

## **Hap Seng Plantations Holdings Berhad** 200701011957 (769962-K)

### **SUSTAINABILITY FRAMEWORK**

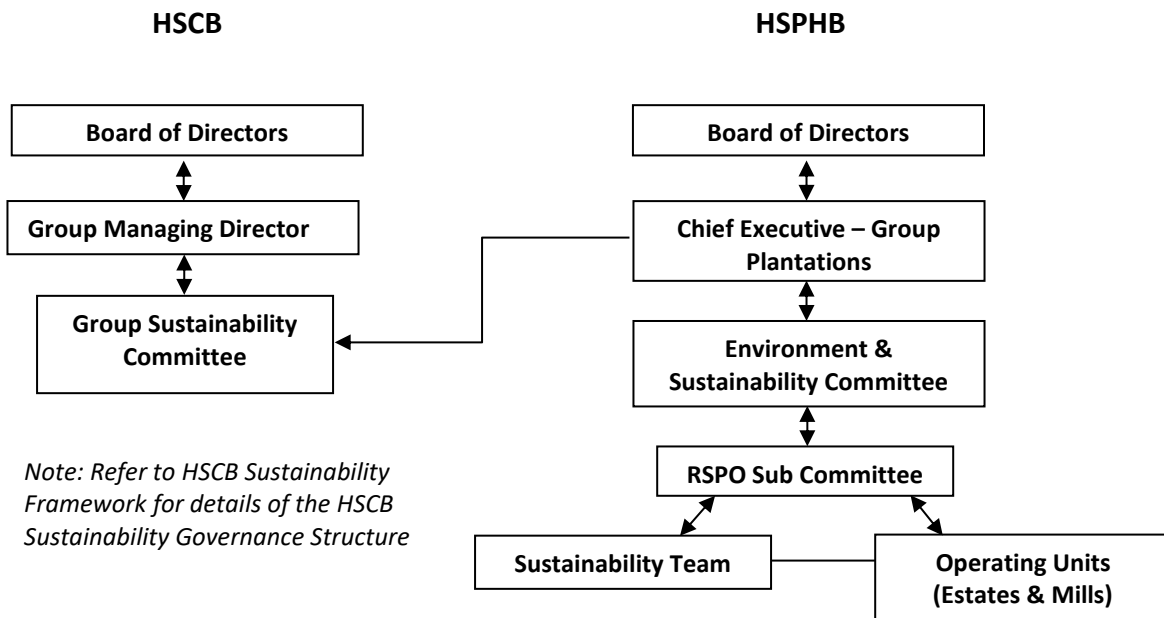
#### **1) Scope**

This Sustainability Framework provides a holistic overview of the sustainability governance structure, sustainability commitments and implementation strategy of Hap Seng Plantations Holdings Berhad (“HSPHB”) , as well as how HSPHB measures performance for continuous improvement.

This Sustainability Framework shall aligns with Hap Seng Consolidated Berhad’s (“HSCB”) Sustainability Framework which forms HSCB Group’s overarching framework.

#### **2) Sustainability Governance Structure**

Sustainability governance in HSPHB is spearheaded by the Environment & Sustainability Committee and overseen by the Chief Executive – Group Plantations and Board of Directors. The Environment & Sustainability Committee is supported by the RSPO Sub Committee. The Chief Executive or his/her nominee will represent HSPHB in the Sustainability Committee at the Group level.



**Figure 1. Sustainability Governance Structure**

**HSPHB Board of Directors**

- Oversight of the sustainability implementation and progress within HSPHB.
- To provide guidance on the alignment of HSPHB’s Sustainability Policies with the business strategy.

**Chief Executive – Group Plantations**

- Heads the Environment & Sustainability Committee.
- Approval of proposed sustainability policies.
- Oversees the HSPHB’s sustainability implementation and update its progress to the HSPHB Board.
- Represent HSPHB in the HSCB Group Sustainability Committee.

#### **Environment & Sustainability Committee**

- Develop and drive sustainability strategy, policies and goals.
- To discuss the sustainability performance, initiatives, and risks of operating units.
- To align Board's expectation and business strategy to the sustainability policies.

#### **RSPO Sub Committee**

- Maintaining sustainability performance and awareness across operating units.
- Ensure operating units adhere to all sustainability policies, practices and commitments.
- Gather feedback for continuous improvement from relevant stakeholders.
- Provide feedback to the Environment & Sustainability Committee from the inputs provided by the Sustainability Team and operating units.

### **3) Sustainability Policies**

HSPHB's Sustainability Policies consist of commitments within the environmental, social and governance requirements that the group adheres in order to create additional value to the businesses. The policies will be updated depending on the sustainability material matters and future trends derived from engagement with the stakeholders.

Policies enunciated by HSPHB: -

- Occupational Safety & Health Policy
- Sustainable Agriculture Policy
- Malaysian Sustainable Palm Oil Policy
- Rare, Threatened & Endangered Species Policy

the Environment & Sustainability Committee shall proposed new policy or the updating of existing policies as and when required. Any new policy or updated policy shall be approved by the Chief Executive – Group Plantations prior to publication.

#### **4) Implementation**

This Sustainability Framework is effective immediately and will be reviewed as and when required. The Environment & Sustainability Committee is responsible to make recommendation for any necessary review to the Chief Executive – Group Plantations for his/her approval.

#### **5) Measuring Performance and Continuous Improvement**

HSPHB will monitor the sustainability performance and progress against independent sustainability assessments that the group participates in, such as the Roundtable on Sustainable Palm Oil (“RSPO”), Malaysian Sustainable Palm Oil (“MSPO”) and SPOTT by the Zoological Society of London.

HSPHB will work with relevant stakeholders to continuously improve the existing sustainability practices.

#### **6) Revision and Updates**

This Sustainability Framework is to be reviewed on a periodic basis and any proposed amendments thereto will be recommended to the Board for approval.

This Sustainability Framework was approved by the Board on 23 February 2022.

**Au Yong Siew Fah**

***Chief Executive – Group Plantations***