

GLENEALY PLANTATIONS

SUSTAINABILITY REPORT 2023

*“Planting the seeds of sustainability;
growing meaningful relationships”*

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GPSB is a major oil palm producer in Borneo, Malaysia, focused primarily but not exclusively, on upstream operations of the palm oil industry, such as the cultivation of oil palm and the milling operations of the cultivated and thence harvested fruits.

Currently, GPSB owns and operates 5 palm oil mills, 4 located in East Malaysia (Sabah and Sarawak) and 1 in Tanjung Selor, Kalimantan, Indonesia. We process fruit from our own as well as surrounding oil palm plantations, to produce crude palm oil (CPO) and palm Kernels (PK).

At GPSB, we realise the need to be constantly changing and evolving according to current trends and more importantly, a sense of increased responsibility to the interests of our stakeholders from an economic, environmental and social sense.

Hence, while we seek to maximise returns for our investors, we are also acutely aware that economic performance must be tempered and guided by what impact this will have on the land and her people.

We are fully aware and are fully motivated to undertake whatever is necessary to ensure that as we grow economically, we do so in tandem with increased consideration of our environment and the need to ensure the sustainability of our planet.

Our sustainability journey is not static, it is constantly evolving. There were many challenges we faced in 2023 just as there will be many challenges facing us in the years to come. But we will rise to the challenge and continue to work with our partners to play our part in protecting our planet Earth.

About This Report

In 2021, we published our first sustainability report (FY 2020) making this Sustainability Report 2023 our fourth report on record. These reports covered our sustainability performance and achievements as well as outlined our future sustainability plans and initiatives, in accordance with international sustainability reporting standards.

This current report (FY 2023) covers our performance from 1st January 2023 to 31st December 2023 (unless otherwise mentioned), with an emphasis on accuracy, clarity, comparability and reliability, and in continued adherence to international standards of sustainability reporting - Global Reporting Initiatives (GRI) Standards : Core option.

Our report content is based on our initiatives and operations throughout 2023 with greater and wider emphasis on sustainability. Our ESG efforts are clearly outlined and we have also charted our future path as we enter into new areas of business and certification.

Steps taken in reporting

1. GPSB's stakeholders were identified, and report content is based on our initiatives and operations *vis a vis* the various stakeholders' expectations, interests and benefit.
2. Emphasis has been placed on reporting GPSB's performance in the wider context of sustainability.
3. Clearly define how GPSB's operations have impacted and met economic, environmental and social matters as requested by stakeholders.
4. Complementary reporting to reflect GPSB's Economic, Social and Governance (ESG) performance for 2021, allowing stakeholders to assess and evaluate GPSB's performance and efforts.

A Message from our Plantation Director



It seems like only yesterday that GPSB released its first Sustainability Report for the year 2020, and here we are on our fourth edition of our Sustainability Journey assessment.

The past four years have opened our minds to not only the importance of sustainability in our business and indeed personal lives, but also to many new measures we can adopt as we grow more familiar with and accustomed to, what sustainability means to our Group.

The challenges remain, but the success we have achieved over the past four years have inured us to some extent, to the negative public perception that seems to be part and parcel of our industry. This is not to say that we are okay with this negative public perception, but more that we realise that no matter what others choose to think of us, we must not be distracted from the sustainability journey we have embarked on.

For 2023, we have kept to that journey, doubling down on our sustainability policies such as NDPE commitment, and indeed have increased markedly our conservation and biodiversity programmes. Camera trappings, tree planting, and riparian zone protection programmes increased in 2023 and have started to bear fruit. And in line with our commitment to No Exploitation, we have grown from strength to strength in upholding the UN's Universal Declaration of Human Rights, where value and respect of our people and our communities guides us, from zero tolerance for discrimination to gender equality, from maintaining safe working environments to functional and effective grievance mechanisms.

The extensive list of endangered wildlife that our camera trappings have compiled provides us and our partners with valuable information and guidance on the type of flora that needs to be planted in areas identified

for conservation. In-house, our family of workers continue to be our main concern and we have undertaken various initiatives which are elaborated on in this report, to improve housing, provide educational and health facilities and ensuring food security.

GPSB has complied with all MSPO certification in 2023, and for 2024 we intend to go further by watching the Compliance space particularly on the EU Regulation on Deforestation-Free Products Compliance (EUDR). We will put in place measures to prepare and ensure that our products are above board and aligned with the EUDR regulations. We will also explore the International Sustainability & Carbon Certification (ISCC) as the guideline to complement our biomass products that we are seriously looking at in 2024 onwards for Glenealy.

We are confident that all our efforts of 2023 and our plans moving forward will give great comfort to our stakeholders, provide peace of mind for our family of employees, and demonstrate clearly to local communities that GPSB is more than just an oil palm company.

We are here to stay, we are here to enhance, we are here to build, we are here to provide, and we are here to protect.

Han Boon Kwang

Han Boon Kwang
Plantations Director

A Message from our Sustainability Lead



Compared to 2022, 2023 seemed like a lull in the storm. Our industry has finally shaken off the after effects of the Covid pandemic as business and operations settle into a more consistent pattern.

The issues we faced in 2022 in terms of movement restrictions and manpower shortage have more or less been resolved in 2023. This enabled GPSB to embark on a higher number of sustainability programmes, notably in the areas of community social engagement, conservation and biodiversity.

Our dedication to social responsibility remains unwavering and we are continuously improving the facilities for our workers, ensuring they operate in a safe, healthy and supportive environment. In year 2023, we also continued to engage with the local community through Social Impact Assessments, tree planting initiatives, educational programmes, and community outreach efforts.

We have increased our collaboration with academic and non-governmental partners, leading to greater mutual understanding and two-way learning regarding the impact of our conservation and bio-diversity initiatives.

At the GPSB level, education and awareness formed the basis of our sustainability initiatives. This ensured that our employees were not merely complying with MSPO standards regarding human rights and environmental protection, including waste management and power consumption, but also understood why these measures are important.

This is how GPSB intends to move forward - not merely ticking the boxes but actually understanding and appreciating each box that we tick.

Sustainability is like an ultra-marathon - it never seems to end simply because there is always more to do and more to achieve.

We at GPSB are committed to this marathon. The past four years since we issued our first Sustainability Report for 2020, have seen us training hard for this marathon. We are in the race, we are competing, and we fully intend to keep running, come what may.

Chieng Kai Soon

Chieng Kai Soon
GPSB Sustainability Lead

Ethos, Vision & Mission



Our Vision

To be an efficient palm oil producer recognized for our balanced responsibilities towards our communities, natural resources and economic performance.



Our Sustainability Mission

To care for people and communities; to protect natural resources; aim for prosperity and continuous improvement; to be a responsible corporate citizen to our communities.

Ethos

In order to successfully execute our Mission in Sustainability, and to work towards making our Vision in Sustainability a reality, our Ethos revolves around the following values and principles, building the firmest of foundations:



Integrity

Because like the human spirit, nothing is of value if it is not born of and guided by integrity; integrity will be our constant guide.



Eye on Sustainability

Managing natural resources with sustainability firmly in mind, spirit and approach : from beginning to end.



Excellence in performance

To strive for excellence in everything we do, so as to be able to deliver best value to our stakeholders.



Collaboration and Cooperation

We commit to engagement with our local communities and stakeholders, realizing that the journey of sustainability is a collective and collaborative effort.

Sustainability Governance Structure

Over the years, we have enhanced and systematically instilled, grown and honed positive sustainability values deep within our psyche and our work culture, so much so that today, sustainability is very much entrenched in how we manage our business, and it practically guides every decision that we make.

Sustainability is at the core of our identity, consistently influencing our daily operations and very much in our mindset, driven by our Sustainability Committee. This Committee, comprised of individuals who understand and are committed to the cause, and further guided by effective and inspiring leaders, plays a key role in driving GPSB's sustainability efforts, ensuring that it permeates every level of our organisation.



Sustainability Policies

GPSB has committed to a total of 8 sustainability policies, namely:

- Sustainable Oil Palm Policy
- No Deforestation, No Peat, No Exploitation (NDPE) Policy
- Health and Safety Policy
- Human Rights Policy
- Whistle Blower Policy
- Anti-Bribery and Anti-Corruption Policy
- Gift and Entertainment Policy
- Anti-Discrimination and Anti-Harassment Policy



Sustainable Palm Oil Policy

GPSB is committed to ensuring that our entire production process from planting to delivery, is done in a responsible manner that protects the environment and most importantly, the communities that live on the land, ensuring that livelihoods grow and careers develop, in tandem with a commitment to protecting resources.



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

This forms a core tenet of our overall Sustainable Palm Oil Policy. GPSB committed itself to the NDPE policy in April 2020 and until the end of 2023, the company has zero oil palm development on peat land.



Health and Safety Policy

GPSB has been committed to the Health and Safety Policy since 2018, and in 2023 we conducted a review of the policy, resulting in a decision for policy review on a regular basis. These regular reviews will enable GPSB to ensure that our Health and Safety Policy is relevant to emerging health and safety concerns.



Human Rights Policy

At GPSB, we recognise the rights of every individual and community with whom we engage, whether via employment, assistance, consultation or production partnership. That is why our engagement process with our employees, our partners, our suppliers and the communities we live with, is on-going and continuous with the aim of giving every individual the chance to air their concerns and grievances.



Whistleblower Policy

In line with best practice standards, GPSB will ensure that whistleblowers are not subjected to discriminatory or retaliatory actions if their actions are deemed to be of public interest and not merely of personal grievances.



Anti-Bribery and Anti-Corruption Policy

Our Anti-Bribery and Anti-Corruption Policy is aimed at ensuring that any individual who has received any form of gratification or who has been asked for any form of gratification, will report the matter in a timely manner.



Gift and Entertainment Policy

GPSB expressly forbids the acceptance of any form of gift or entertainment in return for special favours granted.



Anti-Discrimination and Anti-Harassment Policy

AT GPSB, all employees irrespective of race, religion or gender, are ensured equal rights and opportunities based solely on ability and qualification. We are also committed to safeguarding the privacy and protection of all our employees from any form of harassment or bullying.

For the purpose of continuous improvement, the management has reviewed all the policies and revised the Sustainable Palm Oil Policy, Human Rights Policy, Health and Safety Policy and Anti-discrimination & Anti-harassment Policy on 1 September 2023.

Sustainable Development Goals







(Materiality Assessment)

GPSB understands that this is a continuous process, one that requires constant evaluation and assessment. That is why throughout 2023, GPSB held continuous engagement sessions with all our stakeholders to enable us to understand their feedback and concerns and thus allow us to take the necessary steps and actions to ensure our SDGs are in line not only with the UN standard, but also with the real operating and productions scenarios that we face on a daily basis.

| Priority Issues | GRI Standards | Summary of initiatives in GPSB | UN SDGs |
|-----------------|--|---|---|
| | GRI 307 Environmental Compliance | <ul style="list-style-type: none"> Developed the No Deforestation, No Peat, No Exploitation (NDPE) Policy and compliance to MSPO standards Quality Check (QC) systems which evaluate quality of work standards Mill and estate management to identify areas to improve compliances Adhering strictly to SOPs and national laws and regulations | 15 LIFE ON LAND |
| | GRI 403 Occupational Safety and Health | <ul style="list-style-type: none"> Adherence to Occupational Safety and Health (OSH) policies that are tailored to Glenealy operations based on Hazard Identification, Risk Assessment and Risk Control (HIRARC) 2008 guidelines Annual training to communicate OSH policy and implementation Voluntary programmes to promote health awareness and safety at workplace Establishment of estate clinics Safety and Health Committee was established to oversee OSH practices and incidents at mills and plantations OSH representatives at each mill and estate | 8 DECENT WORK AND ECONOMIC GROWTH |
| | GRI 412 Human Rights Assessment | <ul style="list-style-type: none"> Adherence to human rights commitment under Sustainable Palm Oil Policy (SPOP) and No Deforestation, No Peat, No Exploitation (NDPE) Policy | 8 DECENT WORK AND ECONOMIC GROWTH |
| | GRI 413 Local Communities | <ul style="list-style-type: none"> Conflict resolution mechanism to address the concerns of local communities Continued engagement with Community Representative Committees to manage resources for local communities Plans to formalise Corporate Social Responsibility (CSR) activities based on needs and importance Funding for infrastructure projects including learning centres, roads and bridges | 3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION |
| | GRI 102 General Disclosure | <ul style="list-style-type: none"> Establishment of Sustainability Committee | 16 PEACE, JUSTICE AND STRONG INSTITUTIONS |
| | GRI 205 Anti-corruption | <ul style="list-style-type: none"> Adherence and implementation of revised Anti-Bribery and Anti-Corruption (ABAC) policy Communication and training on revised Anti-Bribery and Anti-Corruption (ABAC) policy for employees | 16 PEACE, JUSTICE AND STRONG INSTITUTIONS |
| | GRI 417 Marketing and Labelling | <ul style="list-style-type: none"> Launched Glenealy website in August 2020 to improve transparency Adherence to the No Deforestation, No Peat, No Exploitation (NDPE) Policy Frequent review of sustainability strategies to ensure transparency | 16 PEACE, JUSTICE AND STRONG INSTITUTIONS |

Approach to Engagement

Engagement with all our stakeholders is a continuous process which we are fully committed to. Communication holds the key to the success of our operations - we know and fully understand that without it, executing our mission and seeing through our vision, may not come to fruition. We have and continue to increase our engagement sessions with stakeholders in various forms as described in the chart below. These sessions enable us to further understand, clarify and improve especially our sustainability efforts to ensure that these are on point and produce their desired effect.

| Stakeholders Group | Mode of Engagement | Focus Area | Value Creation |
|---|---|---|---|
|  Local Communities | <ul style="list-style-type: none">• Informal sessions• Community events• Community meetings | <ul style="list-style-type: none">• Community relations• Fair dispute management• Livelihood improvement through Corporate Social Responsibility (CSR) | Engage local communities consistently through formal and informal channels |
|  Customers | <ul style="list-style-type: none">• Email and hotline enquiries• On-site visits• Face-to-face meetings• Telephone follow-ups• Annual review and feedback sessions | <ul style="list-style-type: none">• Traceability of suppliers' products• Visibility of sustainability initiatives• Leadership commitment Sustainability policies | Establish long-lasting relationships with customers and invest in ensuring high quality products and services in line with ethical marketing principles |
|  Employees | <ul style="list-style-type: none">• Employee appraisals• Informal one-to-one sessions• Training | <ul style="list-style-type: none">• Occupational Health and Safety• Grievance procedures | Engage employees consistently through formal and informal channels |
|  NGOs | <ul style="list-style-type: none">• Explore potential partnership with potential NGOs | <ul style="list-style-type: none">• Responsible social and environmental management• Transparency | Adopt and implement sustainability efforts |
|  Banks | <ul style="list-style-type: none">• Face-to-face meetings• Regular inspections / visits by financial institutions• Monthly / Yearly reporting | <ul style="list-style-type: none">• Sustainability commitments• Structured sustainability governance• Improved transparency• Good practices in human rights• Corporate Social Responsibility (CSR) effort for environment and community | Form trusting and lasting relationships with financial institutions through transparent reporting |
|  Government and Regulators | <ul style="list-style-type: none">• Face-to-face meetings• Regular inspections / visits by the agencies• Monthly / Yearly reporting• Regular audits | <ul style="list-style-type: none">• Regulatory compliance• Sustainability governance | Achieve full compliance and seek to raise standards of sustainability practices through regular inspections audits and frequent reporting |

Sustainability Certification

As required by the government of Malaysia, all GPSB estates and mills are MSPO (Malaysia Sustainable Palm Oil) certified. While the certification is valid for a five-year cycle, annual audits are carried out to ensure that we adhere to all the conditions of our certification. In 2023, certification for TIMORA complex was renewed, while the rest of our plantations will undergo the recertification audit in 2024 for a new 5-year certification period.



Additionally, all GPSB mills are SCCS (Supply Chain Certification Standard) certified which ensures the traceability of the oil palm supply chain.

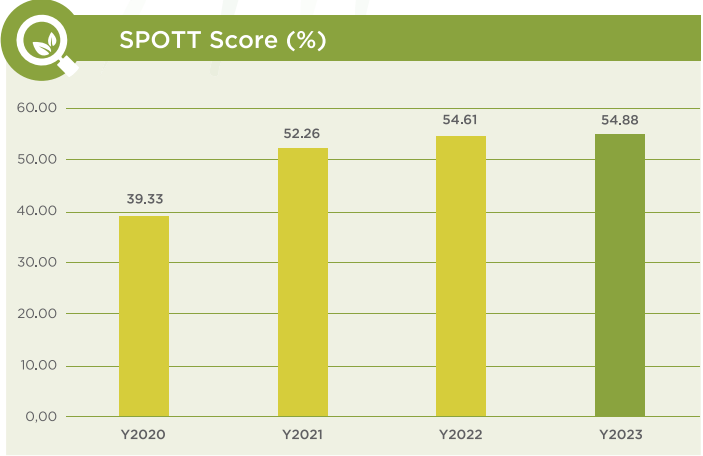
As a sign of the transparency of our operations, four estates under GPSB participated in the 10th Premier of Sarawak Environmental Awards and all four were recipients of the Gold Award. For 2024, all 13 GPSB estates and 3 mills operating in Sarawak will participate in the Awards.



Transparency and Disclosure

GPSB has been assessed by the Sustainability Policy Transparency Toolkit or SPOTT online platform since 2020, recording improved scores every year. In 2023, our SPOTT score was 54.88%, a marginal but important improvement on our 2022 score of 54.61%. This places GPSB at 11th place among the 20 listed Malaysia companies assessed, and in 45th place among the 100 global companies that participated.

GPSB has published its annual Sustainability Report since the year 2020, which is also available on the GPSB website developed in the same year.




Code of Conduct

GPSB has committed to the following policies since 2020:


Anti-Bribery and Anti-Corruption Policy


Whistleblower Policy


Gift and Entertainment Policy


Anti-Harassment and Anti-Discrimination Policy

These policies undergo periodical reviews so that tweaks can be made to keep them relevant to changing trends and standards.

Additionally, GPSB provides a robust Grievance Mechanism to enable workers and communities to raise and air their grievances without fear of reprisal.



ESGs - It's In Our DNA

It would be easy to trivialise the importance of ESGs in our sustainability journey. With the emergence of new sustainability standards and concepts, ESGs can sometimes come across as trite and forced. But at GPSB, we take a serious view of ESGs and for 2023, emphasised to all our stakeholders the need to continue on our upward journey whereby the ESGs we practice contribute meaningfully to our growth, our people's development and our communities' welfare.

As a corporate entity, we uphold the highest standards of ethics and corporate governance, ensuring that our investors and partners have peace of mind that we engage only in responsible best practices that take into consideration our environmental and social impact.

Our people continue to be the heart and soul of our company. Our employees must feel assured that their rights are always protected and that they work in a safe and secure environment. By incorporating community activities in our business, we ensure that not only do the communities we work in benefit from this partnership, but that our GPSB family too, feel connected and committed to the communities around them.

Environment

2023 saw GPSB initiating several conservation programmes including the following:

• Commitment to NDPE Policy

No Deforestation

GPSB commits that there will be no future development in any identified High Conservation Value (HCV) and High Carbon Stock (HSC) areas. Additionally, GPSB will ensure that all remnant potential HCV areas within existing plantations are identified and protected.

No Peat

GPSB has no plantings on peat and commits to no new development in peat areas of any depth.



• Zero Open Burning Policy

GPSB practices a zero open burning policy at all plantation premises. During replanting, palm trunks are felled, chipped, mulched and left-in-site for decomposition. This practice also promotes natural retention of soil nutrients thus maintaining the organic balance of the soil. We also prohibit any form of domestic waste incineration, encouraging and educating our employees on the need for recycling and reduced consumption and wastage.

• Integrated Pest Management

GPSB practices integrated pest management by cultivating and planting beneficial plants such as *Turnera subulata* and *Antigonon leptopus*, as well as through the installation of artificial bird/owl nests. We have also put in place a monitoring and census system to ensure that any pesticides or rodenticides used will be applied at times where the minimum quantity will be required.



• Biodiversity and Conservation

GPSB is on an on-going and continuous exercise to identify potential areas within and adjacent to its estates for the purpose of conservation in line with our commitment to the NDPE policy. Through camera trappings and joint studies with our partners such as UPM Bintulu Campus, we have managed to compile an extensive databank of the fauna in these areas. This in turn, has guided our wild fruit tree planting which provides an important food source for the local fauna. On top of all this, we have also carried out awareness and educational sessions with local communities, especially the younger generation on the importance of environmental protection and biodiversity conservation.



Enhanced tree planting programmes were carried out within and around Long Bala, Jelalong 3, and Amalania Koko Berhad Estate, creating environmental benefits such as carbon sequestration, enhancing and protecting biodiversity, conservation and improvement of health of soil as well as social benefits and community building. For these activities, GPSB partnered up with parties such as the BORA (an NGO), the Bintulu Development Authority, Department of Agriculture, Natural Resources and Environmental Board, Department of Environment, Universiti Putra Malaysia Bintulu Campus and Sebuah District Office.

The involvement of local communities was also key in the success of the programmes we carried out as this enabled far wider awareness and education on the need to conserve these identified areas. Most importantly, it created a sense of ownership for the local communities whereby efforts taken would go a long way in conserving the areas they live in.

We conducted several camera trapping exercises to identify fauna living or trespassing on identified areas marked for conservation. Bio-diversity assessments such as avian, amphibian and reptile studies were also carried out. These areas were also restricted from any hunting or agricultural activities.

The extensive list of Rate Threatened Endangered or RTE specie is available on our website. This list helps prioritise conservation efforts by identifying species that are in decline or even at risk of extinction. In collaboration with our partners, the list is also used as a monitoring and research base to help track changes in the status of each species over time. Finally, the list raises awareness among the communities and public at large of the fauna that is present in these areas and the need for conservation to ensure their survival.



• Effluent and Water Management

For 2023, GPSB enhanced its riparian zone protection by planting erosion control plants such as bamboo along numerous river banks. Education is key in ensuring the protection of rivers and for 2023, GPSB enlisted local nearby communities in its tree planting programmes, giving everyone a sense of responsibility for the health of our rivers. This culminated in the celebration of the World River Day in September 2023 with a joint river cleaning programme.




In-house, GPSB practices rainwater harvesting and has begun measuring water consumption with a view of reducing or minimising our water consumption over time. Apart from consumption, GPSB has also complied with the Department of Environment's regulation that our mills effluent water final discharge is below 20 ppm.



• Waste Management

GPSB held a Group level recycling campaign in August 2023 to run until February 2024, which saw all our Sarawak estates and mills participating in our 3R programme. Efforts to reduce domestic waste and repurpose tyres and scrap metal are ongoing.



• **Energy Management**

2023 saw a massive hike in the number of solar powered street lights installed with over 300 extra units added to bring the total number to 424 thus far. This has resulted in a marked reduction in generator use, especially at night. GPSB has also begun to monitor its diesel usage as a base line to plan for a systematic reduction in our diesel usage in future.

• Greenhouse Gases Emission

In 2023, GPSB began the process of calculating its GHG emission while awaiting the standard calculator developed by Malaysia Sustainable Palm Oil or MSPO, which conforms to the Malaysia Sustainable Palm Oil, MS2530:2033 standard.

GPSB also installed an Electrostatic Precipitator or ESP at its Lana mill as part of our effort to reduce the release of particulates into the atmosphere in compliance with Department Of Environment (DOE) regulations. Also, other mills installed dust particulate reduction equipment such as wet scrubbers, and further improved boiler combustion efficiency to reduce dust particulate emission and control sound pollution.



• Belaga Recovery Plan

This on-going project by GPSB to compensate for the loss of high carbon stock areas from the Group’s oil palm operations, entered the second phase of the management plan that was launched in 2022. Under the second phase, GPSB’s consultant conducted a detailed bio-diversity assessment of the core area concerned in November 2023, and the results are expected to be released in 2024.



For a more detailed explanation of the BRP, please refer to our Sustainability Report 2022 on our website.

Social

Our social agenda encompassed 3 broad categories, namely our Human Rights practices, Local Community Engagement and our Corporate Social Responsibility initiatives.

• Human Rights

GPSB has committed to a Human Rights Policy since 2018, which underwent its latest review in 2023. At GPSB, we are committed to upholding the rights of individuals irrespective of nationality, ethnicity, religion or any other status, in line with the UN’s charter on Human Rights. As such, GPSB provides all plantation workers with free housing, free electricity, free treated water and free medical treatment.



Over the years, we have gradually improved out workers’ accommodation from wooden to brick structures and in 2023 alone, we built an additional 28 blocks of permanent housing for plantation workers. All plantation complexes are also equipped with health clinics manned by a qualified medical assistant. In recognition of these efforts, GPSB received the Excellence Award from the Sarawak Labour Department for our achievement in the management of workers (Excel) and housing condition for workers (Very Satisfactory).



At GPSB, our workers’ children’s education is not neglected with the provision of Community Learning Centres at every centre. Here, children are taught the curriculum of their own countries to cater to those under the age of 18 years. In 2023 the total CLC population at all our estates numbered 147 male students and 186 female students. Children who are not of school going age are taken care of at creches which are manned by professionally trained babysitters.



In 2023, GPSB constructed 3 permanent creches as we replaced temporary wooden buildings with permanent structures. For children enrolled in local schools, GPSB provides free transportation services.

To cater to their spiritual wellbeing, our workers are also provided with religious houses of worship. Because the overwhelming number of workers profess Islam, each estate has at least one surau while there is also a Christian chapel at the Belaga estate.

For relaxation, workers and their families have access

to recreational facilities such as football fields, badminton courts, table tennis tables, sepak takraw courts, snooker tables, dart boards and other types of games and past times, ensuring that it is not all work at our estates.

In the last few years, GPSB has embarked on various initiatives to ensure that all workers at our estates have access to fresh food supplies. This is achieved through the opening of fruit orchards, vegetable farms, goat farms, fish ponds and duck farms at some of our estates with the aim of expanding these initiatives to all

estates in future. Produce from these initiatives are sold to workers at below market prices or even distributed for free, depending on the harvest. For their emergency needs, workers also have access to a canteen and mini market operated within the estate. Anything that cannot be purchased within the estates can be procured from the town areas as GPSB provides free transportation for workers to the nearest towns when the need arises.



• Local Community Engagement

For the year 2023, GPSB in collaboration with its partner University Putra Malaysia Bintulu Campus conducted three Social Impact Assessments at the Belaga, Jelalong and Lana complexes. These SIAs were in line with the MSPO MS2530: 2022 SIA Guidelines. A total of 70 villagers from the local communities attended the SIA session at Belaga, 206 at Jelalong and 157 at Lana.

Another community initiative that was carried out in 2023 was Oil Palm training for oil palm smallholders and fresh fruit bunch suppliers among the communities. The training was aimed to helping these smallholders and suppliers improve their techniques of manuring, harvesting, weeding and other processes. Two training sessions were held in 2023, at Uma Long Bala in May 2023, and at Rh Ningkan and other Jelalong communities in November 2023.

Community engagement went beyond oil palm operations with GPSB also collaborating with other government agencies to conduct outreach programmes such as home composting, pineapple jam making, waste management in rural areas and prevention of open burning practices.

Our Gender Committees were also active throughout 2023 organizing activities for women and children for skills improvement and equally importantly, nurturing close bonds between management, workers and communities.

GPSB continues to maintain the employment percentages of local communities within our operations whereby the total percentage of local community employees has reached 28.4% in 2023 for estate management and non-management staff, 9% for estate workers, 37.8% of mills management and non-management staff and 29.3% of mill workers.



| Local Communities Employees' Percentage | 2021/22 | 2022/23 |
|---|---------|---------|
| • Estates (Management + Non-Management) | 25.4% | 28.4% |
| • Estates (Workers) | 10.4% | 9.0% |
| • Mills (Management + Non-Management) | 37.8% | 37.8% |
| • Mills (Workers) | 30.8% | 29.3% |

• Corporate Social Responsibility

In 2023, GPSB contributed a total of RM72,354 in donations for various causes including renovation of learning institutions and places of worship, local community events, purchase of school uniforms and supplies and festive donations.



Apart from the above, GPSB’s CSR efforts included numerous road and bridge repairs as floods and the weather continued to take its toll on transport facilities. Below is a list of some of the road and bridge repairs undertaken for free by GPSB in 2023.

| Date | CSR | Centre |
|------------|--|----------|
| 1/1/2023 | Samut Road Repair | Jelalong |
| 9/1/2023 | Rh Atam access road to their oil palm farm repair | Jelalong |
| 25/3/2023 | Road repair from Sungai Sengaya Junction to Sungai Jelalong to access to Rh Jerry Nicholas | Jelalong |
| 5/4/2023 | Bridge repair for the access road to Rh Aban | Jelalong |
| 17/6/2023 | Rh Kelukot Access road to their oil palm farm repair | Jelalong |
| 19/6/2023 | Soil leveling for Rh Berain, new long house | Jelalong |
| 19/6/2023 | Road repair between Sg Sengaya to Rh Jantom | Jelalong |
| 31/8/2023 | Goad gravelling of junction road to Rh Derick | Jelalong |
| 31/8/2023 | Donation of culvert for road access | Jelalong |
| 25/9/2023 | Rh Jeranding access road maintenance and repair | Jelalong |
| 8/12/2023 | Rh Jeranding access road repair | Jelalong |
| 15/12/2023 | Repair Jalan Samut | Jelalong |
| 22/2/2023 | Oil Plam farm road access to Punan Bah | Lana |
| 16/2/2023 | Road repair for Punan Data Bah smallholder | Lana |
| 18/3/2023 | Road repair of Kampung Punan Sama | Lana |
| 22/3/2023 | Road repair to Kampung Rh Dari | Lana |

Governance

Throughout 2023, GPSB put into practice various initiatives in relation to workplace safety and welfare, training and education, as well as public awareness of current social issues.

• Occupational Safety and Health (OSH)

GPSB has committed to a Health and Safety Policy since 2018. We conducted a review of this policy in 2023, which lead to some minor updates and changes to reflect currentpractices and trends.

Our OSH practices include reviewing HIRARC, Safe Work Procedure, Emergency Response Plan, workplace injuries, chemical health riskassessment, noise risk assessment, and medical surveillance. All these efforts are aimed at ensuring minimal to zero workplace injuries.

GPSB now has at least one trained OSH Coordinator at each estate and mill, after conducting OSH Coordinator training for 29 personnel in December 2023.



• **Workplace Training and Education**

For the year 2023, 168 executives and staff attended the internal Standard Operating Procedure which covered a range of activities from manuring to weeding to harvesting. Other training programmes included Safe Working Procedures training, management training with regards to the Sarawak Labour Ordinance, and Fire Safety training by the Fire and Rescue Services Department.



• **Workplace Activities**

Management and staff were kept busy throughout 2023 with our various workplace activities to improve team building and camaraderie among all our employees. Events conducted in 2023 included Sports Day, Anti-Drug Campaign and Merdeka Day celebration.

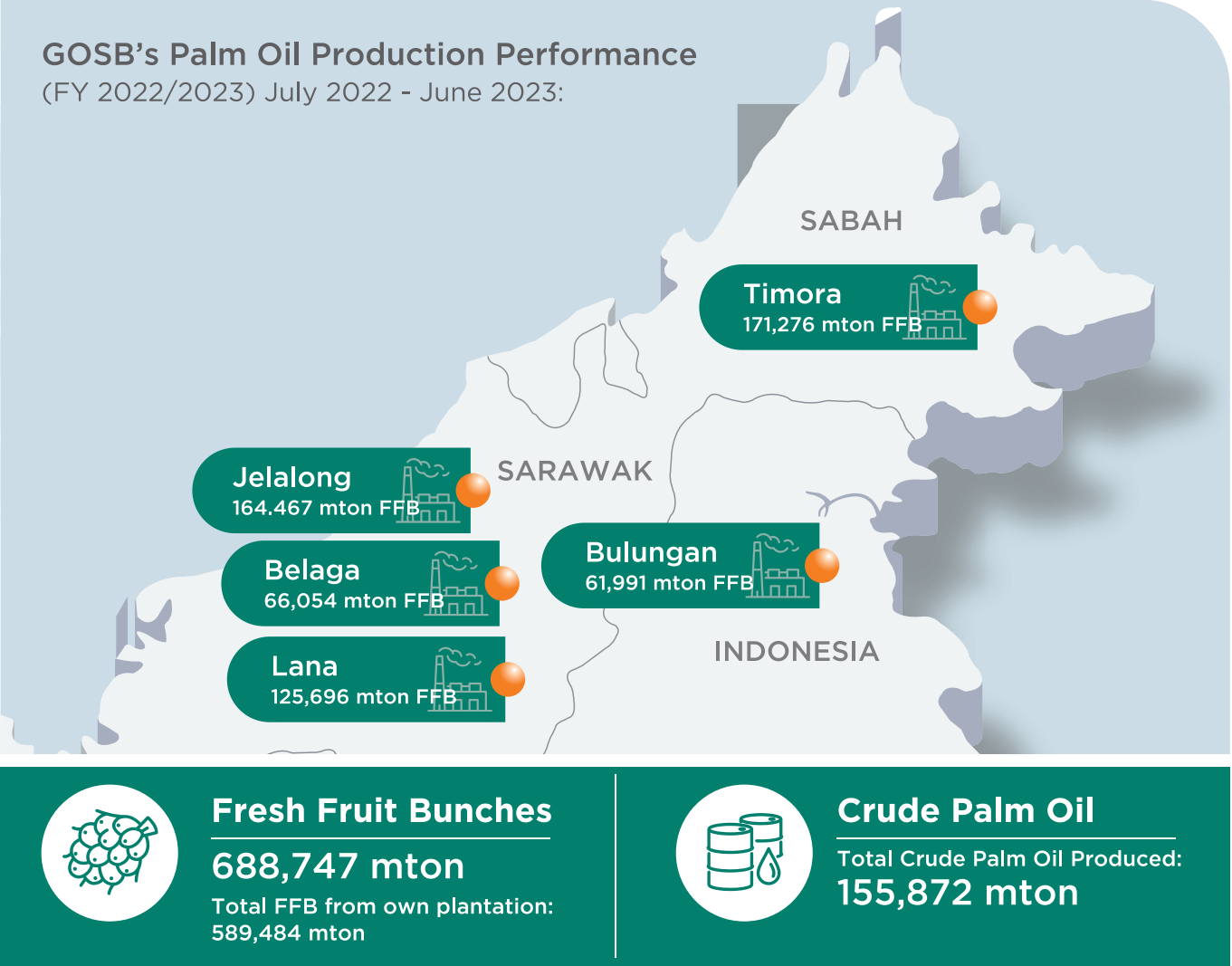


• **Stakeholders Meetings**

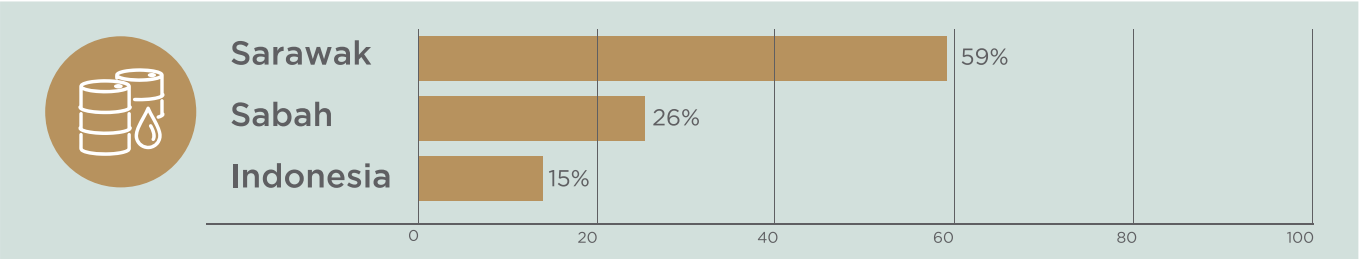
GPSB help to its practice of holding at least one external shareholders meeting as well as holding a Joint Employee Management Committee meeting to discuss concerns of workers and ways to address and improve on these areas of concern.



Key Milestones and Performance



CPO Volume by Region (Own Mills)



Traceability



What's Ahead



The year 2023 marked a significant year for GPSB because we laid down certain markets and measures by which we can track our progress on an annual basis. Apart from our baseline measurement of GHG emissions, our riparian zone protection programme and our conservation and rehabilitation efforts will mark our way forward in our sustainability journey.

GPSB will embark on several new measures in 2024 such as enhancing waste recycling, reducing and reutilizing mill pollutants as a means of reducing our GHG levels even further. This will mark an important step in our efforts to fully practise a circular economy moving forward.

Our collaboration with various academic and environmental bodies will continue in 2024 as initial steps for biodiversity conservation taken in 2023 will start to bear fruit in terms of food security for local fauna through the planting of fruit trees. The joint efforts of fruit tree planting and riparian zone protection will contribute significantly to the rehabilitation and conservation of identified areas, providing soil stability and even possible carbon sequestration in future.

As we move to increase the involvement of local communities in the above programmes, we will also

enhance mitigation plans based on Social Impact Assessments that have been carried out. This will help us build up mutual trust between GPSB and the environmental conservation efforts that will benefit both parties.

GPSB will embark on a certification enhancement effort in 2024 as we transition from the MSPO Standard MS2530:2013 to the MSPO Standard MS2530:2022 certification.

Our intention to seek EUDR EU Regulation on Deforestation-free Products Compliance, will prove a major challenge for us, one that we are fully committed to meeting. We will also explore International Sustainability & Carbon Certification (ISCC) and Green Gold Label (GGL) certification for the marketing of our biomass, while maintaining our MSPO:2022 certification and continuing our upward trend in our SPOTT.

GRI Content Index

| GRI Standards 2016 | Disclosure Title | Section Reference & Remarks |
|-----------------------------------|--|---|
| GRI 102 : GENERAL DISCLOSURE 2016 | | |
| • ORGANISATIONAL PROFILE | | |
| 102-1 | Name of organisation | Back cover |
| 102-2 | Activities, brands, products and service | Page 2 |
| 102-3 | Location of headquarters | Back cover |
| 102-4 | Location of operations | Pages 2 and 23 |
| 102-5 | Ownership & legal form | Back cover |
| 102-6 | Markets served | Page 2 |
| 102-7 | Scale of the organisation | Pages 2 and 23 |
| 102-8 | Information on employees and other workers | Pages 3, 4, 5, 7, 8, 9, 10, 15, 16, 17 and 18 |
| 102-9 | Supply chain | Pages 7, 8, 10 and 23 |
| 102-10 | Significant changes to organisation and supply chain | Page 6 |
| 102-13 | Membership of associations | Member of Malaysia Palm Oil Association and Sarawak Oil Palm Plantation Owners' Association |
| • STRATEGY | | |
| 102-14 | Statement from senior decision-maker | Pages 3 and 4 |
| • ETHICS AND INTEGRITY | | |
| 106-16 | Values, principles, standards & norms of behaviour | Pages 5, 7 and 9 |
| • GOVERNANCE | | |
| 102-18 | Governance structure | Pages 6 and 20 |
| • STAKEHOLDER ENGAGEMENT | | |
| 102-40 | List of stakeholder groups | Page 9 |
| 102-41 | Collective Bargaining Agreements | N.A. |
| 102-42 | Identifying and selecting stakeholders | Pages 8 and 9 |
| 102-43 | Approach to stakeholders engagement | Pages 8 and 9 |
| 102-44 | Key topics and concerns raised | Pages 8, 9 and 18 |

| GRI Standards 2016 | Disclosure Title | Section Reference & Remarks |
|--|--|--|
| • REPORTING PRACTICE | | |
| 02-46 | Defining report content and topic boundaries | Pages 8 and 9 |
| 102-47 | List of material topics | Page 8 |
| 102-50 | Reporting period | Page 2 |
| 102-51 | Date of most recent report | Pages 2 and 13 |
| 102-52 | Reporting cycle | Page 2 |
| 102-53 | Contact point for questions regarding the report | Back cover |
| 102-54 | Claims of reporting in accordance with GRI standards | Page 2 |
| 102-55 | GRI Content Index | Pages 25 and 26 |
| • MATERIAL TOPICS | | |
| GRI 307 : Environmental Compliance | Description of any significant fines and non-monetary sanctions for non-compliance with environmental laws and/or regulations | No fines. Pages 12, 13 and 14 |
| GRI 403 : Occupational Health and safety | Descriptions of how occupational health and safety (OSH) is managed, including system, risk management, training, prevention and mitigation, injury rate | GPSB Occupational Safety and Health (OSH) Policy training, OSH management framework implementation. Pages 7, 20 and 21 |
| GRI 412 : Human Rights Assessments | Description of human rights' aspects are managed with operations including assessment and policy training | Human rights aspects are managed in line with Sustainable Palm Oil Policy, Human Rights Policy and NDPE Policy. Pages 7, 15, 16 and 17 |
| GRI 413 : Local Communities | Description of any local communities engagement, impact assessments and development programmes | Social Impact Assessment and Stakeholders Engagement. Pages 18 and 19 |
| GRI 205 : Anti-corruption | Description on how anti-corruption aspects are managed including risk assessments, policies, training and number of incidents reported | Anti-bribery and Anti-corruption Policy training and briefing. Pages 7, 8 and 10 |
| GRI 417 : Marketing and labelling | Description on how this aspect is managed, including sourcing and compliances | Adherence to NDPE Policy, Supply Chain Traceability procedure, and compliance to Supply Chain Certification standards. Pages 7 and 8 |

