

# Value CREATION MODEL

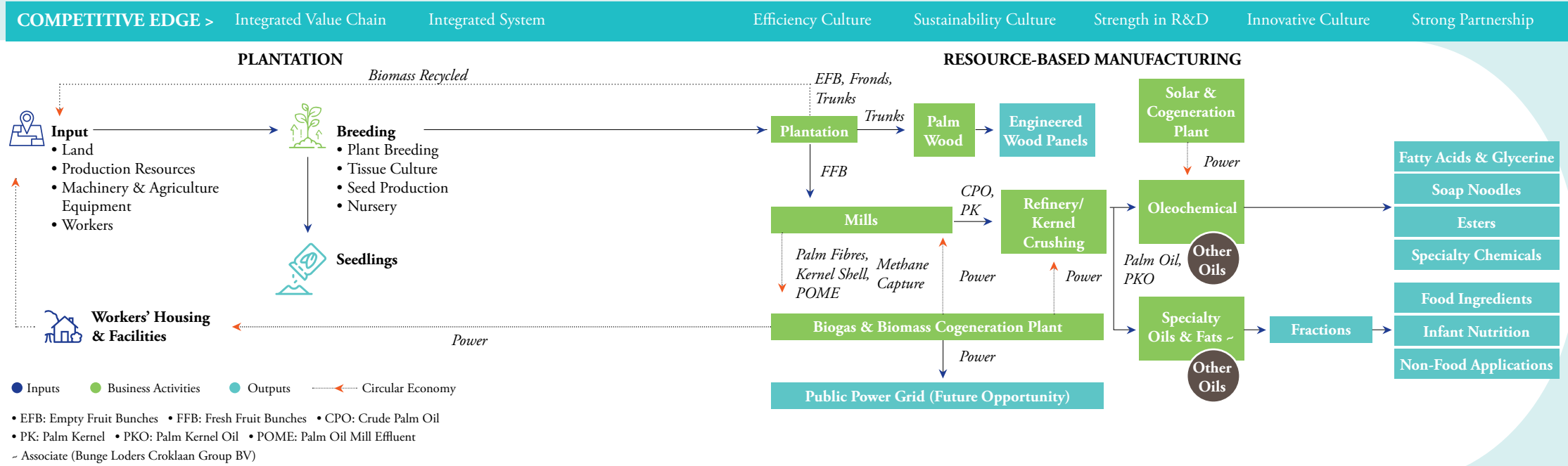
OUR VISION IS TO BE A LEADING AND SUSTAINABLE

MALAYSIAN BUSINESS CORPORATION WITH GLOBAL PRESENCE.

## 1 CAPITAL INPUTS

- Human**
    - Strong leadership and governance
    - ≈28,000\* talented and diverse people
    - Succession and business continuity planning
    - Training and upskilling opportunities to develop employees
  - Natural**
    - 98 estates
    - 205,073 hectares of landbank
    - Seeds, plants and healthy soil to cultivate oil palm trees and other crops
  - Financial**
    - Access to capital for investments in future success
    - RM17.9 billion of total assets
    - RM11.7 billion of shareholders' equity
  - Manufactured**
    - 14 mills
    - 2 refineries
    - 4 oleochemical plants/complexes
    - 1 palm wood factory
    - 1 biotech centre
    - 4 Research and Development ("R&D") centres
  - Social and Relationship**
    - Strong long-term relationships with shareholders, customers, suppliers, financial institutions, non-governmental organisations ("NGOs"), regulators and communities to create shared values
  - Intellectual**
    - R&D capabilities and intellectual property
    - Brand values and good reputation
    - Best agronomy practice and estate management practices
- \* Refer to Corporate Governance Overview Statement on page 100 for more information.

## 2 OUR INTEGRATED VALUE CHAIN



**STRATEGIC PRIORITIES >** Increase Yield, Optimise Workforce, Diversify Crops, Increase the Non-CPO Segment, Grow the Oleochemical Segment

**RISKS >** Business Resilience, Global Economic Downturn, New Trade Regulations, Supply Chain Compliance, Reliance on Manual Workers, Environmental Sustainability

Refer to Strategic Enablers on pages 51-53 and Strategic Priorities on pages 54-59 for more information.

Refer to pages 44-45 for details on Risk Management.

Refer to pages 40-43 for External Environment.

## 3 VALUE DELIVERY & IMPACT

- Human**
  - Good employee career development and progression
  - Healthy workforce
  - Safe and conducive workplace
- Natural**
  - Sustainable palm oil practices support climate action and maintain ecosystem health
  - 14 mills RSPO-certified in Malaysian and Indonesian operations
  - No deforestation and protection of High Carbon Stock Forests and High Conservation Value Areas
  - Towards Group-wide Net Zero by 2040
- Financial**
  - Sustainable and profitable growth
  - Good dividend pay-out
  - Green and responsible investment
  - Better economies of scale
  - Resilient earnings from fully integrated business model
- Manufactured**
  - State-of-the-art, certified and accredited manufacturing facilities
  - Significant operational efficiencies and synergies
  - First-of-its-kind palm wood factory
- Social and Relationship**
  - Quality and customised products at competitive cost for customers to support quality of life and improve nutrition
  - Improve livelihoods and uphold land rights of local communities
- Intellectual**
  - High-yielding germplasm
  - Developed 15 new personal care applied formulations
  - Filed a patent for pharmaceutical, nutrition and cosmetic applications and another patent for novel suppositories
  - OnCore® engineered wood panels

Note: - RSPO: Roundtable on Sustainable Palm Oil

In alignment with our three pillars of sustainability (People, Planet, Prosperity) + Partnership, together with the six adopted relevant United Nations Sustainable Development Goals ("UN SDGs").