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.
- <u>Child Protection</u> 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 continually 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 ABDILLAH HAMID
Executive Director