

## **SUSTAINABILITY POLICY**

### **NO DEFORESTATION, NO PEAT, NO EXPLOITATION (NDPE)**

#### **Scope of Policy**

This policy applies to all operations of Urun Plantations Sdn Bhd (“UPSB”) – an oil palm plantation company operating in Belaga, Sarawak – including any subsidiaries, joint ventures and all entities under its management control.

This policy also applies to all contractors and business partners, who are expected to comply with this NDPE policy.

#### **Commitment**

UPSB is committed to sustainable development of agriculture in a manner which is environmentally and economically sustainable while being beneficial to local communities. We believe sustainable palm oil must be produced in a manner that excludes the conversion of areas of high conservation value (HCV), minimises greenhouse gas (GHG) emissions, applies Good Agricultural Practices (GAP), and protects the rights of workers and local communities.

As a plantation company, UPSB will produce Fresh Fruit Bunches (FFB) in accordance to the following principles:

- No Deforestation (*defined as the loss of natural forest as a result of conversion to agriculture or other non-forest land use; conversion to a plantation; or severe or sustained degradation*)
- No Development on Peat
- No Labour Exploitation

UPSB is committed to adopt the Malaysian Sustainable Palm Oil (MSPO) as the primary sustainability standard together with the following principles:

#### **The General Sustainability Principles**

- To comply with applicable national and/or local laws and regulations conforming to MSPO certification principles and criteria.
- To respect compliance of relevant international laws and regulations for further enhancement of improvement.
- To continue to support the National and/or State agriculture policy on land use in the country that we are operating in.

- To integrate sustainability consideration into all business decisions.
- To be accountable and transparent to key stakeholders.
- To encourage employees, suppliers, customers, contractors, trading partners, and other relevant stakeholders to adopt responsible social and environmental practices.

## **Environmental Management**

- Ensure No Deforestation of areas of:
  - High Conservation Value ("HCV") – as defined by the High Conservation Value Resource Network (HCVRN); or
  - High Carbon Stock ("HCS") – as defined by the High Carbon Stock Approach (HCSA)
- In existing plantations, UPSB will ensure that it shall identify and protect HCV and HCS areas.
- New development areas will undergo integrated HCV and HCS assessments to determine the planting areas, after taking into considerations of the National and State Agriculture and Land Use Policy with priority given to low carbon stock areas (e.g. grasslands and scrub areas) which have no demonstrable HCV, and where Free, Prior and Informed Consent ("FPIC") has been obtained from rights-holders.
- Currently, UPSB has no plantings on peat and commits to **No Development on Peat Areas** of any depth. In the event of potential acquisition which may involve peat areas, UPSB commits to applying best management practices and exploring restoration where cultivation is no longer viable.
- Implementation of programmes to progressively reduce GHG emission.
- UPSB will continue to ensure its No Open Burning policy is adhered to for all new planting and replanting of oil palm.
- This commitment shall recognise **31 December 2015 as the cut-off date** for compliance with the provisions of this NDPE policy. Any identified and verified deforestation or non-compliance to this policy shall require the appropriate remediation actions and/or Recovery Plans.

Non-compliance procedure

- All non-compliant land use change for new plantation developments from 31 December 2015 shall invoke the following procedures:
- Immediately halt all planting activities and/or implement an immediate management directive Stop Work Order on non-compliant development areas.
- Acknowledge liability and implement an immediate group-wide moratorium to rectify the subject allegation e.g. land clearing, peat clearing, labour exploitation.
- Publish or revise any existing group wide NDPE (No Deforestation, No Peat, No Exploitation) policy to reassure commitment.
- Formalise engagement with a reputable third-party consultant, produce a time-bound action plan towards recovery to ensure appropriateness, effectiveness as well as compliance.

**Workplace and Human Rights**

- Ensure that equal opportunities are provided to all personnel and based on individual qualification and performance regardless of religion, race, age, gender, nationality or disability.
- Respect and support the Universal Declaration of Human Rights and treat all employees fairly with protection from any form of discrimination.
- Respect and recognise the rights of all workers including contract, temporary and migrant workers with the International Labour Organisation's core conventions and United Nations Guiding Principles on Business and Human Rights and the principles of Free and Fair Labour in Palm Oil Production as guidance.
- Eliminate all forms of illegal, forced, bonded, compulsory, child & prison labour, human trafficking and modern slavery, in line with ILO Convention 29, and follow responsible recruitment practices.
- Ensure there are no restrictions on worker's freedom of movement and freedom of association and their right to collective bargaining.
- Practice No Recruitment Fee policy within statutory conditions and to ensure compliance of this policy by recruitment agents and processes.
- Prohibit any unlawful and illegal deductions from any part of workers' wages and withholding any identification cards, passports or other travel documents unless provided for by law.
- Ensure all workers are paid a wage equal based on work completed or exceeding the legal minimum wage and are covered for work related illness and injuries. Workers shall not be required to perform overtime in order to achieve the local minimum wages.

- Ensure compliance to minimum working hours, inclusive of overtime (accepted voluntarily) and weekly day rest in accordance to prevailing local legislation.
- Zero tolerance of any type of abuse (physical, sexual and emotional) harassment, intimidation or violence and discrimination against any worker based on race, ethnicity, color, religion, nationality, ancestry, sex, gender, political opinions or any other status protected by law. This is also applicable for vulnerable groups and children.
- Ensure all employees are given in writing, in a language they understand (English / Malay) their job description, rate of pay, working hours, weekly day rest and other application benefits.

### **Local Community Development and Social Impact**

- Respect and contribute to the quality of life and wellbeing of the communities in which the Group operates.
- Respect and recognise the rights of indigenous and local communities to give their Free, Prior, and Informed Consent (FPIC) in the utilisation of the lands which they hold legal, communal or customary rights, in particular, indigenous land owners should have the right to pursue better life and to determine the use of their land.
- Engage effectively with the communities in an open and transparent manner through effective communication channels and grievance mechanism to resolve verifiable complaints and conflicts.
- Undertake Corporate Social Responsibility (CSR) programmes that have positive social impacts on the people and local communities.

### **Legal Compliance**

- Compliance with all relevant national and local laws and ratified international laws and that international best practices are adopted or as guidance.
- Zero tolerance for corruption, bribery, violence, or any form of intimidation.

### **Health & Safety**

- Meeting national Occupational Health and Safety (OHS) standards for the entire workforce.

## **Grievance**

- Resolve verifiable complaints, grievances and conflicts through an open and transparent consultative process. For more information on grievance processes, please see our latest [Grievance Policy & Procedure](#).

## **Continuous Stakeholder Engagement**

UPSB acknowledges that the implementation of this Policy and its effectiveness would require the support and co-operation of its supply chain partners. We value constructive inputs and suggestions to further enhance the implementation of these commitments.

|                |   |                |
|----------------|---|----------------|
| Version        | : | 2              |
| Revision date  | : | 11 August 2026 |
| Committed Date | : | 11 August 2026 |