



**GENTING**  
PLANTATIONS

SUSTAINABILITY REPORT 2016  
GENTING PLANTATIONS BERHAD  
(34993-X)







# CONTENTS

**02** HIGHLIGHTS OF KEY  
SUSTAINABILITY PERFORMANCE  
*PLANTATION-MALAYSIA DIVISION*

**04** ABOUT THIS REPORT

**06** ABOUT GENTING  
PLANTATIONS BERHAD

- Business Overview
- Economic Performance
- Corporate Governance
- Regulatory Compliance and Ethical Business Conduct

**11** OUR APPROACH TO  
SUSTAINABILITY

- Sustainability Governance
- Engagement with Stakeholders
- Sustainability Certification

**21** ENVIRONMENT

- Biodiversity Protection
- Fires
- Peat Management
- Energy Consumption
- Greenhouse Gas Emissions
- Waste Management
- Water Management

**34** SOCIAL

- Fair Employment Practices
- Occupational Safety and Health

**42** BASE DATA

**45** CONTENT INDEX

**49** GLOSSARY



# HIGHLIGHTS OF KEY SUSTAINABILITY PERFORMANCE

## PLANTATION-MALAYSIA DIVISION



**ISCC EU  
ISCC PLUS  
Certifications**  
for all oil mills and  
supply bases



**RSPO  
Certifications**  
for 2 oil mills and 7 estates  
with total certified  
area of 17,102 hectares



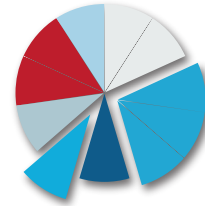
**2,322ha**  
of High Conservation  
Value ("HCV") areas



**Over 30,000**  
trees planted to date under  
reforestation project along  
Tenegang Besar River,  
Sabah



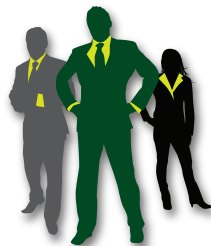
**Zero  
discharge**  
from Genting  
Jambongan Oil Mill  
- 1st oil mill with zero  
discharge in Malaysia



**BOD<sub>3</sub> Level  
- average 13ppm**  
for mills with 20ppm  
BOD<sub>3</sub> limit



**90%**  
energy consumed  
in oil mills comes from  
renewable sources



**Over 7,600**  
employees



**All employees**  
have access to running  
water, electricity,  
medical care, education,  
recreational facilities  
and places of worship

**HIGHLIGHTS OF KEY SUSTAINABILITY PERFORMANCE PLANTATION-MALAYSIA DIVISION**



**Zero workplace fatalities**  
for the past two years



**Supports 8 scholars**  
to date under Tan Sri (Dr.) Lim Goh Tong Endowment Fund



**Supports over 700 children**  
in 13 Humana schools in Sabah



**Amicable resolution**  
of Native Customary Rights land case in Tongod, Sabah



**Best Company for Investor Relations (Medium Cap) 2016**



**Best CEO for Investor Relations (Medium Cap) 2016**

- by Malaysian Investor Relations Association



**Best Managed Company in Malaysia (Medium Cap) 2016**

- by Asiamoney

## ABOUT THIS REPORT



2016 Sustainability Report is Genting Plantations Berhad's ("Genting Plantations" or "our Group") first annual sustainability report prepared with reference to "Global Reporting Initiative G4 - Core" guidelines, as well as Bursa Malaysia's revised Main Market Listing Requirements covering sustainability reporting.

The period covered is the 12 months ended 31 December 2016, and where applicable, historical data of the preceding year have been included for comparison.

As this Sustainability Report is our Group's inaugural reporting with reference to the GRI guidelines, a more focused scope of coverage has been applied in the preparation of this report. Therefore, this report is not meant to serve as a comprehensive document encompassing all areas of our Group's business and operations, but is intended to be an incisive report that prioritises the themes that are most material to our organisation and our stakeholders.

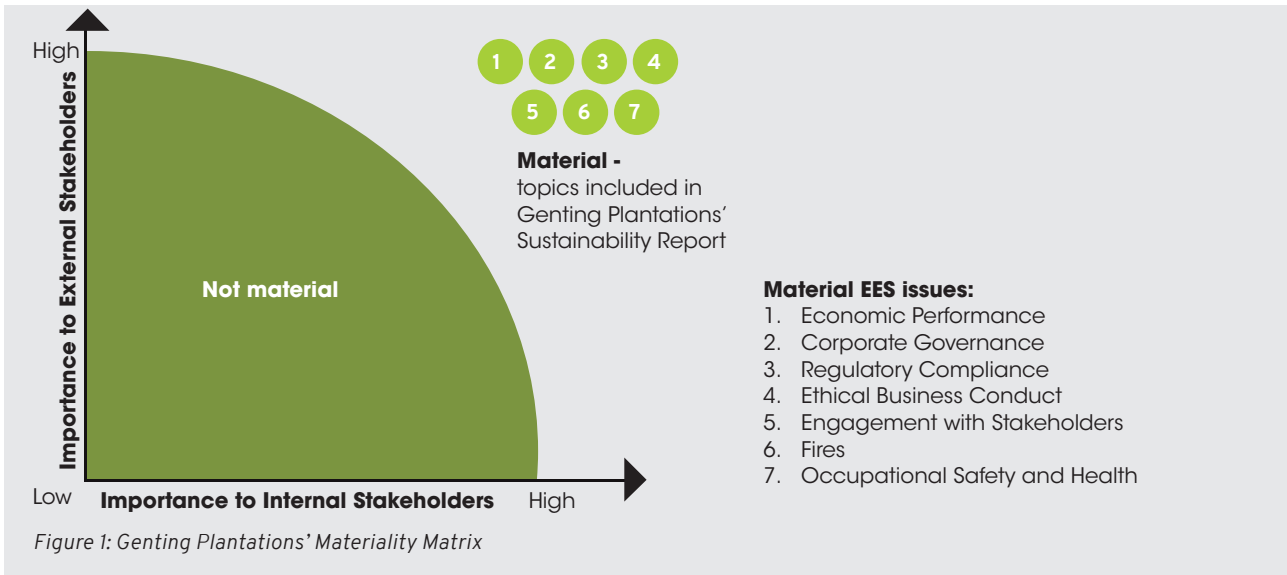
As a start, we have chosen to concentrate on our Group's plantation business in Malaysia, which is the biggest income contributor to the Group as well as the most established division, where relevant data is more readily available. We expect to extend the scope of reporting to cover other business segments and jurisdictions more comprehensively in forthcoming reports on a progressive basis as we strengthen our reporting capacity and competencies.

Ultimately, our aim through this report is to provide readers with a well-rounded

understanding of the essence of our sustainability commitments, particularly our approach to managing the material issues surrounding the inherent complexities of our business.

For the purposes of determining the contents of this report, we conducted a materiality assessment exercise which was facilitated by a leading global consulting firm. Themes were identified through a review of sector peers, multi-stakeholder sustainable development initiatives and other relevant resources, and then an internal consultation and external stakeholder simulation session was held to map the themes onto a priority matrix.

The selection of economic, environmental and social ("EES") issues for reporting was guided by their degree of materiality, with issues found to be most significant to our stakeholders prioritised for inclusion in this report, as indicated in Figure 1.



To be sure, it should be noted that material issues that fall outside the scope of coverage of our 2016 Sustainability Report are no less important considerations to us and disclosure of our progress in addressing these concerns continue to be made through other appropriate channels including the Roundtable on Sustainable Palm Oil.

Being the first year of transition to GRI-guided reporting for our Group as a whole, we have opted to consider external assurance for a later reporting period, and not for this report.

This report should be read in conjunction with other parts of our Annual Report to provide a comprehensive overview of our Group's EES performance. PDF versions of our Annual Report and Sustainability Report are available for download from our website at [www.gentingplantations.com](http://www.gentingplantations.com)

We value feedback of all stakeholders. For any queries or comments pertaining to this report, please contact us at:

Genting Plantations Berhad  
24th Floor Wisma Genting  
Jalan Sultan Ismail  
50250 Kuala Lumpur

Tel: **+603 2178 2288/ 2333 2288**  
Email : **gpbinfo@genting.com**

**Note:**

This Sustainability Report is made in accordance with a resolution of the Board of Directors dated 22 February 2017.



# ABOUT GENTING PLANTATIONS BERHAD





# ABOUT GENTING PLANTATIONS BERHAD

## BUSINESS OVERVIEW

Genting Plantations commenced operations in 1980 and is principally involved in the oil palm plantation business. As at 31 December 2016, our Group has a landbank of about 64,850 hectares in Malaysia and some 194,850 hectares in Indonesia. Our Group owns 10 palm oil mills; seven in Malaysia and another three in Indonesia, with a total milling capacity of 490 metric tonnes ("mt") of fresh fruit bunches ("FFB") processed per hour. Genting Plantations has also diversified into property development, biotechnology and the manufacturing of downstream palm-based products.

For more information, please visit our website at [www.gentingplantations.com](http://www.gentingplantations.com)

## OUR GROUP'S PALM OIL OPERATIONS IN MALAYSIA



Location of our Group's Estates & Oil Mills in Malaysia

### OUR ESTATES

Our Group (formerly known as Asiatic Development Berhad), a predominantly rubber-based enterprise in the 1980's, has successfully transformed itself into one of the region's leading oil palm plantation groups. Starting with a mere 13,700 hectares in West Malaysia in 1980, Genting Plantations' landbank has increased by leaps and bounds to about 64,850 hectares in Malaysia. Our oil palm planted area is 59,219 hectares, comprising 54,388 hectares of mature plantings and 4,831 hectares of immature plantings.

In 2016, our estates produced 1,134,803 mt of FFB, with an average yield of 20.7 mt per hectare.

### OUR OIL MILLS

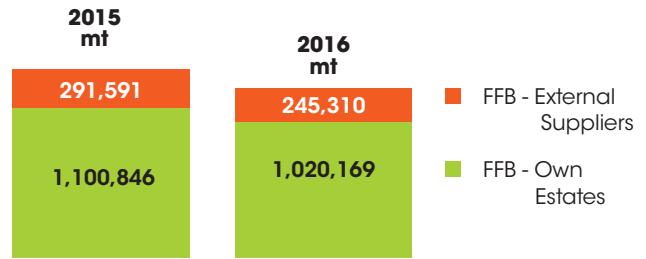
As part of its upstream plantation operations, Genting Plantations has also invested in oil mills in strategic locations over the years. Currently, our Group owns seven oil mills in Malaysia, comprising one in Peninsular Malaysia and six in Sabah with a combined capacity of 295 mt of FFB processed per hour. In 2016, we processed 1,265,479 mt of FFB.

Genting Ayer Item Oil Mill in Johor is our Group's first mill certified with RSPO and 100% of the FFB processed is from our own estates.

## ABOUT GENTING PLANTATIONS BERHAD

### EXTERNAL FFB SUPPLIERS

In 2016, our six oil mills in Sabah purchased approximately 20% of the total FFB processed externally from smallholders and third party FFB suppliers. In line with our RSPO certification time-bound plan, we are engaging with our external FFB suppliers to create awareness on the sustainability requirements and how they can be part of our certification programme.



FFB Processed at our Oil Mills in 2015 and 2016

## ECONOMIC PERFORMANCE

The year 2016 was another trying period for the palm oil industry.

The lagged impact of the prolonged dry spells linked to the El Nino weather phenomenon that occurred in the previous year took a toll on crop productivity, dragging down output across Malaysia and Indonesia. Nevertheless, palm product selling prices for the year were firmer on average, more than compensating for the lower production volume.

Against this landscape, we stayed fully focused on managing costs and driving operating efficiency improvements to ensure our Group continued to deliver the value, returns and contributions expected of us by our employees, providers of capital, governing authorities, other internal and external stakeholders, and society at large.

For the financial year ended 31 December 2016, our Group reported revenue of RM1.48 billion compared with RM1.38 billion in the previous year. Earnings before interest, tax, depreciation and amortisation increased by nearly 61% to RM543.2 million in 2016 from RM338.2 million in 2015.

The Plantation-Malaysia Division remained the biggest contributor, posting revenue of RM905.5 million and EBITDA of RM390.3 million in 2016, up 3% and 28% respectively from the previous year.

More details on the economic performance of our Group and the various business divisions for the year 2016 are published in the 2016 Annual Report ([www.gentingplantations.com](http://www.gentingplantations.com)).

The attainment of the financial objectives of our business is essential in strengthening our Group's capacity to fulfill our commitments, especially to the wellbeing of surrounding communities in the areas where we operate as well as to society at large.

In other words, the concept of shared success best describes our economic undertakings. Nowhere is this intent more apparent than in the community investments we continue to make, including in the provision of job opportunities and amenities for locals in the rural interiors where we operate, and the ongoing financial support for various educational causes.

Breakdown of the direct economic value generated and distributed by our Group's Plantation-Malaysia Division for 2015 and 2016 is tabulated in Figure 2 below.

DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED (RM MILLION)	2016	2015
<b>Revenue</b>	905.5	878.8
<b>Economic Value Distributed:</b>		
Operating Costs	484.3	549.7
Employee Wages and Benefits	57.8	50.4
Payments to Providers of Capital	61.9	66.6
Payments to Government (Taxes and Levy)	61.3	78.4
Community Investments (CSR and Philanthropy)	1.2	1.0





*Genting Plantations' Annual Management Conference*

## CORPORATE GOVERNANCE

An effective sustainability agenda begins with sound governance at every level of the organisation, starting at the very top.

At Genting Plantations, we put good corporate governance at the very core of the foundational culture of excellence on which our business is being built. Guided by the Malaysian Code on Corporate Governance 2012, we recognise that it is only when all our activities are managed in accordance with the appropriate corporate governance standards and best practices that truly sustainable value can be created.

In this connection, our Board of Directors are expected to be composed of the best-qualified individuals with the requisite knowledge, experience, independence, foresight and good judgment to effectively discharge their fiduciary duties in the interest of all stakeholders. We also have in place an established risk management framework, which allows us to identify, assess and mitigate risks and opportunities, including those pertaining to environment and social aspects. Finally, we seek to disclose all material corporate information through the appropriate channels in a timely, accurate and complete manner, as we regard transparency and accountability as the essential building blocks of meaningful stakeholder engagement.

At the 2016 poll of investment professionals conducted by Asiamoney, our Group again received recognition as the 'Best Managed Company in Malaysia' in the Medium-Cap category for the second year in a row.

For more details on how the Group has applied the principles and complied with the recommendations on the Malaysian Code on Corporate Governance 2012, please refer to the 2016 Annual Report. Details on our Group's risk management and internal control, including the processes in place and the responsibilities of the Board and Management in relation thereto, are also published in the 2016 Annual Report ([www.gentingplantations.com](http://www.gentingplantations.com))



## REGULATORY COMPLIANCE AND ETHICAL BUSINESS CONDUCT

At Genting Plantations, practising and upholding high standards of corporate conduct is of utmost priority.

We recognise that doing the right thing is integral in building and maintaining the trust and confidence of our stakeholders which are in turn vital to the success of our Group as a business enterprise in the long-run. Therefore, we strive to ensure all business and operational affairs are to be carried out ethically, with integrity and accountability, and in full compliance with all relevant laws and regulations.

We acknowledge that lawful and ethical business conduct is a shared commitment of every employee. Accordingly, employees at all levels are informed of their responsibility to act and perform their duties in a manner fully consistent with our Group's core values, principles, and established policies and standards.

Towards this end, employees are constantly reminded that our Group strictly does not tolerate or condone any form of corruption, breach of trust, fraud or unethical behavior under any circumstances or justifications whatsoever. As such acts are deemed as serious offences, our Group will not hesitate to take appropriate disciplinary, legal and/or any other action deemed fit and proper, against offenders.

In fostering a culture of integrity within the organisation and managing ethics and compliance risks, our Group has put the requisite elements in place to ensure regulatory compliance and the highest ethical standards of conduct are consistently upheld.

This includes the Whistleblower Policy and the Personal Data Protection Policy. The Group implemented the Whistleblower Policy in 2013 with an aim to encourage its employees, consultants, contractors and vendors to raise genuine concerns regarding actual or suspected unethical, unlawful, illegal, wrongful or other improper conduct within the Group. In 2014, the Personal Data Protection Policy was implemented to promote privacy laws and to protect and prevent abuses to personal data following the enactment of the Personal Data Protection Act 2010 which came into force on 15 November 2013 in Malaysia.

There were no cases of non-compliance with laws and regulations including the Personal Data Protection Policy reported in 2016. We have not received any complaints or reports of unlawful, illegal, wrongful or other improper conduct within the Group, nor reports of corruption during this reporting period.





# OUR APPROACH TO SUSTAINABILITY



# OUR APPROACH TO SUSTAINABILITY

## SUSTAINABILITY GOVERNANCE

At Genting Plantations, we believe sustainability is the collective responsibility of everyone across all levels of the organisation. This is aided by a clear vision and sense of purpose from the top which is essential in instituting a sustainability agenda that is relevant and impactful.

In this connection, the President & Chief Operating Officer is primarily responsible for providing the overall direction, leading strategic decision-making and driving the execution for all sustainability-related matters of our Group. The Board of Directors, which provides oversight of

our Group's sustainability practices, is kept informed and regularly updated on the progress of sustainability matters and any issues arising therefrom.

The sustainable palm oil certification process and related matters are facilitated by the Sustainability Department led by the Vice President – Sustainability, who reports to the President & Chief Operating Officer and works closely with the management team of the operating units.

Our Sustainability Department Organisation Chart is as laid out in Figure 3.

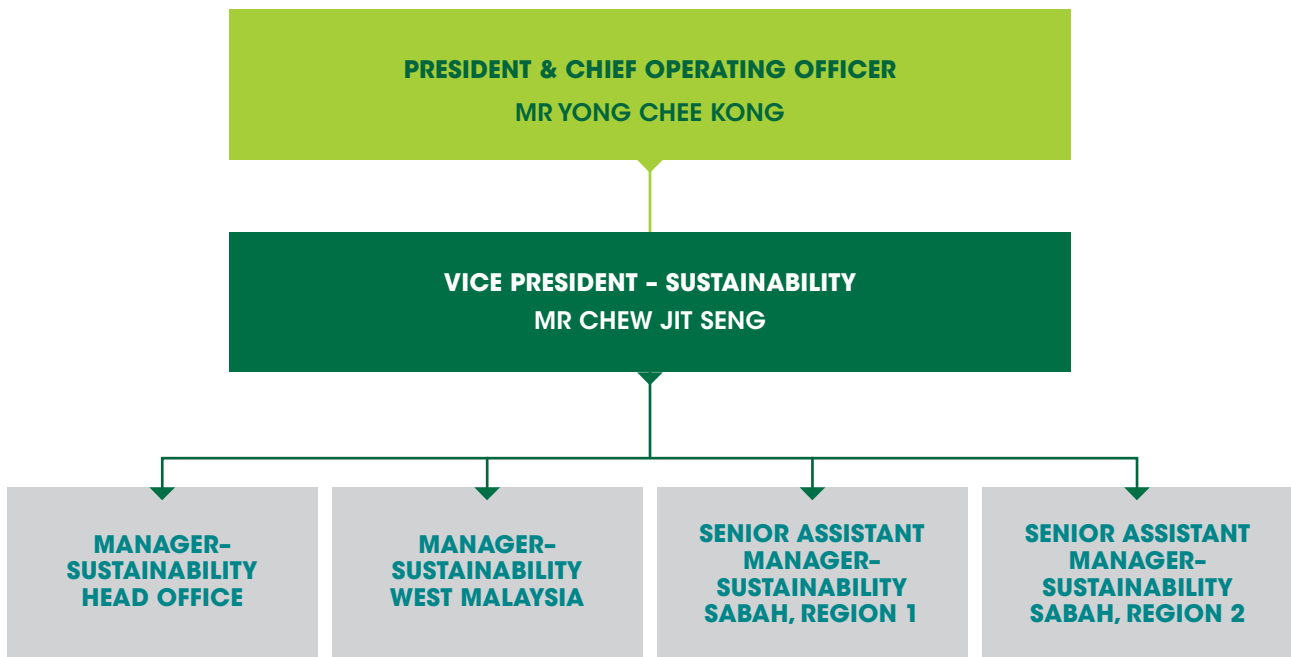


Figure 3: Organisation Chart of Sustainability Department



## ENGAGEMENT WITH STAKEHOLDERS

Engagement with stakeholders has long been and remains a cornerstone of our sustainability approach. Underpinning our engagement actions is a desire to build the mutual respect and understanding needed to bridge the divergent interests of stakeholders and forge a constructive consensus.

Just as we have done in years past, our Group continued to actively meet, converse, consult and work with a broad cross-section of stakeholders in 2016 to address areas of shared interests and concerns.



- ### Investors and Shareholders Relations

Relations with investors and shareholders are managed systematically and professionally, with an underlying commitment to openness and objectivity. Briefings, conference calls, face-to-face meetings and site visits for the institutional investment professionals are conducted regularly as part of ongoing investor education and relationship-building. Our Group's annual general meeting, meanwhile, provides a useful interactive forum for direct engagement with our valued shareholders.

The investment community has shown their appreciation for our commitment to the best practices of investor relations, having voted our Group as being a top performer in various award polls in recent times. 2016 saw Genting Plantations winning 'Best Company for Investor Relations (Mid-Cap)' at the Malaysian Investor Relations Association's annual Investor Relations Awards, the third time our Group has won the top prize in four years, and at the same event, our Group also picked up the 'Best CEO for Investor Relations (Mid-Cap)' award.



*Best CEO for Investor Relations  
(Medium Cap) 2016*

*Best Company for Investor Relations  
(Medium Cap) 2016*

## OUR APPROACH TO SUSTAINABILITY



*Our Group supports 13 Humana schools located within our estates in Sabah*

- **Community Engagement**

At Genting Plantations, we seek to build mutually beneficial relationships with the communities where we operate and with society at large through active engagement.

Our interest in the plantation business in Malaysia has led us to the interiors, placing us at the doorstep of often-isolated communities. By having a presence in these remote localities, we are in a unique position to make a constructive difference to the collective livelihoods of the rural folk through meaningful engagement.

Cultivating a lasting spirit of mutual trust with the community can only come with time and commitment. Nevertheless, it begins with the vital first step of establishing a healthy rapport through open communication and that's where much of our Group's efforts have been concentrated. Dialogue sessions with local communities are an ongoing routine, underlining the value we see in a continuing consultative process.

We regard consultation as a process by which management and stakeholders jointly examine and discuss issues of mutual concern through open communication. It involves seeking acceptable solutions to problems through a genuine exchange of views and information before making any decisions and taking any actions.



*Tan Sri (Dr.) Lim Goh Tong Endowment Fund provides scholarships for UPM students*





*Consultation and dialogue sessions with external stakeholders*

At the operating unit level, consultative meetings with stakeholders are required to be carried out at intervals of at least six months, or whenever necessary. Depending on the agenda and issues to be discussed, opinions or guidance are shared openly to promote active participation. This enhances communication with the stakeholders and also increases the chances for broad consensus on any issues where decisions need to be reached in an amicable manner.

All issues and grievances are initially handled by the unit manager. Should the seriousness and/or extent of the issues lie beyond the capability or jurisdiction of the Manager, these are forwarded to Head Office for advice.

Of course, our engagement with the community goes beyond mere dialogue, as we also seek to help empower and enable stakeholders to fulfill their aspirations. Alongside the creation of steady jobs and offering of contract works, the provision of amenities such as roads and bridges, not to mention regular contributions towards local needs, are among other constructive outcomes of our Group's presence in the remote interiors.

Beyond economic aspects, our Group recognises that cultural traditions and social customs are just as essential to the overall wellbeing of the community, frequently providing assistance for the observance of festivals and religious celebrations at the local villages in areas where we operate.

As a firm believer in the role of education in socio-economic advancement and poverty alleviation, our Group has also placed education at the forefront of our community engagement thrust. We continue to seek opportunities to provide access to education for those who may otherwise miss out, be it through support rendered for the establishment and running of 13 Humana learning centres set up in our Group's estates in Sabah or through the full scholarships granted to deserving undergraduates of Universiti Putra Malaysia via the Tan Sri (Dr.) Lim Goh Tong Endowment Fund ("the Fund"). To date, the Fund has supported 8 scholars since its launch in 2009.

In respect of the rights of the people, the development and operations of our plantations are carried out in accordance with established procedures that help ensure that the interests of local communities are not overlooked. These comprehensive procedures cover, among other things, the handling of land disputes and related resolution, native customary rights, as well as dispute settlement facility and mediation. Mechanisms are also in place to provide for complaints and grievances to be addressed in a systematic, timely and transparent manner.

In this regard, the year 2016 was significant as it saw a long-running Native Customary Rights land case in Tongod, Sabah, which involved a number of parties including our Group, being brought to a successful and amicable settlement.

## OUR APPROACH TO SUSTAINABILITY

- **Marketplace Collaboration**

Being a responsible corporate citizen within a marketplace context involves engagement with the government and industry peers in the interest of the advancement of the palm oil industry as a whole.

The views and insights of our Group's management are well sought after, having been invited on many occasions to participate in high-level dialogues on palm oil industry development matters. Our Group is an active member of the Malaysian Palm Oil Association ("MPOA"), with a representative on its Council, and is also part of various committees at the national and international levels, including the Malaysian Biodiesel Association, Malaysia Sustainable Palm Oil Steering Committee and Technical Committee, the International Sustainability and Carbon Certification ("ISCC") Southeast Asia Technical Working Group, the Council of Palm Oil Producing Countries' Technical Working Group for Harmonisation of Standards, and MPOA's Sustainability Steering Committee.

Leveraging our Group's expertise in the area of oil palm genomics, we are seeking to make a positive contribution in our own way towards national crop improvement efforts through an ongoing collaboration with the

Department of Agriculture, Sabah. Meanwhile, in our efforts to address the human capital challenges confronting the palm oil industry, our Group is working in partnership with Tunku Abdul Rahman University College ("TARUC") to promote greater interest among youths towards careers in the plantation industry, through the setting up of a course related to oil palm plantation management, with exposure to palm oil milling.



*Genting Plantations collaboration with TARUC to develop a course related to oil palm plantation management started in 2014*



*On-site training for TARUC undergraduates*



• **Internal and External Stakeholder Engagement**

Internal Stakeholder Engagement

NO.	STAKEHOLDERS	MEANS OF ENGAGEMENT	AREAS OF INTEREST	OUTCOMES
1.	<ul style="list-style-type: none"> <li>• Transporters</li> <li>• Contractors</li> <li>• Suppliers</li> </ul>	<ul style="list-style-type: none"> <li>• Meetings</li> <li>• Dialogues</li> <li>• Visits</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance with company policies, sustainability requirements</li> </ul>	<ul style="list-style-type: none"> <li>• Better understanding of company policies</li> <li>• Improved awareness of sustainability requirements and its compliance</li> <li>• Better working relationship and communication</li> </ul>
2.	<ul style="list-style-type: none"> <li>• Supplying oil mills/ estates</li> </ul>	<ul style="list-style-type: none"> <li>• Meetings</li> <li>• Dialogues</li> <li>• Visits</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance with company policies, sustainability requirements</li> </ul>	<ul style="list-style-type: none"> <li>• Sharing of best practices in sustainable production</li> <li>• Training</li> <li>• Achieving sustainability certifications (own operating units)</li> </ul>
3.	<ul style="list-style-type: none"> <li>• Workers</li> <li>• Staff</li> <li>• Executives and others at operating units</li> </ul>	<ul style="list-style-type: none"> <li>• Management meeting</li> <li>• Morning roll-call</li> <li>• OSH meetings</li> <li>• Notices</li> <li>• Campaigns</li> <li>• Visit/site inspection</li> <li>• Training</li> <li>• Induction training</li> </ul>	<ul style="list-style-type: none"> <li>• Provision of housing, sanitation, amenities and educational support</li> <li>• Wages/remuneration</li> <li>• Working conditions, facilities, safety and trainings</li> <li>• Medical and health facility</li> <li>• Social issues – discrimination, sexual harassment, road access and facilities</li> <li>• Complaints and grievances</li> <li>• Environmental protection and pollution prevention plan</li> <li>• Biodiversity conservation</li> <li>• Suggestions for improvement</li> </ul>	<ul style="list-style-type: none"> <li>• Better understanding of company policies</li> <li>• Improved awareness of sustainability requirements and its compliance</li> <li>• Improved mechanism for complaints and grievances</li> <li>• Happier and safer working environment</li> </ul>
4.	<ul style="list-style-type: none"> <li>• Employees</li> </ul>	<ul style="list-style-type: none"> <li>• Annual appraisals</li> <li>• Training sessions</li> </ul>	<ul style="list-style-type: none"> <li>• Employee development</li> <li>• Remuneration</li> <li>• Health and safety</li> <li>• Sustainability policies</li> <li>• Job satisfaction</li> </ul>	<ul style="list-style-type: none"> <li>• Better understanding of company policies and procedures</li> <li>• Culture and values</li> <li>• Employee retention</li> </ul>

## OUR APPROACH TO SUSTAINABILITY

### • Internal and External Stakeholder Engagement

#### External Stakeholder Engagement

NO.	STAKEHOLDERS	MEANS OF ENGAGEMENT	AREAS OF INTEREST	OUTCOMES
1.	<ul style="list-style-type: none"> <li>• Smallholders</li> </ul>	<ul style="list-style-type: none"> <li>• Formal and informal meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Relationship with the company</li> <li>• Land issues</li> <li>• Complaints and grievances</li> <li>• Crop quality</li> </ul>	<ul style="list-style-type: none"> <li>• Improved communication and relationship with smallholders</li> <li>• Awareness on sustainability requirements</li> </ul>
2.	<ul style="list-style-type: none"> <li>• Villagers</li> <li>• Local community</li> </ul>	<ul style="list-style-type: none"> <li>• Formal and informal meetings</li> <li>• Festive celebrations</li> </ul>	<ul style="list-style-type: none"> <li>• Relationship with the company</li> <li>• Opportunities for employment</li> <li>• Participation in decision making</li> <li>• Complaints and grievances</li> <li>• Company approach to community development</li> <li>• Free, Prior and Informed Consent</li> </ul>	<ul style="list-style-type: none"> <li>• Priority employment for qualified and eligible locals</li> <li>• Contribution to community development/project</li> <li>• Improved road access</li> </ul>
3.	<ul style="list-style-type: none"> <li>• Government departments</li> <li>• Industry bodies</li> <li>• Trade associations</li> </ul>	<ul style="list-style-type: none"> <li>• Engaging in formal dialogues and meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Support for government policies and initiatives in palm oil industry</li> <li>• Compliance to legal requirements</li> </ul>	<ul style="list-style-type: none"> <li>• Implementation of National Key Economic Areas (“NKEA”) initiatives</li> <li>• Support and contribute in the development of national sustainability standards</li> </ul>
4.	<ul style="list-style-type: none"> <li>• NGOs</li> </ul>	<ul style="list-style-type: none"> <li>• Formal and informal meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Environmental protection and pollution prevention</li> <li>• Biodiversity conservation</li> </ul>	<ul style="list-style-type: none"> <li>• Collaboration projects – rehabilitation of riparian buffer zones, establishment of wildlife corridors, protection of wildlife</li> </ul>
5.	<ul style="list-style-type: none"> <li>• Surrounding amenities such as schools, kindergarten, shops, canteen, temple, surau, clinic and community hall</li> </ul>	<ul style="list-style-type: none"> <li>• Meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Relationship with the company</li> <li>• Compliance to sustainability standards and issues relevant to these facilities</li> </ul>	<ul style="list-style-type: none"> <li>• Improved understanding of sustainability initiatives and build closer rapport with these stakeholders</li> <li>• Monetary and in-kind contributions</li> </ul>
6.	<ul style="list-style-type: none"> <li>• Customers</li> </ul>	<ul style="list-style-type: none"> <li>• Meetings</li> <li>• Phone calls</li> <li>• Networking sessions</li> <li>• Company website</li> <li>• Annual reports</li> </ul>	<ul style="list-style-type: none"> <li>• Quality of products</li> <li>• Compliance to sustainability standards</li> <li>• Clarification of media reports about Genting Plantations</li> <li>• Identification of business opportunities</li> <li>• New market access</li> </ul>	<ul style="list-style-type: none"> <li>• Positive reputation and better understanding of Genting Plantations’ sustainability status and progress and initiatives</li> <li>• Increased/new market access</li> <li>• More clients</li> </ul>
7.	<ul style="list-style-type: none"> <li>• Shareholders</li> <li>• Investors</li> <li>• Banks</li> <li>• Financial analysts</li> </ul>	<ul style="list-style-type: none"> <li>• AGMs</li> <li>• Meetings</li> <li>• Quarterly conference calls</li> <li>• Site visits</li> <li>• Roadshows &amp; conferences</li> <li>• Company website</li> <li>• Annual reports</li> </ul>	<ul style="list-style-type: none"> <li>• Seeking approval and feedback</li> <li>• Progress and compliance to sustainability standards</li> <li>• Clarification of media reports about Genting Plantations</li> </ul>	<ul style="list-style-type: none"> <li>• Positive reputation and better understanding of Genting Plantations’ sustainability status and progress and initiatives</li> </ul>



## SUSTAINABILITY CERTIFICATION

Sustainability encapsulates broad, holistic priorities that run the whole gamut of business practices and undoubtedly goes beyond merely standards certification.

Nevertheless, certification remains indispensable and central to any meaningful sustainability pursuit. It serves the important function of providing reliable assurance to stakeholders that one's products meet quality and safety standards, and are produced ethically and responsibly, with the necessary safeguards put in place to mitigate risks.

In the selection of certification standards and the pacing of adoption, our Group takes a strategic, measured approach,

guided by prevailing regulations and the demands of the market. Our preference is to prioritise recognised standards that are consistent with our core commitments and can demonstrably add value through improved market access, enhanced brand reputation and advancement of best-in-class practices, among others.

At present, our Malaysian operating units are certified to varying extents to the leading national and international palm oil-related sustainability standards. Our aim is for every operating unit in Malaysia to hold the full complement of relevant certifications and we are making positive progress year after year towards this end.

Types of Sustainability Certifications Achieved by Estates and Oil Mills as at 31 December 2016

NAME OF ESTATE/OIL MILL	RSPO P&C & SCC	ISCC EU & ISCC PLUS	MSPO
Genting Ayer Item Oil Mill Supply base: - Genting Sri Gading Estate - Genting Sg Rayat Estate - Genting Kulai Besar Estate - Genting Tanah Merah Estate - Genting Tebong Estate	√	√	
Genting Sabapalm Oil Mill Supply base: - Genting Sabapalm Estate	√	√	√
Genting Tanjung Oil Mill Supply base: - Genting Tanjung Estate - Genting Tenegang Estate - Genting Bahagia Estate - Genting Landworthy Estate - Genting Layang Estate		√	
Genting Mewah Oil Mill Supply base: - Genting Mewah Estate		√	
Genting Trushidup Oil Mill Supply base: - Genting Sekong Estate - Genting Suan Lamba Estate		√	
Genting Indah Oil Mill Supply base: - Genting Indah Estate - Genting Permai Estate - Genting Kencana Estate		√	
Genting Jambongan Oil Mill Supply base: - Genting Jambongan Estate		√	
Genting Selama Estate	√	√	
Genting Bukit Sembilan Estate		√	
Genting Cheng Estate		√	

## OUR APPROACH TO SUSTAINABILITY

- **Roundtable on Sustainable Palm Oil (“RSPO”) Certification**

In 2015, Genting Ayer Item Oil Mill (“GAIOM”) and its supplying estates became the first Malaysian operating unit in our Group to be certified to RSPO standards. GAIOM’s RSPO Supply Chain Certification comes under the Identity Preserved Module, where there is no mixing with non-sustainable sources and is traceable to our Group’s own estates. The year 2015 also saw two other Malaysian estates certified with the scheme.

Genting Sabapalm Oil Mill, along with its supply base, was the second palm oil mill in our Group to receive RSPO certification, awarded in June 2016.

In August 2016, Genting Tanjung Oil Mill was audited for RSPO Principles and Criteria (“P&C”) and RSPO Supply Chain Certification (“SCC”) (Mass Balance Module).

Moving forward, our Group will proceed with the plans to prepare the remaining uncertified operating units to be audited under RSPO certification within the next 2 years.

- **International Sustainability and Carbon Certification (“ISCC”)**

Our Group’s ISCC certification journey began in 2013 with the certification of Genting Trushidup Oil Mill, which holds the distinction of being the first palm oil mill in the world to be concurrently certified to both ISCC EU and ISCC PLUS schemes. By 2014, all of our Group’s oil mills and estates in Malaysia were ISCC EU and ISCC PLUS certified.

Subsequently, in 2015, our Group’s newest oil mill, Genting Jambongan Oil Mill (“GJOM”), was selected by ISCC to be featured as one of its five case studies worldwide. The focus of the case study is on GJOM’s unique eco-friendly aspects, namely its zero discharge system and organic compost production. A video on GJOM produced by ISCC can be viewed at <http://www.iscc-system.org/en/iscc-system/iscc-trailer/iscc-case-study-malaysia/>

ISCC certification ensures compliance with ISCC’s core criteria which are:

- Protection of areas with high biodiversity values
- Protection of areas with high carbon stock
- Protection of peat land
- Respect for human, labour and land rights
- Sustainable farm management

- **Malaysian Sustainable Palm Oil (“MSPO”)**

The MSPO is the national sustainability scheme for oil palm plantations, smallholders and downstream facilities. The MSPO Standards covers a range of principles related to environment, social and economic aspects such as biodiversity and ecosystem services, good agricultural practices, responsible development of new plantings, transparency, legal compliance, employees’ welfare, safety and health, and contributions to the well-being of local communities.

MSPO is currently a voluntary and industry driven sustainability standard. Launched on 5 September 2013, a number of pilot audits were carried out under this initiative.

One of our Group’s oil mills along with one estate, namely Genting Sabapalm Oil Mill and Genting Sabapalm Estate, were selected by the Malaysian Palm Oil Board to be among the pioneer units to undergo MSPO audits in 2014. Both operating units successfully passed the external audit and have since gone through two annual surveillance audits.





# ENVIRONMENT







*Riparian buffer zone along Tenegang Besar River, Sabah*

## BIODIVERSITY PROTECTION

As our business activities are closely associated with natural resources, we recognise the importance of practising responsible stewardship of the environment. We strive to adhere to the principles of sustainable development for the benefit of present and future generations.

Commercial oil palm cultivation and care for the environment should not be viewed as opposing pursuits. In fact, the two can be mutually reinforcing in securing a sustainable future for all. By taking care of the environment, we can contribute to the continuation of the natural ecological diversity that is essential for all life on earth to thrive, oil palm included.

Often, the global discourse on palm oil is tied to environmental considerations, and understandably so. As a tropical plant, the oil palm flourishes in regions that are also home to some of the world's most biologically-diverse ecosystems.

Therefore, our duty as an oil palm grower in upholding sustainable development entails the productive use of land to satisfy the world's growing need for renewable resources while concurrently affirming the importance of protecting the earth's natural values by carrying out our activities conscientiously to prevent any undue risks on the environment.

At our Group, this responsibility is being translated into concrete action through a systematic, well-established set of internal policies and operating procedures that

help ensure the necessary safeguards are put in place to mitigate and minimise potential risks to the environment.

In embarking on new planting or replanting projects, our Group adheres strictly to the steps prescribed by the leading sustainability standards. As part of standard operating procedure, independent third party assessments are conducted on high conservation values, environmental impact, land use change and carbon stock, where appropriate, with the findings of the studies then incorporated into eventual development plans. Any illegal clearing of land is strictly prohibited.

More specifically, when it comes to high conservation value ("HCV") areas in respect of our Malaysian plantation operation, HCV assessments have been undertaken by independent assessors approved by RSPO for all our estates in Malaysia. The main objective of the study is to identify HCV sites in line with the certification requirements of the RSPO certification scheme.

Having identified these sites, a training module was developed to ensure that the management staff of each estate will be able to guide all the workers in maintaining, monitoring and enhancing their conservation values. The inventory is guided by the *High Conservation Value Forest (HCVF) Toolkit for Malaysia* in the documentation and field surveys conducted in each estate. The initial field work was started in October 2009 and completed in July 2010 by a team of ecologists and biologists, followed with documentation review. The assessors also conducted an inventory of flora and fauna and their conservation status during the field visit.



In addition, related national and state laws and regulations are referred to guide the estate management especially where there are forest reserves next to or within the Group's estates such as:

1. Forest Enactment 1968
2. Wildlife Conservation Enactment 1997
3. Wildlife Conservation Act 2010

Our commitment to the protection of high conservation value forests is a practice that goes back to our Group's early days - the Baha and Bahagia wildlife sanctuaries maintained within the Tenegang group of estates in Sabah being a case in point as shown below:

LOCATION	SIZE (HECTARES)
Bahagia Sanctuary at Genting Bahagia Estate	21.84
Baha Sanctuary at Genting Tanjung Estate	154.30
<b>Total</b>	<b>176.14</b>

These residual forests were conserved as they are important areas for water-catchment and wildlife habitat.

The total areas deemed to be of high conservation value within our Malaysian plantation landholdings is as follows:

AREA	SIZE (HECTARES)
Peninsular Malaysia	205.83
Sabah	2,116.57
<b>Total</b>	<b>2,322.40</b>



Baha Sanctuary at Genting Tanjung Estate, Sabah

A procedure for the management of HCV Areas has been developed to guide the operating units on the management and monitoring of the identified HCV areas within the estates. HCV areas are mapped and demarcated for protection, with signage indicating their HCV attributes installed for stakeholders' awareness. HCV sites are inspected once in four months by competent and trained personnel to ensure continuous protection and maintenance of these sites.

A key element in our management of HCV areas involves the conservation, demarcation and rehabilitation of riparian zones that may have previously been cleared or planted. These areas have particular ecological importance,

providing specific wildlife habitats besides playing a key role in water systems and the prevention of soil erosion. The guidance for buffer zones demarcation referred to are the Sabah Water Resource Enactment 1998 and the Drainage and Irrigation Department Guidelines 2000 for Peninsular Malaysia.

Where rare and endangered species are found within these sites, their habitats are conserved and appropriate management and monitoring plans are implemented. Our Group also works closely with local NGOs and the State Wildlife Agency when translocation of endangered species is needed. Management plans are aimed at reducing, if not altogether averting, the occurrence of human-wildlife conflicts.

At all our estates, "No Hunting", "No Illegal Activities", "No Fishing", and "No Encroachment" signage have been installed to inform our stakeholders, both internal and external, of our Group's strict prohibition of wildlife hunting, possession and collection. Awareness on biodiversity protection is also instituted through the dissemination of company policies and procedures as well as through training programmes. Estate personnel are also provided adequate training on wildlife and biodiversity protection, such as Honorary Wildlife Warden Training Course, Orang Utan Rehabilitation and other related training.

The importance of protecting HCV areas are also regularly communicated to our stakeholders, which include the local communities surrounding our operating sites. As part of our annual engagement sessions with these communities, briefings are given on the sustainability initiatives carried out by our Group, particularly in relation to the conservation and management of the HCV areas.

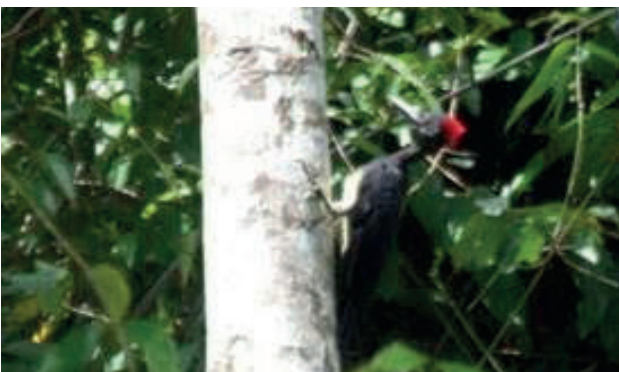
Summary of the International Union for Conservation of Nature ("IUCN") List of Threatened Species in Genting Plantations' areas of operation is provided below:

<b>Mammals</b>	Critically Endangered	1
	Endangered	2
	Vulnerable	5
	Near Threatened	1
	Least Concern	9
	Data Deficient	2
<b>Birds</b>	Vulnerable	1
	Near Threatened	2
	Least Concern	46
	Data deficient	8
<b>Reptiles</b>	Vulnerable	1
	Least Concern	4
	Data Deficient	3
<b>Plants</b>	Critically Endangered	4
	Endangered	2
	Vulnerable	1
	Not Assessed by IUCN	110



*Various indigenous wildlife found in our estates in Sabah*

Our Group welcomes opportunities for meaningful participation in collaborative riparian rehabilitation projects. Along the Tenegang Besar River, which is one of the main tributaries of the Kinabatangan in Sabah, is home to one of the world’s largest and most diverse floodplains. Our Group continues to carry out rehabilitation works covering 86.5 hectares of riparian buffer zones. The project was originally initiated in 1999 through a pioneering partnership with the WWF as part of a larger forest corridor programme known as the Kinabatangan Corridor of Life. More than 30,000 trees have been planted along the river to date.





## FIRES

The recurrence of transboundary haze owing to fires during the dry season in this region is a subject matter that continues to garner much international attention because of the resultant costs to human health and the environment.

For the agribusiness community, such incidents serve as a reminder that it is of paramount importance to remain vigilant at all times and to take all necessary precautions in preventing the outbreak and spread of fires.

On our part, the issue of fires is one that is treated with utmost seriousness, with no room for compromise. A formal zero burning policy has been adopted Group-wide, expressly prohibiting open burning for land clearing or any other purpose disallowed under the applicable national regulations.

### FIRE PREVENTION AND MITIGATION MEASURES

Our Group is committed to avoiding fires in our estates. We have developed a range of prevention and mitigation measures to reduce the risk of fire and haze. Standard operating procedures have been developed to support our zero burning policy.

Fire surveillance and monitoring plans are established for our estates with a high risk of fire, such as those having some peat land areas. Our fire prevention systems are generally embedded in our estates' health and safety and emergency response plans. This includes higher alert warnings and patrols during dry periods and clear procedures to follow in the event that a fire is detected. Estates' fire response teams undertake regular practice drills and systems are in place to ensure that there is appropriate firefighting equipment available at all times

In 2015 and 2016, a total of 15 fire incidences were reported, all of which occurred at Genting Jambongan Estate in Sabah (Figure 4). The total affected area was 4.38 hectares. These fires were mainly caused by farming activities of the local communities which spread to the estate land due to the strong wind and dry weather. Due to this, estate management will conduct awareness briefing during stakeholders' meeting to educate the villagers on the negative impacts to the environment and health from open burning for land clearance activities.

YEAR	2015	2016
Planted area affected (hectare)	3.36	1.02
Unplanted area affected (hectare)	0	0
<b>Total number of fires</b>	<b>8</b>	<b>7</b>

Figure 4: Fire incidences in 2015 and 2016

No fire incidences were reported at Group's estates in Peninsular Malaysia

## PEAT MANAGEMENT

Peat lands are vital stores of carbon. It undoubtedly has significant functional roles in environmental conservation and the provision of eco-system services.

As a responsible company, our Group would inevitably play its part to preserve eco-systems of conservation value within our plantations including those on peat.

Towards this end, we have been implementing Good Management Practices to ensure efficient use of the natural resources available in safeguarding the long-term productivity of the lands that we cultivate upon. Thus, for our existing oil palm plantings on peat in Malaysia comprising less than 3% of the titled areas, Good Agricultural Practices ("GAP") particularly on water and micro-nutrient management are adopted with discipline. This approach complies with the RSPO guidelines on the management of existing plantings on peat.

Going forward, we are committed to avoid developing any new plantings on peat where such high conservation values and high carbon stocks exist.

## ENERGY CONSUMPTION

### AT OUR ESTATES

We used direct energy from fossil fuels (diesel fuel) for operations of plantation mechanised equipment, vehicles transporting FFB from the estates to the oil mills, as fuel to start-up the FFB processing in the mills, as fuel for vehicles transporting crude palm oil (“CPO”) from the mills to the ports or customers, and for the Group’s employees’ housing compounds.

In 2016, total diesel fuel consumption by estates and estates’ housing compounds was 6,100,942 litres while diesel fuel consumption by the oil mills was 1,411,392 litres.

### AT OUR OIL MILLS

Recognising that energy use has implications on the environment, our Group seeks to play a constructive part in our own way in contributing to the realisation of global sustainable energy objectives.

Underpinning our commitment to sound energy management is a multi-pronged agenda that addresses energy conservation, green energy use, and energy efficiency. Environmental considerations aside, taking a sustainable approach towards energy also generates economic benefits for businesses since lower energy use translates to tangible cost savings.

We are mindful that while usage of non-renewable energy sources cannot be avoided altogether, earnest efforts must be made to ensure these resources are used optimally and efficiently.

Nevertheless, our preference is to use renewable alternatives, where feasible. In this regard, the promotion of energy self-sufficiency through the recycling of oil palm by-products as biomass fuel is one aspect of renewable energy use that is particularly salient for palm oil producers like us.

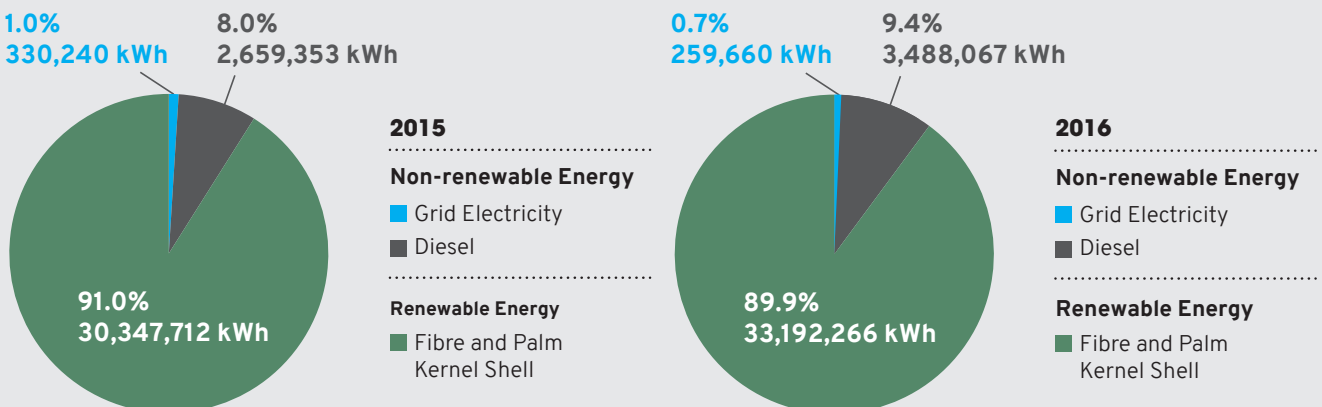
At our oil mills, empty bunch pressed fibre is increasingly being used as an alternative renewable fuel source to replace palm kernel shell in power generation. The use of the fibre as a green energy source presents multiple benefits as it helps reduce consumption of fossil fuels and at the same time, frees up palm kernel shells, another renewable energy source, to be sold for additional revenue generation.

Progressively, improved thermal efficient boilers and steam turbines are being installed at our Group’s oil mills to make energy utilisation more efficient. Energy efficiency is also a primary consideration in designing new oil mill projects with the aim of reducing overall energy consumption and generating greater cost-savings. A monitoring system to closely assess ongoing energy use, as measured in terms of fuel, power and steam consumption per kWh generated, has also been put in place at our Group’s oil mills as part of energy management measures.

Our energy management strategy is one of the pillars to our overall carbon emissions reduction strategy. We use fossil and biomass fuel in our operations. Diesel is used to run heavy equipment and vehicles. Small quantities of diesel are also used to ignite boilers before the feed is switched to biomass fuels. Waste materials from our production, fibres and shell, are recycled and reused as biomass fuel to generate power for our boilers. In 2015 and 2016, most of the energy consumption in our oil mills - amounting to 90% came from renewable sources.

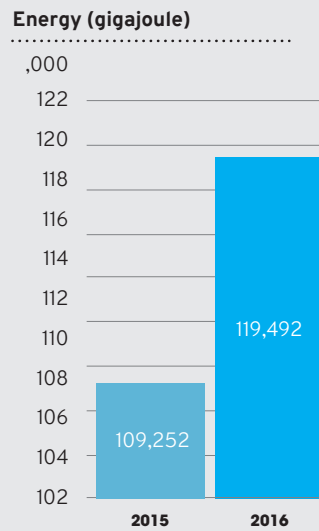
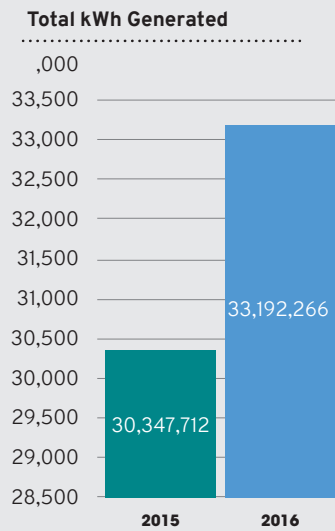
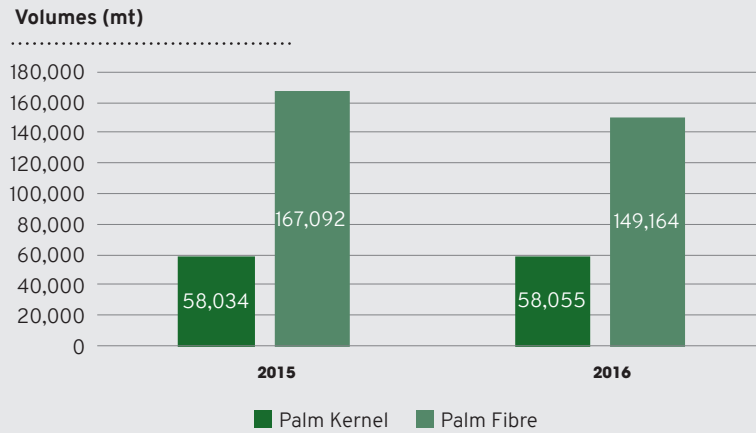
We have implemented these energy efficiency projects and programmes to further mitigate our carbon emissions and monitoring of renewable energy usage.

Breakdown of energy consumption in our oil mills:





Energy generation from renewable sources:



## GREENHOUSE GAS EMISSIONS

As attention on climate change and global warming increases, the topic of greenhouse gas (“GHG”) emissions is one that is being brought up more and more in the global discourse surrounding sustainable palm oil. Malaysia, as one of the signatories of COP 21, is committed to ensure that the country will play its role to meet the targets of the Paris Agreement. The country’s commitment is to reduce GHG emissions by 45 % by 2030 through reductions from the energy, agriculture and the land use change and forestry (“LUCF”) sectors.

The Malaysian palm oil industry is anticipated to play a major role in the reductions by the use of palm-based biofuels and bioenergy which is expected to reduce GHG emissions by up to 82%, compared to conventional

fossil fuels. It is envisioned that by the year 2020, when oil mills in Malaysia are all fully-equipped with biogas capture facilities, the carbon footprint for Malaysian palm oil is estimated to reduce by 53%. Malaysia’s oil palm plantations, with 5.5 million hectares planted in total area is also the country’s second largest CO<sub>2</sub> sink.

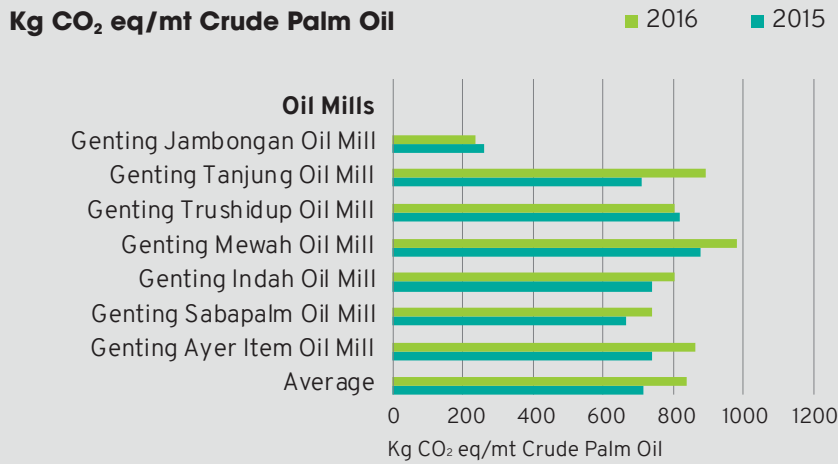
Our Group recognises that in promoting sustainable palm oil, attention should duly be given to GHG emissions across all aspects of plantation development and operations. In this regard, the measurement of relevant GHG emission data is important in serving as a basis for objective evaluation of the impacts of the business on the environment, which in turn provides the essential guidance on effective mitigation measures to be taken.

**MEASURING OUR CARBON FOOTPRINT**

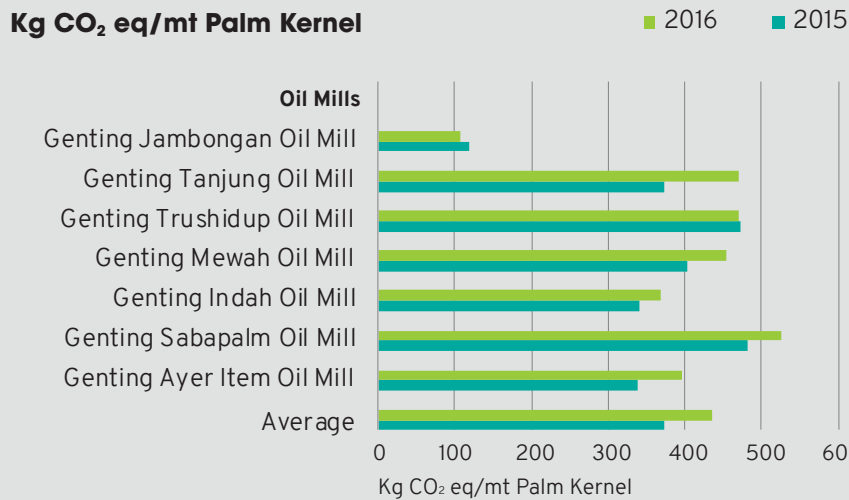
Climate change and carbon footprint present challenges to many industries today and the palm oil industry is not exempt from this. Thus, identification and measurement of our carbon footprint is necessary in order to pursue a more cost-effective mitigation strategy in our operations. All of our oil mills and estates' GHG emissions are measured using toolkits that are aligned with the calculation methodology from the EU Renewable Energy Directive.

These data are being externally verified during the annual ISCC re-certification audits. Furthermore, the PalmGHG toolkit is used to calculate the GHG emissions for all RSPO certified oil mills and estates. The PalmGHG tool calculates net GHG emissions by adding the emissions released during land clearing, crop production and crop processing and subtracting from these emissions the sequestration of carbon in the standing crop and in any conservation areas.

**NET GHG EMISSIONS\* OF ESTATE WITH OIL MILL**



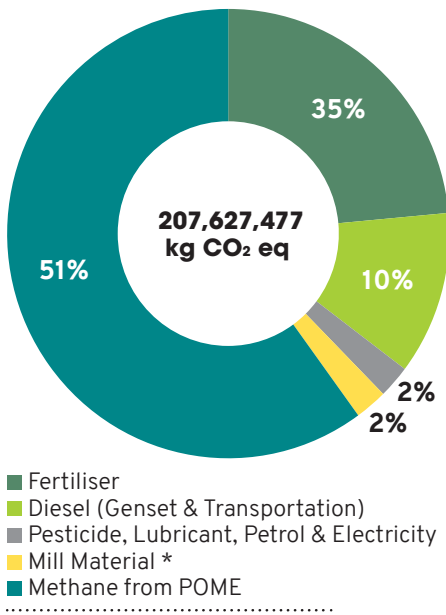
\*Based on ISCC GHG calculation template



\*Based on ISCC GHG calculation template



GHG Emission By Source for Year 2016:



\* Mill material refers to laboratory and water treatment chemicals

**REDUCING EMISSIONS**

The largest contributors to GHG are derived from palm oil mill effluents (“POME”) followed by fertiliser application. POME is the waste water discharged from the milling process and it produces methane gas from its anaerobic digestion. Methane from POME can be utilised as fuel for power generation and cogeneration. Our Group’s mill management team have initiated and implemented several action plans towards tapping the energy from waste generation. These efforts help ensure our compliance with the regulatory requirements besides environmental conservation.

As part of our continuous improvement efforts, we seek out innovative mill technologies and designs to reduce oil mills’ energy consumption and waste generation such as zero dilution mill processing, water recycling programme and composting systems to reduce GHG emissions besides enhancing palm nutrient recycling and uptake. These technologies include:

- Installing mixers and aerators in the effluent ponds to improve mixing efficiency and to sustain the anaerobic and aerobic digestion activities.
- Maintaining effective Hydraulic Retention Time (“HRT”) of POME in the effluent ponds through both conventional and continuous desludging using Geotube.
- Online desludging using belt press sludge dewatering system which filters and separates solids from the

effluent. The filtrate effluent is channelled back to existing effluent treatment ponds whilst the solid cake produced is utilised as organic fertiliser in our Group’s estates.

- Increasing the effective HRT of effluent treatment by expanding the land irrigation system and by constructing additional flatbeds and effluent treatment ponds.
- Commissioning advance effluent treatment systems utilising bioflow and membrane bioreactor plants to achieve and maintain the final discharge with BOD<sub>3</sub> < 20 mg/l.
- Composting to reduce the organic load to the effluent treatment system and to produce biofertiliser. The compost produced is high in nutrients and is applied as a replacement for inorganic fertiliser.

Our Group’s Genting Jambongan Oil Mill (“GJOM”) is the first oil mill in Malaysia that has successfully achieved zero discharge. This was achieved through a composting plant that utilises 100% of the waste and by-products from the oil mill i.e. shredded empty fruit bunches (“EFB”), decanter slurry and POME and converting it into biofertiliser. This system is able to evaporate all the effluent produced by the oil mill and thus eliminate the need for effluent treatment plant and land irrigation. The biofertiliser produced is able to replace about 80% of the inorganic fertiliser applied previously.



Bioflow and membrane bioreactor plant at Genting Mewah Oil Mill



Mixers and aerators installed in effluent ponds



Recycling of palm by-products

1. Composting process at GJOM



Among the efforts in waste management adopted by our Group - use of recycling bins and designated areas for scheduled waste

## WASTE MANAGEMENT

How efficiently waste is managed can have wide-ranging implications, not least on the environment, human health and the associated business costs. Put simply, poor waste management can be detrimental to the environment, pose risks to societal health and wellbeing, and raise the overall cost of doing business.

Cognizant of this, our Group strictly observes best practices in handling and managing waste in our estates and oil mills, and stands ready to invest in new proven technologies and innovative solutions for better waste management. In this respect, our Group is careful to take all necessary precautions to prevent any harmful or hazardous substances from being released into the environment.

All types of waste products, including domestic waste, agricultural waste, biomass or by-products generated by operating units, are, if not recycled, then required to be safely disposed of in accordance with the prevailing regulations and the best practices.

The recycling of biomass represents a multi-pronged value proposition for our Group as it delivers a variety of economic benefits while providing multiple environmental advantages. The application of biomass as renewable fuel for oil mill boilers for power generation is one example. Not only does it constitute a safe method of managing waste, it also promotes greater energy self-sufficiency and provides input-cost savings. Recycling of nutrient-rich organic matter such as EFB and treated POME is another common practice that presents multiple advantages, from reducing the use of agrochemicals to putting available biomass to good economic use, which in turn bring cost-savings besides mitigating GHG emissions.

The quality of the final discharge of treated effluent is a key and widely-used yardstick in measuring the environmental performance of oil mills. At our Group's oil mills, advanced effluent treatment systems and new innovations are continually being introduced to raise processing efficiency, help ensure that the quality of final discharge meets strict environmental standards, and reduce the volume of waste generation.





2. POME land application



3. EFB applied as mulch

Among examples of initiatives undertaken to manage our waste responsibly are:

- minimising the use of water for processing through the adoption of new systems, such as zero dilution oil tapping and 2-phase decanter, which can in turn lower effluent generation by 30% when compared with the conventional process
- adoption of a composting system, which effectively converts waste into bio-fertiliser.
- maintaining effective hydraulic retention time, a measure of the average length of time that soluble compound remains in a pond or tank, through the implementation of desludging systems for effluent treatment ponds
- adoption of advanced effluent treatment systems such as bioflow plant and membrane bioreactor plant to achieve and maintain the final discharge at below BOD<sub>3</sub> of 20 mg/l.
- implementation of online biosolids removal system by using belt filter press at Genting Indah Oil Mill for dewatering the biosolids from effluent treatment ponding system. In the process of dewatering, the system reduces the soluble organic matters and substantially lowers the biological nutrient loading to effluent treatment ponding system. The dewatered biosolids will be utilised as fertilisers in the estate.

Eliminating waste altogether is, of course, the ideal scenario. Though it is admittedly a daunting goal for the palm oil industry, our Group nevertheless seeks to contribute to whatever extent feasible towards its eventual realisation.

The presence of migratory birds in the effluent ponds at some of our Group's oil mills is testament to the quality and standard of waste management being achieved.

Our Group aims to recycle and reuse the bulk of the solid and liquid waste generated from the CPO production process. The table below provides the detailed breakdown on the use of our mill waste and by-products as organic fertiliser and fuel in 2015 and 2016.

Type of Waste	Total Quantity Produced (mt)		Total Quantity Reused (mt)		Usage
	2015	2016	2015	2016	
Fibre	167,092	149,164	167,092	149,164	Fuel
Palm Kernel Shell	69,622	62,152	58,034	58,055	Fuel
EFB	278,487	248,607	278,487	248,607	Organic Fertiliser
POME	520,908	551,612	520,908	551,612	Organic Fertiliser

**EFB** – Most of the EFB from the oil mills are returned to the fields as an organic fertiliser and green mulch for the palms. EFB mulching can improve the soil structure, water holding capacity, reduce soil temperature and reduce soil erosion besides providing some vital nutrients and organic acid.

**POME** – POME contains a high level of plant nutrients, either in raw or treated forms. Treated POME is allowed for land application according to discharge standards under the national regulation. Approval from the Department of Environment must be obtained by oil mills before POME is used for land application.

## CASE STUDY :

# GENTING JAMBONGAN OIL MILL – MALAYSIA'S 1<sup>ST</sup> ZERO DISCHARGE OIL MILL



Our Group's operations in Pulau Jambongan, Sabah, mark a significant step in this direction. Genting Jambongan Oil Mill has the distinction of being the first palm oil mill in Malaysia that has successfully achieved zero discharge. This has been made possible by the inclusion of a compost plant that utilises all of its waste and by-products (shredded EFB, decanter slurry and effluent) from the mill and convert them into biofertiliser. Further, the system is able to evaporate all the effluent produced by the oil mill and eliminate the need for effluent treatment and land irrigation. As the biofertiliser produced is high in nutrients, it is suitable to be channelled to estate fields as a replacement for at least 80% of inorganic fertiliser that would otherwise have been applied.



*Compost plant at Genting Jambongan Oil Mill.*



## WATER MANAGEMENT

Making up a mere 3% of the earth’s water, freshwater is a precious resource that is essential to all life on the planet and one that is facing increasing pressures from the rapid growth in global population and economic development.

Good water stewardship entails the shared responsibility of all quarters from governments to businesses to consumers and civil society in ensuring freshwater resources are used efficiently and managed sustainably to minimise and mitigate the risk of wastage, scarcity and pollution.

Essentially, water management at our Group is done in accordance with a carefully-planned approach that takes into consideration prevailing land conditions, topography and changes in the weather to achieve a sustainable balance between ensuring consistent and sufficient supply of water to meet operational requirements while conserving water resources through more efficient use. We use water for two main purposes: milling and nursery irrigation. Water is mainly drawn from rain-fed sources such as local rivers or ponds.

Towards this end, within the context of the palm oil business, there are a variety of well-established, recommended water management practices that can be adopted. At our Group’s Malaysian operating units, such practices are being applied where appropriate and have yielded positive outcomes.

These practices serve a myriad of purposes including mitigating of flood and drought impacts, optimising use of rainwater, promoting the recycling of treated waste water and preventing pollution of freshwater sources. Examples of these are as follows:

- establishing ponds and water catchment areas to capture rainwater
- installing water gates and other features to maintain optimal water levels
- maintaining riparian reserves and planting of leguminous cover crops to minimise soil runoff and to prevent erosion and pollution of waterways
- stacking of oil palm fronds and application of EFB as mulch to retain soil moisture and to improve soil structure
- constructing silt pits for water storage and conservation along with furrows for land irrigation purposes
- harvesting of rainwater for mill process, where rainwater is collected from integrated roofs and gutter systems, and stored for subsequent use
- deploying an integrated automated system in the operational process of oil mills, such as automated water pumping and water tank level control system
- total steam management system to minimise water wastage

Other approaches include designing new oil mills to be significantly more efficient in water consumption by adding features like dry pneumatic separation for segregating palm kernel from the cracked mixture in the kernel recovery plant and zero dilution system in optimising oil separation in the pressing station.

The adoption of the ISO14001:2004 Environment Management System across our Group’s Malaysian oil mills also has water consumption as a quality objective.

In 2016, we used an average of 1.26 m<sup>3</sup> of water per mt FFB processed.



Water catchment pond at Genting Jambongan Oil Mill, Sabah

### REDUCING OUR WATER FOOTPRINT IN THE NURSERY

Oil palm seedlings are raised in nurseries located in our Group’s estates. Seedlings require sufficient water for growth and development, and water used for nursery irrigation at the Group’s estates (Figure 5) are mainly sourced from surface water. In line with the Group’s replanting programme in the coming years, more seedlings are being raised at the nurseries.

Among the steps taken to ensure sustainable source of water for our Group’s nurseries is to carry out rain water harvesting. Rain water harvesting essentially entails the accumulation and redistribution of rain water for reuse on-site, rather than allowing it to run off. We collect rain water in our catchment ponds which were constructed to hold large quantities of rain water to irrigate our nurseries.

WATER USAGE AT NURSERY (M <sup>3</sup> )	2015	2016
Peninsular Malaysia	184,201	310,750
Sabah	105,957	478,284
<b>Total</b>	<b>290,158</b>	<b>789,034</b>

Figure 5: Water usage at Genting Plantations’ nurseries



**SOCIAL**







Genting Plantations' annual company trip

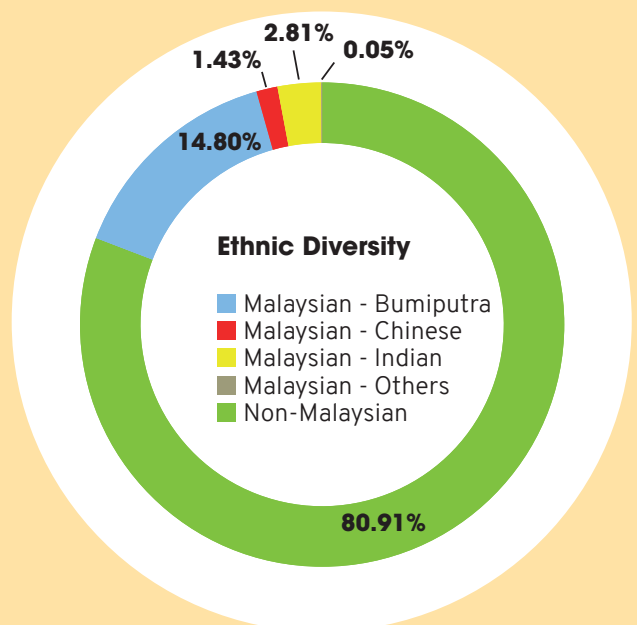
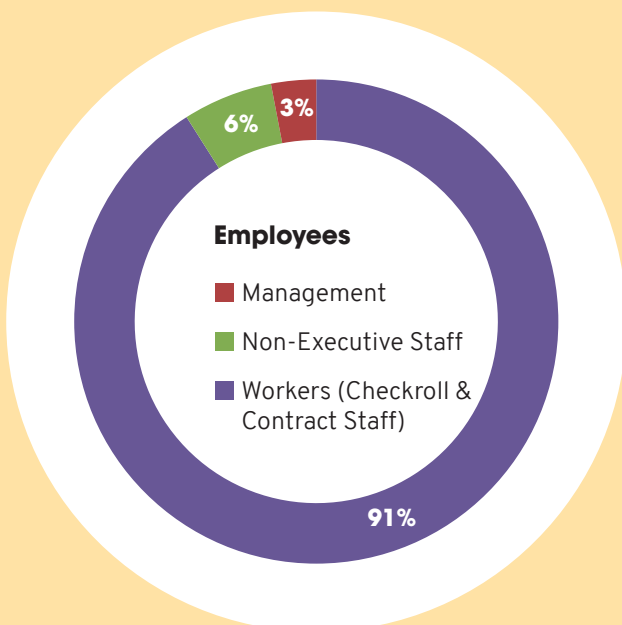
## FAIR EMPLOYMENT PRACTICES

Our employees are our most valued resource.

As a responsible organisation, we are committed to provide equal opportunities to all level of employees and does not discriminate based on gender, race, caste, national origin, religion, age, marital status, ethnicity, union membership or political affiliation. We continue to foster an inclusive culture, promote cultural diversity within the organisation and do not tolerate any types of harassment or violence. Our Group will not use forced or bonded labour, support the use of child labour or be involved in human trafficking.

A guideline on the complaint and grievance procedure has been established as part of our Group's Social Policy.

We employ 7,691 people in our Plantation Operations in Malaysia. We value diversity in our workforce and promote ethical behavior through our code of conduct while striving to provide a working environment that is safe, healthy and conducive to continuous career development.



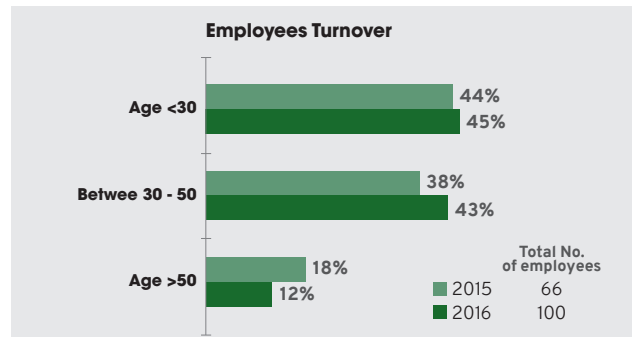
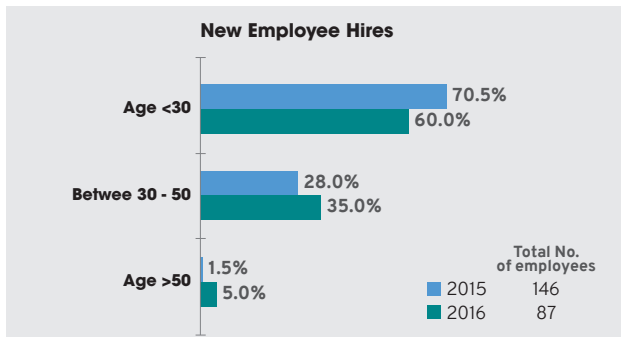
Breakdown of employees by employment category and ethnic diversity

**TALENT RECRUITMENT AND RETENTION**

As our aim is to be the employer of choice, we seek to attract and retain the best talents by nurturing a secure, progressive and results-driven work culture and an environment where every individual is enabled to excel to their fullest potential through a fulfilling and rewarding career.

With competition for talents growing more intense, the Plantation Industry continues to face difficulties in recruiting and retaining skilled employees and leadership talents, especially for the positions of Assistant Managers/Engineers.

At Genting Plantations, the next generation of talents is identified through on-site campus recruitment drive and selection by senior talent scouts and intensive structured training programmes specially geared for a career as plantation cadet assistants or oil mill engineers, to provide a pipeline of young talents to fill the frontline supervisory estate/mill positions and provide a succession platform. Successful candidates are put through rigorous tests and project assignments under the tutelage and mentorship of experienced managers.



**MINIMUM WAGES AND BENEFITS**

We comply with the minimum wages stipulated by the Minimum Wages Order 2016. Employees also have variable components in their remuneration that are linked to individual and Group performance. In addition, other benefits are also provided to eligible employees, such as Hospitalisation & Surgery, Group Personal Accident Insurance, Group Term Life Insurance, Dental & Optical, Club Subscription Fee Subsidy, Membership Fees for Professional Association, Long Service Awards, Car Loan Interest Subsidy, Staff Discount on Purchase of Property and Post-graduate Studies Sponsorship, among others.

We aim to provide our employees and their families with housing and an overall safe and healthy living environment at our operating units. In addition to housing and sanitation, all employees also have access to running water, electricity, medical care, education, recreational facilities and places of worship.

**FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING**

We respect the rights of employees to form and join trade unions of their choice and to bargain collectively. This has been communicated and stated in our “People Policy” in September 2009. Where the right to freedom of association and collective bargaining is restricted under law, parallel means of independent and free association bargaining are made available for such personnel.

As in 2016, a total of 1,672 employees are members of The Malayan Agricultural Producers Association/The All Malayan Estates Staff Union (MAPA/AMESU) and The Malayan Agricultural Producers Association/The National Union of Plantation Workers (MAPA/NUPW) (Figure 6).

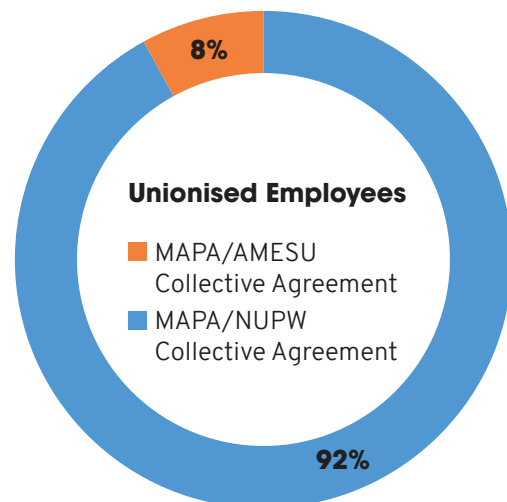
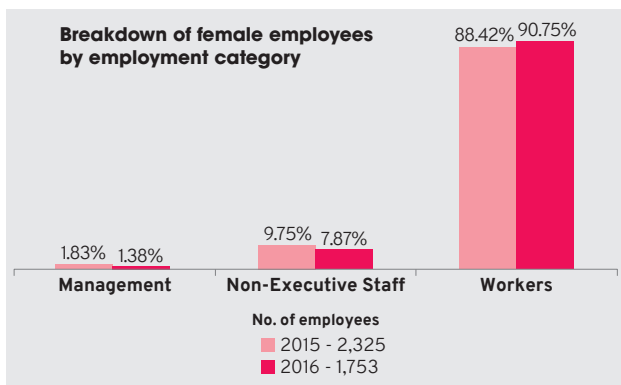


Figure 6: Breakdown of unionised employees



**WOMEN IN THE WORKFORCE**

The representation of women in our workforce is relatively high. We also aim to improve our gender balance at management level where female representation is still relatively low, a phenomenon that is not uncommon in the plantation sector owing to the remote locations of estates and oil mills as well as the physically demanding nature of the field work and the associated occupational risks. Nevertheless, our Group is continually seeking to address this shortcoming and one of the ways in which we are doing so is by encouraging female talents to consider careers in the plantation sector as research and laboratory personnel.



**GRIEVANCE AND WHISTLE-BLOWING POLICY**

We aim to address any grievance or complaints between the Group and an employee or third party fairly and effectively. Our Grievance Policy provides a framework for non-discriminatory and fair treatment of all cases involving all parties. This includes handling of the grievances or complaints at the lowest organisational management level and/or point of origin. A whistleblowing channel is also available to enable employees and others to anonymously report actual, potential, or suspected wrongdoings without fear of repercussion.

**OCCUPATIONAL SAFETY AND HEALTH**

Occupational Safety and Health (“OSH”) is of utmost priority to us.

We do not compromise in providing and maintaining a safe and healthy working environment at all times for all employees, as well as for contractors and visitors. These commitments and values are being continuously embedded in our Group’s daily work culture at our work sites. The company has invested a lot of time and effort in reducing risks of injuries by developing technical solutions and implementing safety management systems. As a result, the number of incidents has reduced significantly over the years.



Safety training and drills are conducted in an effort to reduce injuries and accidents



Various safety signage at our estates and oil mills



The Malaysian Occupational Safety and Health Act (“OSHA”) was enacted on 25 February 1994 with intent to ensure safety, health and welfare of all persons at all places of work. It was promulgated based on the self-regulation concept with the primary responsibility of ensuring safety and health at the workplace with those who create risks and work with the risks. The Act also provides for consultative processes at the policy level with the establishment of the National Council for Occupational Safety and Health.

An Occupational Safety and Health Manager based in Head Office, along with two competent Safety and Health Officers based in Sabah, oversee the overall health and safety provision across our operations.

When it comes to OSH for our Group’s estate and oil mill operations in Malaysia, the Occupational Safety & Health Committee, at each estate and oil mill, oversees the safety and health policy and programmes, and is responsible for its own health and safety performance. While management appoints representatives to these committees, worker representation, which varies according to the number of work crews at each estate and oil mill, are elected by the workers in accordance with OSHA (“Occupational Safety and Health Act”) 1994 Safety and Health Committee Regulations 1996 requirements.



Various initiatives and programmes have been implemented towards realising the goals set out in our OSH Master Plan, including enhancement of Safe Operating Procedures, and Hazard Identification, Risk Assessment and Risk Control (“HIRARC”) for key high-risk operational tasks, permit to work in contract management, OSH induction programme for new workers, tractor driving competency training, OSH Day, risk assessment training, workplace inspection programme, functions of safety and



health committee training, fire fighting training, train-the-trainer programme, “Mentor & Mentee” programme, First Aid & CPR training and annual internal compliance audit. Training of workers is decentralised to the respective oil mills and estates for effectiveness.

Compliance with the Chemical Health Risk Assessment (“CHRA”), the use of Personal Protective Equipment (“PPE”) and annual medical surveillance are mandatory and strictly monitored across all our estates and oil mills.

All our workers are covered by a general insurance policy known as the Foreign Worker Compensation Scheme that covers injuries and fatalities.

In 2016, dialogue sessions with Director of Department Occupational Safety and Health (“DOSH”) were held in January and March at two of our Group’s Sabah operating units. The purpose of the dialogue sessions was to raise awareness on the importance of making safety and health as part of the daily work culture.



**LOST TIME INJURY RATE**

An Occupational Safety & Health Committee is set up at each of our estate and mill. In the event of any accidents, the cases will be investigated by the Occupational Safety & Health Committee at the respective estate and oil mill, together with management and the Safety and Health Officer, and recommendations on how to prevent recurrence discussed. The accident investigation report will be kept and maintained by the Document Controller based at each estate and oil mill.

An accident is classified as severe when a worker is absent from work for more than four days. Such accidents will be reported to the respective DOSH office accordingly.

Irrespective of severity, all accidents are reported and recorded at our clinics by the hospital assistant. The majority of accidents in our estates and oil mills are motorcycle accidents involving security guards and staff, as well as minor injuries due to thorn pricks and cuts among harvesters. Preventive actions are taken to minimise accidents, which include circulation of Accident Alert from OSH Manager, in-house OSH Training, OSH Day, Safety Badge campaign and workplace inspection carried out by the Occupational Safety & Health Committee as well as placement of warning and safety signs prominently.

In addition, each estate and oil mill also reports to DOSH Head Office (Putrajaya) annually with details of occupational poisoning and disease in compliance with OSHA 1994 (Notification and Reporting of Accident, Dangerous Occurrence, Occupational Poisoning and Occupational Disease Regulations 2004).

**FATALITIES**

Our goal is to ensure that we do not have any workplace fatalities.

Our target is to achieve zero fatal accidents and to achieve at least 70% of planned training sessions to be carried out by operating units throughout 2016. There were no reported cases of fatalities at our Group’s estates and oil mills, and training sessions were carried out as planned.



**OSH PERFORMANCE**

Genting Plantations has achieved a zero fatal accident record throughout 2015 and 2016 and our Group’s accident severity rate, which refers to absenteeism of more than 4 days due to an accident, remains low for both years, with most accident cases involving minor injuries such as cuts and thorn pricks (Figures 7&8).

The statistics compiled from all operating units indicated that the average Lost Time Injury (“LTI”) rate caused by accidents at the workplace is less than 1% for 2015 and 2016 (Figures 9&10). The low LTI rate is a reflection of the

commitment and joint efforts by management, Safety and Health Officers, Occupational Safety & Health Committees, workers and contractors to reduce workplace accidents.

We recognise that the biggest challenge is not only to further reduce accident rates, but also to make OSH a culture and a way of life. We continuously strive to prevent accidents and injuries and take necessary preventive steps to reduce them. A safer and healthier working environment will increase productivity and quality which ultimately increases our Group’s profitability.

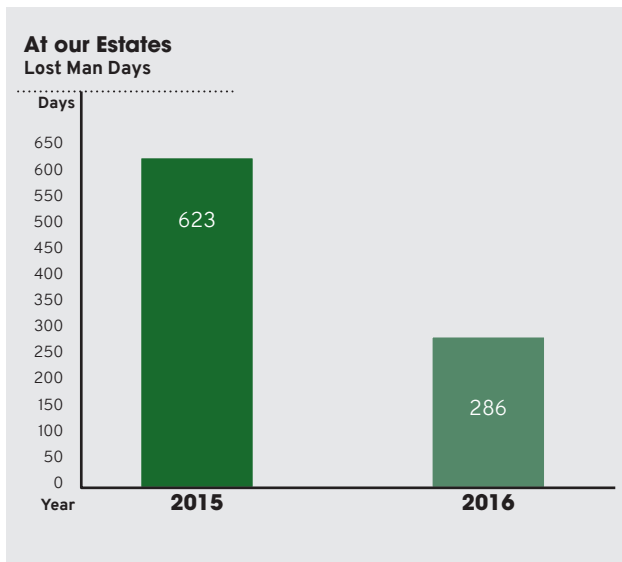


Figure 7: Lost man days at our estates

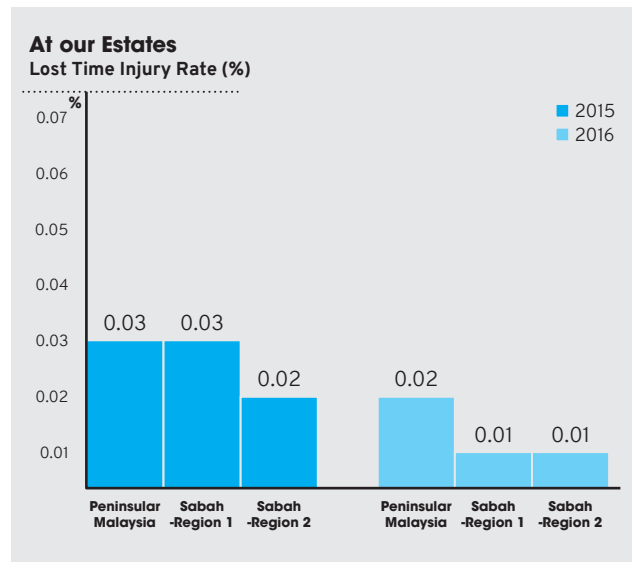


Figure 9: Lost time injury rate at our estates

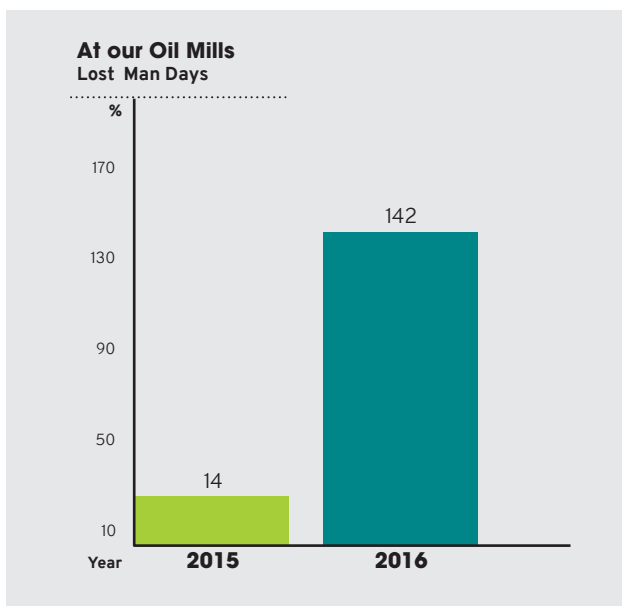


Figure 8: Lost man days at our oil mills

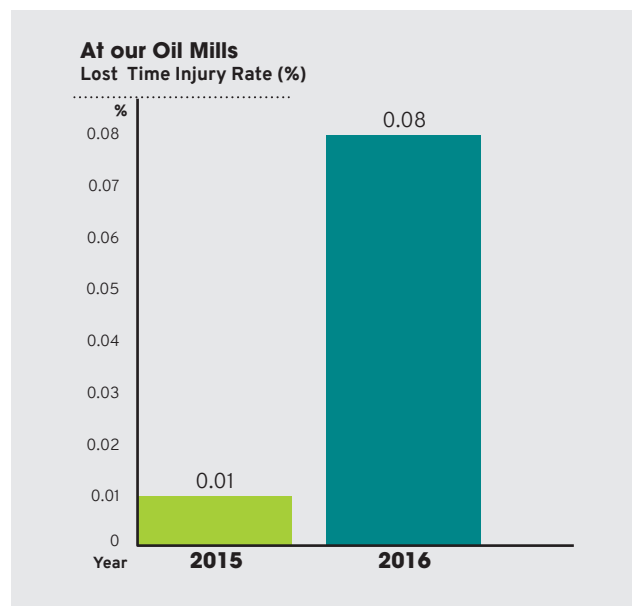


Figure 10: Lost time injury rate at our oil mills

Note: In 2016, 6 female and 422 male workers were involved in accident cases (2015 – 89 female and 548 male workers.)

### SECURITY AT OUR SABAH OPERATIONS

We place utmost emphasis on the safety and security of our people. Where risk is concerned, we address terrorism threats with counter measures to the best of our ability, particularly so in Sabah.

In recent years, Sabah has witnessed a string of terrorism and kidnap for ransom acts, some of which resulted in casualties.

With a lengthy coastline of over 1,743 km and surrounded by the South China Sea to the West, the Sulu Sea in the North east and the Celebes Sea in the East, Sabah is unfortunately vulnerable to occasional transgressions with intentions to cause harm and terror among its coastal inhabitants.

The Malaysian government had established the Eastern Sabah Security Zone (“ESSZONE”) on 25 March 2013 to maintain security on the eastern part of Sabah, and thereafter formed the Eastern Sabah Security Command (“ESSCOM”) on 1 April 2013 to be the enforcement authority for ESSZONE.

Given our Group’s sizeable plantation operations in Sabah, some estates are deemed to have exposure to terrorism risks by virtue of being located within or in close proximity of ESSZONE.

The Company has also taken cognizance of this external risk in its risk management assessment and appropriate measures have been planned and formulated to manage and mitigate such security risks within its means and controls.

We are committed to ensuring that appropriate security measures are in place for the prevention and proper handling of any eventualities of such a nature. Safety and security measures remain one of our top priorities in safeguarding and enhancing shareholders’ value. Our Group has gone one step further in reinforcing safety and security practices by putting in place enhanced security measures and procedures.





# BASE DATA

## PLANTATION-MALAYSIA DIVISION

<b>ECONOMIC</b>		
<b>Income Statements (RM '000)</b>	<b>FY 2015</b>	<b>FY 2016</b>
Revenue	878.8	905.5
Profit before tax	300.6	516.9
Net Profit	238.6	433.8
<b>Balance Sheet ( RM '000)</b>		
Total assets	1,563.4	1,768.0
Total liabilities	141.4	168.8
Shareholder's funds	1,421.9	1,599.2
<b>LAND AREAS, OIL MILLS AND PRODUCTION</b>		
<b>Oil Palm Plantation (hectares)</b>	<b>FY 2015</b>	<b>FY 2016</b>
Mature	55,050	54,388
Immature	3,713	4,831
Total landbank	65,512	64,855
<b>Oil Mills (number)</b>		
Peninsular Malaysia	1	1
Sabah	6	6
<b>Production (mt)</b>		
FFB Production	1,289,314	1,134,803
Yield Per Mature Hectare	22.9	20.7
<b>Certified Plantation Areas (hectares)</b>		
RSPO Certified	13,194.55	17,102.75
ISCC Certified	57,134.65	57,134.65
MSPO Certified	3,908.2	3,908.2

<b>WORKPLACE</b>		
<b>EMPLOYEES</b>	<b>FY 2015</b>	<b>FY 2016</b>
Number of employees	8,944	7,691
<b>Employees by category</b>		
Management	256	247
Non-Executive Staff	494	480
Workers ( Checkroll & Contract)	8,194	6,964
<b>Employees by Gender</b>		
Management - Male	227	215
Management -Female	32	32
Non-Executive - Male	310	309
Non-Executive-Female	183	171
Workers - Male	6,082	5,414
Workers - Female	2,110	1,550
<b>Ethnic Breakdown</b>		
Malaysian – Bumiputera	1,211	1,138
Malaysian – Chinese	126	110
Malaysian – Indian	226	216
Malaysian – Others	3	4
Non-Malaysian	7,378	6,223
<b>Safety and Health</b>		
Fatalities	0	0
Lost time incident rate (Peninsular Malaysia estates)	0.03	0.02
Lost time incident rate ( Sabah Region 1 estates)	0.03	0.01
Lost time incident rate ( Sabah Region 2 estates)	0.02	0.01
Lost time incident rate (oil mills)	0.01	0.08



## BASE DATA PLANTATION-MALAYSIA DIVISION

<b>ENVIRONMENT</b>		
<b>Water Consumption (m<sup>3</sup>)</b>	<b>FY 2015</b>	<b>FY 2016</b>
Water consumption at mills	8,944	7,691
Water usage/mt FFB Processed	0.87	1.26
Water usage at nursery	290,158	789,034
<b>Fires</b>		
Planted areas affected by fires (hectares)	3.36	1.02
Unplanted areas affected by fires (hectares)	0	0
Total fire incidences	8	7
<b>Effluents</b>		
<b>BOD<sub>3</sub> level – River discharge (mg/l)</b>		
Peninsular Malaysia	-	-
Sabah	-	-
<b>BOD<sub>3</sub> level – Land application (mg/l)</b>		
Peninsular Malaysia	82	110
Sabah (limit 20 ppm)	16	13
Sabah (limit 500 ppm)	159	173

KEY ELEMENTS	REFERENCE	
	PAGE	SECTION
<b>Organisational Profile</b>		
Name of the organisation	7	Business Overview
Primary brands, products and services	7	Business Overview
Headquarters location		Annual Report: Management and Corporate Information
Countries of operation	7	Business Overview
Nature of ownership and legal form		Annual Report: Notes to the financial statement
Markets served		Annual Report: Management Discussion and Analysis
Scale of the organisation	7 8	- Business Overview - Economic Performance - Annual report: Management Discussion and Analysis
Organisation's workforce	35	Fair Employment Practices
Total employees covered by collective bargaining agreements	36	Freedom of Association and collective bargaining
Organisation's supply chain	7	Business Overview
Significant changes during the reporting period regarding size, structure, ownership or its supply chain		No major changes in the reporting period
Explanation of whether and how the precautionary approach or principle is addressed by the organisation		Annual Report : Statement on Risk Management and Internal Control
Externally developed economic, environmental and social charters, principles and initiatives	13 19 22 25 27	- Engagement with stakeholders - Sustainability Certifications - Biodiversity Protection - Peat Management - Greenhouse Gas Emissions
Memberships of Associations (such as industry associations) and national or international advocacy organisations	19 13	- Sustainability Certifications - Engagement with Stakeholders
<b>Identified Material Aspects and Boundaries</b>		
Entities included in the organisation's consolidated financial statements or equivalent documents	4	About this Report
Process of defining the report content and the Aspect Boundaries	4	About this Report
Material Aspects identified in the process for defining report content	4	About this Report
Aspect Boundary within the organisation	4	About this Report
Aspect Boundary outside the organisation	4	About this Report
Restatements of information provided in previous reports		No major restatements
Significant changes from previous reporting periods in the Scope and Aspect Boundaries		This sustainability report only covers Plantation-Malaysia Division



KEY ELEMENTS	REFERENCE	
	PAGE	SECTION
<b>Stakeholder Engagement</b>		
List of stakeholder groups engaged by the organization	13	Engagement with Stakeholders
Basis for identification and selection of stakeholders with whom to engage	13	Engagement with Stakeholders
Approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group	13	Engagement with Stakeholders
Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	13	Engagement with Stakeholders
<b>Report Profile</b>		
Reporting Period	4	About this Report
Date of most recent previous report		Genting Plantations Berhad Annual Report 2015 (financial year ending 31 December 2015)
Reporting cycle	4	About this Report
Contact point	4	About this Report
External assurance	4	About this Report
<b>Governance</b>		
Organisation's governance structure	12	- Annual report: Corporate Governance - Sustainability Governance
<b>Ethics and Integrity</b>		
Organisation's values, principles, standards and norms of behaviour	10	Regulatory compliance and ethical business conduct
Internal and external mechanisms for reporting concerns about ethical and lawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines	10	Regulatory compliance and ethical business conduct
Memberships of Associations (such as industry associations) and national or international advocacy organisations	19 13	- Sustainability Certifications - Engagement with Stakeholders
<b>Identified Material Aspects and Boundaries</b>		
Entities included in the organisation's consolidated financial statements or equivalent documents	4	About this Report
Process of defining the report content and the Aspect Boundaries	4	About this Report
Material Aspects identified in the process for defining report content	4	About this Report
Aspect Boundary within the organisation	4	About this Report
Aspect Boundary outside the organisation	4	About this Report
Restatements of information provided in previous reports		No major restatements
Significant changes from previous reporting periods in the Scope and Aspect Boundaries		This sustainability report only covers Plantation-Malaysia Division

KEY ELEMENTS	REFERENCE	
	PAGE	SECTION
<b>Category: Economic</b>		
<i>Aspect: Economic</i>		
Generic Disclosure on Management Approach	8	Economic Performance
Direct economic value generated and distributed	8	Economic Performance
<b>Category: Environmental</b>		
<i>Aspect: Energy</i>		
Generic Disclosure on Management Approach	26	Energy Consumption
Energy consumption within the organisation	26	Energy Consumption
<i>Aspect: Emissions</i>		
Generic Disclosure on Management Approach	27	Greenhouse Gas Emissions
Direct greenhouse gas (“GHG”) emissions (Scope 1)	27	Greenhouse Gas Emissions
<i>Aspect: Effluents and Waste</i>		
Generic Disclosure on Management Approach	30	Waste Management
Total water discharge by quality and destination	30	Waste Management
<i>Aspect: Water</i>		
Generic Disclosure on Management Approach	33	Water Management
Total water withdrawal by source	33	Water Management
<i>Aspect: Biodiversity</i>		
Generic Disclosure on Management Approach	22	Biodiversity Protection
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	22	Biodiversity Protection
Habitats protected or restored	22	Biodiversity Protection
Total number of IUCN red list species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	22	Biodiversity Protection
<i>Aspect: Compliance</i>		
Generic Disclosure on Management Approach	10	Regulatory Compliance and ethical business conduct
Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	10	No fines in this period of reporting Regulatory Compliance and ethical business conduct
<b>Category: Social</b>		
<b>Sub-category: Labour Practices</b>		
<i>Aspect: Occupational Safety and Health</i>		
Generic Disclosure on Management Approach	37	Occupational Safety and Health
Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	37	Occupational Safety and Health

KEY ELEMENTS	REFERENCE	
	PAGE	SECTION
<b>Sub-category: Labour Practices and Decent Work</b>		
<i>Aspect: Employment</i>		
Generic Disclosure on Management Approach	35	Fair Employment Practices
Total number and rates of new employee hires and employee turnover by age group, gender and region	35	Fair Employment Practices
Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	35	Fair Employment Practices
<i>Aspect: Diversity and Equal Opportunity</i>		
Generic Disclosure on Management Approach	35	Fair Employment Practices
Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	35	Fair Employment Practices
<b>Sub-category: Society</b>		
<i>Aspect: Compliance</i>		
Generic Disclosure on Management Approach	10	Regulatory Compliance and ethical business conduct
Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations		No fines reported in this reporting period
<b>Sub-category: Product Responsibility</b>		
<i>Aspect: Compliance</i>		
Generic Disclosure on Management Approach	10	Regulatory Compliance and ethical business conduct
Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services		No fines reported in this reporting period
Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	37	Occupational Safety and Health



<b>Biodiversity</b> .....	The diversity (number and variety of species) of plant and animal life within a region.
<b>BOD<sub>3</sub></b> .....	Biological Oxygen Demand (“BOD”) is the amount of dissolved oxygen needed (i.e. demanded) by aerobic biological organisms to break down organic material present in a given water sample at certain temperature over a specific time period.
<b>CO<sub>2</sub> equivalents</b> .....	Carbon dioxide equivalents (“CO <sub>2</sub> eq”) provide universal standard of measurement against which the impacts of releasing (or avoiding the release of) different greenhouse gases can be evaluated.
<b>Global Reporting Initiative (“GRI”)</b> .....	A multi-stakeholder standard for sustainability reporting, providing guidance on determining report content and indicators.
<b>GHG</b> .....	Greenhouse gases are gases in an atmosphere that absorb and emit radiation within the thermal infrared range. This process is the fundamental cause of the greenhouse gas effect. The primary greenhouse gases in Earth’s atmosphere are carbon dioxide, methane, nitrous oxide and ozone.
<b>HCV</b> .....	<p>High conservation value forest (“HCVF”) is a Forest Stewardship Council (“FSC”) forest management designation used to describe those forests who meet criteria defined by the FSC Principles and Criteria of Forest Stewardship. Specifically, high conservation value forests are those that possess one or more of the following attributes:</p> <ol style="list-style-type: none"> <li>1. Forest areas containing globally, regionally or nationally significant: concentrations of biodiversity values(e.g. endemism, endangered species, refugia); and/or large landscape-level forests, contained within, or containing the management unit, where viable populations of most if not all naturally occurring species exist in natural patterns of distribution and abundance</li> <li>2. Forest areas that are in or contain rare, threatened or endangered ecosystems</li> <li>3. Forest areas that provide basic services of nature in critical situations (e.g. watershed protection, erosion control)</li> <li>4. Forest areas fundamental to meeting basic needs of local communities (e.g. subsistence, health) and/or critical to local communities’ traditional cultural identity (areas of cultural, ecological, economic or religious significance identified in cooperation with such local communities).</li> </ol>
<b>ISCC</b> .....	International Sustainability and Carbon Certification (“ISCC”) is a globally leading certification system covering the entire supply chain and all kinds of biobased feedstocks and renewables. ISCC is officially recognised by the European Commission under the European Energy Directive (“RED”).

<b>IUCN Red List</b> .....	The IUCN Red List of Threatened Species was founded in 1964, is the world's most comprehensive inventory of the global conservation status of biological species. The International Union for Conservation of Nature ("IUCN") is the world's main authority on the conservation status of species. A series of Regional Red Lists are produced by countries or organisations, which assess the risk of extinction to species within a political management unit.
<b>NGO</b> .....	Non-Governmental Organisation ("NGO") is independent from states and national governmental organisations. They are highly diverse group of organisations engaged in a wide range of activities including environment and social issues.
<b>RSPO</b> .....	Roundtable on Sustainable Palm Oil ("RSPO") is a not-for-profit organisation that unites stakeholders from the 7 sectors of the palm oil industry: oil palm producers, processors or traders, consumer goods manufacturers, retailers, banks/investors, and environmental and social non-governmental organisations, to develop and implement global standards for sustainable palm oil.
<b>Stakeholders</b> .....	A person, group or organisation that has interest or concern in an organisation. Stakeholders can affect or be affected by the organization's actions, objectives and policies. Some examples of key stakeholders are creditors, directors, employees, government (and its agencies), owners (shareholders), suppliers, unions, and the community from which the business draws its resources.

**GENTING PLANTATIONS BERHAD** (34993-X)

24th Floor, Wisma Genting  
Jalan Sultan Ismail  
50250 Kuala Lumpur, Malaysia

T : +603 2178 2288 / 2333 2288

F : +603 2161 5304

[www.gentingplantations.com](http://www.gentingplantations.com)

