

Group Sustainability Policy

TSH is committed to integrating ESG values throughout our operations, business strategy and decision-making process.

The policy aims to conserve and protect the environment, provide a safe and conducive environment for our employees and deliver long-term value to our customers while boosting the socioeconomic conditions of the surrounding communities including our smallholders.

This policy is in tandem with local and international laws while integrating international best practices from relevant recognised frameworks including the RSPO, MSPO, ISPO, UN SDGs, International Labour Organization (ILO) and Universal Declaration of Human Rights (UDHR) and all those in scope under the title "Objective" where applicable.

We shall achieve this through our three sustainability pillars:

i. **Environment**

TSH recognises the growing concerns surrounding the impacts of climate change and the Group's role in reducing or minimising Greenhouse Gas (GHG) emissions in line with national and international commitments such as the Paris Climate Agreement. The Group endeavours to minimize or eliminate negative environmental impacts through the implementation of environmental best practices. In alignment with our Environment Protection Policy and Sustainable Palm Oil Policy, we therefore commit to:

- No deforestation and planting on peat by applying the High Carbon Stock ("HCS") approach methodology. TSH shall not develop or clear any areas of primary forest or High Conservation Value ("HCV") / High Biodiversity Value ("HBV") areas.
- The Group shall adopt Best Management Practices ("BMP") in all existing plantations on peatland and we commit to no new planting on peatland regardless of depth. Social and Environmental Impact Assessments (SEIA) shall be conducted prior to any new developments. TSH will implement

best practices to maintain or improve soil fertility for sustained yield.

- No open burning in all our operations. The Group shall adopt proper fire prevention methods and emergency preparedness programmes in all new and existing operations.
- The protection of biodiversity and wildlife including rare, threatened, endangered and critically endangered species listed under International Union for Conservation of Nature (IUCN) from hunting and poaching through the support of wildlife protection activities.
- Managing energy usage and GHG emissions by optimising business activities and conducting environmental and social assessments to mitigate impacts or risks of new plantings or operations. TSH also commits to employing proven technologies and renewable energy for emission reductions where feasible including utilising aerobic activated sludge process, biomass power, etc.
- Responsible material usage by maintaining compliance with national and international laws and regulations regarding the management, usage, prohibitions, restrictions and reporting requirements for materials and chemical substances in the countries and regions in which we operate. TSH strives to improve material use efficiency while ensuring the risks of pollution or contamination from material, chemical use and residues are adequately managed.
- Proper waste and effluents management in accordance with applicable regulatory requirements and limits within the countries we operate. Waste and Palm Oil Mill Effluent (POME) from plantations shall be properly treated prior to discharge or disposal. The Group will practice with 4Rs (Reduce, Reuse, Recycle, Recover) program, wherever possible.
- Protection of water and soil quality by preventing contamination or pollution, minimise soil erosion and degradation from agricultural and industrial waste and chemicals and improve water use efficiency in our operations where possible.

ii. **Social**

As a responsible corporate citizen, TSH is committed to upholding the international standards and principles outlined in the UDHR, the ILO Declaration on Fundamental Principles and Rights at Work, the United Nations Guiding Principles of Business and Human Rights (“UNGP”) and other pertinent human rights laws and regulations. The Group commits to:

- Respecting internationally recognised human rights including the rights of indigenous peoples and local communities. The Group shall ensure Free, Prior and Informed Consent (“FPIC”) has been obtained from rights holders for any new development.
- Upholding labour standards and respecting employees’ rights in line with national and international laws and standards. The Group has zero tolerance for child labour and forced labour, which includes modern slavery, human trafficking, involuntary prison labour, indentured labour, bonded labour or any other forms of forced labour. TSH fully supports employees’ rights to freedom of association and collective bargaining. TSH is also committed to no-exploitation of human rights in all our operational practices.
- Practices equal employment opportunity and diversity. The Group complies with legal and decent working hours and ensure all employees are compensated with fair and equal wage without discrimination regardless of nationality, religion, ethnicity, race, gender identity, sexual orientation, culture, disability, language or any other forms of discrimination. The Group shall not tolerate any form of abuse, bullying or harassment.
- Providing a conducive, safe and healthy workplace to prevent accidents and injuries occurring in our operations or due to any public health concerns. Periodic Hazard Identification Risk Assessment and Risk Controls (HIRARC) assessment shall be conducted to identify potential health and safety risks within our operations. The Group shall allocate appropriate resources and personnel to minimise and manage health and safety risks.
- Ensuring proper emergency preparedness responses and plans in light of an emergency or disaster including forest fires.

- Improving traceability and supply chain management of our products and raw materials by engaging with our value chain including vendors, suppliers and smallholders.

iii. **Governance**

TSH is committed to creating long-term value for our stakeholders through continuous engagements and employing ethical business practices. We aim to achieve this by:

- Upholding robust governance and ensuring compliance with all legal and regulatory requirements in the markets we serve.
- Conducting business with high ethical standards, integrity and transparency. TSH has zero tolerance for any forms of corruption, bribery, extortion or embezzlement.
- Implementing appropriate data privacy and security measures to safeguard stakeholder's personal data.
- Providing proper grievance mechanism and whistleblowing measures which allows employees and other stakeholders to raise concerns or report wrongdoings without fear of reprisal.
- Striving to achieve and maintain RSPO, ISPO and MSPO certifications for 100% palm oil plantations and mills.

Sincerely,



.....
Tan Aik Sim
Group Managing Director