

SUSTAINABILITY STATEMENT

INTRODUCTION

With the setting up of Sustainable Palm Oil Policy in Year 2019, BLD Plantation Bhd. Group of Companies (“BLDP”) is committed to ensure that its palm oil is produced in a sustainable manner and BLDP recognizes the significance in addressing sustainability matters.

BLDP is constantly mindful of the impacts of its operations to the economy, environment and society. In meeting its obligations as a responsible corporate citizen, BLDP has incorporated sustainability practices and activities that align with its business strategy.

BLDP takes strong interest in balancing sustainability and profitability by creating value while serving public interests without exploiting the environment.

SCOPE

The scope of this Sustainability Statement (“Statement”) covers the environmental, social and economic performance across BLDP’s oil palm estates, palm oil mills, refinery and kernel crushing plant operations. This Statement is focusing on the activities and issues that are material to BLDP’s operations for the period ended 31 March 2020.

SUSTAINABILITY HIGHLIGHT FOR THE FINANCIAL YEAR ENDED 31.3.2020

100% Plantations, Mills, Refinery and Kernel Crushing Plant with MSPO certified.

0% Fatalities

100% Compliance with Applicable Laws and Regulations

Setting up Sustainable Palm Oil Policy

SUSTAINABILITY GOVERNANCE MANAGEMENT STRUCTURE



The roles of each team in the Sustainability Governance Structure are as follows:

<p>Board of Directors</p>	<ul style="list-style-type: none"> • Approves and monitors overall strategies, direction of BLDP and agenda for implementation towards sustainability. • Assesses the sustainability performance of BLDP’s operations.
<p>Group Sustainability Management Committee (“GSMC”)</p>	<ul style="list-style-type: none"> • Evaluates overall sustainability risks and opportunities, and develops the sustainability strategies with agenda for implementation and submits to the Board for approval. • Monitors sustainability implementation to ensure compliance from all departments at operational level. • Resolves critical or major sustainability issues that may impact BLDP. • Periodically reviews the progress of sustainability implementation and reports to the Board. • Reports to the Board of any unresolved critical sustainability issues.

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Plantation Division Sustainability Committee	<ul style="list-style-type: none"> • Promotes effective implementation of the sustainability strategies through regular monitoring, reviewing and improving sustainability practices in all plantations. • Ensuring resources and procedures are in place to achieve its sustainability commitments and targets. • Continuously improves the management system to meet Malaysian Sustainable Palm Oil Standard (“MSPO”). • Periodically reports to GSMC on the progress of sustainability implementation in plantation. • Reports to GSMC of any critical or major sustainability issues in plantation.
Processing Division Sustainability Committee	<ul style="list-style-type: none"> • Promotes effective implementation of the sustainability strategies through regular monitoring, reviewing and improving sustainability practices in mills, refinery and kernel crushing plant. • Ensuring resources and procedures are in place to achieve its sustainability commitments and targets. • Continuously improves the management system to meet MSPO. • Periodically reports to GSMC on the progress of sustainability implementation in mills, refinery and kernel crushing plant. • Reports to GSMC of any critical or major sustainability issues in mills, refinery and kernel crushing plant.

SUSTAINABLE PALM OIL POLICY

BLDP developed and published a comprehensive Sustainable Palm Oil Policy (“SPO Policy”) on 1 May 2019. Our SPO Policy consists of four critical areas as follows:

Environment & Biodiversity –
No deforestation, no new development on peat and protection of HCV areas;

Human Rights & Workers’ Management –
Prevention of all forms of forced and bonded labours, ethical recruitment, child protection, respect of diversity, prevention of harassment and violence, occupational health & safety management, human resource management best practices;

Respect indigenous and local communities’ rights;

Develop complaints and grievance management procedure.

BLDP has developed a sustainability implementation plan towards our commitment in SPO Policy. We aim to develop a Sustainability Dashboard as a platform to inform stakeholders on BLDP sustainability movements by Year 2020.

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The infographic below shows briefly our commitment journey recap:



SUSTAINABLE PALM OIL POLICY - BLD PLANTATION BHD. (562199-A)

BLD Plantation Bhd. Group of Companies ("BLDP") is committed to ensure that its palm oil is produced in a sustainable manner, through continuous review and improvement of its operations. BLDP is also committed to the conservation and protection of the natural environment, and of high carbon stock ("HCS") forests and high conservation value ("HCV") areas. BLDP undertakes to respect the rights of its employees and local communities and strives to foster an open and approachable culture with the emphasis of improving the socio-economic conditions of the people of Sarawak.

This Policy is effective immediately, applies to our own operations and extends to all our third-party suppliers and their associated parent companies and subsidiaries.

Beyond the scope of this policy BLDP also adopts the Principles & Criteria ("P&C") set out by the Malaysian Sustainable Palm Oil ("MSPO") Standard and respect all applicable local, national and ratified international laws.

ENVIRONMENT & BIODIVERSITY

- **No Deforestation**
 - No new development on HCS forests with priority to protect HCS forest.
 - No open burning in all plantation development activities including replanting operations.
 - To monitor and minimize Greenhouse Gas throughout its operations, and to review and implement suitable new technology for progressive reduction.
- **No Development on Peat**
 - No new development of peatlands regardless of depth.
 - Adoption of best management practices on existing peatland cultivated with oil palm.
 - Explore options for peat restoration where feasible (with appropriate expert support).
- **Protection of HCV Areas**
 - No new development of HCV areas and protection of biodiversity through identification and conservation of HCVs.

HUMAN RIGHTS & WORKERS' MANAGEMENT

- **Prevention of all forms of Forced and Bonded labour**
 - Prohibit abusive or forced labour of any workers including temporary and sub-contracted employees.
 - Ensure workers are employed of their free will (including overtime work), paid a wage equal to or exceeding the legal minimum wage, enjoy freedom of movement and freedom of association.
- **Ethical Recruitment** – ensure ethical recruitment processes where all workers understand their terms on engagement, what is required of them and have written documentation in an appropriate language.
- **Child Protection** – Prohibit the employment of children and facilitate access to education.
- **Respect of Diversity** – Provide equal opportunity on employment without any discrimination to employees regardless of nationality, race, gender or religion.
- **Prevention of Harassment and Violence** – Provide a working environment free from harassment, discrimination and violence of any form including sexual harassment.
- **Occupational health & safety management** – ensure workers benefit from robust systems and procedures to limit exposure to risk of health and safety hazards and are covered for work-related illness and injuries.
- **Human Resource Management best practices** – Continue to attract, motivate and retain talented employees at all levels by providing training, job security and opportunities to grow within the organization.

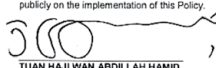
INDIGENOUS AND LOCAL COMMUNITIES RIGHTS

- Respect of Indigenous and Local Community legal rights including land tenure rights.
- Application of Free, Prior and Informed Consent (FPIC) principles whenever relevant.
- Cooperation with local government and/or civil societies to enhance the livelihood of smallholders and provide opportunities to improve the socio-economic conditions of local communities.

COMPLAINTS AND GRIEVANCES

BLDP recognizes that the development of a credible operational level grievance procedure is critical to successfully deliver on the Group sustainability commitments. BLDP will therefore develop a procedure to enable stakeholders to raise a grievance.

BLDP acknowledges that the implementation of this Policy and its effectiveness requires the support and co-operation of its business associates. BLDP will work to implement this Policy throughout the supply chain and continuously monitor, review and improve its Policy towards a traceable, transparent and sustainable palm oil supply chain. BLDP commits to reporting publicly on the implementation of this Policy.


TUAN HAJI WAN ABDULLAH HAMID
 Executive Director

Dated 1st May 2019

TARGETS AND ACHIEVEMENT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

Target	Status of Target	Material Sustainability Matters
Sustainable Palm Oil Policy	Achieved	All
No Child Labour	Achieved	Human and Workers Right
No Forced Labour	Achieved	Human and Workers Right
No Work-Related Fatalities	Achieved	Safety and Health
Auxiliary Polices for security of own operations and nearby communities	Achieved	Social and Workers Welfare
Kirana Palm Oil Refinery & Kernel Crushing Plant - ISO 9001	Achieved	Certification
Kirana Palm Oil Refinery & Kernel Crushing Plant - ISO 14001	Achieved	Certification
Kirana Palm Oil Refinery & Kernel Crushing Plant - ISO 22000	Achieved	Certification
Kirana Kernel Crushing Plant - GMP+B2	Achieved	Certification
Kirana Palm Oil Refinery & Kernel Crushing Plant - GMP for Food	Achieved	Certification

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Target	Status of Target	Material Sustainability Matters
Kirana Palm Oil Refinery & Kernel Crushing Plant - HACCP	Achieved	Certification
Kirana Palm Oil Refinery & Kernel Crushing Plant - HALAL	Achieved	Certification
Kirana Palm Oil Refinery & Kernel Crushing Plant - KOSHER	Achieved	Certification
Kirana Palm Oil Refinery & Kernel Crushing Plant - MESTI	Achieved	Certification
BLD Igan Palm Oil Mill - MSPO Part 4	Achieved	Certification
BLD Sawai Palm Oil Mill - MSPO Part 4	Achieved	Certification
BLD Sawai Estates - MSPO Part 3	Achieved	Certification
BLD Lambir Estates - MSPO Part 3	Achieved	Certification
Niamas Estates - MSPO Part 3	Achieved	Certification
BLD Kabang Estates - MSPO Part 3	Achieved	Certification
Grand Mutual Sawai Estates – MSPO Part 3	Achieved	Certification
Grand Mutual Lassa Estates – MSPO Part 3	Achieved	Certification
Kirana Palm Oil Refinery & Kernel Crushing Plant - MSPO SCCS	Achieved	Certification
BLD Igan Palm Oil Mill – MSPO SCCS	Achieved	Certification
BLD Sawai Palm Oil Mill – MSPO SCCS	Achieved	Certification
Conduct HCV Assessment for Oil Palm Field on Peat	Achieved	Environmental & Biodiversity Protection

TARGETS FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2021

Target	Material Sustainability Matters
Develop Sustainability Implementation Plan	All
Develop Sustainability Dashboard	All

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STAKEHOLDERS ENGAGEMENT

Implementing sustainability involves improvement across the value chain and collective action by various stakeholders. Effective engagement with stakeholders is important to foster mutually beneficial relationships crucial to BLDP's success and we also acknowledge that each stakeholder has a unique perspective of the impact of our operations to them and each of them is equally valuable to us.

BLDP adopts a transparent approach in the engagement with relevant stakeholders. The GSMC with the support from the Board, takes the responsibilities to assess and identify the sustainability matters by prioritizing them according to the impact and importance not only to our businesses but also to our key stakeholders. The GSMC undertakes review on materiality assessment, monitors sustainability performance and discloses material sustainability matters in order to ensure proper sustainability management is in place.

The key stakeholder groups of BLDP includes shareholders, customers, employees, local communities, government authorities, suppliers and contractors, and non-governmental organizations ("NGOs"). BLDP continues to monitor stakeholders' concerns, engage with the stakeholders to address material matters when necessary.

Stakeholders Group	Engagement Approach	Frequencies	Sustainability Matter	Addressed by Material Sustainability Matters
Shareholders	Annual General Meetings	Annually	<ul style="list-style-type: none"> Company performance and development Business sustainability 	<ul style="list-style-type: none"> Market Place
	Annual Reports	Annually		
	Circulars	Annually		
	Company Website	As necessary		
Customers	Site visits	As necessary	<ul style="list-style-type: none"> Product quality, pricing and delivery Sustainability related matters 	<ul style="list-style-type: none"> Market Place Certification Safety and Health Environmental and Biodiversity Protection
	Customer Surveys & Feedbacks	As necessary		
	Electronic Communication	As necessary		
	Meetings	As necessary		
Employees	Stakeholders Meetings	Annually	<ul style="list-style-type: none"> Employees welfare Employees' safety and health Employees' working conditions and harassment 	<ul style="list-style-type: none"> Human and Workers Right Safety and Health Certification
	Safety and Health Committee Meetings	Quarterly		
	Women Welfare Committee Meetings	Quarterly/ Annually		
	Memos/Notices	As necessary		
	Briefings	As necessary		

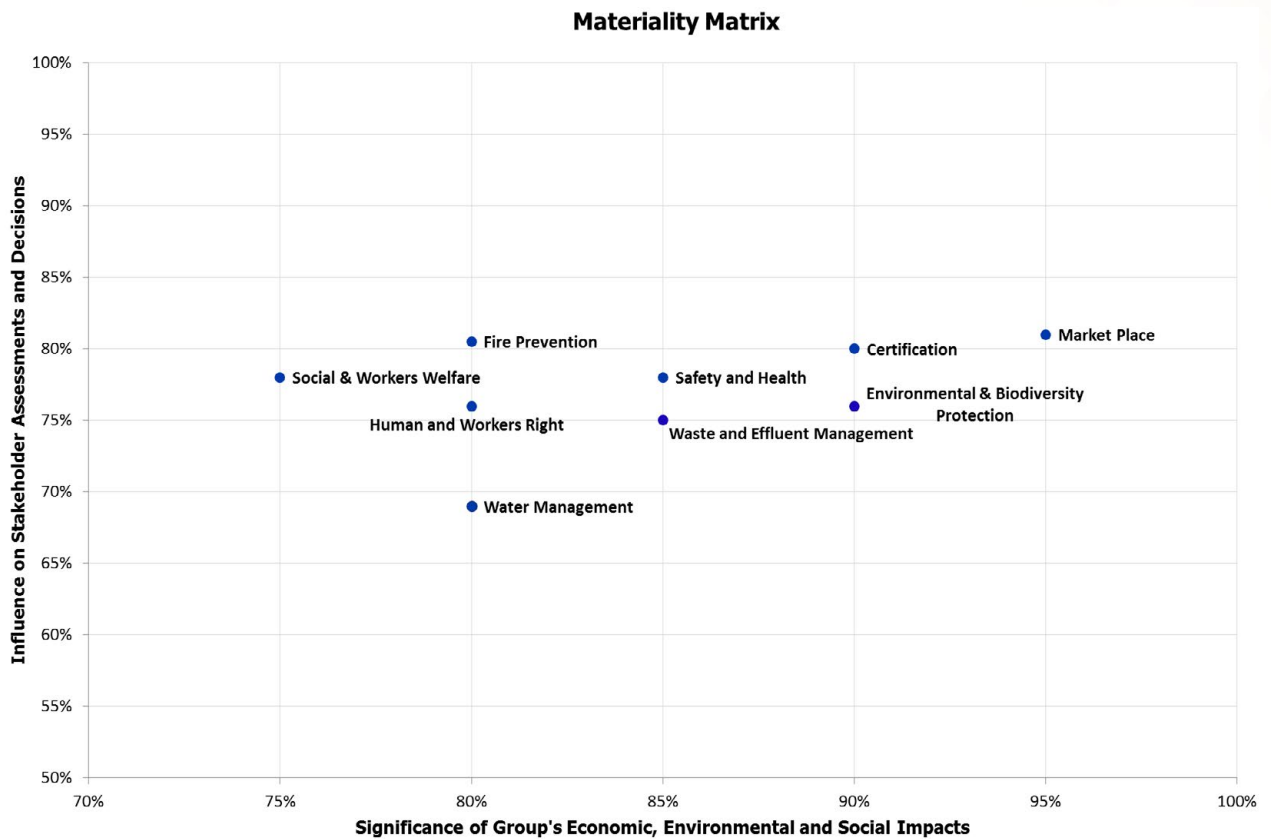
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Stakeholders Group	Engagement Approach	Frequencies	Sustainability Matter	Addressed by Material Sustainability Matters
Communities	Stakeholders Meetings	Annually	<ul style="list-style-type: none"> • Communities development • Job opportunities • Awareness on safety and environmental protection 	<ul style="list-style-type: none"> • Certification • Social and Workers Welfare • Safety and Health
	Community Engagement	As necessary		
	Notices	As necessary		
	Briefings/ Trainings	As necessary		
Government Authorities	Site visits / Onsite inspections	Periodically	<ul style="list-style-type: none"> • Compliance to the legal requirements 	<ul style="list-style-type: none"> • Safety and Health • Environmental and Biodiversity Protection • Certification
	Stakeholders Meetings	Annually		
	Dialogue sessions	As necessary		
	Electronic Communication	As necessary		
Suppliers & Contractors	Stakeholders Meetings	Annually	<ul style="list-style-type: none"> • Products quality, pricing and delivery • Sustainability related matters • Compliance to the legal requirements 	<ul style="list-style-type: none"> • Market Place • Certification • Safety and Health • Environmental and Biodiversity Protection
	Site visits	As necessary		
	Meetings/ Dialogues	As necessary		
	Trainings/ Briefings	As necessary		
	Electronic Communication	As necessary		
NGOs	Engagement Meetings	As necessary	<ul style="list-style-type: none"> • Sustainability related matters 	<ul style="list-style-type: none"> • Safety and Health • Human and Workers Right • Environmental and Biodiversity Protection • Certification
	Electronic Communication	As necessary		
	Company Website	As necessary		

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MATERIALITY MATRIX

During this financial year, BLDP reassessed its material sustainability matters and materiality matrix based on peer benchmarking as well as desktop research with inputs from stakeholders and taking into account the significant environmental, economic and social aspects, impacts, risks and opportunities which are vital to the success and continued growth of BLDP. BLDP determined the material sustainability matters and their order of priorities remains relevant. Hence, there is only a minor change in BLDP’s materiality matrix from last financial period. The Materiality Matrix is shown below:



Summary of Materiality Matter linked to United Nation Sustainable Development Goals:

Pillars	Significant Materiality Matter	Link to UN SDG
Economic	<ol style="list-style-type: none"> Market Place Certification 	
Environment	<ol style="list-style-type: none"> Environmental & Biodiversity Protection Waste and Effluent Management Water Management 	
Social	<ol style="list-style-type: none"> Safety and Health Fire Prevention Human and Workers Right Social and Workers Welfare 	

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Market Place

BLDP brings direct and indirect economic impacts to the regional economic growth and development. In our procurement practices, BLDP engages in local sourcing for quality products and services to support our local suppliers. Long-term business relationship with our suppliers has been established over the years, hence minimizes the potential risk of supply chain disruption caused by shortage of supply. In Processing Division, the BLDP mills that are strategically located in the vicinity of many surrounding estates, accepts consistent Oil Palm Fresh Fruit Bunches (“FFB”) supply not only from our own estates but also from nearby estates and smallholders. Owing to the strategic location of the mills, suppliers of FFB from the nearby estates and smallholders could save up on transportation costs and ensure best quality of FFB in freshness when delivered to the palm oil mills.

BLDP has engaged in the Native Customary Rights (“NCR”) Land Development Scheme that was initiated by the State Government of Sarawak in Year 1997. The joint venture has provided BLDP to allocate its financial resources and technological expertise to develop idle and under-utilized NCR land for commercial oil palm plantation. This has successfully created job opportunities to the indigenous community and their standards of living have been improved in tandem with the development of infrastructure facilities and amenities in the rural areas.

Our priority remains geared towards the twin objectives of increasing both yields and labour productivity. Through enhancing internal efficiencies and continuously rebuilding internal organisational strengths by accelerating the implementation of mechanisation in our oil palm estates, we envisage that our continuing efforts will bear fruit in coming years. In line with BLDP’s commitment to manage its operations in a sustainable manner, all oil palm estates and palm oil mills are MSPO certified.

While BLDP continues to focus on improving yields from its oil palms, the Board is mindful of external factors beyond BLDP’s control that can impact profits-potential turbulence in the global economy such as weaker ringgit, rising interest rates and fluctuating of palm oil prices. During this financial year, BLDP did not receive any complaints of improper conduct or allegations of corruption involving management, employees and workers; as well as fines pertaining to non-compliance and breach of environmental and social laws and regulations.

Certification

*** Sustainability Certification**

BLDP has managed to obtain MSPO certifications for all palm oil mills and oil palm estates in Year 2019. Besides that, all palm oil mills, refinery and kernel crushing plant are certified under MSPO Supply Chain Certification Standard (“SCCS”) by December 2019. Selected staff from oil palm estates, palm oil mills and refinery attended the MSPO and MSPO SCCS Lead Auditor Courses organized by the Certification Bodies to enable them to conduct internal auditor trainings at their respective work stations.

*** Food Safety, Feed Safety, Environmental and Quality Management System Certification**

The refinery and kernel crushing plant of BLDP have been certified under GMP+B2 Feed Safety Assurance System for the production of Palm Kernel Expeller since Year 2009. Since Year 2011, the refinery and kernel crushing plant have also been certified for ISO9001:2015 (Quality Management System), ISO14001:2015 (Environmental Management System), ISO22000:2005 (Food Safety Management System), MS1514:2009 (Good Manufacturing

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Practice for Food), MS1480:2007 (Food Safety according to HACCP System), HALAL, KOSHER and MESTI Certification.

In Year 2020, our palm oil refinery and kernel crushing plant will be upgrading the ISO22000:2005 (Food Safety Management System) to the new ISO22000:2018 standard as well as upgrading of MS1480:2007 (Food Safety according to HACCP system) to the new MS1480:2019 standard.

BLDP views certification as an opportunity to further improve internal process and gain competitive marketing advantages. BLDP's Sustainability Department also conducts internal audit to ensure BLDP maintains and complies with relevant certification requirements which included MSPO, MSPO SCCS and ISO standards.

* **Trainings**

BLDP places strong emphasis on staff development through proper trainings to enhance their knowledge and skill to enable them to perform their assigned task more effectively and efficiently. These trainings include MSPO & MSPO SCCS Auditing, Occupational Safety and Health, Best Agriculture & Management Practices, Standard Operating Procedures, Environment, Emergency Evacuation Procedures and others. Training schedules are prepared for our employees annually in the respective oil palm estates, palm oil mills and refinery to ensure that various trainings are being carried out on a regular basis throughout the year.

Various in-house trainings that focus on specialized field are conducted to better meet the training requirements of the staffs. In identifying skill gaps and developing job competencies, staffs are given the opportunities to attend relevant training programs, seminars or conferences to equip themselves with necessary skills, expertise and knowledge. Staffs from oil palm estates, palm oil mills and refinery have attended 3 days comprehensive firefighting and emergency preparedness training conducted by Fire and Rescue Department ("BOMBA") to enhance their level of preparedness in fire prevention activities.

Environmental & Biodiversity Protection

BLDP is committed to comply with all applicable environmental laws and regulations. Natural Resources and Environment Board conducted several site inspections to our oil palm estates, whereas Department of Environment conducted several site visits to our palm oil mills, refinery and kernel crushing plant. Sample of industrial effluent are collected to determine whether the quality of our palm oil mills' final discharge complies with the requirements. To date, all relevant reports have shown compliance with the applicable environmental requirements.

BLDP acknowledges the importance of protecting natural environment to ensure sustainability. BLDP is aware of the adverse environmental impact of burning. Therefore, BLDP strives for implementation of zero open burning in all our oil palm estates, palm oil mills, refinery and kernel crushing plant to minimise and reduce greenhouse gas ("GHG") emission especially carbon dioxide. Continuous monitoring of GHG emission throughout operation is required to ensure it is well controlled. BLDP is also referring to relevant regulations on protecting the biodiversity of wildlife sanctuaries within our concessions. BLDP has conducted several biodiversity assessments to assess Rare, Threatened or Endangered ("RTE") biodiversity and Ecosystem for our oil palm estates according to the International Union on Conservation of Nature and Natural Resources (IUCN) Red List, Appendix 1 of Convention on International Trade in Endangered Species (CITES) and protection status assessed according to Wildlife Protection Ordinance 1998 (WLPO).

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BLDP is committed to promote the conservation and development of biodiversity through several actions including prohibiting all illegal activities such as hunting, poaching, encroachment, and burning. Auxiliary Polices and estate teams have been patrolling periodically to discourage hunters. BLDP has conducted regular biodiversity monitoring of habitat and RTE ecosystems at unplatable areas to provide feedback and information for improving management decision to ensure long term conservation of flora and fauna in the oil palm estates and its surrounding.

Waste and Effluent Management

Growing of oil palm and processing of palm oil are known to produce large amount of organic wastes. BLDP has set a dedicated waste management plan to manage the waste generated from all oil palm estates, palm oil mills, refinery and kernel crushing plant in an effective manner. BLDP strives to minimise waste generation through reducing, reusing and recycling of materials whenever possible.

BLDP applies best management practices in the handling of wastes at our sites by minimizing waste generation and proper segregation, storage, transport and disposal of scheduled waste and domestic waste in adherence to standards set by Department of Environment (“DOE”) and local municipal councils. All scheduled wastes are handled in accordance with the Environmental Quality (Scheduled Wastes) Regulation 2005 requirements. Assigned competent person for all operation sites will periodically submit reports through DOE online reporting system (Electronic Scheduled Waste Information System).

Palm Oil Mill Effluent (POME) is properly treated and monitored by assigned competent person to ensure full compliance with the Environmental Quality (Industrial Effluent) Regulations 2009 requirements before allowing to be discharged into the waterways. DOE will come for regular site inspection and collect effluent sample at final discharge point for analysis. To date, BLDP managed to achieve 100% compliance with the above regulations.

Water Management

Water is a crucial resource required for planting oil palms during dry season, processing palm fruits and palm oil refining. Our water management centered on the optimization of water usage and reduction of water wastage.

BLDP recognizes that maintaining good water quality is vital for safeguarding the health of our employees as well as of the local communities. Measures taken included setting up water treatment plant to process and supply clean water safe for human consumption. Testing of water quality is carried out at least once a year to ensure that it is safe for drinking and other daily usage.

Water management also plays an important role on peat soil management and mitigate the effect of drought and flooding to a certain extent. BLDP has taken some measures such as proper maintenance of riparian zone along waterways where spraying and manuring activities are strictly prohibited and strict prohibition of discharging chemical waste, solid waste and used lubricant into the waterway.

Proper water management is essential to prevent irreversible peat drying by ensuring sufficient soil moisture. BLDP has taken measure to keep or restore water level as close to the natural references condition as possible by installation of weir at appropriate locations as well as to carry out drainage and other activities only to the extent required and avoid unnecessary

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deterioration in the quality and quantity of ground and surface water. Measures taken for monitoring of water table are as follow:

- Installation of water level gauge beside the stop-off or weir in the collection drains and daily changes in the water level are monitored.
- Field piezometers are installed for monitoring the groundwater table.
- Subsidence poles are installed for monitoring peat subsidence.

Human and Workers Right

BLDP is committed to ensure the dignity and rights of our workers are respected in line with legal regulations and the United Nations' guiding principles on human rights. Our commitments are as follow:

- Provide equal opportunities in employment and no discrimination to employees regardless of race, gender and religion.
- Providing, for all employees, a safe environment free from discrimination and violence on any ground, and from harassment at work including sexual harassment.
- Ensuring employees are paid based on legal requirement on minimum wage.
- Prohibiting child labour and forced labour within our organization.
- To resolve all complaints and grievances of employees through a standard procedure.
- The passports of workers will be made available.
- Practising Human Resource Management Best Practices by continuing to attract, motivate and retain talented employees at all levels by providing training, job security and opportunities to grow within the organization.

Social and Workers Welfare

BLDP constantly strives to improve the health and well-being of our employees by creating a conducive working environment for all our employees. In addition, BLDP also provides quality quarters, playgrounds, recreational and medical facilities for our staffs. BLDP emphasizes on establishing a corporate culture that encourage work-life balance of our employees, showing appreciation to staff and valuing their supports. We encourage all employees to participate in teambuilding activities and having the chances to engage with others through the recreational activities such as Family Day, Sport Carnival and Staff Gathering Dinner.

*** Young People Development Programme (“YPDP”)**

In Year 2012, BLDP launched the YDPD for Plantation Management as an initiative to help post-secondary school students who passed their SPM or STPM by providing them the opportunity in paving a better career path in Plantation Management at young age. The main objective of the YPDP is to recruit SPM and STPM school leavers as management trainees in BLDP. There are 6 batches with total number of 88 applicants who have undergone the YPDP, of which 66 (75%) of them have been successfully recruited as BLDP staff. There are two (2) schemes under the YPDP:

Scheme 1

New recruits under YPDP are required to attend 3 – 6 months pre-training program in Kuching. Pre-training program will cover English Proficiency and application of Microsoft Office. As practical working experience is essential, the part-time industrial trainings will be provided to expose them to actual working environment. During the training period, accommodation and monthly allowance will be provided. Upon completion of the Pre-training program, those with

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SPM qualification will be awarded full scholarship to study Foundation in Arts in Executive College for duration of one (1) year whereas for those with STPM qualification will be offered full-time employment as management trainee in oil palm plantation. However, BLDP also provides full scholarship for them to continue their pursuit for diploma and degree course in Plantation Management on part-time basis.

Scheme 2

This scheme comprises two (2) stages. In the first stage, the student will work as daily paid industrial trainees in the oil palm plantation immediately after their SPM, STPM or UEC examination for a period of 3 – 6 months to gain some work experience whereby they are required to complete two short training courses. In stage 2, after the industrial training period which will end at the time of release of the official examination results, the trainee will be offered the opportunity to work with BLDP. While they are employed full time, BLDP also provides full scholarship for them to pursue part-time distance study in Diploma or Degree courses.

*** Talent Development Programme**

BLDP also recognises the value of human capital and has been initiating support for training and talent development programmes. BLDP provides sponsorship to encourage employees to undertake academic courses in order to enhance their skills and knowledge, hence achieve better performance at work. In Year 2018, there are staffs graduated with Executive Bachelors in Plantation Management or Executive Bachelors in Business Management from Vinayaka Mission University College with part-time study under full scholarship. Currently, another batch of staffs are studying part-time for the Diploma in Business Administration under full scholarship.

*** Donation to Local Communities, Education Sectors and Government Bodies**

As a socially responsible company, BLDP makes regular charity and donation to local communities, schools, foundations, associations and government bodies.

*** Establishment of Auxiliary Police Unit**

On 25 May 2015, BLDP was awarded with the approval certificate by the Crime Prevention and Community Security Department to set up Auxiliary Police unit. Currently, a total of 109 Auxiliary Police ("AP") had been recruited and completed their basic Police training at Pusat Latihan Police. They were assigned to designated estates, mills, refinery and kernel crushing plant in Miri, Sibu and Bintulu regions. The function of AP is to safeguard BLDP's properties as well as protect the safety of local communities. Our AP performs static guard duty at check points and conducts daily security patrol at the premises, quarters, estates, mills, refinery and kernel crushing plant and vicinity to ensure a safe and secure environment.

*** Grievances Procedure**

BLDP has implemented a transparent Complaint and Grievances Procedure in all operation areas. Trained and designated staffs are assigned to handle any complaints or grievances received in accordance with the procedure. Briefings are conducted to all staffs and stakeholders during stakeholder meetings or one to one briefings.

*** Women Welfare Committee**

Women Welfare Committee has been established as a platform for female employees to raise their concerns or problems encountered at work place, to protect themselves against sexual harassment and violence. Quarterly or annual activities are organised by the committee to enhance the relationship of female employees.

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Occupational Safety and Health

BLDP is committed in providing a safe and healthy working environment for all the employees through the following approaches:

* **Safety and Health Policy**

Safety and Health Policy as a written commitment from Top Management to safeguard the safety and health of all employees at work.

* **Chemical Health Risks Assessment (“CHRA”)**

Competent Assessor registered with Department of Occupational and Health (“DOSH”) is appointed to carry out CHRA for all our operation units including oil palm estates, palm oil mills, refinery and kernel crushing plant to identify health risks arising from the use of hazardous chemical at workplace and recommend control measures to mitigate the severity of the effects of hazardous chemical used.

Based on CHRA recommendation, competent Hygiene Technician 1 registered with DOSH is appointed to conduct Employee Personal Exposure Monitoring for staffs handling hazardous chemicals to monitor their degree of exposure once a year. The said staff will be required to go for medical surveillance once a year to ensure their good health and wellbeing in maintaining a safe workplace.

CHRA will be conducted once every 5 years by competent assessor in accordance with Occupational Safety and Health Act (Use and Standard of Exposure Chemical Hazardous to Health Regulation 2000).

* **Hazards Identification Risks Assessment and Risks Control (“HIRARC”)**

HIRARC has been conducted on all operation units including oil palm estates, palm oil mills, refinery and kernel crushing plant to identify all hazards related to work activities. Risk assessments shall be conducted to prioritize the risks and control measures to be implemented to mitigate the risks. HIRARC shall be reviewed whenever there are any changes in process, work activities, new equipment, findings from any incident or near miss accident and findings from workplace inspection reported by the safety committee member.

* **Noise Exposure Monitoring**

According to Occupational Safety and Health (Noise Exposure) Regulations 2019, BLDP has appointed Noise Competent Person registered with DOSH to conduct Area Noise Mapping and Employee Noise Exposure Monitoring to ascertain whether any employee is exposed to noise level above Permissible Exposure Limit of 85dB(A) at palm oil mills, refinery and kernel crushing plant. Personal Hearing Protection (“PHP”) shall be provided by BLDP and trainings shall be conducted to staff to ensure proper usage and care of PHP.

Noise mapping and noise exposure monitoring have been conducted for palm oil mills, refinery and kernel crushing plant. Staffs working at high noise areas have been sent for audiometric testing program by registered Occupational Health Doctor on annual basis. Briefings on the results of the audiometric tests, the provisions of the regulations and effects of noise on hearing are conducted to the relevant staffs.

SUSTAINABILITY STATEMENT (CONTD.)*** Safety Training**

Safety awareness trainings conducted by site safety personnel is compulsory for new employee before they start their work in all operation sites. Emergency Response Team members are trained in BOMBA Bintulu to enhance their skill in firefighting and emergency evacuation procedure. External Safety Competency trainings attended by the employees are Basic Occupational First Aid, CPR + AED Training and Competent Forklift Driver Training with certificates issued by qualified trainer.

Fire Prevention*** Emergency Response and Preparedness**

Emergency Response Team (“ERT”) has been set up in all oil palm estates, palm oil mills, refinery and kernel crushing plant. Selected ERT members from mills, refinery and kernel crushing plant have undergone three (3) days full firefighting and rescue training by BOMBA Bintulu to equip themselves with knowledge and skills in firefighting and rescue to enable them to conduct internal firefighting training to other ERT members.

Regular trainings conducted for all ERT members and fire drills at all operation units are conducted on annual basis to test the readiness of the firefighting system. Monthly checking of firefighting equipment is carried out to ensure all equipment is in good working condition. Upon BOMBA’s requirement, BLDP’s refinery and kernel crushing plant have installed the Automatic Fire Alarm Monitoring Control System “Sistem Pengawasan Kebakaran Automatik - SPKA” which connects directly to the Fire and Rescue Station associated with the switching bypassing the switchboard to ensure this automatic fire alarm monitoring system is conducted in an organized fire surveillance station to meet the established standards in developed countries.

~ Our Engagement with Stakeholders ~**Annual Stakeholder Meetings**

- Communicating relevant information to stakeholders including sustainability commitments and obtaining feedback from stakeholders on relevant issues.

Caring our Nearby Local Communities

- Distribute Gawai Gifts to nearby local communities and visit longhouses during festivals
- Support local communities during disaster.

SUSTAINABILITY STATEMENT (CONTD.)

Collaboration with Government Authorities



- Collaboration with Sarawak Forest Corporation - patrolling the National Park boundary for preventing illegal activities and educating employees on the conservation efforts
- Collaboration with Malaysian Palm Oil Board (MPOB) to reach out to smallholders, assisting them in obtaining MSPO certifications and improving the sustainable oil palm fresh fruit bunches supplying to our mills.

Caring our Employees



- Appreciate our Auxiliary Polices on their efforts in improving security surrounding fields and nearby communities.
- Women Welfare Committee activities, Family Day, Sport Day, Singing Competition organised for employees.

Opportunities for Employees to Enhance their Knowledge and Skills



- Staffs attended Greenhouse Gas Calculation Course, Maintenance and Safe Operation of Boiler Training.