

KRETAM HOLDINGS BERHAD GROUP

SUSTAINABILITY POLICY

KHB Group is committed to strive towards sustainable development whenever practical that will ensure a sustainable future. KHB has adopted best practices from the industry into its daily operations, and throughout the entire operation.

The Good Agricultural Practices (GAP) and Good Manufacturing Practices (GMP) implemented by KHB to ensure the sustainability of its business are as follows:

- Committed to adhere to all relevant laws, RSPO, ISCC and MSPO certification principles and criteria that will ensure a sustainable future and continuous improvement.
- ➤ Ensure protection and conservation to the High Conservation Value (HCV) areas and all resources.
- Figure No Deforestation by implementing High Carbon Stock (HCS) Approach Methodology.
- Ensure protection on Rare, Threatened and Endangered (RTE) species living in the HCV areas.
- Promote innovation for product and process enhancement, water conservation, waste management and recycling.
- Implement Good Agricultural Practices and Good Manufacturing Practices for business sustainability.
- Encourage environment protection and preservation including peat areas regardless of depth.
- Transparent and accountable to stakeholders and to ensure awareness of company's sustainability policy through regular trainings and communication.

Datuk Freddy Lim Nyuk Sam

(Chief Executive Officer)

2 January 2018