daily operations, while the Toledo Zoo will provide support through its expertise and oversight of capacity building. The project's objectives have been officially endorsed by the MECDM.

Plans are underway to repatriate some of the Santa Cruz Ground Doves currently held by Mandai Wildlife Reserve in Singapore to Solomon Islands, honouring the commitments made when the birds were initially relocated. This will enhance the genetic diversity of the in-country captive population. The centre currently houses 49 Santa Cruz doves and one Nicobar pigeon in its new aviary, with the repatriated birds from Singapore scheduled to be quarantined at GPPOL in 2025. Looking ahead, we hope to expand the centre's scope to include other threatened endemic species.

Bioacoustics for Biodiversity Assessments

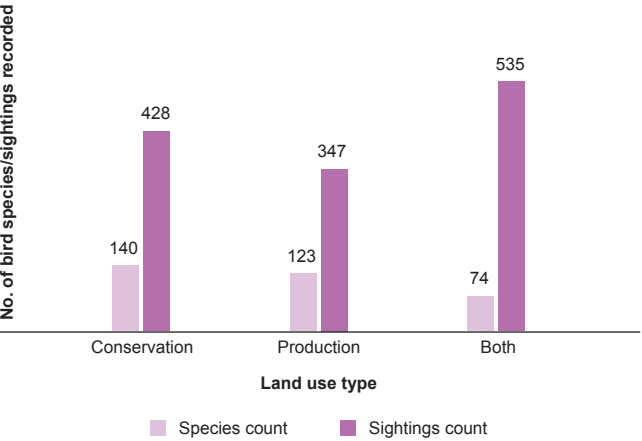
Biodiversity assessments are crucial for understanding ecosystems and to support conservation efforts. However, they can be challenging to carry out. In 2024, a rapid acoustic survey and automated soundscape analysis was conducted to assess biodiversity across oil palm plantations and conservation areas in our Kamuning Estate, Perak, Malaysia. The study utilised acoustic devices in Kamuning Estate's conservation zones and pristine tropical jungle plots in the Ulu Kinta Forest reserve.



>> A waterfall nestled within the conservation area of SD Guthrie Damai Estate, Sarawak, Malaysia.

The bioacoustics findings recorded 230 raw datasets encompassing all identified bird species, including flagged species – those with identifications that may not align with their known geographical distribution. To ensure a more accurate representation of bird diversity within the study areas, a refined dataset excluding flagged species and 189 validated records was created.

NUMBER OF BIRD SPECIES (N=189) AND SIGHTINGS (N=775) IN CONSERVATION AND PRODUCTION AREAS BY LAND USE TYPE



The number of bird species and sightings recorded by land use type.

Data analysis from Kamuning Estate strongly supports the effectiveness of SD Guthrie's conservation efforts in delivering significant habitat and biodiversity improvements within a relatively short timeframe.

This proof of concept paves the way for standardising and accelerating data collection, establishing biodiversity reference frameworks across diverse habitats, as well as enhancing our ability to assess industrial impacts and monitor restoration strategies on a larger scale.

SD GUTHRIE'S PERFORMANCE

In FY2024, we reforested 434 hectares in Upstream Malaysia. Our reforestation efforts targeted areas that are designated as "Restore and Connect" under our Conservation and Biodiversity Approach (CBA) framework, revitalising ecosystems while enhancing ecological connectivity.

Rubber-to-Forest

We also advanced our efforts to convert rubber plantations into forests, enhancing carbon sequestration and offsetting our carbon footprint. This involved establishing multiple mini forests across our estates as carbon sinks. The initiative began in September 2023 at Bukit Pilah Estate in Negeri Sembilan. By the end of 2024, we successfully planted 41,967 trees across 56 hectares.

GPPOL Tree Nursery Project

In collaboration with three smallholder growers and the Earthworm Foundation, Florin and Migros, GPPOL launched a forest tree species nursery project. The tree nurseries that were established currently house 3,000 seedlings. Once mature, these



>> The mangrove tree planting near New Britain Palm Oil Limited's (NBPOL) oil palm plantation in Numundo Estate, Papua New Guinea, aims to restore the coastal ecosystem. This initiative is a collaboration between SD Guthrie and the local NGO, Mahonia Na Dari.

seedlings will be transplanted into the buffer zones of the participating smallholders' lands. To date, 483 trees from the nursery have been successfully transplanted into our estates' buffer zones.

Geotagging

In 2024, we established our digital mapping efforts for the Nestlé RELeaf tree planting project. Since the project began in 2022, 26 estates have participated, with 23 successfully conducting geotagging using internal software applications. The Conservation & Biodiversity Unit (CBU) developed a dashboard to visualise the geotagging results, mapping a total of 62,939 trees across Peninsular Malaysia, Sabah, and Sarawak. Of these, 58,734 trees have been confirmed to have survived.

Other estates that were not involved in the RELeaf project also conducted geotagging as part of the Group's climate change initiatives. These efforts documented tree standings in HCV areas, Conservation Set-Aside (CSA) areas, and other designated sites such as newly planted forest trees. A total of 13,719 trees were recorded as standing or available across eight estates.

Lavang Peat Rehabilitation

SD Guthrie and the Malaysian Palm Oil Green Conservation Foundation (MPOGCF) signed a Memorandum of Agreement in March 2023 to restore 50 hectares of peatland in Lavang Estate,

Bintulu, Malaysia, transforming it into a functioning rehabilitated ecosystem. Running from 2023 to 2025, the project aims to establish a peat rehabilitation model for converting unproductive peatland cultivated with oil palm into restored ecosystems. To date, 15 species of trees have been planted within the project area.

The project will evaluate best management practices for peatland rehabilitation as outlined in the Roundtable on Sustainable Palm Oil (RSPO) Manual (Volume 2, July 2019). In addition, the rehabilitated area will secure carbon stocks to support the Group's net-zero carbon emission goals, while fostering collaborative R&D partnerships with local experts and organisations such as Sarawak Tropical Peat Research Institute (STROPI), Universiti Putra Malaysia Kampus Bintulu (UPMKB), and Forest Department Sarawak (FDS), among other potential partners.

MOVING FORWARD

With our firm commitment to restore, rehabilitate, and conserve 100,000 hectares across and beyond our value chain by 2030, we will continue to enhance our reforestation and biodiversity conservation initiatives. By the end of 2025, we expect to launch the biodiversity and conservation plans for unplanted areas in Malaysia, Indonesia, and PNG. Additionally, our regenerative agriculture framework is on track for completion by 2028. These efforts reflect our ongoing dedication to incorporate environmental sustainability across our operations and accelerate our journey toward net-zero.



Water Management



SD Guthrie is committed to effective water management to achieve efficient irrigation, support sustainable growth, and safeguard water quality in surface systems throughout our operations. By achieving effective water management, our approach benefits both our business and the surrounding communities.

SD GUTHRIE'S APPROACH

Based on Aqueduct 4.0, which is the World Resources Institute's (WRI) water risk framework, only one estate and three refineries in SD Guthrie operate in areas with high or extremely high water stress baseline. Water stress is defined as the ratio of total water demand to available renewable surface and groundwater supplies. A thorough understanding of water usage volumes is therefore important in guiding our approach to managing water efficiently.

Water Consumption Monitoring

Water consumption performance for our upstream business continued to show positive progress, with overall usage decreasing across upstream operations over the past three years. Each region has made efforts to optimise water use, supported by initiatives focused on efficiency and responsible resource management. Among the regions, differences in consumption patterns reflect varying operational scales and local conditions. In terms of water use efficiency, measured by consumption intensity per metric tonne of fresh fruit bunches (FFB) processed, improvements were observed in some regions, while others showed slight increases due to operational variations. Each country has established specific water consumption intensity targets, guiding ongoing efforts to reduce water use and enhance sustainability performance across all operations.

Our refineries in both water-stressed and low-risk water stress areas are also actively implementing water efficiency measures that align with SD Guthrie International's programme on circularity.

- In water-stressed areas, our initiatives focus on assessing effluent water reuse, and exploring condensate recovery and effluent plant upgrades.
- In low-risk areas, measures include hot-water recovery, wash water reduction, installation of economisers for medium pressure boilers, and improving steam condensate recovery.

Palm Digital Water Level Monitoring Dashboard: Digitalising Water Management

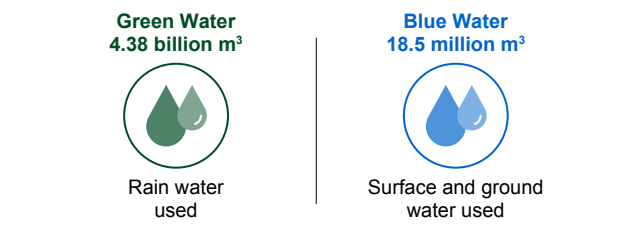
To enhance efficiency in irrigation and drainage systems, our Group Digital and Upstream Malaysia Water Management teams have developed a digital water level monitoring dashboard. Launched in December 2023, this tool provides

real-time data on water levels, enabling precise control over water gate operations, ensuring optimal water supply to our crops.

- Expansion plans are underway for the dashboard to cover additional flood-prone areas in Malaysia.
- In 2024, a pilot study at West Estate introduced sensor-equipped water gates to automate water flow control.

SD GUTHRIE'S PERFORMANCE

In FY2023, SD Guthrie conducted a pilot water footprint assessment (WFA) at selected operations in Malaysia in accordance with *The Water Footprint Assessment Manual: Setting the Global Standard* developed by the Water Footprint Network. In FY2024, the pilot exercise was further expanded to all operations in Malaysia using 2023 datasets and quantifies the volume of Water Footprint of palm oil production in cubic metres per year (m³/year).



The WFA is a valuable tool for developing water sustainability strategies. The current methodology assesses water quality from a water quantity perspective. Other factors affecting water quality and dilution rates, such as variations in water use, fluctuating water availability, flow conditions, and management practices should also be considered. Implementing practices like riparian buffer zones, which is currently practiced, help mitigate the impact of these pollutants on waterways. We will evaluate our Grey Water footprint as part of future assessments.

MOVING FORWARD

We continue to seek ways to improve water management throughout our operations. We aim to realise a 20% increase in fertiliser use efficiency (FUE) by 2040, decreasing our reliance on inorganic fertilisers and addressing the use of chemicals that have critical pollutant loads.

2023 Water Footprint for Malaysia Operations

Water Footprint Category	Total (m³)			
	Upstream (Seed Production, Nursery, Plantation)	Mill	Downstream	Total (m³)
Green	4,378,308,979	–	–	4,378,308,979
Blue	15,000,777	3,180,554	313,861	18,495,192

Transform

Aligned with SD Guthrie's "Beyond Zero" Framework, we are committed to transforming livelihoods through education, skills development, and inclusive economic opportunities. By fostering open communication through social dialogue, comprehensive welfare programmes, and a transparent, independently managed grievance channel, we empower our workforce and surrounding communities.

Human Rights and Fair Labour Practices



Human rights and fair labour practices are the ethical pillars of our operations. As a founding member of the Roundtable on Sustainable Palm Oil (RSPO), an active member of its Human Rights Working Group and a key player in the evolution of the RSPO Principles and Criteria, we are dedicated to ensuring the dignity, well-being, and equitable treatment of our workforce.

SD GUTHRIE'S APPROACH

Grievance Mechanisms

SD Guthrie is committed to fair labour practices by ensuring workers have access to an impartial and anonymous grievance system to raise any grievances, enquiries or human rights concerns. Additionally, any issues raised must be addressed and responded to in a timely manner, with strict safeguards in place to protect complainants from reprisals or intimidation for speaking up.

Suara Kami Helpline

Our *Suara Kami* Helpline enables workers in Malaysia and Indonesia to raise concerns about working conditions, recruitment, safety, and other critical issues. In 2024, we received 364 complaints, all of which were promptly addressed by a trained team and independently verified by an external party before closure.

Social Dialogue

Setting new industry standards, SD Guthrie's Social Dialogue (SD) initiative offers a structured platform for Worker Representatives (WR) and Management. The dialogues in Malaysia and Indonesia, which mainly address workers' concerns and welfare, are independently monitored to ensure timely and effective resolution. In Malaysia, 1,548 WRs are elected by their peers from the same nationality, ensuring fair and inclusive representation. In Indonesia, 379 WRs have been appointed to represent their fellow workers in the SD sessions.

Oil Palm Pal App

To improve transparency and ensure a systematic approach to tracking housing repair requests, we introduced the Oil Palm Pal application in Malaysia in 2022. Similarly in Indonesia, *Aplikasi Perbaikan Rumah* is used to monitor work progress of housing maintenance requests submitted by employees, while in Papua New Guinea and Solomon Islands, requests are made via manual forms or email.

In 2024, we received 57,959 complaints and resolved 98% of them, ensuring timely improvements to worker living conditions.

Upgrading Workers' Housing

As part of our commitment to enhancing the welfare of our employees and their families through comfortable and decent housing, we launched *Projek 1000 Pintu* in Indonesia in 2021 to develop permanent homes with modern amenities. By December 2024, we had completed 1,600 housing units, achieving 25% of our total target of 6,890 units by 2032.

Clinics for SD Guthrie Workers

Malaysia

SD Guthrie operates 110 main clinics, supported by seven ambulances, and 117 medical and hospital assistants, dedicated to providing healthcare for our workers and their dependants. Our healthcare initiatives range from regular health screenings to awareness programmes and internal health check-ups to ensure the well-being of our workforce. We also invest in the ongoing development of medical staff, offering training programmes through MAHSA University and incentivising doctors to obtain Occupational Health Doctor (OHD) certification.



Indonesia

Minamas Plantation operates 14 main clinics and 37 satellite clinics, serving nearly 57,424 employees and dependents. These clinics offer essential healthcare services particularly in remote locations, including primary care, maternal and child health, observation wards, and dental care. For employees not covered by the *Badan Penyelenggara Jaminan Sosial* (BPJS), treatment is available through our corporate social responsibility (CSR) programme. Minamas Plantation will continue to increase medical staff, upgrade facilities, and expand occupational health services for both workers and local communities.

Papua New Guinea and Solomon Islands

New Britain Palm Oil Limited (NBPOL) provides healthcare services to over 82,000 workers, their families, and nearby communities, offering diagnosis, treatment, and emergency care. With limited healthcare access in surrounding areas, NBPOL’s clinics are essential for staff and dependants. Moving forward, NBPOL plans to standardise healthcare service across all clinics, ensuring consistent care and operational efficiency.

Employee Training and Development

Guided by the SD Guthrie Learning Framework, our training initiatives cover a wide range of topics, including leadership and management, technical skills, and personal effectiveness. These programmes are designed to align employee growth and development with the evolving needs of the market.

We continuously refine our learning initiatives to address current skill and competency gaps, while developing strategies to prepare both our employees and the organisation for future challenges and opportunities.

Employee Well-being

We are committed to fostering a workplace that supports employees’ physical, mental, and occupational well-being. Through our partnership with Naluri Hidup Sdn Bhd (NALURI), a Malaysia-based specialist in employee wellness, we offer a confidential Employee Assistance Programme (EAP) that provides early intervention and professional support for challenges affecting mental, physical, and emotional well-being, as well as job performance. The programme includes counselling, coaching, and educational resources to help employees navigate issues such as stress, anxiety, depression, financial concerns, and work-related challenges. Initially launched in Malaysia, EAP will be expanded to Indonesia, Thailand, and Singapore in early 2025. We are also exploring local EAP providers in other countries where we operate.

To further strengthen our commitment to mental well-being, we have introduced Mental Health First Aiders training, equipping employees with the skills to support colleagues facing mental health challenges. These trained individuals serve as the first point of contact, offering guidance and connecting those in need with appropriate professional resources.

SD GUTHRIE’S PERFORMANCE

Workforce Grievances

In FY2024, a total of 364 grievance cases were recorded across our Malaysia and Indonesia operations. All cases were tracked to ensure timely resolutions, achieving a 93% resolution rate.

Malaysia

We received 272 cases that were primarily related to wage clarifications. To assess worker satisfaction, a Workers’ Satisfaction Survey (WSS) was conducted in Upstream Malaysia, yielding a 96.6% satisfaction rate from 24,177 respondents (92% response rate). The survey covered workers’ awareness of grievance channels, social dialogue effectiveness, safety equipment, freedom of movement, and wage calculations.

Indonesia

The 92 grievance cases we received were primarily related to general inquiries and human resources (HR) related issues in FY2024.

Social Dialogue

In FY2024, a total of 7,002 issues were raised through our social dialogue platforms in Malaysia and Indonesia. 94% have been resolved, while the remaining issues, primarily concerning

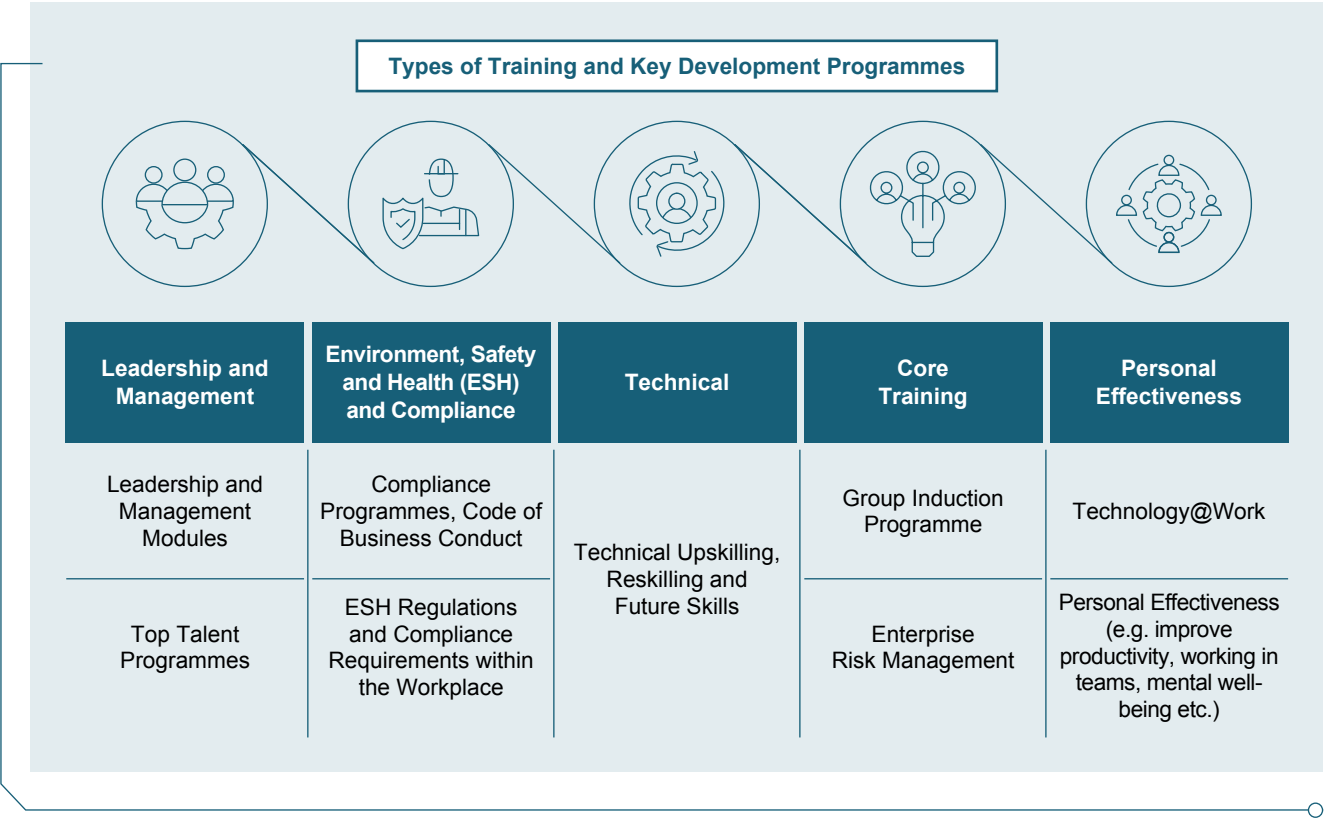
building and infrastructure/housing and facilities, are being actively addressed.

Employee Training and Development

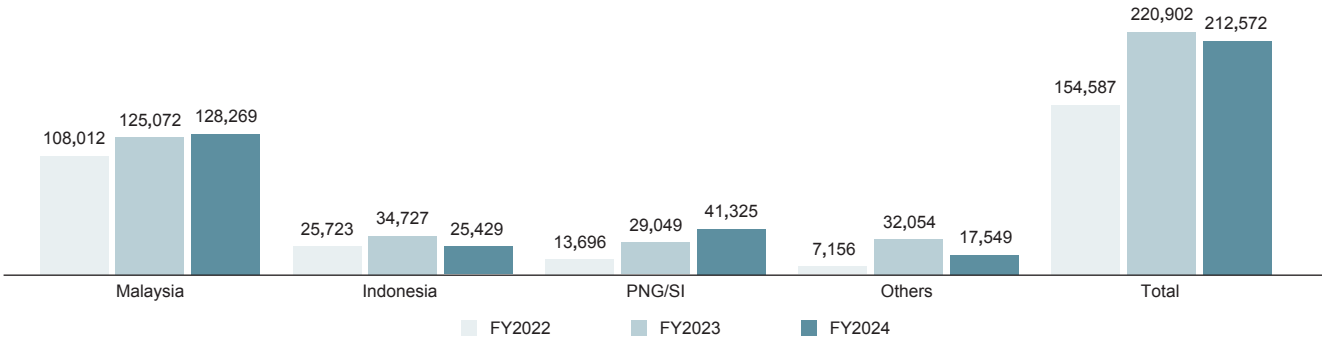
During the year in review, we allocated over RM45 million to training and development initiatives, resulting in more than 212,572 hours of training. This investment supported key development programmes, reinforcing our commitment to continuous learning and workforce growth.

MOVING FORWARD

Anchored in our “Beyond Zero” Framework, we remain committed to advancing human and labour rights while aligning with international standards such as the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the RSPO Principle & Criteria, and the International Labour Organization (ILO). Beyond our efforts in Malaysia, we will continue to further expand fair labour practices across our operations in Indonesia, Papua New Guinea, and Solomon Island (PNG/SI).



EMPLOYEE TRAINING HOURS





Community Rights and Development



We are dedicated to improving the lives of individuals and communities within our value chain. By collaborating with industry partners, smallholders, and local communities, we drive positive change through programmes that increase crop yields, income sustainability, and market access. Our efforts also focus on enhancing employment, education, infrastructure, and overall well-being, ensuring a better quality of life for both our workforce and surrounding communities.

SD GUTHRIE'S APPROACH

The Group respects the rights of local communities, including their entitlement to land use and self-determination. In addition, we invest in community infrastructure such as roads, clinics, and clean water systems. Our efforts also extend to providing access to education, sanitation, and employment opportunities.

Community Rights and Development Efforts

Undertaking robust free, prior, and informed consent (FPIC) processes prior to any new development.

Developing land in a manner that promotes food security and enhance livelihoods to address the needs of the community.

Recognising that smallholders, including women, are important community partners whose prosperity should be supported.

Establishing effective conflict resolution frameworks that are communicated to all relevant stakeholders.

Smallholder Inclusion

Smallholder palm oil farmers face numerous challenges, including limited access to resources, difficulties in engaging with training programmes, gender inequality, and the complexities of maintaining sustainability compliance. These issues collectively hinder their ability to enhance productivity, adopt sustainable practices, and meet industry standards, underscoring the need for targeted support and empowerment initiatives to address these multifaceted challenges.

In line with our “Beyond Zero” commitment, we empower smallholders by integrating them into sustainable supply chains. Through capacity building and training programmes, we enhance their livelihoods and promote responsible agricultural practices, while creating economic opportunities.

SD GUTHRIE'S PERFORMANCE

We collaborate with smallholders to champion sustainable practices and work closely with dealers and traders who act as intermediaries between smallholders and mills. In FY2024, SD Guthrie worked with 46,672 smallholders who cultivated 119,398 hectares. By 2035, we aim to engage 50,000 smallholders, equipping them with the tools, knowledge, and resources to thrive in a resilient and ethical palm oil industry.

Smallholder Performance

SD Guthrie supports smallholders through strategic partnerships and tailored support programmes across Malaysia, Indonesia, Papua New Guinea and Solomon Islands (PNG/SI), and Thailand. These initiatives are designed to improve livelihoods and enhance farm productivity, while fostering responsible

Region	Type of Smallholder	Smallholder Supplying Details		RSPO Certified Smallholders in the Supply Chain			Smallholder Covered by the Programme ⁴ (Unit)
		Number of Smallholder Supplying to SD Guthrie (Unit)	Total Smallholder Area (Ha)	Number of Smallholders (Unit)	Total Area (Ha)	Total FFB Volume Supplied (MT)	
Malaysia	Independent	3,216	14,716 ¹	0	0	0	1,290
Indonesia	Scheme	15,015	25,740	337	3,233	25,713	15,015
	Independent	9,223	24,172	0	0	0	276
PNG/SI	Independent	17,203	43,624	17,203	43,624	506,344	17,203
Thailand ²	Independent	2,015	11,146	2,015	11,146	254,462	2,015
Total	Scheme + Independent	46,672	119,398	19,555	58,003	786,519 ³	35,799

¹ The total smallholder area (ha) for Malaysia are approximate hectareage of plantation plots.

² The smallholder numbers in Thailand represent only RSPO-certified smallholders.

³ This volume is also purchased as RSPO-certified volume.

⁴ Examples include training, assistance, support, advisory, certification support, and others.

practices in the palm oil supply chain. As part of our commitment to responsible sourcing, we have achieved 100% traceability of all smallholders, including those supplying through dealers to our mills.

Malaysia

Since 2022, SD Guthrie has partnered with Solidaridad and Colgate Palmolive to train smallholders in Perak, Malaysia, on Good Agricultural Practices (GAP), Climate-Smart Agriculture, and Best Management Practices (BMP). The key components of the programme include farmers' training and field cooperation, data collection for traceability tools, as well as addressing

issues related to land tenure and Malaysian Sustainable Palm Oil (MSPO) certification. As of FY2024, 1,956 smallholders have benefitted from this programme improving farm productivity and environmental sustainability.

In tandem with this, the Smallholder Inclusion Project was conducted in collaboration with the Asia School of Business Management (ASBM). The programme aims to equip smallholders, dealers, and traders with skills on agricultural practices, climate change adaptation, sustainability compliance, and traceability. Close to 30 smallholders have signed up since its commencement in November 2024.



“This programme improved my understanding of plantation management and fertilisation techniques. Since applying what I’ve learned, my FFB sales have improved.”

SMALLHOLDER RAMIDI RAMLI
Perak, Malaysia

“I truly believe that the training programme conducted today is the best. It was led by two outstanding agencies, SD Guthrie and ASBM. The training programme is excellent and can guide smallholders towards a better future.”

DEALER HAJI MORSIN BIN PERAMAN
Chairman of the Penanam Sawit Mampan Cooperative





Papua New Guinea and Solomon Islands (PNG/SI)
SD Guthrie supports smallholders in PNG/SI with interest-free loans for tools and fertilisers, training programmes in best agricultural practices, as well as paying substantial premiums for supplying RSPO-certified fruit. Additionally, initiatives like the Mama Loosefruit Scheme focus on empowering women smallholders, promoting gender equality, and sustainability leadership within their communities. To date, the Mama Loosefruit Scheme has registered over 6,700 smallholders, empowering women through economic independence, poverty reduction, and community-driven social change in West New Britain and other oil palm-growing areas of Papua New Guinea.

Thailand
Over the years, SD Guthrie International Morakot in Thailand has actively supported and engaged smallholders supplying to them through third-party mills. To date, 2,015 smallholders have attained RSPO certification and are now part of their supply base.

Indonesia
SD Guthrie supports Indonesian independent and scheme smallholders, integrating them into our sustainable supply chain. Through the *Koperasi Kelapa Sawit Perkebunan* (KKPA) and *Perkebunan Inti Rakyat* (PIR) schemes, we focus on enhancing sustainable agricultural practices to meet RSPO certification requirements and NDPE standards and boosting productivity through best management practices and techniques.

To date, these schemes have positively impacted smallholders by improving infrastructure, increasing productivity, and providing access to Certified Sustainable Palm Oil (CSPO) markets. The cooperative model enhances resource sharing, knowledge exchange and bargaining power, contributing to a more sustainable and competitive smallholder sector in Indonesia's palm oil industry.

Besides KKPA and PIR, we also empower independent smallholders on their path to RSPO certification as an active member of the Bapakat Sustainable Palm Oil Association (*Assosiasi Bapakat Sawit Berkelanjutan*) – a Jurisdictional Entity (JE) in the Seruyan district. By supporting jurisdictional certification, we are helping smallholders in this region achieve sustainability and market access.

Programme	Number of schemes	Number of smallholders	Hectares/FFB produced
KKPA	13	4,450	9,140 hectares, 149,453.86 MT
PIR	8	10,565	16,600 hectares, 172,544.10 MT

Snapshot of our corporate social responsibility (CSR) Programmes



Total CSR spend (FY2024)
RM55.4 million
was channelled towards the community



272,610
individuals benefitted

SD Guthrie International

In 2024, SD Guthrie International dedicated 25,252 employee volunteer hours across 70 Corporate Social Responsibility (CSR) activities, ranging from donations to underprivileged groups to beach clean-ups, and blood donation drives. Among the significant contributions included an initiative to donate personal items and company products that provide resources to those in need, which accounted for over 12,000 employee volunteer hours.



» Spreading kindness and joy during Ramadhan in March 2024 by visiting to Bait Al-Mawaddah, Pusat Jagaan Warga Emas, Lembaga Zakat Selangor, Malaysia.



» Book Donation to nearby Elementary School (MFCL).

Papua New Guinea and Solomon Islands
Community Support

Number of facilities	Number of people benefitted
1 playschool/childcare centre	202 children
22 schools	3,770 students
12 kindergartens	1,375 students 232 teachers
60 clinics	Employees and the community

New Britain Palm Oil Limited (NBPOL) implemented diverse community development initiatives to enhance skills development, entrepreneurship, education, and awareness of environmental conservation. Over 300 individuals, from women's groups and employees to community members, attended skills development training sessions in cooking, baking, financial literacy, and leadership. NBPOL also supported local entrepreneurs by hosting information sessions on small-and-medium-sized enterprise (SME) loans as well as market opportunities, which were attended by more than 200 participants.

Minamas Plantation upholds its CSR commitments by investing in local communities and focusing on education, environment, and community development.

Indonesia
Community Support

Number of facilities	Number of people benefitted
121 playschools/ childcare centres	2,191 children
56 schools	10,995 students
64 kindergartens	2,231 students 668 teachers
51 clinics	Employees and the community

MOVING FORWARD

SD Guthrie aims to improve the livelihoods of 50,000 smallholders by 2035 under our "Beyond Zero" Framework. Over the long-term, we will continue to strengthen our engagement with the community while creating sustainable livelihood opportunities and essential infrastructure – such as clean water, road networks, and public facilities – for 25,000 people in communities around our operations. Additionally, we are committed to enhancing access to quality education and decent housing, fostering sustainable livelihoods for the communities in and around our operations.



Diversity and Inclusion



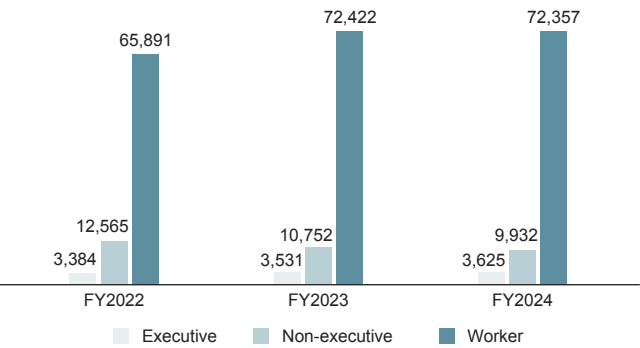
With a multinational workforce in 12 countries, SD Guthrie is committed to achieving diversity, equality, and inclusion (DEI) across all levels – from the Board to non-management staff. We value the varied perspectives that come from diverse genders, cultures, and nationalities to drive innovation and organisational growth.

SD GUTHRIE'S APPROACH

SD Guthrie's Code of Business Conduct (COBC) articulates our commitment to equal opportunity in the workplace. Employment decisions are based on qualifications, merit and performance, and strictly comply with relevant laws and regulations. We strictly forbid discrimination based on gender, race, disability, nationality, religion, age, or sexual orientation, and maintain a zero-tolerance stance against all forms of harassment and violence.

Under Project *Lokal*, we are recruiting and upskilling local workers in Malaysia, regardless of gender, emphasising our effort to reduce reliance on foreign labour. Through this, we seek to empower our local workers while transforming labour-intensive processes and reducing manual work.

AVERAGE EMPLOYEE HEADCOUNT



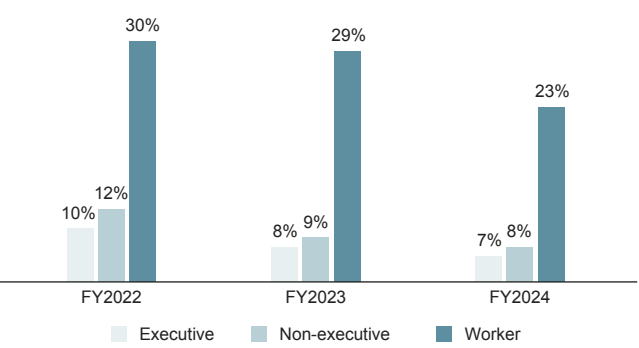
SD GUTHRIE'S PERFORMANCE

As of end-2024, our workforce numbered 82,979 employees, with the following distribution:

- Malaysia: 34,705
- Indonesia: 23,452
- Papua New Guinea and Solomon Islands: 23,909
- Other countries: 913

Of these, 84% were engaged in operational roles.

EMPLOYEE TURNOVER BY EMPLOYEE CATEGORY



Diversity by Category and Age

Employee Category	Age	FY2022	FY2023	FY2024
Executive	56 & above	27	43	37
	39–55	975	925	1,181
	24–38	1,470	1,617	1,896
	23 & below	445	357	524
Non-executive	56 & above	44	119	39
	39–55	3,723	1,833	3,155
	24–38	4,465	2,635	5,216
	23 & below	1,215	635	1,322
Worker	56 & above	84	215	19
	39–55	15,070	16,821	18,991
	24–38	23,566	27,681	37,299
	23 & below	7,713	9,052	12,983

Note: FY2022 and FY2023 excludes PNG/SI, UK, and Netherlands numbers. FY2024 numbers includes PNG/SI; while data for UK and Netherlands are excluded due to privacy laws.

As at 31 December 2024, the Group comprised 82,979 employees. This included 53.7% in the 24 to 38 year age group, followed by 28.2% in the 39 to 50 year age band, 17.9% in the 23 years and below age range, and 0.2% in the 56 years and above age group.

Diversity by Category and Gender

FY	Gender	Executive	Non-Executive	Worker
2022	Male	2,145	7,353	37,555
	Female	755	2,094	8,878
2023	Male	2,114	3,918	45,011
	Female	828	1,308	8,766
2024	Male	2,626	7,694	56,242
	Female	1,012	2,038	13,050

Note: FY2024 numbers includes PNG/SI; while data for UK and Netherlands are excluded due to privacy laws.

At the close of FY2024, our workforce comprised 19.5% female staff and 80.5% male staff. The breakdown of staff by their gender and job categories is show in the table above.

We remain dedicated to fostering gender diversity and ensuring equal opportunities for all. As part of our ongoing efforts to create a more inclusive and supportive workplace, we have taken proactive steps to address gender imbalances across the Group. This includes conducting a comprehensive gender pay gap analysis at every level.

Gender Pay Ratio (FY2024)

Category	Gender	Malaysia	Indonesia	PNG/SI	Others	All
Executive	Male	1.00	1.00	1.00	1.00	1.00
	Female	0.85	0.82	0.62	0.72	0.92
Non-executive	Male	1.00	1.00	1.00	1.00	1.00
	Female	1.21	1.05	1.01	0.72	1.14
Worker	Male	1.00	1.00	1.00	1.00	1.00
	Female	0.87	1.01	1.00	0.90	0.82

Note: Others refer to China, Singapore, South Africa, Thailand, The Netherlands, UK and US.

We take pride in offering competitive compensation to attract, motivate, and retain top talent. Our pay decisions are guided by a commitment to fairness and equity, with factors such as qualifications, experience, skills, performance, job scope, and market benchmarks forming the basis of our remuneration structure – gender is not and will never be a determining factor. While our gender pay ratios provide a snapshot of salary distributions, we remain vigilant in monitoring and reviewing these metrics to ensure ongoing pay competitiveness.

Business Units	Number of differently abled individuals
Upstream Malaysia	64
Upstream Indonesia	37
Upstream PNG/SI	8
SD Guthrie International	3
Research and Development (R&D) Malaysia	1
Head Office Malaysia	3
Total	116

Demonstrating our commitment to inclusivity, we employed a total of 116 differently abled individuals as at the end of FY2024. These impairments range from auditory and visual impairments to neurodivergent conditions.

MOVING FORWARD

We remain committed to maintaining over 30% women representation on our board and in top management. By embracing diversity, we continue to shape an inclusive workplace where everyone has the opportunity to thrive. We plan to develop and launch a DEI policy and roadmap by 2026.



Responsible Business Practices

Responsible business practices are central to SD Guthrie's commitment to ethical conduct, transparency and accountability. By prioritising customer privacy, data protection, and anti-corruption, we uphold the highest standards of integrity, ensuring responsible and sustainable business operations.

Governance and Anti-Corruption | Customer Privacy and Data Protection

Governance and Anti-Corruption



At SD Guthrie, strong corporate governance and integrity are fundamental to our decision-making and accountability. Our diverse and well-balanced Board of Directors help to enhance decision-making by bringing varied perspectives to the table and driving innovation across the organisation. This diversity ensures we better reflect the interests and needs of our stakeholders, and thus further strengthening our governance.

SD GUTHRIE'S APPROACH

SD Guthrie's Board Selection Approach		
Directors Fit and Proper Policy	Board Composition Policy	Nomination & Remuneration Committee
Defines the fit and proper criteria to assess the suitability and integrity of Directors, aiming to ensure they possess the requisite character, integrity, experience, competence as well as time and commitment for effective role performance while upholding governance and ethical standards.	A policy that sets out the diversity approach in terms of skills, background, knowledge, international and industry experience, culture, independence, age gender and other qualities. This policy guides our efforts to achieve a balanced representation of diverse backgrounds among Board members.	Committee which oversees the Board size, succession planning, human capital development, and remuneration frameworks, including the need to have sufficient independent representation on the Board.

» For further details, please refer to the Corporate Governance Overview Statement and Nomination and Remuneration Committee Report in the 2024 Integrated Report.

Anti-corruption

Our anti-corruption policies align with the Malaysian Anti-Corruption Commission (Amendment) Act 2018, the Malaysian Code on Corporate Governance and other relevant regulations in Malaysia as well as that of the jurisdictions which we operate in. Through our ISO 37001 Anti-Bribery Management Certification and compliance with the Corporate Integrity System Malaysia (CISM) Framework, we reinforce our commitment to upholding the highest ethical standards across our operations. Additionally, we proactively identify and mitigate corruption and fraud risks, taking decisive action when necessary.

Our Approach in Fraud and Corruption Risk Management

- Fraud and Corruption Risk Assessment
- Instilling awareness
- Whistleblowing channels
- Investigation of reported cases
- Consequence management
- Established policies, procedures, and controls
- Fraud detection through whistleblowing and data analytics

SD GUTHRIE'S PERFORMANCE

Governance – Board Composition and Diversity

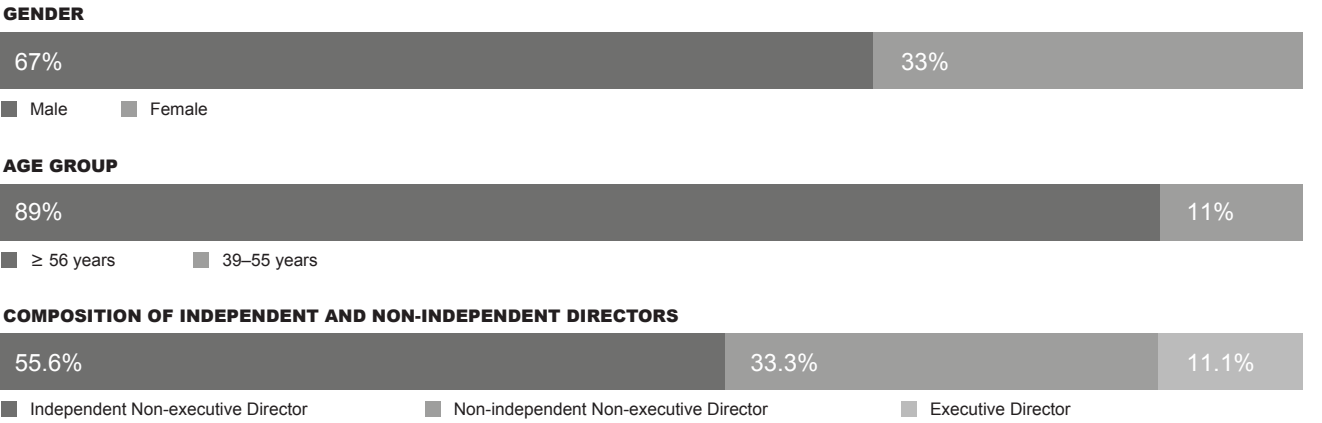
Our Board consists of nine members, with a composition of eight Non-Executive Directors and one Executive director as of end FY2024. We will continue to sustain an age and gender-diverse Board.

Governance and Anti-Corruption | Customer Privacy and Data Protection



» Board members and management at the Integrity Summit, reinforcing our stand against corruption and fostering a culture of integrity.

Individuals Within the Organisation's Board of Directors





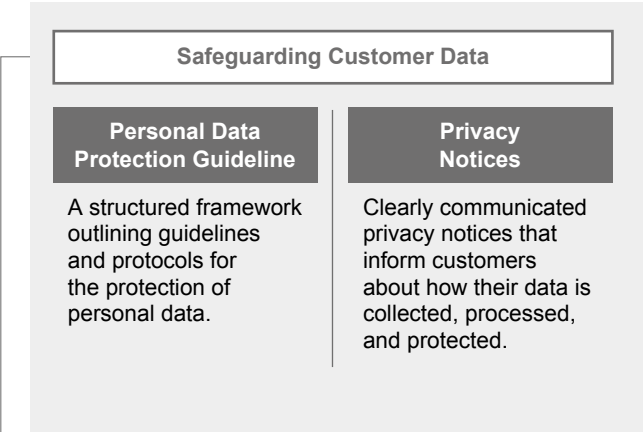
Customer Privacy and Data Protection



Safeguarding customer privacy and data security is a top priority for SD Guthrie. Upholding confidentiality fosters trust with our employees, business partners, and customers. As regulatory scrutiny increases, we remain committed to robust data protection measures that comply with legal requirements.

SD GUTHRIE'S APPROACH

We respect the privacy of our employees, business partners and customers. Personal data is processed only when legally required, and is done strictly in accordance with applicable laws and our Code of Business Conduct (COBC). To ensure the highest security standards, we enforce stringent policies on data collection, processing, disclosure, security, storage, and retention.



Our employees must comply with these policies as well as data protection regulations across all operating regions.

Cybersecurity Initiatives

Cybersecurity efforts were strengthened through improved monitoring, employee training and security assessments. We improved threat detection and response through our centralised security event management system and leveraged behaviour analytics to bolster identity and asset protection. We also issued cybersecurity awareness messages periodically to employees, and conducted independent security audits and phishing simulations to identify and address vulnerabilities. Collectively, these measures reinforced our data security and regulatory compliance.

SD GUTHRIE'S PERFORMANCE

In FY2024, SD Guthrie recorded zero non-compliance incidents related to data privacy and cybersecurity laws.

MOVING FORWARD

We will continue to implement robust cyber risk management and data protection and remain abreast of cybersecurity regulations to safeguard employees, business partners and customers' information against cyber threats.

Appendix

GRI CONTENT INDEX

SD Guthrie has reported the information cited in this GRI content index for the period 1 January 2024 to 31 December 2024 with reference to the GRI Standards.

GRI 1: FOUNDATION 2021

GRI Standard	Disclosure	Page Reference
GRI 2: General Disclosures 2021	2-1 Organisational details	4
	2-2 Entities included in the organisation's sustainability reporting	4
	2-3 Reporting period, frequency and contact point	4
	2-5 External assurance	5
	2-6 Activities, value chain and other business relationships	8
	2-7 Employees	50
	2-8 Workers who are not employees	50
	2-9 Governance structure and composition	14
	2-10 Nomination and selection of the highest governance body	14
	2-11 Chair of the highest governance body	14
	2-12 Role of the highest governance body in overseeing the management of impacts	14
	2-13 Delegation of responsibility for managing impacts	14–15, 21 73, 87 (Integrated Report)
	2-14 Role of the highest governance body in sustainability reporting	14–15, 21 73, 87 (Integrated Report)
	2-16 Communication of critical concerns	53
	2-19 Remuneration policies	51–52 83 (Integrated Report)
	2-20 Process to determine remuneration	51–52
	2-22 Statement on sustainable development strategy	12
	2-23 Policy commitments	60 (Integrated Report)
	2-24 Embedding policy commitments	60 (Integrated Report)
	2-25 Processes to remediate negative impacts	52
	2-26 Mechanisms for seeking advice and raising concerns	52
	2-27 Compliance with laws and regulations	52
	2-28 Membership associations	5
	2-29 Approach to stakeholder engagement	16–19 (Integrated Report)



GRI Standard	Disclosure		Page Reference
GRI 3: Material Topics 2021	3-1	Process to determine material topics	16
	3-2	List of material topics	16–54
	3-3	Management of material topics	16–54
GRI 201: Economic Performance 2016	201-2	Financial implications and other risks and opportunities due to climate change	17–21
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	64 (Integrated Report)
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	52
	205-2	Communication and training about anti-corruption policies and procedures	53
	205-3	Confirmed incidents of corruption and actions taken	53
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	63 (Integrated Report) FY2024 Performance Data
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	42
	303-2	Management of water discharge-related impacts	42
	303-3	Water withdrawal*	FY2024 Performance Data
	303-4	Water discharge	
	303-5	Water consumption*	
GRI 304: Biodiversity 2016	304-3	Habitats protected or restored	10, 40–41 FY2024 Performance Data
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	23
	305-2	Energy indirect (Scope 2) GHG emissions	23
	305-3	Other indirect (Scope 3) GHG emissions	23
	305-4	GHG emissions intensity	24
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	37–38
	306-2	Management of significant waste-related impacts	37–38
	306-3	Waste generated	38
	306-5	Waste directed to disposal	38
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	50 FY2024 Performance Data

GRI Standard	Disclosure		Page Reference
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	34
	403-2	Hazard identification, risk assessment, and incident investigation	35
	403-3	Occupational health services	34–35
	403-4	Worker participation, consultation, and communication on occupational health and safety	34–35
	403-5	Worker training on occupational health and safety	34–35
	403-6	Promotion of worker health	34–35
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	35
	403-8	Workers covered by an occupational health and safety management system	34
	403-9	Work-related injuries	35
GRI 404: Training and Education 2016	404-2	Programmes for upgrading employee skills and transition assistance programmes	44–45
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	50–51
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programmes	46–49
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	54

* Refer to the FY2023 Performance Data on 'Reports, Policies and Statements' section on SD Guthrie's website at www.sdguthrie.com



INTERNAL ASSURANCE REVIEW STATEMENT



Internal Assurance Review by Group Corporate Assurance

Pursuant to the MMLR and Sustainability Reporting Guide issued by Bursa Malaysia, selected sections of the Sustainability Statement for the financial year ended 31 December 2024 was subjected to internal review by the Group Corporate Assurance Department (internal audit).

Subject Matter Assured

Group Corporate Assurance conducted a limited assurance engagement, focusing on four key subject matters reported in the Sustainability Statement for the financial year ended 31 December 2024. The internal assurance procedures covered the following four subject matters, with assurance provided across all operations in the Group.

Subject Matter	Common Indicators
Community/Society	Bursa C2(a): Total amount invested in the community where the target beneficiaries are external to the listed issuer Bursa C2(b): Total number of beneficiaries of the investment in communities.
Diversity	Bursa C3(a): Percentage of employees by gender and age group, for each employee category Bursa C3(b): Percentage of directors by gender and age group
Labour Practice and Standards	Bursa C6(a): Total hours of training by employee category Bursa C6(b): Percentage of employees that are contractors or temporary staff Bursa C6(c): Total number of employee turnover by employee category Bursa C6(d): Number of substantiated complaints concerning human rights violations
Data Privacy and Security	Bursa C8(a): Number of substantiated complaints concerning breaches of customer privacy and losses of customer data

The Assurance Procedures and Reporting Guidelines

Detailed walkthroughs were conducted to understand the reporting process and data sources, followed by interviews with subject matter owners to assess their understanding of disclosure requirements and data accuracy mechanisms. Group Corporate Assurance team validated the data provided by Group Sustainability against source documents, with additional substantive testing performed where manual records were relied upon. This assurance engagement was conducted in accordance with the Global Internal Audit Standards (2025) issued by the Institute of Internal Auditors (IIA).

Conclusion

The Group Corporate Assurance team confirmed that the data related to the four subject matters reviewed were reliably ascertained and adequately supported. Throughout the assurance exercise, no matters came to Group Corporate Assurance's attention that would indicate the disclosures for the selected subject matters were materially inaccurate and not aligned with the expectations set by Bursa Malaysia.


Suhaila Mohamed Abdulla
Chief Integrity & Assurance Officer


Gunalan Balakrishnan
Head, Group Corporate Assurance
- SDGI


Mohd Fitri M. Yatim
Head, Group Corporate Assurance
- UPMY, R&D & GHO

21st April 2025

INDEPENDENT LIMITED ASSURANCE REPORT



Independent Limited Assurance Report to the Board of Directors of SD Guthrie Berhad (formerly known as Sime Darby Plantation Berhad) on the selected sustainability information disclosed in the Sustainability Report 2024

We have been engaged by SD Guthrie Berhad (formerly known as Sime Darby Plantation Berhad) (“the Company”) to perform an independent limited assurance engagement on the selected sustainability information for the year ended 31 December 2024 (the “Subject Matter Information”) as defined below and marked with the symbol “[Ⓐ]” in the Company’s Sustainability Report for the year ended 31 December 2024 (the “Sustainability Report 2024”).

Our assurance conclusion does not extend to information in respect of earlier periods or to any other information included in the Sustainability Report 2024.

Our Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information is not prepared, in all material respects, in accordance with the Reporting Criteria set out in the Sustainability Reporting Guide (3rd Edition) issued by Bursa Malaysia Securities Berhad and SD Guthrie Berhad Greenhouse Gas (“GHG”) Inventory Methodology Statement disclosed on the Company’s website (hereinafter referred to as the “Reporting Criteria”) and referenced in the “Subject Matter Information and Reporting Criteria” section below.

Subject Matter Information and Reporting Criteria

The Subject Matter Information needs to be read and understood together with the Reporting Criteria, which the Company is solely responsible for selecting and applying.

The Subject Matter Information and the Reporting Criteria are set out below:

No.	Subject Matter Information	2024
Reporting criteria: SD Guthrie GHG Inventory Methodology Statement [Ⓐ]		
1	Scope 1: Direct GHG emissions (tCO ₂ e)	9,398,397
2	Scope 2: Energy indirect GHG emissions (tCO ₂ e)	187,678
3	Scope 3: Other indirect GHG emissions (tCO ₂ e)	9,031,799
4	Scope 1 and Scope 3 - carbon removals (tCO ₂ e)	(7,050,245)
5	GHG emissions (net of removal) intensity of refineries (tCO ₂ e/MT of refined products)	2.57
6	Scope 1 and Scope 2 emissions (net of removal) intensity of estates and mills (tCO ₂ e/MT of CPO)	1.61

PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), Chartered Accountants, Level 10, Menara TH 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, P.O. Box 10192, 50706 Kuala Lumpur, Malaysia
T: +60 (3) 2173 1188, F: +60 (3) 2173 1288, www.pwc.com/my



Independent Limited Assurance Report to the Board of Directors of SD Guthrie Berhad’s (formerly known as Sime Darby Plantation Berhad) on the selected sustainability information disclosed in the Sustainability Report 2024 (cont’d)

Subject Matter Information and Reporting Criteria (cont’d)

No.	Subject Matter Information	2024
Reporting criteria: The Sustainability Reporting Guide (3rd Edition) issued by Bursa Malaysia Securities Berhad		
7	C1(a) Percentage of employees who have received training on anti-corruption by employee category	Senior Management: 55% Management: 43% Executive: 36% Non-executive: 3%
8	C1(b) Percentage of operations assessed for corruption-related risks	100%
9	C1(c) Confirmed incidents of corruption and action taken (cases)	10
10	C4(a) Total energy consumption (GJ)	41,254,412
11	C5(a) Number of work-related fatalities (cases)	2

¹ The SD Guthrie Berhad GHG Inventory Methodology Statement (issued on 23 April 2025) is accessible from the Company’s website. The maintenance and integrity of the Company’s website is the responsibility of the Company. The work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the Reporting Criteria as presented on the website.

Responsibilities of the Directors and Management

Management of the Company is responsible for the preparation of the Subject Matter Information included in the Company’s Sustainability Report 2024 in accordance with the Reporting Criteria.

This responsibility includes the selection and application of appropriate methods to prepare the Subject Matter Information reported in the Company’s Sustainability Report 2024 as well as the design, implementation and maintenance of internal control relevant for the preparation of the Subject Matter Information that is free from material misstatement, whether due to fraud or error. Furthermore, the responsibility includes the use of assumptions and estimates for disclosures made by the Company which are reasonable in the circumstances.

Those charged with governance are responsible for overseeing the Company’s sustainability reporting process.

Inherent Limitations

The absence of a significant body of established practice on which to draw to evaluate and measure the Subject Matter Information allows for different, but acceptable, measurement basis and can affect comparability between entities and over time. In addition, GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases. The uncertainties and limitations are laid out in more detail in the SD Guthrie GHG Inventory Methodology Statement.



Independent Limited Assurance Report to the Board of Directors of SD Guthrie Berhad’s (formerly known as Sime Darby Plantation Berhad) on the selected sustainability information disclosed in the Sustainability Report 2024 (cont’d)

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Subject Matter Information based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the approved standard for assurance engagements in Malaysia, International Standard on Assurance Engagements (ISAE) 3000 (Revised) “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information”, and, in respect of GHG emissions, ISAE 3410 “Assurance Engagements on Greenhouse Gas Statements”. These standards require that we plan and perform this engagement under consideration of materiality to express our conclusion with limited assurance about whether the Subject Matter Information is free from material misstatement.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants (“MIA”) and the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Summary of Work Performed

Our work included the following procedures. We:

- Evaluated the suitability in the circumstances of the Company’s Reporting Criteria as the basis for preparing the Subject Matter Information;
- Obtained an understanding of the Company’s control environment, processes and systems relevant to the preparation of the Subject Matter Information at the consolidated level and operating unit level. Our procedures did not include evaluating the suitability of design or operating effectiveness of control activities;
- Evaluated the appropriateness of measurement and evaluation methods, reporting policies used and estimates made by the Company, noting that our procedures did not involve testing the data on which the estimates are based or separately developing our own estimates against which to evaluate the Company’s estimates;
- Performed review analytics on the Subject Matter Information;
- Performed limited substantive testing on a sampling basis for transactions included in the Subject Matter Information, which involved agreeing data points to/from source information to check that the underlying subject matter had been appropriately evaluated or measured, recorded, collated and reported;



Independent Limited Assurance Report to the Board of Directors of SD Guthrie Berhad’s (formerly known as Sime Darby Plantation Berhad) on the selected sustainability information disclosed in the Sustainability Report 2024 (cont’d)

Summary of work performed (cont’d)

- Undertook site visits at selected operating units (i.e. estate, palm oil refinery, packaging plants) to assess the completeness of the emissions sources, data collection methods, source data and relevant assumptions applicable to the sites. Our procedures did not include testing the information systems used to collect and aggregate facility data, or the controls at these sites;
- Assessed the appropriateness of the emission/conversion factors used in the calculation of the Subject Matter Information, where relevant;
- Checked mathematical formulas, proxies and default values used in the Subject Matter Information against the Company’s Reporting Criteria; and
- Evaluated the appropriateness of the disclosures and presentation of the Subject Matter Information based on the Reporting Criteria.

Our assurance procedures involved agreeing certain data to information obtained from publicly available third-party sources. However, our scope did not extend to testing the completeness and accuracy of the information obtained from publicly available third-party sources. Nor did we perform procedures on financial information extracted from the audited financial statements of the Company and used in the calculation of certain Scope 3 other indirect GHG emissions.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Subject Matter Information has been prepared, in all material respects, in accordance with the Reporting Criteria.

Restriction on Distribution and Use and Disclaimer of Liability to Third Parties and For Any Other Purpose

Our report, including our conclusion, has been prepared solely for the Board of Directors of the Company in accordance with the agreement between us dated 25 November 2024. We consent to the inclusion of this report in the Sustainability Report 2024 which will be accessible at the Company’s website in connection with the Company’s responsibilities under paragraph 6.2(e) of Practice Note 9 of the Main Market Listing Requirements in respect of the disclosure of a statement on whether the listed issuer has sought independent assurance on the Subject Matter Information. To the fullest extent permitted by law, we do not accept or assume responsibility or liability to anyone other than the Company for our work or this report except where terms are expressly agreed between us in writing. Any reliance on this report by any third party is entirely at its own risk.


PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur
23 April 2025

SD Guthrie Berhad

(formerly known as Sime Darby Plantation Berhad)
Registration No. 200401009263 (647766-V)

Level 10, Main Block, SD Guthrie Tower
No. 2, Jalan PJU 1A/7, Ara Damansara
47301 Petaling Jaya, Selangor, Malaysia

Tel: +(603) 7848 4000 Fax: +(603) 7848 5360

www.sdguthrie.com