

W0. Introduction

W0.1

(W0.1) Give a general description of and introduction to your organization.

Formerly under the multinational conglomerate Sime Darby Berhad (SDB), Sime Darby Plantation (SDP) was listed on Bursa Malaysia on 30 November 2017, following a strategic decision by SDB to unlock value for its shareholders by demerging its plantation and property sectors, thereby creating three independent pure-play entities. SDP is among the largest company listed in Bursa Malaysia with a market capitalisation of RM 29.46 billion and has a multinational workforce of close to 83,000 is spread across 13 countries in the Asia Pacific, Europe, Africa, and the Americas.

Our upstream business operates 239 plantation estates and 70 palm oil mills in Malaysia, Indonesia, Papua New Guinea (PNG) and the Solomon Islands (SI) covering a total landbank of 744,188 hectares. The mainstay of our extensive upstream operations is the development, cultivation and management of oil palm plantations and milling of fresh fruit bunches (FFB) into crude palm oil (CPO) and palm kernel (PK). SDP also develops, cultivates and manages rubber and sugarcane plantations, and processes rubber and sugarcane for sale. The Group also rears cattle for beef production. Sime Darby Oils (SDO) is our downstream business that serves global customers. Our products include edible oils, palm oil-based biodiesel, nutraceuticals and other palm oil derivatives.

SDP is committed to operational excellence, innovation, and sustainability. They have R&D Centres and Innovation Centres located across the globe with over 180 scientists and technicians. The R&D division is strategically positioned to support the company's downstream and upstream operations. The R&D division's focus areas include plantation research & advisory, biotechnology & breeding, processing technology, seeds & agricultural services, customised product development, environmental, safety & health. SDP is commercializing its most impactful technologies and innovations, which were developed in-house at its R&D centers. These include industry-leading oil palm genomics technology and cutting-edge innovations in the field which improve plantation yields and milling processes and customize downstream products.

SDP has been certified against RSPO requirements since 2008. Our mills are 100% certified to the Roundtable on Sustainable Palm Oil (RSPO) as of 2021, making us the world's

largest producer of Certified Sustainable Palm Oil (CSPO). We are an industry leader in sustainability, and we set the best practices as well as standards in many key areas, including protecting the environment and conserving biodiversity.

The SDP Crosscheck platform is an online traceability tool that allows anyone to track the origin of SDP's palm oil products back to the mill where they were processed. The platform was launched in 2019 and has been updated in 2020 to Crosscheck 2.0. This update included some technical improvements, and the platform now provides extra layers of information, including details about grievances against actors in our supply chain. It also provides the location of conservation projects in our sourcing landscapes. The Crosscheck platform is a valuable tool for stakeholders who are interested in ensuring that their palm oil is sourced from a deforestation-free supply chain. The platform provides unprecedented transparency into SDP's supply chain, and it allows users to track the company's progress towards its NDPE commitments.

All our efforts around sustainability are guided by the United Nations Sustainable Development Goals (UN SDGs). We treat SDG 17: Partnerships for the Goals as our core belief, as partnerships are the best foundation for the Group to build upon. SDP is actively involved in multiple initiatives with stakeholders and other growers to tackle the complex challenges facing our industry. We also consider SDG 12: Responsible Consumption and Production to be another pillar of our activities because it is central to how we operate. It represents who we are as a company and defines our aspiration to be a leader in best agricultural practices. We contribute to the remaining goals in varying degrees across the different components of our environmental, social, and governance (ESG) approaches.

W-FB0.1a/W-AC0.1a

(W-FB0.1a/W-AC0.1a) Which activities in the food, beverage, and tobacco and/or agricultural commodities sectors does your organization engage in?

Agriculture
Processing/Manufacturing

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

| | Start date | End date |
|----------------|----------------|------------------|
| Reporting year | January 1 2022 | December 31 2022 |

W0.3

(W0.3) Select the countries/areas in which you operate.

Indonesia
Malaysia
Papua New Guinea
Solomon Islands

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

MYR

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which operational control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

Yes

W0.6a

(W0.6a) Please report the exclusions.

| Exclusion | Please explain |
|--|---|
| Water usage in offices (including estates and HQs), oil palm nurseries and seed production, and refineries | Our water reporting only covers the elements of water used and its intensity at palm oil mills Group-wide. We are currently in the midst of conducting water footprint assessment at our operations level |

W0.7

(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

| Indicate whether you are able to provide a unique identifier for your organization. | Provide your unique identifier |
|---|--------------------------------|
| Yes, an ISIN code | MYL5285OO001 |

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

| | Direct use importance rating | Indirect use importance rating | Please explain |
|--|------------------------------|--------------------------------|---|
| Sufficient amounts of good quality freshwater available for use | Important | Important | Direct use - Good quality water are essentials for our daily operations. We draw surface water and groundwater at our plantations and mills for industrial uses, like steam generation, pesticide-mixing, seedling irrigation, and domestic uses, such as cleaning and cooking. Indirect use - as for indirect use i.e our fertilizer suppliers, water usage is important for the production of fertilizers that we used in our estates. |
| Sufficient amounts of recycled, brackish and/or produced water available for use | Important | Have not evaluated | Our mills are considered as zero water disposal since used water for operation is being recycled for other usage such as cleaning purposes/factory backwash. We also reused treated wastewater known as POME (palm oil mill effluent) to fertilise the fields as part of our efforts to reduce mineral fertiliser usage while at the same time achieve zero waste. As for our suppliers, the usage of recycled, brackish and/or produced water is estimated as neutral as we have not evaluated the usage at the supplier level, instead we use average values from Group crop. |

W-FB1.1a/W-AC1.1a

(W-FB1.1a/W-AC1.1a) Which water-intensive agricultural commodities that your organization produces and/or sources are the most significant to your business by revenue? Select up to five.

| Agricultural commodities | % of revenue dependent on these agricultural commodities | Produced and/or sourced | Please explain |
|--------------------------|--|-------------------------|--|
| Palm oil | More than 80% | Produced | Oil palm is a water-intensive crop. The water used in oil palm production is mainly for irrigation. Oil palm trees need a lot of water to grow and produce fruit. In areas where there is not enough rainfall, irrigation is essential to ensure that the trees have enough water. Whereas, the amount of water used in oil palm processing varies depending on the specific methods used, but it is typically in the range of 1.2 - 1.4 m ³ /t FFB processed. The main water-intensive steps in the process are sterilization, digestion, and pressing |

W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

| | % of sites/facilities/operations | Frequency of measurement | Method of measurement | Please explain |
|--|----------------------------------|--|---|---|
| Water withdrawals – total volumes | 100% | Daily | direct monitoring using flow meter set at each operating unit | water withdrawn from all 67 oil palm mills in Malaysia, Indonesia and PNG SI. |
| Water withdrawals – volumes by source | 100% | Daily | direct monitoring using flow meter set at each operating unit | water withdrawn at mills are divided to surface water and ground water as well as outsourced from government water. |
| Entrained water associated with your metals & mining and/or coal sector activities - total volumes [only metals and mining and coal sectors] | <Not Applicable> | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector] | <Not Applicable> | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Water withdrawals quality | 100% | Other, please specify (monthly monitoring for water consumption and quarterly monitoring for surface water (i.e river, water catchment, pond)) | sampling method | We continuously monitors the quality of discharged wastewater and wastewater treatment performance at our operating units. We also ensures that biological oxygen demand (BOD) remains below regulatory thresholds. We have set targets for effluent intensity for each of the regions where we operate. These are 0.65 cubic metres m ³ POME per MT of FFB processed (m ³ /MT FFB) for Malaysia, 0.5m ³ /MT FFB in Indonesia, and 0.7 m ³ /MT FFB for PNG SI |
| Water discharges – total volumes | 100% | Daily | using water flow meters | Water discharge in volume is monitored in accordance with Environmental Quality Act (1974), Environmental Quality (Prescribed Premises) (Crude Palm Oil) (Amendment) Regulations 1982. |
| Water discharges – volumes by destination | 100% | Daily | monitoring using flow meter | Final discharge either zero discharge to land application or natural waterways in accordance with Environmental Quality Act (1974), Environmental Quality (Prescribed Premises) (Crude Palm Oil) (Amendment) Regulations 1982. |
| Water discharges – volumes by treatment method | 100% | Monthly | monitoring using flow meter. | Water discharge in volume is monitored in accordance with Environmental Quality Act (1974), Environmental Quality (Prescribed Premises) (Crude Palm Oil) (Amendment) Regulations 1982. |
| Water discharge quality – by standard effluent parameters | 100% | Monthly | sampling method | We continuously monitor the quality of discharged wastewater and wastewater treatment performance at our operating units. We also ensure that biological oxygen demand (BOD) remains below regulatory thresholds. |
| Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances) | Not relevant | <Not Applicable> | <Not Applicable> | The question is not applicable to our operation, we monitor our water discharge parameter as per legal compliance such as pH, BOD level, TN, AN,SS, O&G, temperature as per legal requirement. Environmental Quality (Prescribed Premises) (Crude Palm Oil) (Amendment) Regulations 1982. |
| Water discharge quality – temperature | 100% | Monthly | sampling method | Water discharge parameter as per legal compliance such as pH, BOD level, TN, AN,SS, O&G, temperature as per legal requirement. Environmental Quality (Prescribed Premises) (Crude Palm Oil) (Amendment) Regulations 1982. |
| Water consumption – total volume | 100% | Monthly | Sampling method | Monthly data was collected from all palm oil mills in Malaysia, Indonesia and PNG SI |
| Water recycled/reused | 100% | Continuously | flow meter installed at the premises. | Palm oil mill effluent (POME) is wastewater produced from the processing of Fresh Fruit Bunches (FFB). It is organic and biologically treated through anaerobic digestion and recycled for use as fertilizer in the plantations in accordance with requirements prescribed by applicable laws and regulations. |
| The provision of fully-functioning, safely managed WASH services to all workers | 100% | Monthly | bulk meter or flow meter installed at each locations provided to workers usage. | Providing access to safe drinking water and sanitation to our employees is a top priority. We test water samples at regular intervals. Each worker is entitled to 35 gallons/132.4litres of free water per day. Where water supply is disrupted or sporadic, SDP ensures that potable water is made available for workers. |

W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

| | Volume (megaliters/year) | Comparison with previous reporting year | Primary reason for comparison with previous reporting year | Five-year forecast | Primary reason for forecast | Please explain |
|-------------------|--------------------------|---|--|--------------------|--|---|
| Total withdrawals | 28353.61 | Lower | Increase/decrease in business activity | About the same | Increase/decrease in business activity | Surface water and groundwater at our plantations and mills are withdrawn for industrial uses, like steam generation, pesticide-mixing, seedling irrigation, and domestic uses, such as cleaning and cooking. |
| Total discharges | 4716.75 | Higher | Increase/decrease in business activity | About the same | Increase/decrease in business activity | Discharged wastewater and wastewater treatment performance at the upstream operations are being monitored continuously |
| Total consumption | 24964.53 | Much higher | Increase/decrease in business activity | About the same | Increase/decrease in business activity | Water consumption is calculated by subtracting total water discharged from total water withdrawn. We continuously monitor and strive to reduce our water usage by improving the efficiency of our operations and by maintaining the quality and availability of surface water and groundwater for our business and surrounding communities, amongst other measures. |

W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress, provide the proportion, how it compares with the previous reporting year, and how it is forecasted to change.

| | Withdrawals are from areas with water stress | % withdrawn from areas with water stress | Comparison with previous reporting year | Primary reason for comparison with previous reporting year | Five-year forecast | Primary reason for forecast | Identification tool | Please explain |
|-------|--|--|---|--|--------------------|-----------------------------|---------------------|--|
| Row 1 | No | <Not Applicable> | <Not Applicable> | <Not Applicable> | <Not Applicable> | <Not Applicable> | WRI Aqueduct | Countries that we operated (Malaysia, Indonesia & PNG SI) are indicated as low water stress areas (<10%) as per the indication provided in the Water Risk Atlas by WRI Aqueduct. |

W-FB1.2e/W-AC1.2e

(W-FB1.2e/W-AC1.2e) For each commodity reported in question W-FB1.1a/W-AC1.1a, do you know the proportion that is produced/sourced from areas with water stress?

| Agricultural commodities | The proportion of this commodity produced in areas with water stress is known | The proportion of this commodity sourced from areas with water stress is known | Please explain |
|--------------------------|---|--|---|
| Palm oil | Not applicable | Not applicable | Not applicable as we don't operate at water stress area. We assessed water stress area based on Water Risk Atlas by WRI Aqueduct and it clearly shown that our operations are not produced and sourced from area with water stress. Countries that we operated (Malaysia, Indonesia & PNG SI) are indicated as low water stress areas (<10%) as per the indication provided in the WRI Aqueduct. Our operations mainly rely on climate condition to operate, whereby we rely on rain water to water our plantations. Hence, we strictly monitor the rainfall volume and conduct analysis on the rainfall trends. We monitor strictly during drought season and have a robust water management plan to cater to operational water needs, such as ensuring enough water catchment and proper irrigation at the field drains including establishing moist conservation pits. |

W1.2h

(W1.2h) Provide total water withdrawal data by source.

| | Relevance | Volume (megaliters/year) | Comparison with previous reporting year | Primary reason for comparison with previous reporting year | Please explain |
|--|--------------|--------------------------|---|--|---|
| Fresh surface water, including rainwater, water from wetlands, rivers, and lakes | Relevant | 28353.61 | Higher | Change in accounting methodology | The difference is due to different way of data collecting, where previously there was no breakdown on water types of water withdrawals. Improvement has been made on the methods. |
| Brackish surface water/Seawater | Not relevant | <Not Applicable> | <Not Applicable> | <Not Applicable> | N/A, we do not source our water from brackish surface water/sea water for our plantation. |
| Groundwater – renewable | Relevant | 391.41 | Lower | Change in accounting methodology | The difference is due to different way of data collecting, where previously there was no breakdown on water types of water withdrawals. Improvement has been made on the methods. |
| Groundwater – non-renewable | Not relevant | <Not Applicable> | <Not Applicable> | <Not Applicable> | N/A as we do not source our water withdrawal from non-renewable ground water. |
| Produced/Entrained water | Not relevant | <Not Applicable> | <Not Applicable> | <Not Applicable> | We do not withdraw water from entrained water from FFB condensate. |
| Third party sources | Relevant | 936.25 | Lower | Increase/decrease in business activity | The decrease is due to the increase in surface water withdrawals due to sufficient surface water supply. |

W1.2i

(W1.2i) Provide total water discharge data by destination.

| | Relevance | Volume (megaliters/year) | Comparison with previous reporting year | Primary reason for comparison with previous reporting year | Please explain |
|---------------------------------|--------------|--------------------------|---|--|--|
| Fresh surface water | Relevant | 1161.41 | Lower | Increase/decrease in efficiency | Palm oil mill effluent (POME) is wastewater produced from the processing of Fresh Fruit Bunches (FFB). It is organic and biologically treated through anaerobic digestion, where in our operation, some of it are recycled for use as fertiliser in the Group's plantations, and the remaining wastewater is then treated before being discharged into waterways in accordance with requirements prescribed by applicable laws and regulations. With increasing mill efficacy, we are reducing the amount of discharge to natural waterways to reduce any risk on water contamination. |
| Brackish surface water/seawater | Not relevant | <Not Applicable> | <Not Applicable> | <Not Applicable> | N/A. We do not discharge water to the sea. Palm oil mill effluent (POME) is wastewater produced from the processing of Fresh Fruit Bunches (FFB). It is organic and biologically treated through anaerobic digestion, where in our operation, some of it are recycled for use as fertiliser in the Group's plantations, and the remaining wastewater is then treated before being discharged into waterways in accordance with requirements prescribed by applicable laws and regulations. |
| Groundwater | Not relevant | <Not Applicable> | <Not Applicable> | <Not Applicable> | N/A. We do not discharge to groundwater. Palm oil mill effluent (POME) is wastewater produced from the processing of Fresh Fruit Bunches (FFB). It is organic and biologically treated through anaerobic digestion, where in our operation, some of it are recycled for use as fertiliser in the Group's plantations, and the remaining wastewater is then treated before being discharged into waterways in accordance with requirements prescribed by applicable laws and regulations. |
| Third-party destinations | Relevant | 3941.87 | Higher | Increase/decrease in efficiency | Treated discharge water are going to the third party destinations, which are to land application at Plantation level as organic fertilizer. With the efficiency of mill operation, we are reducing the amount of discharge to natural waterways and focus on land application that acts as organic fertilizer. |

W1.2j

(W1.2j) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

| | Relevance of treatment level to discharge | Volume (megaliters/year) | Comparison of treated volume with previous reporting year | Primary reason for comparison with previous reporting year | % of your sites/facilities/operations this volume applies to | Please explain |
|--|---|--------------------------|---|--|--|---|
| Tertiary treatment | Relevant | 1161.41 | Lower | Change in accounting methodology | 61-70 | This year, there is improvement in data collection, the figures are broken down between tertiary and secondary treatment. Tertiary treatment are for those water discharge to natural waterways. We ensure that our operations abide strictly to the laws and regulation on water discharge and not exceeding the allowable limits. Our operation monitors the water quality by conducting monthly water sampling and report to Department of Environment as to comply to EQA (Prescribed Premises) (Crude Palm Oil) (Amendment) Regulations 1982. |
| Secondary treatment | Relevant | 3941.87 | This is our first year of measurement | Change in accounting methodology | 51-60 | This year, there is improvement in data collection, the figures are broken down between tertiary and secondary treatment. Secondary treatment are data for land application to Estate as organic fertilizer. We ensure that our operations abide strictly to the laws and regulation on land application and BOD level must not exceed the allowable limits. Our operation monitors the water quality by conducting monthly water sampling and report to Department of Environment as to comply to EQA (Prescribed Premises) (Crude Palm Oil) (Amendment) Regulations 1982. |
| Primary treatment only | Not relevant | <Not Applicable> | <Not Applicable> | <Not Applicable> | <Not Applicable> | We treated our effluent beyond regulation requirements with strict monitoring of water discharge to achieve way below the allowable limit through many level of treatments. We abide strictly to the laws and regulation on water discharge and not exceeding the allowable limits. Our operation monitors the water quality by conducting monthly water sampling and report to Department of Environment as to comply to EQA (Prescribed Premises) (Crude Palm Oil) (Amendment) Regulations 1982. |
| Discharge to the natural environment without treatment | Not relevant | <Not Applicable> | <Not Applicable> | <Not Applicable> | <Not Applicable> | We do not discharge any waste water without treatment. In our operation, some of the treated effluent are recycled for use as fertilizer in the Group's plantations, and the remaining wastewater is then treated before being discharged into waterways in accordance with requirements prescribed by applicable laws and regulations. |
| Discharge to a third party without treatment | Not relevant | <Not Applicable> | <Not Applicable> | <Not Applicable> | <Not Applicable> | We do not discharge any waste water to third party without treatment. In our operation, some of the treated effluent are recycled for use as fertilizer in the Group's plantations, and the remaining wastewater is then treated before being discharged into waterways in accordance with requirements prescribed by applicable laws and regulations. |
| Other | Not relevant | <Not Applicable> | <Not Applicable> | <Not Applicable> | <Not Applicable> | N/A |

W1.3

(W1.3) Provide a figure for your organization's total water withdrawal efficiency.

| | Revenue | Total water withdrawal volume (megaliters) | Total water withdrawal efficiency | Anticipated forward trend |
|-------|------------|--|-----------------------------------|--|
| Row 1 | 2100000000 | 28353.61 | 740646.429149586 | In the 3 years period, it has shown that revenue has increased steadily, while water withdrawal has shown steady reduction. We are expecting for the trend to maintain, where we can reduce the water withdrawal efficiently, and steadily increasing the revenue. |

W-FB1.3/W-AC1.3

(W-FB1.3/W-AC1.3) Do you collect/calculate water intensity for each commodity reported in question W-FB1.1a/W-AC1.1a?

| Agricultural commodities | Water intensity information for this produced commodity is collected/calculated | Water intensity information for this sourced commodity is collected/calculated | Please explain |
|--------------------------|---|--|--|
| Palm oil | Yes | Yes | Our main product crude palm oil processed its raw material from Group supply FFB (fresh fruit bunch). We monitor our water withdrawal and consumption during processing of FFB on daily basis, and report it on monthly basis. The intensity matrix is based on company wide, averaged out from 3 countries (Malaysia, Indonesia and PNG SI). Water intensity for the reporting year is averaged out between 3 countries resulted 1.28 m3/tonne FFB processed. |

W-FB1.3a/W-AC1.3a

(W-FB1.3a/W-AC1.3a) Provide water intensity information for each of the agricultural commodities identified in W-FB1.3/W-AC1.3 that you produce.

Agricultural commodity

Palm oil

Water intensity value (m3/denominator)

1.28

Numerator: water aspect

Total water consumption

Denominator

Other, please specify (Tonne FFB)

Comparison with previous reporting year

Lower

Please explain

The water intensity calculation is based on amount of water consumed to process 1 mt of FFB. Only water withdrawal are consumed for the processing of FFB. The lower intensity resulted from the vigorous maintenance by the operations team that improved the mill's efficiency. SDP has set target in 2019 to achieve reduction against 1.4 m3/tn FFB. Our water intensity have steadily decreased over time and managed to reduce to 1.28 m3/tn FFB (average out 3 countries).

W-FB1.3b/W-AC1.3b

(W-FB1.3b/W-AC1.3b) Provide water intensity information for each of the agricultural commodities identified in W-FB1.3/W-AC1.3 that you source.

Agricultural commodities

Palm oil

Water intensity value (m3/denominator)

1.28

Numerator: Water aspect

Total water consumption

Denominator

Other, please specify (tonne FFB)

Comparison with previous reporting year

Lower

Please explain

The figures used are the average value of Group FFB processed during the reporting year. There is possibility for future stakeholder engagement to obtain actual figures from the 3rd party suppliers.

W1.4

(W1.4) Do any of your products contain substances classified as hazardous by a regulatory authority?

| | Products contain hazardous substances | Comment |
|-------|---------------------------------------|--|
| Row 1 | No | There is no hazardous substance contained in our products. Our products undergo strict quality checking by our certified chemist and our products go through countless lab testing before end to customers. Our products are certified with various certifications including food safety certification and comply to various regulatory requirements including those that impose by Ministry of Health Malaysia. |

W1.5

(W1.5) Do you engage with your value chain on water-related issues?

| | Engagement | Primary reason for no engagement | Please explain |
|--|------------|--|---|
| Suppliers | No | Important but not an immediate business priority | We do not have any direct issues with water with our value chain suppliers, however we have a yearly stakeholder meeting conducted with our external stakeholders such as adjacent stakeholders, that are exposed to indirect water-related impacts from our activities; discharge to nearby rivers used by others. This platform is used to discuss any issues including water related issues. |
| Other value chain partners (e.g., customers) | No | Important but not an immediate business priority | We do not have any direct issues with water with our value chain partners, however we have a yearly stakeholder meeting conducted with our external stakeholders such as adjacent stakeholders, that are exposed to indirect water related impacts from our activities. This platform is used to discuss any issues including water related issues. |

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?

No

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

| | Water-related regulatory violations | Fines, enforcement orders, and/or other penalties | Comment |
|-------|-------------------------------------|---|--|
| Row 1 | No | <Not Applicable> | There were no penalties imposed on our operations on water related violations in the reporting year. We adhere strictly to laws and regulation in relation to water such as complying to Environmental Quality Act (1974), Environmental Quality (Prescribed Premises) (Crude Palm Oil) (Amendment) Regulations 1982, we also monitor our final discharge are within allowable legal limits. The maintenance and monitoring are done by Certified Environmental Professional in the treatment of palm oil mill effluent. |

W3. Procedures

W3.1

(W3.1) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

| | Identification and classification of potential water pollutants | How potential water pollutants are identified and classified | Please explain |
|-------|---|---|------------------|
| Row 1 | Yes, we identify and classify our potential water pollutants | As per company's Sustainability Policy-Responsible Agriculture Charter explicitly stipulated that we are committed to Identifying the sources and impact of all our activities that may pollute the environment (air, waterways and others) by instituting appropriate control measures, constant monitoring, and adopting initiatives to reduce environmental impact from waste generated from our processes and operations. As part of our water management plan, we conduct assessment of Environmental Aspect & Impact Identification and evaluation where we identify and classify water related pollutants and evaluate the impacts. The identification and classifications are based on ISO 14001 Environmental Management System. Specific matrix are used to evaluate the impacts on water pollutants that come from the operational activities. Specific Standard Operating Procedures (SOP) on Palm Oil Mill Effluent treatments, Refinery Effluent Treatments and water sampling procedures are well established in our operations. | <Not Applicable> |

W3.1a

(W3.1a) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.

Water pollutant category

Other nutrients and oxygen demanding pollutants

Description of water pollutant and potential impacts

High Biological Oxygen Demand (BOD) from treated effluent that discharge to water course. The greater the BOD, the more rapidly oxygen is depleted in the stream. This means less oxygen is available to higher forms of aquatic life. The consequences of high BOD are the same as those for low dissolved oxygen: aquatic organisms become stressed, suffocate, and die. High BOD levels can also indicate the presence of pollutants that may be harmful to human health, such as pathogens or chemicals.

Value chain stage

Direct operations

Supply chain

Actions and procedures to minimize adverse impacts

Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience

Beyond compliance with regulatory requirements

Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements

Please explain

To ensure our operation does not pollute the natural water ways, we have established a robust waste management plan that ensure all our mills and refineries are fitted with Palm Oil Mill Effluent Treatment Systems and Industrial Effluent Treatment Systems that support the management of waste and comply with national environmental standards. SDP continuously monitors the quality of discharged wastewater and waste water treatment performance at our upstream operations as well as ensures that biological oxygen demand (BOD) remains below regulatory thresholds. We have set targets for effluent intensity for each of the regions where we operate. These are 0.65 cubic metres m3 POME per MT of FFB processed (m3/MT FFB) for Malaysia, 0.5m3/MT FFB in Indonesia, and 0.7 m3/MT FFB for Papua New Guinea and Solomon Islands. Our R&D has successfully constructed a system called Membrane Oil Recovery System (MORS) in our Mills where it can significantly reduce pollutants such as suspended solids and oil and grease more than conventional ETP. SDP established a proper Standard Operating Procedures (SOP) for Water Quality Monitoring 2016 (Revision to SPMS Appendix 7 Issue Date 1st November 2008) which stipulates the requirements related to water quality and effluent discharge quality.

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Value chain stage

Direct operations

Coverage

Partial

Risk assessment procedure

Water risks are assessed in an environmental risk assessment

Frequency of assessment

Every three years or more

How far into the future are risks considered?

More than 6 years

Type of tools and methods used

International methodologies and standards

Tools and methods used

Environmental Impact Assessment
 IPCC Climate Change Projections
 ISO 14001 Environmental Management Standard
 Other, please specify (SBTI)

Contextual issues considered

Other, please specify (Environmental risks, Physical risks such as climate change issues; flooding etc.)

Stakeholders considered

Customers
 Employees
 Investors
 Local communities
 Regulators
 Suppliers

Comment

The risk assessment is partly assessed in the environmental impact assessments and environmental management system where the impacts of pollutants to water in our operations. We have also conducted Climate-Related Risks and Opportunities where physical risks on water-related issues in our operations are identified based on Physical Risks Adaptation and Analysis. For the climate-related risks, the assessments conducted to understand the long-term risks of physical climate change to our business. As a result from the assessment, estates and mills located in high-risk areas have been equipped with proper procedure on flood management such as constructing bunds to prevent flooding and coastal inundation. These bunds, made of earth, have been strategically constructed across all coastal estates owned by SDP. Plans are currently being developed to maintain the stability of the bunds to ensure their effectiveness. The assessment conducted is part of climate change risks, with water related issues and risks partly contributed in the assessment results. We are currently engaging with an external consultant to conduct water footprint and water business risks assessment study in our value chain which will be completed by 2023.

W3.3b

(W3.3b) Describe your organization’s process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

| | Rationale for approach to risk assessment | Explanation of contextual issues considered | Explanation of stakeholders considered | Decision-making process for risk response |
|-------|--|--|--|---|
| Row 1 | The risk assessment is part of complying to certification and management system. As our operations have big impacts to the environmental including water. The results will be used to formula a robust water management plan for the operations. For the climate-related risks, the assessments based on the physical risk adaptation and analysis conducted to understand the long-term risks of physical climate change to our business. | 1. Our operations requires a large amount of water in operations, thus we need to monitor it strictly for the efficiency usage and ensuring good quality of water used and discharge in accordance to the laws and regulations. 2. Water quality is part of the impacts assessed to ensure minimal or no adverse impacts to the ecosystem and related stakeholders. 3. The locations of our operations at high-risk areas such as flood prone areas are assessed to ensure the protection and to prevent flooding and coastal inundation including detrimental effect to our business in the future. | 1. Internal stakeholders and local communities are one of the direct stakeholders that will be affected with any potential risks and impacts. 2. We are adhering and fully complying to regulatory requirements in our business operations, hence continual commitment to complying the laws are important for the sustainable of our business. 3. Suppliers and customers are part of our supply and value chain, hence the involvement in ensuring products are produced in a good manner environmentally is important to us. 4. As the sustainability is dynamic, our investors are now more interested to invest in ESG driven company, thus sustaining our business. | 1. Regular stakeholder meetings are conducted to receive inputs from the surrounding stakeholders that has direct impacts on water issues. 2. Strict regular monitoring and reporting to regulators such as Department of Environment is done to ensure adherence to regulations. 3. Suppliers engagement as well as maintaining strong investor relationships to ensure the interested parties are kept abreast with our efforts and initiatives towards the risk responses. |

W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes, only within our direct operations

W4.1a

(W4.1a) How does your organization define substantive financial or strategic impact on your business?

SDP's Enterprise-wide Principal Risks are risks that would impede the achievement of the Group's long-term and short-term strategies and objectives. The Board is responsible for identifying these principal risks and ensuring implementation of appropriate internal controls and mitigation measures. One of SDP's Principal Risks is climate and sustainability risks.

In assessing the estimated risk impact both quantitative and qualitative impacts are considered. Aside from the reviewing the financial impact, qualitative impact including impact to business operations, nature & environment, social/ cultural/ people, impact to the Group's reputations as well as any regulatory and legal impact are also taken into consideration.

In terms of assessing the financial impact, the Group's uses a Financial Risk Likelihood & Risk Impact Criteria to financially categorise potential significant risks to our Group. Each risk is given a rating from 1 to 5. Rating one is classified as insignificant, followed by minor, moderate, major and catastrophic.

The following materiality thresholds have been used to qualify the magnitude of financial impact:

- Insignificant: up to 1% budgeted recurring PATAMI or a financial loss of less than RM10 million
- Minor: 1% to 5% budgeted recurring PATAMI or a financial loss of between RM10 million to RM50 million
- Moderate: 5% to 15% budgeted recurring PATAMI or a financial loss of between RM50 million to RM200 million
- Major: 15% to 25% budgeted recurring PATAMI or a financial loss of between RM200 million to RM300 million
- Catastrophic: more than 25% of budgeted recurring PATAMI or a financial loss of > RM300 million

A substantial financial impact on our business would be considered from both the likelihood, if rated likely or almost certain (the likelihood rating ranges from 1 to 5 from rate, unlikely, possible, likely and almost certain), as well as from the perspective of the estimated financial impact, if rated either Major or Catastrophic. Risks falling within this matrix is rated high or very high risks.

W4.1b

(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?

| | Total number of facilities exposed to water risk | % company-wide facilities this represents | Comment |
|-------|--|---|--|
| Row 1 | 2 | Less than 1% | A study on physical risk was conducted to assess the potential impact of rising sea levels on SDP's concession areas and infrastructure and 2 sites were chosen (West Oil Mill and West Estate). These locations in Malaysia were selected due to its high exposure to physical climate risk and close proximity to the sea. |

W4.1c

(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?

Country/Area & River basin

| | |
|----------|--|
| Malaysia | Other, please specify (Carey Island, Selangor) |
|----------|--|

Number of facilities exposed to water risk

2

% company-wide facilities this represents

Less than 1%

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

1-10

Comment

Potential impact from the risk at these 2 sites is the lower production at the mill due to no supplying crops from one of its major supplying estates, West Estate due to the potential flooding effect. The mill affected by the study has a CPO production capacity of estimated 50,000 mt per year. With FY22 production of CPO at 2,125,184 mt, the potential shut down of 1 mill may have a potential effect of up to 2% loss of the total CPO revenue.

W4.2

(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

| | |
|----------|--|
| Malaysia | Other, please specify (Carey Island, Selangor) |
|----------|--|

Type of risk & Primary risk driver

| | |
|----------------|--|
| Acute physical | Flood (coastal, fluvial, pluvial, groundwater) |
|----------------|--|

Primary potential impact

Closure of operations

Company-specific description

Potential impact from the risk at these 2 sites is the lower production at the mill due to no supplying crops from one of its major supplying estates, West Estate due to the potential flooding effect.

Timeframe

More than 6 years

Magnitude of potential impact

High

Likelihood

Likely

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact

Potential impact from the risk at these 2 sites is the lower production at the mill due to no supplying crops from one of its major supplying estates, West Estate due to the potential flooding effect. The mill affected by the study has a CPO production capacity of estimated 50,000 mt per year. With FY22 production of CPO at 2,125,184 mt, the potential shut down of 1 mill may have a potential effect of up to 2% loss of the total CPO revenue.

Primary response to risk

Improve maintenance of infrastructure

Description of response

Based on the study conducted to assess the potential impact of rising sea levels on SDP's concession areas and infrastructure, physical impacts were identified. As a result, estates and mills located in high-risk areas have been equipped with bunds to prevent flooding and coastal inundation. These bunds, made of earth, have been strategically constructed across all coastal estates owned by SDP. Plans are currently being developed to maintain the stability of the bunds to ensure their effectiveness.

Cost of response

175000

Explanation of cost of response

The estate and mill located in high-risk areas have been equipped with bunds to prevent flooding and coastal inundation. These bunds, made of earth, have been strategically constructed across all coastal estates owned by SDP. The maintenance cost is budgeted around RM175,000 per year for every 5km of bund earth. A dedicated estate Supervisor is responsible to monitor the condition of the bund and the effectiveness of the bund construction.

W4.2c

(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?

| | Primary reason | Please explain |
|-------|------------------------|---|
| Row 1 | Evaluation in progress | <p>SDP continues to strengthen our climate physical risk adaptation and assessment initiatives. A study was conducted in our operations to assess the potential impact of rising sea levels on SDP's concession areas and infrastructure. As a result, estates and mills located in high-risk areas have been equipped with bunds to prevent flooding and coastal inundation. These bunds, made of earth, have been strategically constructed across all coastal estates owned by SDP. Plans are currently being developed to maintain the stability of the bunds to ensure their effectiveness.</p> <p>In 2022, SDP also carried out additional assessments to understand the long-term risks of physical climate change. The result of this assessment can be used proactively by management for the purpose of replanting and renewal of leases of affected plantations.</p> <p>This pilot assessment was carried out at West Estate and Mill, Carey Island, Malaysia. This location was selected due to its high exposure to physical climate risk and close proximity to the sea. Coastal inundation and riverine flooding were found to represent the dominant hazards.</p> <p>We continuously monitor the quality of discharged wastewater and wastewater treatment performance – with the objective of protecting water sources within our boundaries. We comply with all local legal requirements and are consistently striving to improve our standards. We treat providing access to safe drinking water and sanitation for our employees as a top priority. We ensure that periodic testing of water samples is conducted, and the samples taken from river systems have shown no significant water quality deterioration.</p> <p>Currently, we are working on how to make our plantation operations an environmentally friendly plantation with the target to improve sustainable decision-making related to water management. Our strategies are to formulate policies related to water management and promote initiatives to change peoples' mindsets, behavior, and actions.</p> <p>Nevertheless, we recognize the growing importance of water-related issues. We are in the process of evaluating potential future substantive impacts stemming from water-related issues.</p> <p>In 2022, we also have appointed a water consultant to conduct water footprint and water business risk assessment in our value chains starting from seed production until refinery. This study will take place in 2023, whereby the findings will be reported in CDP next year.</p> |

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized

W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

Type of opportunity

Resilience

Primary water-related opportunity

Increased resilience to impacts of climate change

Company-specific description & strategy to realize opportunity

A study was conducted to assess the potential impact of rising sea levels on SDP's concession areas and infrastructure. As a result, estates and mills located in high-risk areas have been equipped with bunds to prevent flooding and coastal inundation. These bunds, made of earth, have been strategically constructed across all coastal estates owned by SDP. Plans are currently being developed to maintain the stability of the bunds to ensure their effectiveness.

Estimated timeframe for realization

Current - up to 1 year

Magnitude of potential financial impact

High

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact

Although the CAPEX allocation will incur additional cost to the operation, the impact without it is very high that it could cause the closure of operations that further result in potential loss of 2% from total CPO revenue per operational site.

W5. Facility-level water accounting

W5.1

(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Facility reference number

Facility 1

Facility name (optional)

West Palm Oil Mill

Country/Area & River basin

| | |
|----------|---|
| Malaysia | Other, please specify (Carey Island, Selangor) |
|----------|---|

Latitude

2.89008

Longitude

101.360767

Located in area with water stress

No

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

173.08

Comparison of total withdrawals with previous reporting year

Lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

62.264

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

110.824

Total water discharges at this facility (megaliters/year)

148.4

Comparison of total discharges with previous reporting year

Lower

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

148.4

Total water consumption at this facility (megaliters/year)

24.68

Comparison of total consumption with previous reporting year

Lower

Please explain

Water consumption is the portion of water use that is not returned to the original water source after being withdrawn. Based on the data available above when the withdrawn amount minus with discharge amount, the operation roughly has about 24.68 megaliters of water consumed in the operation.

W5.1a

(W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes

% verified

76-100

Verification standard used

We are RSPO certified, and one of the principle and criteria in RSPO is on the water monitoring and water management plans. Our operations data on water monitoring are annually audited and verified by external RSPO certification bodies.

Please explain

<Not Applicable>

Water withdrawals – volume by source

% verified

Not verified

Verification standard used

<Not Applicable>

Please explain

SDP is looking into verifying the breakdown of water data when we are fully ready.

Water withdrawals – quality by standard water quality parameters

% verified

76-100

Verification standard used

We are RSPO certified, and one of the principle and criteria in RSPO is on the water monitoring and water management plans. Our operations data on water monitoring are annually audited and verified by external RSPO certification bodies.

Please explain

<Not Applicable>

Water discharges – total volumes

% verified

76-100

Verification standard used

We are RSPO certified, and one of the principle and criteria in RSPO is on the water monitoring and water management plans. Our operations data on water monitoring are annually audited and verified by external RSPO certification bodies.

Please explain

<Not Applicable>

Water discharges – volume by destination

% verified

76-100

Verification standard used

We are RSPO certified, and one of the principle and criteria in RSPO is on the water monitoring and water management plans. Our operations data on water monitoring are annually audited and verified by external RSPO certification bodies.

Please explain

<Not Applicable>

Water discharges – volume by final treatment level

% verified

Not verified

Verification standard used

<Not Applicable>

Please explain

SDP is looking into verifying the breakdown of water data when we are fully ready. However, we have a monthly reporting and regular visit and water sampling taken by external authority to ensure the water discharge is below regulatory limit.

Water discharges – quality by standard water quality parameters

% verified

76-100

Verification standard used

We are RSPO certified, and one of the principle and criteria in RSPO is on the water monitoring and water management plans. Our operations data on water monitoring are annually audited and verified by external RSPO certification bodies.

Please explain

<Not Applicable>

Water consumption – total volume

% verified
76-100

Verification standard used

We are RSPO certified, and one of the principle and criteria in RSPO is on the water monitoring and water management plans. Our operations data on water monitoring are annually audited and verified by external RSPO certification bodies.

Please explain

<Not Applicable>

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?

Yes, we have a documented water policy that is publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

| Row | Scope | Content | Please explain |
|-----|--------------|--|---|
| 1 | Company-wide | Commitment to prevent, minimize, and control pollution | SDP has a Group Sustainability & Quality Policy that ties with Responsible Agriculture Charter, is committed to minimizing environmental harm by adopting responsible consumption and production. Our charter is committed to identifying the sources and impact of all our activities that may pollute the environment (air, waterways and others) by instituting appropriate control measures, constant monitoring, and adopting initiatives to reduce environmental impact. We also committed to working towards protection of natural resources through the optimization of water extraction, robust water management initiatives and implementation of water quality improvement plans. Our water management practices aim to maximize water efficiency in a way that balances our operational requirements with the conservation of water resources. We employ measures to minimise the impact of droughts and floods, optimize rainwater and surface water use, boost the utilisation of effluents from palm oil mills, and reduce the effects of saltwater incursions and acidity levels. We monitor our water usage for every tonne of fresh fruit bunch (FFB) processed at our mills. While our mill design ratio is 1:1 (1 MT FFB : 1m3 water), an approximate 0.2 to 0.4m3 water is used for processing materials other than FFB. Further initiatives done to reduce water usage to a target of 1.0m3 per tonne of FFB produced by 2023, translates to a cumulative reduction of 10% to 40% over five years. Our operations in PNG and Solomon Islands are already operating at an average of 0.8m3 – 0.9m3. SDP follows its Baseline Water Consumption Analysis of 1.40m3/MT FFB in 2019. SDP also targets to achieve effluent discharge intensity limits of Malaysia: 0.65 m3/MT FFB, Indonesia: 0.5 m3/MT FFB, PNG/Solomon Islands: 0.7 m3/MT FFB. We also introduced new technologies to efficiently treat industrial wastewater. Patent applications have been filed on the process of treating POME and vegetable oil refinery effluent using electro-oxidation means. These efforts have made significant inroads into reducing our energy and water footprint. Our top priority is to ensure our employees have access to safe drinking water and sanitation by taking periodic natural water and domestic usage samples, and the results have shown no significant deterioration of water quality. |

W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

| Position of individual or committee | Responsibilities for water-related issues |
|-------------------------------------|---|
| Board-level committee | <p>The Board Sustainability Committee (BSC) was established by SDP’s Board of Directors to assist the board in fulfilling its oversight responsibilities in line with the Group’s main sustainability objectives, which includes tackling ESG-climate change, water, deforestation. At every quarterly BSC meeting, the progress of the Group’s efforts on ESG its operations is monitored and deliberated as a standing agenda item. This includes monitoring and reviewing the progress of renewables projects, nature-based solutions and reforestation projects, deforestation efforts and efforts to improve water stewardship and responses to water business risks.</p> <p>The BSC roles relating to sustainability including water stewardship (non-exhaustive):</p> <ul style="list-style-type: none"> • Reviewing the strategy and performance at the Board level for critical sustainability issues including and issues arise from independent audits and assurance reports • Oversee the monitoring, reporting and verification of the Sustainability Key Performance Indicators of the SDP Group and their implementation through the Group Blueprint and Roadmaps. • Emphasise and facilitate the adoption of a mind-set in favour of sustainability throughout the Group. • Oversee the stakeholder dialogue process and its outcomes addressing social and environmental matters with regard to the strategic sustainability goals, in particular, matters that may affect the Group’s reputation. This shall include key concerns/allegations that are raised by stakeholders, evolving public sentiments and government regulations. <p>Key outcomes of the BSC meetings are then escalated to the Main Board meetings. Specifically in 2022, climate-related decisions that the BSC made or contributed to are:</p> <ul style="list-style-type: none"> • Approval of SDP’s climate ambition, strategy and targets, which were developed in line with the Science Based Targets initiative (SBTi) Criteria and submitted to SBTi for validation in FY2022 including assessment on water related risks physical risks. |

W6.2b

(W6.2b) Provide further details on the board’s oversight of water-related issues.

| | Frequency that water-related issues are a scheduled agenda item | Governance mechanisms into which water-related issues are integrated | Please explain |
|-------|---|---|---|
| Row 1 | Scheduled - all meetings | Monitoring implementation and performance Overseeing major capital expenditures Overseeing the setting of corporate targets Reviewing and guiding corporate responsibility strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding strategy Setting performance objectives | The Board Sustainability Committee is responsible in overseeing the sustainability efforts and initiatives in SDP, which one of it is on water aspects. Sustainability Committee is done every quarterly basis and during this meeting, issues or initiatives with regards to water is presented to the members. The Sustainability Committee with Main Board members is also responsible in reviewing Company's Policy including the Responsible Agriculture Charter at minimum, every 3 years. During the scheduled meeting with Board, Board Members has requested to conduct a study on water impacts and risk assessment in the operation. |

W6.2d

(W6.2d) Does your organization have at least one board member with competence on water-related issues?

| | Board member(s) have competence on water-related issues | Criteria used to assess competence of board member(s) on water-related issues | Primary reason for no board-level competence on water-related issues | Explain why your organization does not have at least one board member with competence on water-related issues and any plans to address board-level competence in the future |
|-------|---|---|--|---|
| Row 1 | Yes | <p>In recommending to the Board any new appointment of a Director on the SDP Board, the Nomination & Remuneration Committee (NRC) takes cognisance of the following selection criteria:</p> <ul style="list-style-type: none"> (i) Required skills, knowledge, expertise and experience; (ii) Ability to work cohesively with other members of the Board; (iii) Specialist knowledge or technical skills in line with the Group's strategy; <p>Alongside this, the Board Sustainability Committee (BSC) perform a self-assessment annually to assess its effectiveness in carrying out the duties as set out in the terms of reference, which includes understanding and reviewing climate change issues and report the results to the Main Board. The Board shall review the composition, performance and effectiveness of the BSC and each of its members annually to ensure that the Committee has the right composition, and sufficient, recent and relevant skills and expertise to effectively fulfil their roles.</p> <p>That said, our Senior Independent Non-Executive Director has held various senior public administration roles in the Economic Planning Unit (EPU) of the Prime Minister's Department and the Ministry of Finance and was involved in establishing national policies, programmes and projects to tackle environment and sustainability issues.</p> <p>Our board is also advised by an independent sustainability advisor, that is recommended to the Board for appointment based on the recommendation of the Group Managing Director and CSO including the appropriate level of remuneration. The advisor is tasked to;</p> <ul style="list-style-type: none"> • To provide an independent third-party review and feedback to the BSC on the progress of the Group in implementing its sustainability programme, including climate change, against its commitments and the expectations of its wide range of stakeholders. • To provide insights to the BSC and PLC on how the Group will be able to improve on its sustainability programme, including climate change, in light of emerging megatrends, rising expectations of stakeholders and emerging best practices globally. <p>Our Senior Independent Non-Executive Director has attended various trainings on Sustainability, Circular Economy, ESG; namely; course on Circular Economy and Sustainability Strategies, Board Webinar on Environment, Social and Governance (ESG) Insights for Directors. The trainings register is publicly available at SDP's website.</p> | <Not Applicable> | <Not Applicable> |

W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)

Business unit manager

Water-related responsibilities of this position

Managing water-related risks and opportunities
 Monitoring progress against water-related corporate targets
 Managing value chain engagement on water-related issues
 Managing annual budgets relating to water security

Frequency of reporting to the board on water-related issues

As important matters arise

Please explain

Business Unit manager is responsible to oversee overall performance of the unit that includes the performance towards the Company's target in water management. Our Business Unit Manager takes full charge in monitoring the water usage in the processing and responsible to conduct analysis and report on the performance to top management. Any issues such as maintenance on water related construction, budgets planning are also under the purview of the business unit manager. Basically, he is responsible in delivering the company's target set by Board of Directors.

Name of the position(s) and/or committee(s)

Sustainability committee

Water-related responsibilities of this position

Setting water-related corporate targets
 Monitoring progress against water-related corporate targets
 Managing public policy engagement that may impact water security
 Managing value chain engagement on water-related issues
 Managing major capital and/or operational expenditures related to low water impact products or services (including R&D)

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

Sustainability Committee consists of Board of Directors responsible in making decision on any initiatives with regards to water issues, for example through Sustainability Committee, a study on business risk assessment and water footprint is to be conducted by R&D and Group Sustainability Department.

Name of the position(s) and/or committee(s)

Chief Sustainability Officer (CSO)

Water-related responsibilities of this position

Assessing water-related risks and opportunities
 Setting water-related corporate targets
 Monitoring progress against water-related corporate targets
 Managing public policy engagement that may impact water security
 Managing value chain engagement on water-related issues

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

The Chief Sustainability Officer (CSO) is one of the Sustainability Committee members responsible in all aspects of sustainability including water related issues. The CSO is spearheading current initiative by Group Sustainability to come out with water footprint accounting and inventory, and water business risk assessment. The CSO also responsible in setting up and approving Key Performance Index (KPI) Target on water related matter in the Department's KPI on water issues.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

| | Provide incentives for management of water-related issues | Comment |
|-------|---|--|
| Row 1 | Yes | SDP has annual remuneration with bonus rewards for Sustainability goals achieved which includes water-related matter. For example; for the year 2021, Group Sustainability target to be achieved is towards establishing water footprint inventory by conducting trainings and workshops, and searching for water consultant to be engaged on water footprint and risk assessment. However, the monetary rewards is based on the individual's KPI achievement not specifically on long-term compensation for achieving Sustainability goals. |

W6.4a

(W6.4a) What incentives are provided to C-suite employees or board members for the management of water-related issues (do not include the names of individuals)?

| | Role(s) entitled to incentive | Performance indicator | Contribution of incentives to the achievement of your organization's water commitments | Please explain |
|---------------------|---|--|---|---|
| Monetary reward | Chief Sustainability Officer (CSO) Other, please specify (Business Units Managers) | Improvements in water efficiency – direct operations Reduction of water pollution incidents | SDP has annual remuneration with bonus rewards for Sustainability goals achieved. The monetary rewards is based on the individual's KPI achievement for achieving Sustainability goals. | SDP has annual remuneration with bonus rewards for Sustainability goals achieved. The monetary rewards is based on the individual's KPI achievement for achieving Sustainability goals. |
| Non-monetary reward | Director on board No one is entitled to these incentives | <Not Applicable> | <Not Applicable> | As at current, there is no non-monetary reward such as employee award being practise in the company. |

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

Yes, direct engagement with policy makers
Yes, trade associations

W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

Being a member of RSPO P&C, we always ensure our water quality performance of all our mills will be monitored remotely through our online dashboard using the ArcGIS platform. We continuously monitor the quality of discharged wastewater, and wastewater treatment performance – with the objective of protecting water sources within our boundaries. At the same time, we also monitor the efficiency of water usage at our Mills per tonne of FFB and ensure the operational activities are done according to our company's Standard Operating Procedures and Agriculture Reference Manual. By committing to RSPO requirements, we have established Water Management Plan that includes water contingency and water reduction plan for our operating units. We comply with all local legal requirements, such as Environmental Quality Acts (1974), Environment Quality (Industrial Effluent) Regulations 2009, Natural River Water Quality Standard River Classification, Malaysian National Standard for Drinking Water Quality (NSDWQ) issued by the Ministry

of Health (MOH), to name a few, and are consistently striving to improve our standards. We also provide access to safe drinking water and sanitation for our employees as a top priority. We ensure that periodic testing of water samples is conducted, and the samples taken from river systems have shown no significant water quality deterioration.

In 2021, SDP organized a series of training program on Corporate Water stewardship attended by various interested parties.

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

Yes (you may attach the report - this is optional)

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

| | Are water-related issues integrated? | Long-term time horizon (years) | Please explain |
|---|--|--------------------------------|---|
| Long-term business objectives | Yes, water-related issues are integrated | 11-15 | Sime Darby Plantation Berhad strives to be a world leader in the agriculture sector through sustainable practices. We have Company's Group Sustainability & Quality Policy which guided by the commitments spelt out in Company's Responsible Agriculture Charter (RAC). RAC articulates our commitments to no deforestation, no new development on peat, and no exploitation of the rights of indigenous peoples, workers and local communities ("NDPE commitments"). We seek to work with all stakeholders, including competitors, to deliver long-term positive conservation results. As stated in our Charter, we are committed to Working towards protection of natural resources through optimisation of water extraction, robust water management initiatives and implementation of water quality improvement plans. We also commit to protect and conserve biodiversity and ecosystems by Management of erosion by protection of steep slopes and river reserves within our operations and promote restoration programs. In terms of our workers welfare, aligned with SDG Goal 6, our long-term plan has always been to ensure our employees in the plantations are provided with access to safe water and sanitation by either provide government water or treated water according to Malaysia National Water Standard for remote estates. To ensure we adhere to our commitments and transparency, we commit to sustainability certifications (RSPO, MSPO, ISCC, etc) and being audited on annual basis. |
| Strategy for achieving long-term objectives | Yes, water-related issues are integrated | 11-15 | As water management is one of the most important aspects in our operations, SDP has incorporated commitments on water management via Group Sustainability & Quality Policy which guided by commitments spelt in Responsible Agriculture Charter (RAC). Various Departments are responsible in ensuring strategies to achieve the water aspects commitments, such as: 1) We are looking into assessing water footprint and water business risk across Malaysia's operation as to identify and mitigate any impacts on water related issues for long-terms benefits. 3) Provide access to clean domestic water- worker is entitled to 35 gallons/132.4litres of free water per day and periodic water sampling as per regulations. 4) Complying to regulatory requirements and sustainability certifications (RSPO, MSPO, ISPO, ISCC etc) on managing river buffer zones in our operations. 5) Regular engagements with employees and its local communities on sustainability requirements including water aspects such as good water management plan and good agricultural practices are conducted. 6) Publicly communicate our commitments via Company's website and our sustainability progress and milestones achieved through Sustainability Report and RSPO Annual. |
| Financial planning | Yes, water-related issues are integrated | 11-15 | Our water related planning is embedded in operational budget at individual operating units and business units as well as within respective project, for example; Group Sustainability has a budget allocated for water footprint and business risk assessment as part of developing proper water strategy roadmap. Due to the unique and variety operational conditions of individual operating units, budgets on water management also allocated to operations with higher water risks area such coastal area, area prone to water scarcity during dry season, flood prone area, to name a few. Budgets also being allocated to technology used to reduce water usage/water footprint at mills and refineries. |

W7.2

(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)

0

Anticipated forward trend for CAPEX (+/- % change)

0

Water-related OPEX (+/- % change)

0

Anticipated forward trend for OPEX (+/- % change)

0

Please explain

SDP publicly announces its financial progress and health via Annual Report 2022. In the annual report the Group's CAPEX allocation for 2022 arose about 18% compared to year 2021. As reported in the Annual Report, increase in capital expenditure is due to investments in green technologies as part of the Group's efforts to decarbonise our operations through methane capture, solar and low carbon oil projects. Water related CAPEX are maintained. Water related OPEX are maintained as per business as usual (BAU) such as annual costs for water extraction permits renewals, monthly water bill, yearly and quarterly water quality samplings, operational maintenance and various others.

W7.3

(W7.3) Does your organization use scenario analysis to inform its business strategy?

| | Use of scenario analysis | Comment |
|-------|--------------------------|---|
| Row 1 | Yes | SDP has commitment towards Science Based Target Initiatives (SBTi). SDP has worked with external consultant to conduct scenario analysis to its operations that have higher exposure towards various risks such as physical risks. Risk and Opportunities assessment was conducted and built scenario modelling that is in line with Taskforce for Climate-related Financial Disclosures (TCFD). We also use GIS tool and topographic survey for flood modelling and mitigation measures. |

W7.3a

(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.

| | Type of scenario analysis used | Parameters, assumptions, analytical choices | Description of possible water-related outcomes | Influence on business strategy |
|-------|--------------------------------|---|---|---|
| Row 1 | Water-related Climate-related | <p>Realising that our business relies heavily on climate condition, we monitor strictly and conduct analysis such as on our water consumption and flood plain area, ensuring that we manage our water source efficiently for contingency and reduce to sustain for future as well as taking the necessary measures. In 2019, we set our target for water usage parameter at 1.40 m3 per tonne of FFB. Scenario analysis for opportunities gain are based on assumptions that are 1) Carbon Policy and Water Policy are expected to strengthen over time, 2) more aggressive mitigation measures efforts will be taken, 2)green technologies will mature over time; bringing the cost of investment lower as adoption rate increases and 3)employees shift to an increasingly environmentally conscious mindset.</p> <p>Risk and Opportunities assessment was conducted and scenario modelling was built in line with Taskforce for Climate-related Financial Disclosures (TCFD). We also use GIS tool and topographic survey for flood modelling and mitigation measures.</p> | <p>Possible outcomes:</p> <ol style="list-style-type: none"> 1. Achievement of water usage target which is within the 2019 baseline target of 1.40 m3 per tonne of FFB and developing new target for new achievement on water usage. 2. Establishment of a more robust Sustainability Policy for the company. 3. A well structured water management plan developed in the operation that covers water contingency, water reduction and water efficiency plans. 4. Implementation of good agricultural and manufacturing practices that is beyond certification compliances such as RSPO, MSPO, ISPO, ISCC, etc. | <p>The analysis has influenced our business strategy, such as:</p> <ol style="list-style-type: none"> 1. Increasing partnerships with potential business partners and potential investors who are more interested with strong ESG proposition and values. 2. Implementation of new technologies that help to improve our operation's efficiency, thus reducing the water usage and water efficiency. 3. Empowering employees awareness on water management plans especially on water savings, thus retaining and creating talents that have strong ESG values which align with company's Sustainability Policy. 4. Implementation of good agricultural practises such as good water irrigation, construction of water retention ponds, moist conservation pit, establishment of good riparian buffer zone, no chemical application at the riparian bufferzone, construction good bund system and table water table management all contribute to good business strategy. <p>Regular water sampling to monitor the quality of waterways in our operations is done on regularly basis.</p> <p>As conclusion, to ensure we maintain and keep track of our business strategies, we are annually audited against several certifications including sustainability certifications (RSPO, MSPO, ISPO, ISCC, etc) and ISO management system based certifications including Food Safety HACCP and GMP.</p> |

W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

No, but we are currently exploring water valuation practices

Please explain

Although SDP yet to establish internal water pricing, however we have a well planned water management. Each of our operating unit has its own water management plan that covers water usage monitoring, water contingency plan and water reduction plan. As oil palm plantations largely use water in the operation from rainfall, so we focus on other aspects of water management such as establishing proper water irrigation, proper monitoring of water table at peat, coastal and flood plain area, as well as ensuring good agricultural practices being implemented in the plantations such as avoiding chemical and fertilizer applications at riparian buffer zone. Mills and refineries are also monitoring its water usage and implement new technologies to reduce water usage. We also allocated free 35 gallons/132.4ltr per worker and conducting periodic water sampling as well as monitor the water usage per amount paid to government body for extracting water from rivers and underground sources.

W7.5

(W7.5) Do you classify any of your current products and/or services as low water impact?

| | Products and/or services classified as low water impact | Definition used to classify low water impact | Primary reason for not classifying any of your current products and/or services as low water impact | Please explain |
|-------|---|---|---|--|
| Row 1 | Yes | <p>Value chain: CPO production at Mill and RBDPO production at Refinery. Water aspects: water quality at discharge to waterways</p> <p>Criteria: BOD level of effluent at Mill and wastewater at refinery below allowable regulatory standard limit</p> <p>Threshold: BOD limit 100 mg/L</p> <p>Standards applied: Environmental Quality Act, The Environmental Quality (Prescribed Premises) (Crude Palm-Oil) Regulations 1977, Malaysian Palm Oil Board (MPOB) Licensing Regulation (Act 582)</p> | <Not Applicable> | <p>We classify our products as low impact as necessary mitigating measures are well in placed in our operations. Our effluent and waste water are treated in a well managed treatment plan according to the regulatory requirement before discharging to water ways. We strictly monitor final discharge to waterways on daily basis and report to regulatory body namely Department of Environment on monthly basis. Each of our treatment plant are monitored by Certified Environmental Professional in the Treatment of Palm Oil Mill Effluent. These measures are taken to avoid the discharge from polluting the natural waterways, hence why our products have low adverse impact to the waterways.</p> |

W8. Targets

W8.1

(W8.1) Do you have any water-related targets?

Yes

W8.1a

(W8.1a) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

| | Target set in this category | Please explain |
|--|-----------------------------|------------------|
| Water pollution | Yes | <Not Applicable> |
| Water withdrawals | Yes | <Not Applicable> |
| Water, Sanitation, and Hygiene (WASH) services | Yes | <Not Applicable> |
| Other | Please select | <Not Applicable> |

W8.1b

(W8.1b) Provide details of your water-related targets and the progress made.

Target reference number

Target 1

Category of target

Water withdrawals

Target coverage

Business activity

Quantitative metric

Reduction in withdrawals per product

Year target was set

2019

Base year

2019

Base year figure

1.4

Target year

2023

Target year figure

1.31

Reporting year figure

1.28

% of target achieved relative to base year

133.333333333333

Target status in reporting year

Achieved

Please explain

The target's measurement unit is in water usage in m3 per tonne of FFB. As per commitment to SDG 12, we have set a 5 year target of reduction of water intensity target with annual reduction of 6% against baseline of 1.4m3 /tonne of FFB in 2019. As in 2023, we have achieved a reduction of 1.28 m3/tonne of FFB which show reduction of 8%, more than annual reduction of 6%. How we calculated this, is by averaging the results from 3 countries in our operation. Currently these figures are monitored internally, and the target is not reported publicly as SDP is planning to revisit this approach once our collection processes are streamlined. Although it is not publicly reported, our operations are strictly monitoring the water usage and we have various technologies introduced and implemented by our R&D as part of our efforts to reduce water usage.

Target reference number

Target 2

Category of target

Water pollution

Target coverage

Country/area/region

Quantitative metric

Reduction in water discharges per product

Year target was set

2023

Base year

2019

Base year figure

0.61

Target year

2023

Target year figure

0.59

Reporting year figure

0.59

% of target achieved relative to base year

100

Target status in reporting year

Achieved

Please explain

The target is based on average figures calculated based on target set by 3 countries: 0.65 cubic meters POME per tonne of FFB processed(m3/MT FFB) for Malaysia, 0.5 m3/MT FFB in Indonesia, and 0.7 m3/MT FFB for PNG and Solomon Islands. The reporting year figures also calculated based on average figures reported by the 3 countries. On company level, we managed to achieved the target and maintain below the threshold level.

We strictly monitor continuously the quality of discharged wastewater and wastewater treatment performance at our upstream operations and also ensure that biological oxygen demand (BOD) remains below regulatory thresholds.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

Yes

W9.1a

(W9.1a) Which data points within your CDP disclosure have been verified, and which standards were used?

| Disclosure module | Data verified | Verification standard | Please explain |
|-------------------|--|--|---|
| W8 Targets | Treatment of Mill effluent, Mill effluent discharge records, consumption record of mill water use per tonne of FFB | Other, please specify (RSPO P&C Certification) | Our group wide operating units are 100% RSPO certified where one of the elements verified in RSPO Principle & Criteria under principle 7.8 on water management plan must be in place and implemented to promote more efficient use and continued availability of water sources and to avoid negative impacts on other users. Based on RSPO standard requirement, Mill effluent must be treated to be in compliance with national regulations. Discharge quality of mill effluent, especially Biochemical Oxygen Demand (BOD), must be regularly monitored. Mill water use per tonne of FFB must be monitored and recorded. So far we have complied to all the requirements and the figures are being verified by RSPO-accredited external auditors. |

W10. Plastics

W10.1

(W10.1) Have you mapped where in your value chain plastics are used and/or produced?

| | Plastics mapping | Value chain stage | Please explain |
|-------|------------------|-------------------|---|
| Row 1 | Yes | Supply chain | We are an organization that produces crude palm oil and refined palm oil throughout our value chain. As at current, we identify the usage of plastics at our final products' packaging. However, the amount of plastics used for packaging our final products are minimal as SDP mainly produces intermediary products. |

W10.2

(W10.2) Across your value chain, have you assessed the potential environmental and human health impacts of your use and/or production of plastics?

| | Impact assessment | Value chain stage | Please explain |
|-------|-------------------|-------------------|--|
| Row 1 | Yes | Direct operations | We regularly conduct environmental aspect impact identification and evaluation in our operations to fulfill our certification and management system requirements. However, as we identify our operation has very minimal relation with plastic, we consider it to have very minimal impacts or close to non in our operation. Having said that, we are committed with our waste management plan and program such as 3 R-reuse, reduce, recycle which includes the plastic wastes. This effort will be audited on yearly basis against our sustainability certifications and management system. |

W10.3

(W10.3) Across your value chain, are you exposed to plastics-related risks with the potential to have a substantive financial or strategic impact on your business? If so, provide details.

| | Risk exposure | Value chain stage | Type of risk | Please explain |
|-------|--|-------------------|------------------|--|
| Row 1 | Not assessed – and we do not plan to within the next two years | <Not Applicable> | <Not Applicable> | We conduct various risk assessments in relation to our financial and business strategy. As for plastic-related risk, we consider it to be very minimal relation with our nature of business hence why we consider it to have the least risk in our operation. Having said that, we are committed with our waste management plan and program such as 3 R-reuse, reduce, recycle which includes the plastic wastes. This effort will be audited on yearly basis against our sustainability certifications and management system. |

W10.4

(W10.4) Do you have plastics-related targets, and if so what type?

| | Targets in place | Target type | Target metric | Please explain |
|-------|---|------------------|------------------|--|
| Row 1 | No – but we plan to within the next two years | <Not Applicable> | <Not Applicable> | We are an organization that produces crude palm oil and refined palm oil throughout our value chain. We do not produce or commercialized any products that are plastic based. However we are working towards formulating a robust waste management plan. |

W10.5

(W10.5) Indicate whether your organization engages in the following activities.

| | Activity applies | Comment |
|--|------------------|--|
| Production of plastic polymers | No | We do not produce plastic polymers. |
| Production of durable plastic components | No | We do not produce durable plastic components. |
| Production / commercialization of durable plastic goods (including mixed materials) | No | We do not produce/commercialise of durable plastic goods. |
| Production / commercialization of plastic packaging | No | We do not produce/ commercialise plastic packaging. |
| Production of goods packaged in plastics | Yes | Our packed products are packaged in various packaging materials including plastic. |
| Provision / commercialization of services or goods that use plastic packaging (e.g., retail and food services) | No | We are not retail or food service organisation. |

W10.8

(W10.8) Provide the total weight of plastic packaging sold and/or used, and indicate the raw material content.

| | Total weight of plastic packaging sold / used during the reporting year (Metric tonnes) | Raw material content percentages available to report | % virgin fossil-based content | % virgin renewable content | % post-industrial recycled content | % post-consumer recycled content | Please explain |
|------------------------|---|--|-------------------------------|----------------------------|------------------------------------|----------------------------------|---|
| Plastic packaging sold | <Not Applicable> | <Not Applicable> | <Not Applicable> | <Not Applicable> | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Plastic packaging used | 2815.92 | None | <Not Applicable> | <Not Applicable> | <Not Applicable> | <Not Applicable> | The data is on total weight of plastic packaging used. Currently, the latest data we have is in year 2021, we are looking into improving data collection methodology, and will disclose when available. |

W10.8a

(W10.8a) Indicate the circularity potential of the plastic packaging you sold and/or used.

| | Percentages available to report for circularity potential | % of plastic packaging that is reusable | % of plastic packaging that is technically recyclable | % of plastic packaging that is recyclable in practice at scale | Please explain |
|------------------------|---|---|---|--|---|
| Plastic packaging sold | <Not Applicable> | <Not Applicable> | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Plastic packaging used | None | <Not Applicable> | <Not Applicable> | <Not Applicable> | As to date, we only record the volume of plastic usage in our packaging products. We will revisit the data collection method and report when available. |

W11. Sign off

W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

N/A

W11.1

(W11.1) Provide details for the person that has signed off (approved) your CDP water response.

| | Job title | Corresponding job category |
|-------|---|------------------------------------|
| Row 1 | Chief Sustainability Officer, Head of Group Sustainability Department | Chief Sustainability Officer (CSO) |

SW. Supply chain module

SW0.1

(SW0.1) What is your organization's annual revenue for the reporting period?

| | Annual revenue |
|-------|----------------|
| Row 1 | 21300000000 |

SW1.1

(SW1.1) Could any of your facilities reported in W5.1 have an impact on a requesting CDP supply chain member?

No facilities were reported in W5.1

SW1.2

(SW1.2) Are you able to provide geolocation data for your facilities?

| | Are you able to provide geolocation data for your facilities? | Comment |
|-------|---|--|
| Row 1 | Yes, for all facilities | please click the link below to view all our facilities: https://sdplatinum.maps.arcgis.com/apps/webappviewer/index.html?id=e29b476ae8c64e5e875cdfa8fc0ab731 |

SW1.2a

(SW1.2a) Please provide all available geolocation data for your facilities.

| Identifier | Latitude | Longitude | Comment |
|--|----------|-----------|--|
| "Crosscheck 2.0" was designed to be developed further; providing further visibility on our plantations, mills, refineries and third-party suppliers whereby users can view map showing all the mills that supply each of SDP's refineries and information on who owns these mills. | 3.11421 | 101.57234 | The geo-coordinate stated here is the SDP Head Office, for all operating units under SDP, please click the link below to view all our facilities: https://sdplatinum.maps.arcgis.com/apps/webappviewer/index.html?id=e29b476ae8c64e5e875cdfa8fc0ab731 |

SW2.1

(SW2.1) Please propose any mutually beneficial water-related projects you could collaborate on with specific CDP supply chain members.

Requesting member

Colgate Palmolive Company

Category of project

Relationship water assessment

Type of project

Assessing products or services' water-related impacts to identify efficiencies

Motivation

To ensure the products supplied to customers indeed have low water impacts.

Estimated timeframe for achieving project

2 to 3 years

Details of project

Engagement of third party consultant cum verifier to verify the water impacts in the production of the product and assess the water impacts related to the products.

Projected outcome

Outcome from the project is we hope the result from the assessment and verification will show that all impacts have been assessed in order to identify any potential risks thus can work on establishing mitigation measures to reduce water-related risks and impacts to the business relationship, improve water security and/or to realize opportunities that would benefit both our business.

SW2.2

(SW2.2) Have any water projects been implemented due to CDP supply chain member engagement?

No

SW3.1

(SW3.1) Provide any available water intensity values for your organization's products or services.

Product name

CPO (Crude Palm Oil)

Water intensity value

1.28

Numerator: Water aspect

Water withdrawn

Denominator

Total FFB Processed (mt)

Comment

The average water usage intensity obtained based on the average from 68 palm oil mills in Malaysia, Indonesia & PNG SI in year 2022. Currently, these figures are monitored internally, and the target is not reported publicly as SDP is planning to revisit this approach once our collection processes are streamlined. Although it is not publicly reported, our operations are strictly monitoring the water usage and we have various technologies introduced and implemented by our R&D as part of our efforts to reduce water usage.

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

| | I understand that my response will be shared with all requesting stakeholders | Response permission |
|---------------------------------------|---|---------------------|
| Please select your submission options | Yes | Non-public |

Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.

No

Please confirm below

I have read and accept the applicable Terms