



SD Guthrie Berhad

SUSTAINABLE FINANCE FRAMEWORK

September 2025



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1 OUR SUSTAINABILITY STRATEGY AND APPROACH

1.1 Introduction of SD Guthrie Berhad (“Guthrie”)

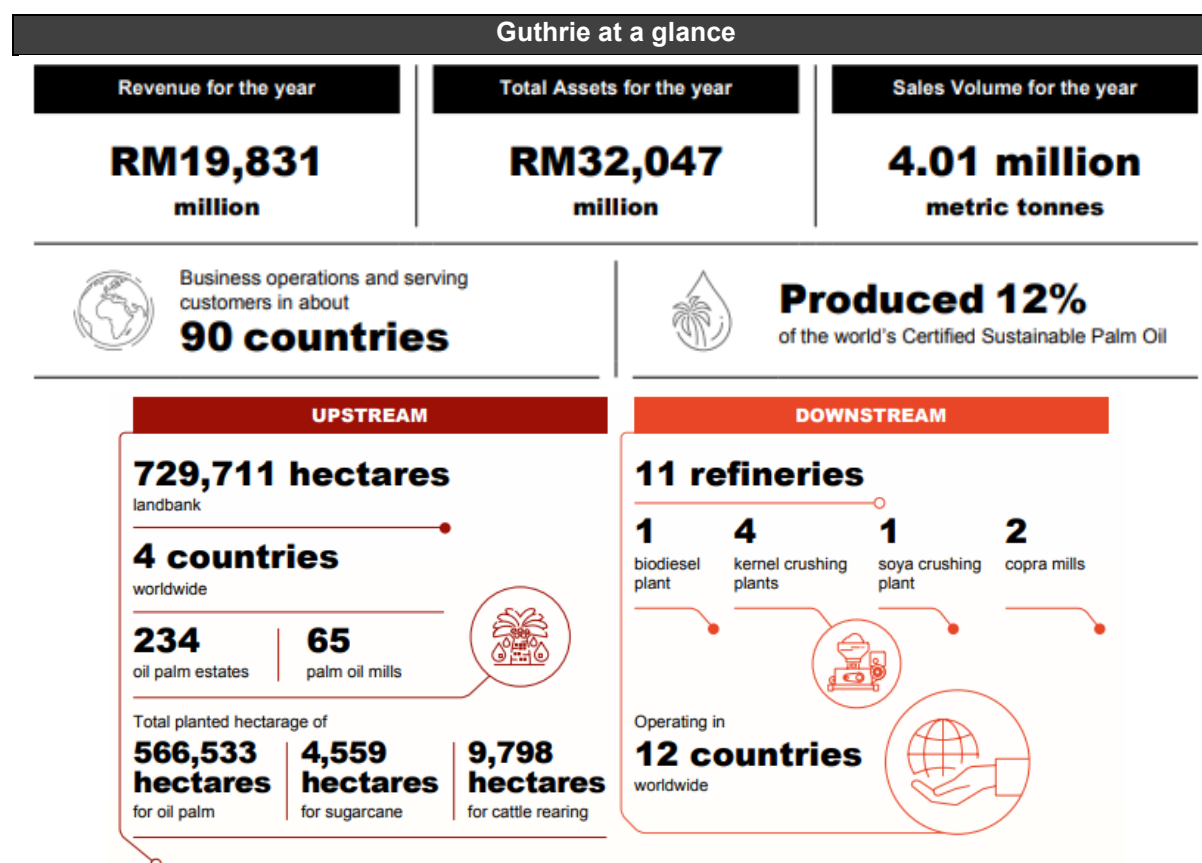
SD Guthrie Berhad (“Guthrie” or the “Group”) is a responsible global leader in Certified Sustainable Palm Oil production, employing over 83,000 people who serve the needs of food consumers and brands in 86 countries.

The Group’s 200-year history has led it to where it is today – a leader in innovation, developing next-generation robotics and technology-driven solutions for the palm oil and agri-business sector. Guthrie is addressing demand for renewable energy through the creation of solar projects and high-performance industrial parks, drawing on the Group’s sustainability leadership to expand its horizons and create a future-ready company.

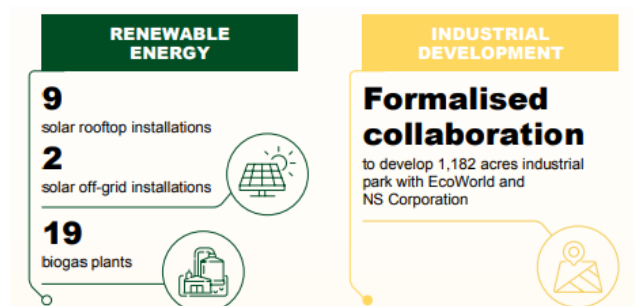
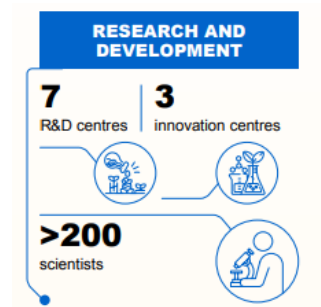
Sustainability is at the heart of Guthrie. As the world’s first palm oil company with net-zero greenhouse gas emissions reduction targets approved by the Science Based Targets initiative (SBTi), the Group pushes boundaries with its enhanced sustainability framework, “Beyond Zero”, driving meaningful change in its sector.

Guthrie operates 234 plantation estates in Malaysia, Indonesia, Papua New Guinea and the Solomon Islands, supported by 11 refineries with a combined annual capacity of four million metric tonnes. The Group produces 12% of all certified sustainable palm oil in the world and sells a diverse range of palm oil derivatives including oleochemicals, biodiesel and nutraceuticals. Guthrie actively engages in the development and commercialisation of super high-yielding oil palm seeds that are more resistant to the challenges of climate change.

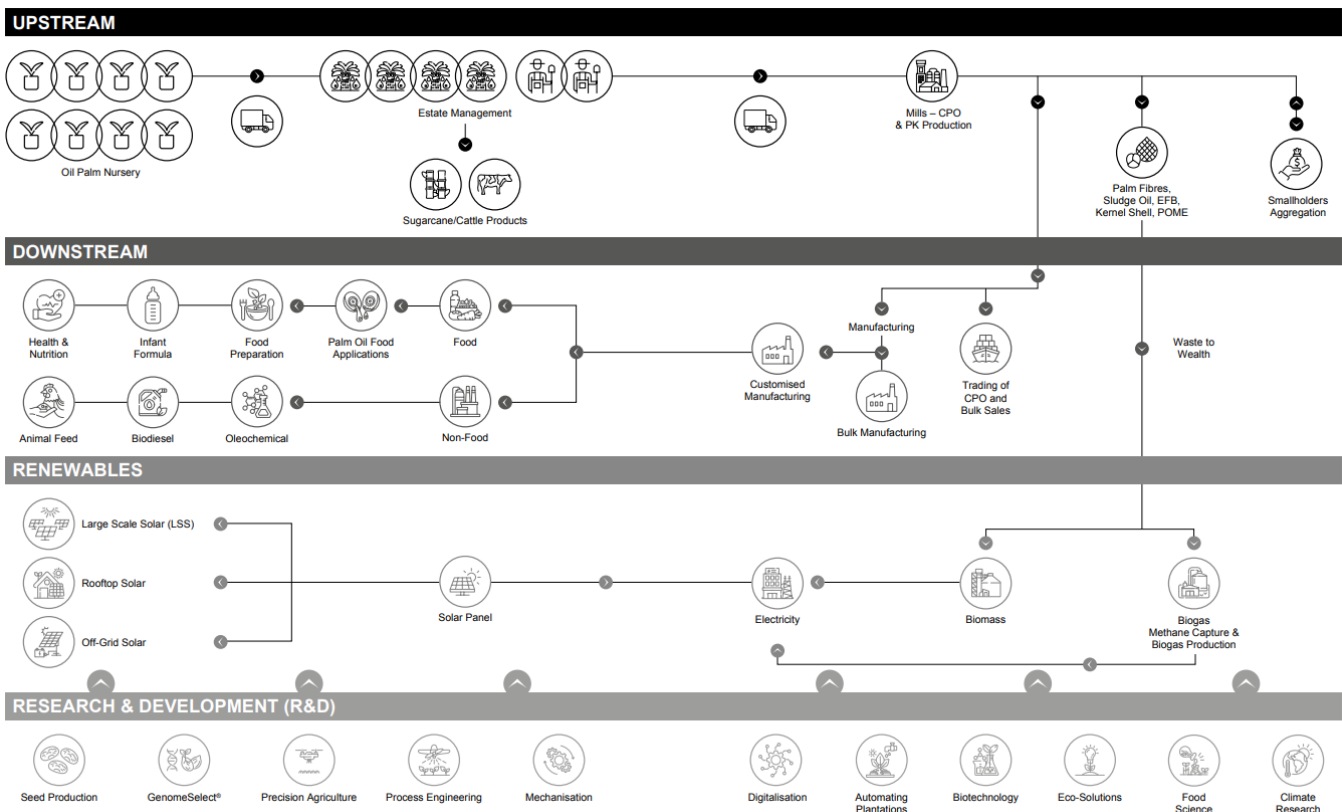
Listed on Bursa Malaysia (KLSE: SDG) with a market capitalisation of RM34.9 billion (USD8.2 billion) as of 29 August 2025 (Subject to updates), Guthrie is a strategic company of Permodalan Nasional Berhad, Malaysia’s largest unit trust company and our major shareholder. The Group is supported by a large institutional base of investors including Kumpulan Wang Simpanan Pekerja (Employees Provident Fund) and Kumpulan Wang Persaraan (Diperbadankan) (Retirement Fund (Incorporated)).



Both Guthrie's upstream and downstream business segments are supported by the Group's Research and Development (R&D) arm that focuses on the continuous improvement of productivity, quality, and sustainability throughout our operations. Fueled by its seven (7) research and development (R&D) centres and three (3) innovation hubs, Guthrie leverages scientific advancements to enhance its operations and foster innovation throughout its business.



Expanding beyond its traditional operations, Guthrie is venturing into two (2) new business verticals – industrial parks and renewable energy.



1.2 Guthrie's Approach to Sustainability



Unveiled at the RSPO Roundtable 2024 conference in Bangkok in November 2024, Guthrie's "Beyond Zero" Framework articulates its sustainability strategy that is designed to address today's global challenges while supporting its growth as a business. Built on the pillars of Zero, Restore, and Transform, it embodies Guthrie's dedication to mitigate negative impacts while proactively creating positive outcomes. Guthrie's key priorities include science-based targets to reach net-zero, cultivating positive outcomes for nature, and advancing human and labour rights in the palm oil sector.

"BEYOND ZERO" FRAMEWORK		
ZERO 	 Zero Emissions	Reducing operational emissions is critical to all businesses. We are guided by our Net-Zero Roadmap and targets – making us the first in our industry to be approved by the Science Based Targets initiative (SBTi).
	 Zero Harm	Traceability, supplier engagement, and labour rights are fundamental to our operations, and a testament towards our commitment of No Deforestation, No Peat, and No Exploitation (NDPE).
	 Tackling Waste Through Circularity	Waste management and reduction efforts are sustained across our operations. By identifying new waste stream pathways, we are able to minimise environmental impact while enhancing resource efficiency and sustainability.
RESTORE 	 Improving Biodiversity	In safeguarding biodiversity, we will build on existing initiatives and develop a Biodiversity Conservation Plan across our key sourcing countries. We also aim to issue a Taskforce on Nature-related Financial Disclosures (TNFD)-aligned report.
	 Regenerative Agriculture	By developing a regenerative agricultural framework through collaborative efforts for use across our operations, we are able to further enhance soil health, biodiversity, and resilience of our agricultural operations.
	 Restoration and Conservation	We extend our efforts beyond our operations, actively supporting nature via multiple ongoing conservation initiatives, including reforestation, peatland rehabilitation and the conservation of 100,000 hectares across our sourcing landscape.
TRANSFORM 	 Transforming Lives and Livelihoods	With smallholders being an essential part of our supply chain, we strive to improve their lives and livelihoods through training and certification.
	 Promoting Human, Land, and Labour Rights	To support our workers and bolster our supply chain, we continuously seek to improve human rights and labour standards while leveraging our influence to advocate for greater change across the industry.
	 Great Place to Work and Live	We surround our workforce and communities with essential infrastructure and support the long-term careers of our people, creating the right conditions for them to thrive. This ensures that we can deliver long-term value as an organisation.

KEY ACHIEVEMENTS IN FY2024

ZERO

NET-ZERO PROGRESS

Net total Scope 1 and 2 emissions reduced by
23%
(compared to FY2020 baseline)



DEFORESTATION-FREE FUTURE

78% of supply chain aligned with No Deforestation requirements, while our No Peat progress stands at **87%**



Supply Chain Transparency:

96.9%
Traceability to Mill (TTM)

84.9%
Traceability to Plantation (TTP)

100%
Traceability to Plantation for SD Guthrie-owned mills

RESTORE



CONSERVATION AND RESTORATION

51,212 hectares
identified under Protect and Restore approach



BIODIVERSITY

Reforested
434 hectares
in Malaysia in 2024, focusing on endemic and Rare, Threatened, and Endangered (RTE) species

TRANSFORM



WORKER PROTECTION

100%
of workers have access to grievance mechanisms



EMPLOYEE TRAINING

RM45 million
allocated budget for training



EMPOWERING SMALLHOLDERS

35,799
smallholders benefitted from our programmes



COMMUNITY INVESTMENT

RM55.4 million
invested in social initiatives

AWARDS AND ACCOLADES

Sustainable Palm Oil Transparency Toolkit (SPOTT) Ranking: Achieved 3rd place, marking our highest ranking on SPOTT

CDP Climate Rating: Earned an A- rating

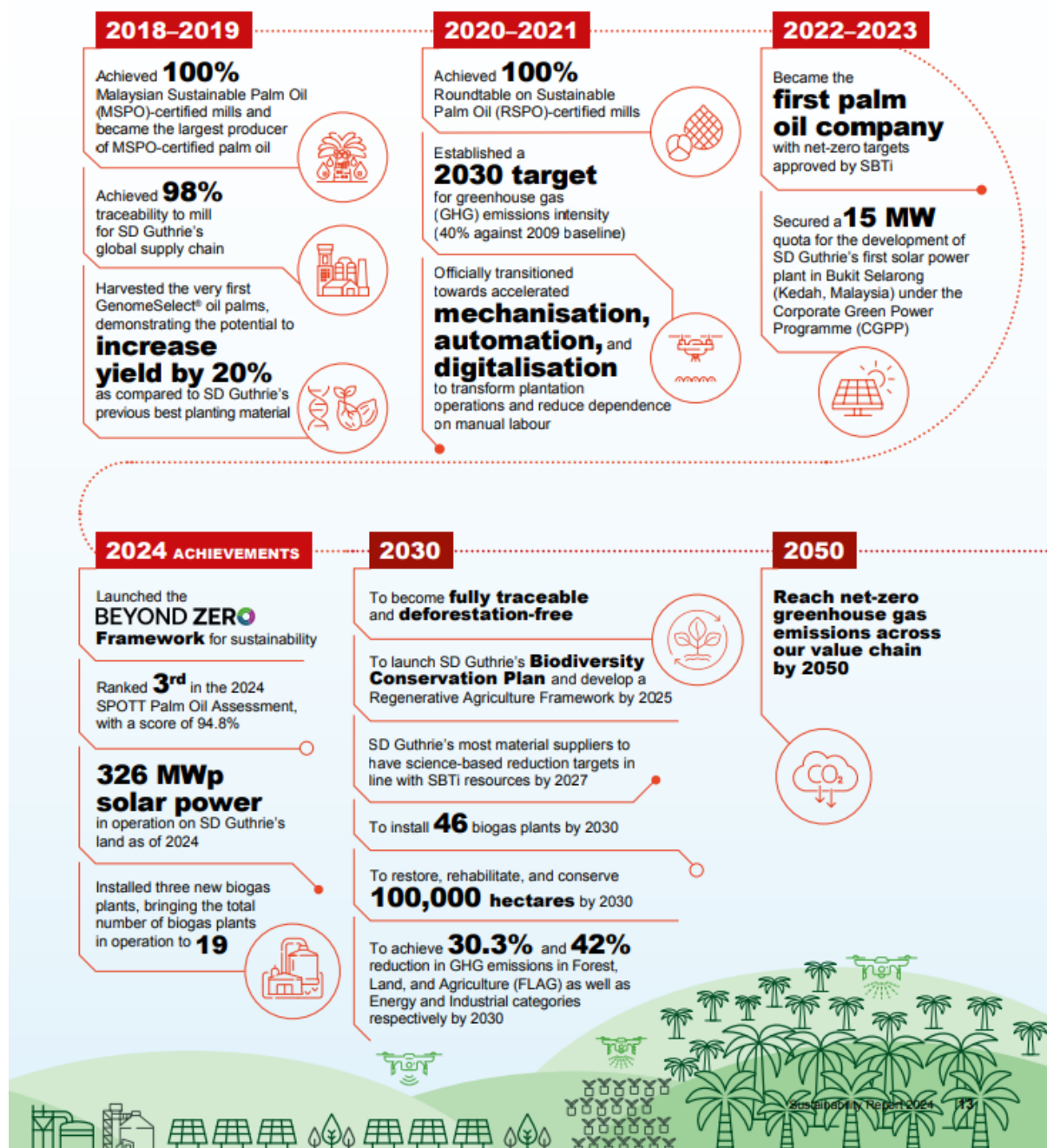
The Edge ESG Awards 2024: Won the Silver Award for Best Performer by Sector in Equities (Plantation Category)

ASEAN Energy Awards (AEA): Secured 2nd Runner-Up (On-Grid: National Grid category)

Minamas Plantation: Received the Silver Award for Corporate Social Responsibility (CSR) and the PDB (Pembangunan Desa Berkelanjutan) programme at the Indonesia Social Sustainability Forum (ISSF) 2024 (Community Development Category)

Through this strategy, Guthrie will move beyond mitigating its negative impacts, to restoring nature and transforming lives and livelihoods. The Group will do this through both its activity and influence – embodying its purpose as a business that cares to nourish and dares to flourish in the palm oil industry.

Guthrie's climate action initiatives are measured against science-based goals to reach net-zero emissions. The Group will further reduce its negative impact on the planet and people by achieving a deforestation-free and exploitation-free supply chain, preserving resources through circular economy approaches to waste, as well as aligning with the most robust standards on labour rights and human rights.



Embracing the call for businesses to shift from merely mitigating their negative impacts to ensuring positive outcomes for the natural world, Guthrie is conserving, restoring, and regenerating nature within and beyond its operations, often with the support of strong partners. The Group is charting credible pathways to protect biodiversity and is working to develop a regenerative agricultural framework that will apply to oil palm.

Building on Guthrie's work to uphold the rights of people and communities in its value chain, it will continue to use its influence to advocate for and advance human and labour rights in the palm oil sector. The Group will work to positively transform the lives of its people and communities and uplift livelihoods, especially those of smallholders, within its value chain.

Guthrie will continue to review its sustainability strategy periodically in order to reflect evolving issues and interests. Granular details of the Group's sustainability framework including its sustainability efforts and achievements, will be made available on its corporate website <https://www.sdguthrie.com/beyond->

[zero](#), which shall be updated from time to time, and reflected within Guthrie's Sustainability Report.

1.2.1 Guthrie's Commitment to Sustainability

Reduce negative impacts on people and the planet, and accelerate Guthrie's transition to net-zero

Guthrie is committed to advancing climate action and protecting the environment. The Group's goals are to reach net-zero emissions, and to reduce any negative impact on nature and people to zero. Through innovative and strategic decarbonisation initiatives, Guthrie will achieve net-zero in its operations and across its value chain by 2050 - a pathway aligned with the most robust climate science and approved by the Science Based Targets initiative (SBTi). Guthrie was the first palm oil company to achieve this milestone of having its net-zero pathway being approved by the SBTi.

The Group's palm oil supply chain will continue to apply its No Deforestation, No Peat and No Exploitation (NDPE) policy and Responsible Sourcing Guidelines. Guthrie also uses and repurposes waste from its operations, contributing to the health of the planet by recovering, recycling, or reusing biomass waste, utilising circular economy principles to reduce negative environmental impact.

Conserve and restore nature and biodiversity within our operations and beyond

As a business that derives much of its value from nature, Guthrie is uniquely placed to look beyond simply reducing its impact, to ensuring the Group actively cultivates positive outcomes in the landscapes in which it operates and for the natural world. Working with its partners, Guthrie is committed to advancing conservation, reforestation, peatland rehabilitation and biodiversity enhancement projects across its operations and beyond. Guthrie's landscape-level conservation and restoration efforts build on its existing extensive reforestation work and aim to conserve or restore 100,000 hectares of land across its sourcing landscapes by 2030 – helping nature flourish within and beyond its direct operations.

Protecting biodiversity is an urgent challenge that many businesses are still coming to terms with. The Group is expediting the creation of a Biodiversity Conservation Plan by 2025 which will cover each of its key sourcing countries to ensure the company maintains and grows its restoration and conservation programmes and protect endangered species across its operations.

Guthrie aims to transition towards more sustainable practices, developing and implementing its own robust framework for regenerative agriculture.

Transform the lives and livelihoods of individuals and communities within Guthrie's value chain and wider influence

As an industry leader in the palm oil sector, Guthrie's ambition is to positively impact the lives of the hundreds of thousands of people within its sphere of influence. The Group aims to catalyse industry-wide progress by championing and advocating for human, land and labour rights across the sector and beyond. It will do this by engaging its own suppliers, industry initiatives and regulators, sharing lessons learned and pushing for higher standards. Guthrie also intends to improve the livelihoods of 50,000 smallholders by 2035 by supporting them to increase yields, boost their income sustainably, achieve certification, and gain access to new markets.

Guthrie will continuously improve the quality of life of more than 80,000 people in its workforce and the communities in which the Group operates by providing access to good employment and livelihood opportunities. Additionally, Guthrie is investing over RM1 billion (over USD210 million) to improve employees' and communities' access to decent living conditions, education, and infrastructure. As part of its corporate social responsibility (CSR) initiatives, Guthrie aims to foster inclusive growth and rural development, ensuring its actions contribute to local economic development and social impact.

We are committed to the well-being of our people by providing growth opportunities and support and through our commitment to diversity, inclusion and employee wellness. Our goal is to transform and uplift lives and livelihoods, enabling the people and communities we touch to prosper as we grow.

1.2.2 Guthrie's Sustainable Palm Oil Certifications and Membership of Associations

SUSTAINABLE PALM OIL CERTIFICATION

Guthrie's sustainability initiatives are guided by globally recognised sustainable palm oil certification schemes, ensuring adherence to best practices in Environmental, Social, and Governance (ESG) standards. The Group complies with the following sustainability certification programmes:

- Roundtable on Sustainable Palm Oil (RSPO);
- Malaysian Sustainable Palm Oil (MSPO);
- Indonesia Sustainable Palm Oil (ISPO); and
- International Sustainability and Carbon Certification (ISCC).

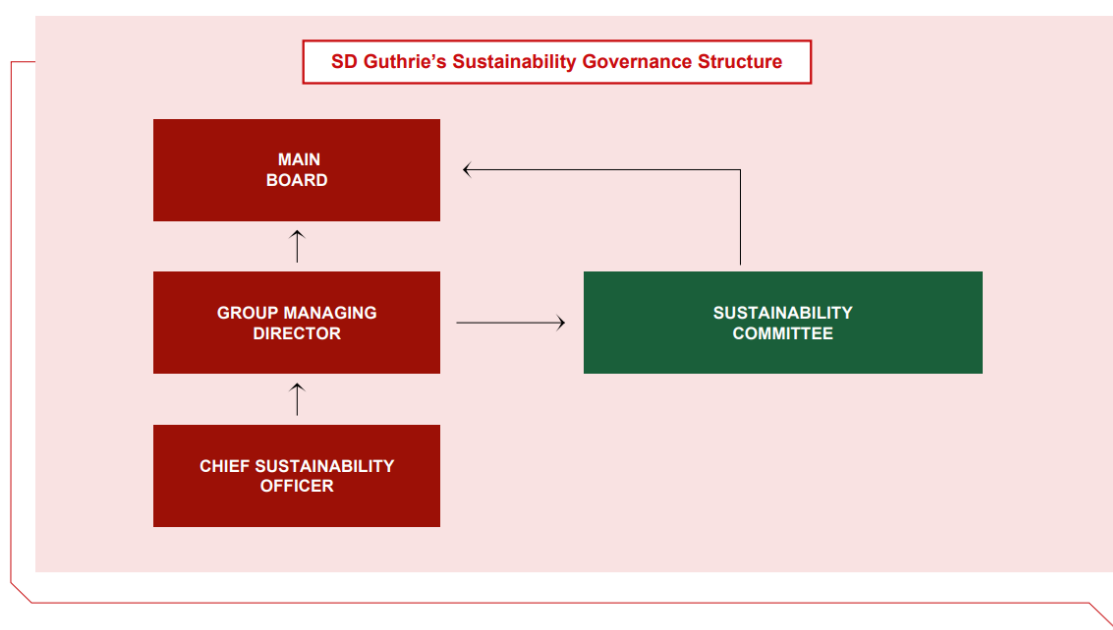
MEMBERSHIP OF ASSOCIATIONS

Guthrie is committed to advancing sustainability across its value chain by actively engaging with industry stakeholders and promoting responsible practices. This is reflected in the Group's memberships in the following key associations:

- ASEAN Business Advisory Council Malaysia (ASEAN-BAC);
- Federation of the European Vegetable Oil and Proteinmeal Industry (FEDIOL);
- Gabungan Pengusaha Kelapa Sawit Indonesia (GAPKI);
- Malayan Agricultural Producers Association (MAPA);
- Malaysia Carbon Market Association (MCMA);
- Malaysian Biodiesel Association;
- Malaysian Palm Oil Association (MPOA);
- Palm Oil Collaboration Group (POCG);
- Palm Oil Producers Association (POPA) of Papua New Guinea;
- Palm Oil Refiners Association of Malaysia (PORAM);
- International Sustainability and Carbon Certification (ISCC); and
- RSPO

1.3 Guthrie's Sustainability Governance and Leadership

Guthrie's Sustainability Governance Structure ensures accountability and oversight in implementing strategic sustainability initiatives. The Group's governance structure comprises key leadership bodies, each playing a distinct role in integrating sustainability into its business operations. The Group Managing Director (GMD) is responsible for the Corporate Scorecard for the Group, which incorporates areas related to Environmental, Social, and Governance (ESG) as Key Performance Indicators (KPIs). Approved by the Board, the KPIs cover the most material ESG issues of the Group and are conveyed to the appropriate Group Leadership Council (GLC) members. The Sustainability Committee monitors and reviews the progress of the Group's sustainability performance and raises key issues to the Board. In 2022, Guthrie introduced the ESG Scorecard for all executive-level staff in its Upstream Malaysia operations. It measures the efficacy of key human rights initiatives, including Grievance Channels and Social Dialogues, Workplace Safety, Worker Satisfaction Surveys, Climate Action initiatives, and regulatory compliance.



BOARD OF DIRECTORS

At the highest level, the Board of Directors (Board) provides overarching direction, setting the vision and values that guide Guthrie's sustainability journey. It ensures that business activities align with sustainability goals and stakeholder expectations, while reviewing the progress of the sustainability strategy, key initiatives, and risk management measures. The Board also assesses climate and sustainability-related risks and opportunities, and incorporates ESG considerations into its decision-making processes. The performance of the Board in addressing sustainability risks and opportunities is taken into consideration through the Board and Director's Effectiveness Evaluation.

SUSTAINABILITY COMMITTEE

The Sustainability Committee drives Guthrie's sustainability strategy while ensuring transparent disclosure of material economic, environmental, and social risks and opportunities in the Group's integrated and sustainability reports. The committee meets quarterly to review the latest sustainability developments and challenges. Supporting the Board, the committee oversees the implementation and performance of Guthrie's "Beyond Zero" Framework, covering, amongst others, the following matters:

- Health and safety
- Human rights
- Climate risks and decarbonisation

- Biodiversity and conservation
- Supply chain sustainability

To reduce the risk of any oversight, the committee engages with key stakeholders, including investors, financial institutions, and non-governmental organisations (NGOs), on global best practices, emerging trends, and their expectations of Guthrie's sustainability commitments.

GROUP MANAGING DIRECTOR (GMD)

Bridging strategy and execution, the GMD drives sustainability initiatives across Guthrie. As Chair of the GLC, the GMD spearheads discussions on the progress of “Beyond Zero”, as well as the Group's strategic initiatives, risk management, and sustainability compliance at monthly GLC meetings.

CHIEF SUSTAINABILITY OFFICER (GROUP SUSTAINABILITY)

The Chief Sustainability Officer (CSO) oversees the execution of sustainability strategies, targets, and plans by the sustainability team across all business units. The CSO reports directly to the GMD and provides quarterly updates to the Sustainability Committee on progress, challenges, and key concerns. In addition, the CSO evaluates sustainability risks and opportunities, major transactions, and risk management policies. This includes evaluating trade-offs to ensure informed decision-making. Furthermore, the CSO oversees the establishment and monitoring of Guthrie's “Beyond Zero” targets, while driving continuous improvement and ensuring alignment with global standards.

GROUP LEADERSHIP COUNCIL (GLC)

Comprising leaders from various functions across the Group, the GLC ensures that sustainability initiatives are effectively implemented within their respective areas while working closely and aligning efforts with other relevant functions.

GOVERNANCE AND OVERSIGHT

Sustainability risks within the Group are overseen by Board committees which rigorously monitor risks, implement mitigation strategies, and escalate significant concerns to the Board. Meeting at least four times a year, the Board provides strategic guidance to align sustainability risk management with the Group's broader objectives and long-term resilience. Beyond risk mitigation, our Group Sustainability team actively identifies and prioritises sustainability-related opportunities. Comprehensive assessments and recommendations are presented to the GLC, the Sustainability Committee and the Main Board for endorsement. The development of the “Beyond Zero” Framework, for example, involved extensive interviews and workshops with internal leaders and business unit representatives, before obtaining approval from the GMD and presentation to the Sustainability Committee.

With this robust governance structure, Guthrie remains committed to fostering sustainability excellence, ensuring responsible business practices, and delivering long-term value for all stakeholders.

2 SUSTAINABLE FINANCE AT GUTHRIE

Guthrie's Sustainable Finance Framework ("Framework") has been established to allow Guthrie to finance its projects via Sustainability Finance Transactions ("SFTs") in parallel with its overall sustainability efforts through the Beyond Zero Framework.

The SFTs comprises both Sustainability Use of Proceeds (UOP) and Sustainability-linked instruments (not limited to bonds/Sukuk and/or loans), which can be issued in either formats and in any currencies or in any markets or jurisdiction, among other terms and conditions imposed or agreed between Guthrie and the relevant financiers.

Sustainability Use of Proceeds (UOP) financing instruments

1. Sustainable and Responsible Investment ("SRI") Sukuk/Bonds;
2. Green, Social, and Sustainability ("GSS") Sukuk/Bonds;
3. GSS Loans/Financing; and/or
4. any other financial instrument(s) to which an eligible asset or project, or a group of those, are allocated.

Sustainability-linked financing instruments

1. SRI-Linked Sukuk, Sustainability-Linked Bonds/Loans/Financing; and/or
2. any other financial instrument for which the financial and/or structural characteristics may vary depending on whether Guthrie achieves the pre-determined Sustainability Performance Target(s) ("SPT(s)").

For avoidance of doubt, Guthrie may select any one (1) or more KPIs in relation to any issuance of Sustainability-Linked Financial Instrument. If and when required, the corresponding SPTs in this Framework shall be updated by Guthrie, incorporating its latest targets (measurement and year), and the same will be reflected in the relevant transaction documents of the Sustainability-Linked Financial Instrument.

Guthrie's Framework adopts the principles and/or guidelines set by the International Capital Market Association (ICMA), ASEAN Capital Markets Forum (ACMF), Securities Commission Malaysia (SC) and Loan Market Association (LMA)/Asia Pacific Loan Market Association (APLMA)/Loan Syndications and Trading Association (LSTA) as specified below.

Sukuk/Bonds issuances will be aligned with the following frameworks as appropriate for the type of bond/Sukuk issued or as they may be subsequently amended from time to time:

- Green Bond Principles (GBP), Social Bond Principles (SBP), Sustainability Bond Guidelines (SBG), and Sustainability-Linked Bond Principles (SLBP) issued by ICMA;
- ASEAN Green Bond Standards (ASEAN GBS) 2018, ASEAN Social Bond Standards (ASEAN SBS) 2018, ASEAN Sustainability Bond Standards (ASEAN SBS) 2018, and ASEAN Sustainability-linked Bond Standards (ASEAN SLB) 2022 issued by ACMF; and
- SRI Sukuk Framework 2019 and SRI-linked Sukuk Framework 2022 issued by SC.

Loan/Financing transactions will be aligned with the following frameworks developed by LMA, APLMA, and LSTA or as they may be subsequently amended from time to time:

- Green Loan Principles (GLP) and Social Loan Principles (SLP); and
- Sustainability-Linked Loan Principles (SLLP).

The principles and guidelines established by ICMA, ACMF, SC, LMA/APLMA, and LSTA, as outlined above, form the basis of this Framework, which is designed to allow the maximum flexibility for Guthrie to structure its financing arrangement for its new or ongoing sustainability related projects.

The Framework may be updated from time to time to include other sustainable debt instruments that may be issued in the future. Guthrie retains the option to issue sustainability financial instruments separate

from this Framework, where deemed appropriate and subject to internal policies where applicable.

3 GUTHRIE'S FRAMEWORK FOR SUSTAINABILITY FINANCING

Sustainability financing instruments issued by Guthrie will be earmarked for any financing or refinancing, whether in full or in part, of new and/or existing Eligible Projects stipulated below.

This Framework for Use of Proceeds financing instruments aligns with international guidelines, principles and market best practices that may be amended from time to time:

- GBP, SBP, SBG issued by ICMA;
- GBS, SBS, and SUS issued by ACMF;
- SRI Sukuk Framework 2014 issued by SC; and
- GLP and SLP issued by LMA, APLMA, and LSTA.

Guthrie's Sustainability financing is based upon four (4) core components of the above-mentioned market guidelines, principles and standards:

1. Use of Proceeds;
2. Project Evaluation and Selection;
3. Management of Proceeds; and
4. Reporting and verification.

3.1 Use of Proceeds

The proceeds of each SFT shall be used exclusively for the financing and/or refinancing of projects, assets, or activities that comply with the eligibility criteria outlined below

Eligible Types of Investments

Eligible Projects may include investments, capital expenditures (CAPEX) and operational expenditures (OPEX) that satisfy the eligibility criteria set forth below.

Lookback Period for CAPEX and OPEX

- Any refinancing of CAPEX / OPEX related to Eligible Projects shall be subject to a maximum look-back period of up to 36 months from the date of issuance.

For the avoidance of doubt, the proceeds may be utilised by Guthrie for capital expenditure and working capital requirements associated with an Eligible Project, the refinancing of existing debt relating to an Eligible Project, costs, fees and expenses incurred in connection with each Eligible Project, provided that such proceeds are not applied towards the financing of new or existing assets, businesses, projects and/or products that fall outside the scope of the Eligible Projects.

3.1.1 Eligible Green Projects

(A) Environmentally Sustainable Management of Living Natural Resources and Land Use	
Environmental Objective	UN SDG Mapping
✓ Climate change mitigation ✓ Conservation and restoration of nature and biodiversity	    Guthrie's sustainable management conservation and restoration projects contribute towards United Nations Sustainable Development Goal (UNSDG) target 2.4, 12.2, 13.1, 15.2 and 15.5 by: 1. Ensuring sustainable management and efficient use of natural resources 2. Implementing resilient agricultural practices that help maintain ecosystems and progressively improve land and soil quality 3. Contributing to halting deforestation 4. Strengthening resilience and adaptive capacity to climate-related hazards and natural disasters 5. Taking action to reduce the degradation of natural habitats, halt the loss of biodiversity and, protect and prevent the extinction of threatened species
"Beyond Zero" Framework Alignment	
 Headline target: • Reach net-zero greenhouse gas emissions across our value chain by 2050. • Reduce our negative impact on people and nature by achieving a fully traceable and deforestation-free supply chain and maintaining alignment with relevant international frameworks.	
 Headline target: • Restore, rehabilitate or conserve 100,000ha across and beyond our value chain by 2030. • Develop and pilot a regenerative agriculture framework for palm oil by 2028. • Develop and implement a Biodiversity Conservation Plan by 2025.	
Eligible Criteria:	
Investments and expenditure relating to sustainable management and resilient agricultural practices such as: ▪ Regenerative agriculture practices incorporating RSPO's Best Management Practices for Palm Oil and additional practices to improve soil health by means of responsible use of inputs, biodiversity protection, water management and building resilience to a changing climate ▪ Monitoring costs related to deforestation to ensure responsible sourcing Investments and expenditure relating to Guthrie's Biodiversity and Conservation Plan, such as: ▪ Implementation of land-based restoration and conservation projects to increase carbon sequestration ▪ Reforestation projects, such as afforestation or reforestation ▪ Protection of rare, endangered and threatened species, including species and habitat conservation initiatives and the maintenance of native flora and fauna such as breeding programs and habitat enhancements ▪ Projects designed to enhance wildlife connectivity such as the establishment of ecological corridors and the implementation of landscape management practices ▪ Landscape-level conservation and rehabilitation projects Verification and monitoring costs related to the sale and trading of carbon credits for carbon sequestration projects, under locally or globally recognised schemes such as: ▪ Malaysia Forest Carbon Offset ▪ Verified Carbon Standard (VCS) ▪ Gold Standard for the Global Goals	

- American Carbon Registry Standard (ACR)
- Climate Action Reserve (CAR) Standard

(B) Sustainable Water and Wastewater Management

Environmental Objective	UN SDG mapping
✓ Natural resource conservation ✓ Pollution prevention and control	 
“Beyond Zero” Framework Alignment	
 Headline target: • Maintain the delivery of circular or reuse solutions for our material waste streams and develop pathways to minimise other waste streams.	Guthrie’s sustainable water and wastewater management projects contribute towards UNSDG targets 12.2 and 15.1 by: 1. Increasing sustainable management and efficient use of natural resources 2. Contributing to the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems, forests, and wetlands
Eligible Criteria:	
Investments and expenditure relating to the production, construction, development, research, and/or maintenance of sustainable infrastructure for clean and/or potable water, as well as wastewater treatment systems, with an emphasis on ensuring water availability, quality, and efficient usage including but not limited to the following initiatives: ▪ Water recycling and reuse initiatives, such as the recovery of water from mill operations and the utilisation of alternative and renewable water sources such as rainwater harvesting ▪ Water conservation efforts through the upgrading of infrastructure to integrate water-saving features, systems and potential advanced water-saving technologies	

(C) Pollution Prevention and Control

Environmental Objective	UN SDG mapping
✓ Climate change mitigation	 
“Beyond Zero” Framework Alignment	
 Headline target: • Maintain the delivery of circular or reuse solutions for our material waste streams and develop pathways to minimise other waste streams. • Reach net-zero greenhouse gas emissions across our value chain by 2050.	Guthrie’s pollution prevention and control activities contribute towards UN SDG targets 12.4, 12.5, and 13.2 by: 1. Promoting environmentally sound management of chemicals and all waste throughout their life cycle 2. Reducing waste generation through prevention, reduction, recycling and reuse 3. Integrating climate change measures in operations
Eligible Criteria:	
Investments, acquisitions, and expenditures relating to the prevention, reduction, or elimination of pollution, including the mitigation of GHG emissions, such as: ▪ Recycling, repurposing, and conversion of biomass waste into value-added products such as compost, biogas, and palm-fibre oil. ▪ Safe and responsible management of hazardous waste. ▪ Implementation of advanced technologies and equipment upgrades aimed at reducing emissions and improving process efficiency.	

(D) Renewable Energy

Environmental Objective	UN SDG mapping
✓ Climate change mitigation “Beyond Zero” Framework Alignment  Headline target: - Reach net-zero greenhouse gas emissions across our value chain by 2050. - Maintain the delivery of circular or reuse solutions for our material waste streams and develop pathways to minimise other waste streams.	  Guthrie’s increased usage of renewable energy sources contributes towards UNSDG target 7.2 and 13.2 by: - Increasing the share of renewable energy in the national energy mix - Supporting the nation’s net-zero commitment
Eligible Criteria: Construction, development, acquisition, maintenance, and/or operation of renewable energy installations or renewable energy powered infrastructure, such as: - Infrastructure powered by renewable energy (including but not limited to sources such as solar, biomass, and biogas). - Development of large scale solar, solar rooftops, solar lighting and solar building integrated photovoltaics. - Development of Concentrated Solar Plants with majority of electricity (>85%) sourced from solar energy. - Biomass powered energy plants using feedstock from waste and/or by-products from certified sustainably-produced oil palm - Biogas powered energy plants using feedstock from waste and/or by-products from certified sustainably produced oil palm - Development of battery energy storage system (BESS) to enhance grid stability and efficiency by storing excess energy and supplying it during peak demand or low generation periods, supporting a cleaner and more resilient energy transition.	

(E) Energy Efficiency

Environmental Objective	UN SDG mapping
✓ Climate change mitigation “Beyond Zero” Framework Alignment  Headline target: Reach net-zero greenhouse gas emissions across our value chain by 2050.	  Guthrie’s implementation of energy efficiency contributes towards UNSDG target 7.3 and UNSDG target 9.4 by: - Increasing resource-use efficiency and clean/environmentally sound technologies - Improving energy efficiency rate.
Eligible Criteria: Investments and expenditures relating to procurement, acquisition, maintenance and/or retrofitting technologies, equipment or hardware systems designed to reduce energy consumption, including power saving features and the application of machine learning and artificial intelligence (AI), such as: Energy Management System (EnMS) implementation, such as energy audits and energy monitoring such as smart meters and Internet of Things (IoT) devices	

- Usage of electrical items rated at a minimum of 4 stars by the Energy Commission
- Upgrade the motor with International Efficiency (IE) rated at a minimum of IE3 (Premium Efficiency)
- Usage of energy efficient lighting such as LED

(F) Clean Transportation

Environmental Objective	UN SDG mapping
✓ Climate change mitigation ✓ Pollution prevention and control	
“Beyond Zero” Framework Alignment	
 Headline target: • Reach net-zero greenhouse gas emissions across our value chain by 2050.	Guthrie’s clean transportation initiatives contribute towards UNSDG targets 12.2 by promoting sustainable management and efficient use of natural resources
Eligible Criteria:	
Investments and expenditure relating to the development, procurement, acquisition, maintenance, and/or retrofitting of vehicles for clean transportation throughout the supply chain, such as: ▪ Electric vehicles ▪ Hybrid vehicles ▪ Infrastructure related to the charging facilities for electric vehicles and machinery	

(G) Climate Adaptation

Environmental Objective	UN SDG mapping
✓ Climate change adaptation	
“Beyond Zero” Framework Alignment	
	Guthrie’s climate adaptation initiatives contribute towards UNSDG targets 2.4 by implementing resilient agricultural practices that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality.
Eligible Criteria:	
Investments and expenditure related to the development, procurement, acquisition, and/or maintenance of infrastructure, equipment, and/or information support systems aim to enhance resilience to the impacts of climate change, which includes: • Climate observation and early warning system for monitoring weather patterns and anticipating climate-related risks • Water management facilities such as earth bund, reservoirs, irrigation systems, and drainage to manage water resources efficiently • Sustainable road networks such as durable access roads that withstand extreme weather and reduce environmental impact	

(H) Green Building and Industrial Park

Environmental Objective	UN SDG mapping
✓ Climate change mitigation ✓ Natural resource conservation	

(H) Green Building and Industrial Park

"Beyond Zero" Framework Alignment



Headline target:
Reach net-zero greenhouse gas emissions across our value chain by 2050.



Guthrie's green building and industrial park initiative will contribute to UNSDG target 7.3, 9.4 and 13.2 by:

1. Increasing the rate of energy efficiency
2. Encourages sustainable industrial development and resilient infrastructure through green building practices.
3. Supporting the nation's net-zero commitment

Eligible Criteria:

Investments and expenditures related to the development or upgrading/retrofitting of green buildings and industrial parks aimed at achieving the highest level of certification from recognised green building certification bodies, such as the Green Building Index (GBI), LEED, or equivalent.

3.1.2 Eligible Social Projects

(A) Socioeconomic Advancement and Empowerment		
Target Population	UN SDG mapping	
✓ Marginalised/underprivileged communities (such as smallholders and local outgrowers) ✓ Indigenous communities	3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH	
"Beyond Zero" Framework Alignment	Guthrie's projects for socioeconomic advancement and empowerment contribute towards UNSDG targets 3.8, 4.5, 5.5, and 8.3 by: 1. Increasing access to safe, effective, quality and affordable healthcare 2. Increasing access to all levels of education and vocational training for the vulnerable 3. Supporting productive activities, decent job creation, and entrepreneurship, for growth of micro, small and medium-sized enterprises, including smallholders	
TRANSFORM Headline target: • Engage 50,000 smallholders through tailored capacity-building initiatives and new livelihood opportunities by 2035. • Catalyse industry-wide progress by championing & advocating for human, land and labour rights.		
Eligible Criteria:		
Investments and expenditure related to the empowerment of communities and/or smallholders across Guthrie's supply base in Indonesia, Malaysia, Thailand, and Papua New Guinea/Solomon Island to improve livelihoods, enhance sustainable agricultural productivity, and create long-term socioeconomic value. This includes: ▪ Smallholder certification support (i.e. RSPO) and payment to smallholders for sustainability-linked premiums ▪ Support programmes to improve smallholder capacity through Good Agricultural Practices, Smallholder Inclusion Programmes, proving access to agriculture input (e.g. high-yielding seedlings) and technical support (i.e. replanting strategies, field assessment) ▪ Support programs and projects that improve holistic development and well-being of communities, including smallholders, such as education-related initiatives		

(B) Food Security and Sustainable Food Systems

Target Population

- ✓ Small scale farmers
- ✓ Smallholders

“Beyond Zero” Framework Alignment



Headline target:

- Engage 50,000 smallholders through tailored capacity-building initiatives and new livelihood opportunities by 2035.

UN SDG mapping



Guthrie’s initiatives for food security contribute towards UNSDG targets 2.1 and 2.3 by:

1. Improving agricultural productivity and incomes for small-scale food producers
2. Ensuring food safety in products

Eligible Criteria:

Financing initiatives aimed at enhancing food security and food safety, including but not limited to Guthrie’s Smallholder Inclusion Programmes, which support small-scale farming operations in regions where addressing food insecurity or food loss is a critical priority, particularly in the following context:

- Projects or programs for smallholder farmers that enhance agriculture productivity
- Investments in projects that directly improve food safety in processing such as reduction Mineral Oil Saturated Hydrocarbons (MOSH) and Mineral Oil Aromatic Hydrocarbons (MOAH) levels in palm oil process, on a facility-to-facility basis.

(C) Employment Generation and Affordable Basic Infrastructure

Target Population

- ✓ Workers

“Beyond Zero” Framework Alignment



Headline target:

- Continuously improve the quality of life of more than 100,000 people in our workforce and communities, providing growth and support from aspiring workers to retired individuals.

UN SDG mapping



Guthrie’s initiatives for improving its workers’ working and living conditions contribute towards UNSDG target 8.2 and 11.1 by:

1. Providing adequate housing and basic services to workers and families
2. Creating decent jobs through technological upgrading and innovation

Eligible Criteria:

Investments and expenditure of projects which would lead to improved working and living conditions of Guthrie’s workers and their families in RSPO certified operations in Malaysia, Indonesia and Papua New Guinea/Solomon Island, which would include:

- Housing improvements, which include enhancements of existing housing or building of new housing
- Infrastructure projects to enhance access to basic needs

Investments and expenditure related to mechanisation and automation that supports the transition from low-skilled, labour-intensive roles to safe, high-value jobs. This includes:

- Research and development expenditure to develop, test, pilot and roll-out mechanisation and automation solutions
- Manufacturing and/or purchasing of machines and equipment such as robotics and automated systems, smart sensors and precision tools, AI-driven monitoring and control systems and energy-efficient machinery and vehicles

3.1.3 Exclusion List for Green and Social Projects

The utilization of proceeds under Guthrie's Sustainability financing instruments for Green and Social Projects shall be excluded from financing projects or activities related to the following industries below ("**Green and Social Project Exclusion List**"), and as aligned with the ACMF's ASEAN GBS (e.g. fossil fuel generations projects), and ACMF's ASEAN SBS (e.g., activities that pose a negative social impact related to alcohol, gambling tobacco and weaponry):

- a. Luxury sectors (precious metals / precious minerals / artworks and antiques wholesale or brokerage);
- b. Child labour or forced labour;
- c. Gambling;
- d. Adult entertainment;
- e. Weapons and military contracting;
- f. Alcohol;
- g. Tobacco;
- h. Fossil-fuel generation related activities (including extraction, exploration, production, power generation or transport of fossil fuels); and
1. Production or trade in any product or activity deemed illegal under international conventions and agreements, or subject to international bans.

3.2 Project Evaluation, Selection and Monitoring

Guthrie has implemented rigorous processes and procedures to ensure that projects are accurately identified and thoroughly evaluated in full compliance with this Framework.

The Eligibility Criteria encompasses a comprehensive set of environmental and social standards that Eligible Green and Social Projects must meet to qualify for financing or refinancing through SFTs.

To effectively address the environmental and social risks associated with the Eligible Categories, the Group has developed robust policies and will execute necessary procedures to identify, assess, and manage any potential risks via relevant committees. In relation to Eligible Projects, Guthrie consistently complies—and will continue to comply—with applicable environmental, social, and governance (ESG) standards and recognised best practices. The company's policies can be found on its website: [Beyond Zero - Resource Centre | SD Guthrie](#).

The Sustainable Financing and Reporting Steering Committee (SFRSC) shall be responsible for:

1. **Project evaluation and monitoring**
Reviewing, selecting, validating, and monitoring the pool of eligible green, social, and sustainable projects. These projects must meet the criteria outlined in Guthrie's Sustainable Finance Framework and reflect the company's strategic sustainability priorities.
2. **Key Performance Indicators (KPIs)**
Identifying and recommending KPIs relevant to sustainable financing instruments, ensuring they are measurable, meaningful, and aligned with Guthrie's sustainability targets.
3. **Reporting**
Reviewing and validating key reports that will form part of Guthrie's annual sustainability disclosures associated with sustainable finance, including:
 - Allocation Reports
 - Impact Reports
 - Progress Reports on Sustainability Performance Targets (SPTs)
4. **Environment and social risk monitoring**
Overseeing the identification and management of environmental and social-related controversies linked to financed projects and advising on appropriate mitigation measures.
5. **Monitoring allocation and management of proceeds**
Oversee the allocation of proceeds and management of unallocated proceeds.

The Sustainability Committee holds the following oversight responsibilities:

1. **Framework implementation and allocation**
The Sustainability Committee oversees the execution of Guthrie's Sustainable Finance Framework, including reviewing and endorsing fund allocations to eligible green, social, and sustainable projects.
2. **KPI and SPT oversight**
The Sustainability Committee reviews and endorses the KPIs associated with sustainable financing instruments and monitors the corresponding SPTs to ensure they reflect the company's strategic sustainability objectives.
3. **Framework updates and governance**
The Committee also reviews and endorses any proposed amendments to the Sustainable Finance Framework. This includes expanding the list of eligible categories and KPIs to reflect evolving sustainability strategies and ensuring that any projects no longer meeting the eligibility criteria are appropriately addressed.

Moreover, the Sustainability Committee oversees the integration of the Group's strategic plan with long-term value creation, ensuring it encompasses comprehensive strategies addressing economic, environmental, and social factors, including sustainability, human rights, nature and climate-related risks and opportunities.

3.3 Management of Proceeds

The cash proceeds from each Sustainability financing instrument will be channeled into a general funding account, with specific allocation designated for Eligible Projects. To ensure meticulous tracking and appropriate distribution of the proceeds, Guthrie's Finance Team will oversee the maintenance of a comprehensive register of Eligible Projects, which will systematically document the following information:

(A) **Type of Funding Transaction**

Including but not limited to:

- Issuer/borrower entity
- transaction date
- tranche(s) information
- principal amount of proceeds
- repayment or amortisation profile
- maturity date
- interest or coupon
- ISIN number (in the case of Bonds/Sukuk)

(B) **Allocation of Use of Proceeds Information including:**

Including but not limited to:

- Name and description of Eligible Projects to which the proceeds of the SFTs have been allocated in accordance with this Framework
- The amount of SFT proceeds allocated to each Eligible Project
- The remaining balance of unallocated proceeds
- Other relevant information such as information on temporary investment for unallocated proceeds

Guthrie will keep comprehensive internal records documenting the allocation of net proceeds from each SFT for as long as these instrument remains outstanding. Any unallocated portion of the issuance proceeds pending utilisation will be held as cash or invested in short-term instruments which are cash equivalents (e.g. money market, deposits). Furthermore, should the issuance/financing be Islamic, then the unallocated proceeds will only be invested in Shariah-compliant instruments. The principal and interest/profit payments on any Sustainability financing transaction may be drawn from general funds and may not be directly tied to the performance of the Eligible Projects.

In the event of any asset divestment or project cancellation, Guthrie will reallocate the proceeds to other Eligible Projects that are in compliance with the Framework. Furthermore, Guthrie aims to fully allocate the proceeds from any Use of Proceeds Financing instrument issuance within [36] months.

3.4 Reporting

On an annual basis, at least until full allocation or in case of material changes, Guthrie will provide an Allocation Report and an Impact Report on its SFT(s) to the extent feasible:

In the Allocation Report, Guthrie will include:

1. The amount issued and outstanding for the SFTs;
2. The total value of Eligible Projects;
3. A description of the portfolio of Eligible Projects including a breakdown of the allocated amounts by ICMA / LMA categories where appropriate;
4. The amount and/or percentage of new and existing projects (share of financing and refinancing); and
5. Any further information on how unallocated proceeds have been held.

The Impact Report will provide qualitative and quantitative performance measures and examples associated with each category of Eligible Projects. Impact reporting may include, but are not limited to:

Eligible Projects (Green)	Impact metrics examples
Environmentally Sustainable Management of Living Natural Resources and Land Use	▪ Improvement in soil health indicators such as soil carbon content (%) ▪ Total hectares conserved and restored
Sustainable Water and Wastewater Management	▪ Volume of reduced water usage (m³)
Pollution Prevention and Control	▪ Biomass reuse rate (%) ▪ Volume of hazardous waste generated and treated (tonnes)
Renewable Energy	▪ Annual renewable energy generation (MWh/GWh) ▪ Annual GHG emissions reduced/avoided in tonnes of CO₂ equivalent
Energy Efficiency	▪ Energy saved per year (kWh/year)
Clean Transportation	▪ Annual reduction in transport-related GHG emissions in tonnes of CO₂ equivalent ▪ Annual reduction in fuel consumption in litres or other relevant units
Climate Adaptation	▪ Area protected from flooding (hectares)
Green Building and Industrial Park	▪ Energy intensity (kWh/m²/year) compared to national average ▪ Highest level of certification obtained from recognised green building certification bodies, such as the Green Building Index (GBI), LEED, or equivalent by project.

Eligible Projects (Social)	Impact metrics examples
Socioeconomic Advancement and Empowerment	▪ Number of beneficiaries
Food Security and Sustainable Food Systems	▪ Number of small-scale farmers benefiting from agricultural projects ▪ Smallholders provided with access to agricultural inputs
Affordable Basic Infrastructure and Employment Generation	▪ Number of workers and/or families impacted ▪ Number of machine specialists employed

The impact reporting will be disclosed annually, with the methodology of the indicators above where relevant and feasible, articulated on the corporate website at <https://www.sdguthrie.com/beyond-zero>.

Any material developments, such as modification of the Framework, will also be reported in a timely manner on Guthrie's website. Such information will be provided on an annual basis until all the net proceeds have been allocated.

3.5 External Review

Depending on the specific type of instrument, Guthrie may incorporate external reviews into its sustainability financing instrument.

3.5.1 Pre-Issuance Review

Guthrie has obtained an independent SPO from MARC Solutions on the Sustainable Finance Framework vis-a-vis the relevant components of the ICMA's GBP, SBP, and SBG, LMAs GLP and SLP, ACMFs GSS Bond Standards and SC's SRI Sukuk Framework, and with Guthrie's overall sustainability strategy. The SPO report is made available on Guthrie's website: <https://www.sdguthrie.com/>

3.5.2 Post-Issuance Review

Guthrie may engage an independent third party to conduct external verification of the tracking of SFT proceeds. This verification will cover a thorough review of all allocation and impact reports prepared pursuant to Section 3.4, alongside an evaluation of the management of proceeds to validate the integrity of Guthrie's internal tracking mechanisms. The results of this verification will be formally documented within the Allocation Report.

4 GUTHRIE'S FRAMEWORK FOR SUSTAINABILITY-LINKED FINANCING

Sustainability-linked Instruments are forward-looking, performance-based instruments. As the proceeds are intended for general corporate purposes, the use of proceeds does not determine their classification and the proceeds may be utilised for purposes in connection with a project or otherwise, and shall be based on the terms as set out in this Section 4.

This Framework for Sustainability-linked Financing adheres to the relevant principles and/or guidelines (as may be amended from time to time) as follows:

- SLBP issued by ICMA;
- SLBS issued by ACMF;
- SRI-linked Sukuk Framework 2022 issued by SC; and
- SLLP issued by LMA, LSTA and APLMA.

This Framework has been developed in accordance with the following five core components:

1. Selection of Key Performance Indicators (KPI)
2. Calibration of Sustainability Performance Targets (SPT)
3. Instruments Characteristics
4. Reporting
5. Verification

4.1 Selection of Key Performance Indicators (KPIs)

The following KPIs, which are core, relevant, and material to Guthrie's business and measure the sustainability improvements of the Group. For avoidance of doubt, Guthrie may select any one (1) or more KPIs in relation to any issuance of Sustainability-Linked Financial Instrument. If and when required, the corresponding SPTs in this Framework shall be updated by Guthrie, incorporating its latest targets (measurement and year) and the same will be reflected in the relevant transaction documents of the Sustainability-Linked Financial Instrument.

KPI 1: Absolute GHG Emissions Reduction



As part of Guthrie's "Beyond Zero" Framework to reduce emissions and drive sustainable agriculture, the company set a net zero commitment in 2022. Guthrie's absolute GHG emissions reduction target contributes towards UNSDG targets 13.2, by supporting the nation's net-zero commitment.

Information on the definition, applicable scope and calculation methodologies for Guthrie's GHG emissions can be found on Guthrie's website: <https://www.sdguthrie.com/beyond-zero/resource-centre>

KPI 2: Upstream GHG Emissions Intensity Reduction



Guthrie's greenhouse gas (GHG) emissions reduction target aligns with the UNSDG 13.2 by supporting Malaysia's national net-zero commitment. To balance climate ambition with economic relevance, an intensity-based target has been established to ensure continued support for Malaysia's position as the world's second-largest producer and exporter of palm oil. As one of the leading global producers of Certified Sustainable Palm Oil (CSPO), Guthrie's intensity target also enables increased CSPO output, contributing positively to the sustainability of the commodity market.

Information on the definition, applicable scope and calculation methodologies for Guthrie's GHG emissions can be found on Guthrie's website: <https://www.sdguthrie.com/beyond-zero/resource-centre>

KPI 3: RSPO Certification



The Roundtable on Sustainable Palm Oil (RSPO) is a voluntary certification system that promotes the production and use of sustainable palm oil through the development and implementation of environmental and social standards. Guthrie is one of the world's largest producers of CSPO and a founding member of the RSPO. RSPO's 7 Principles and Criteria (P&C) outline the core sustainability requirements to produce certified sustainable palm oil and support several UNSDG targets, specifically 2.4, 8.8, 12.2, 15.2, and 17.16, by

1. Ensuring sustainable food production systems and implementing resilient agricultural practices.
2. Protecting labor rights and promoting safe and secure working environments
3. Achieving sustainable management and efficient use of natural resources.
4. Promoting sustainable management of forests and halt deforestation.
5. Enhancing global partnerships for sustainable development.

Information on the RSPO can be found on RSPO's website: <https://rspo.org/>

KPI 4: Traceability to Mill and Plantation



Guthrie's No Deforestation, No Peat and No Exploitation (NDPE) commitment is integral to achieving net-zero emissions and ensuring sustainable palm oil production. By upholding stringent NDPE standards, the company protects forests, conserves peatlands, and promotes ethical practices across its supply chain. Guthrie's supply chain traceability target contributes towards UNSDG targets 8.7, 9.3, 12.2, and 17.16, by:

1. Preventing forced labour, ending modern slavery, and prohibiting child labour
2. Increasing integration of small-scale industrial and other enterprises into value chains and markets
3. Halting deforestation in our supply chain
4. Participating in partnerships to support achievement of national sustainable development goal

Information pertaining to the KPI such as definition, applicable scope and external verification can be found on SD Guthrie International's website:

<https://www.sdguthrie-international.com/sustainability/supply-chain-management>

4.2 Calibration of Sustainability Performance Targets (SPTs)

SPT for KPI 1: Achieving net zero emissions by 2050

Target

- SPT 1a: Reduce absolute Scope 1 and Scope 2 Energy and Industrial Processes GHG emissions 42% by 2030 from the 2020 base year.
- SPT 1b: Reduce absolute Scope 1, 2 and 3 Energy and Industrial Processes GHG emissions 90% by 2050 from the 2020 base year.
- SPT 1c: Reduce absolute Scope 1 Forest, Land and Agriculture (FLAG) GHG emissions 30.3% by 2030 from the 2020 base year. The target boundary includes removals.
- SPT 1d: Reduce absolute Scope 1 and 3 Forest, Land and Agriculture (FLAG) GHG emissions 72% by 2050 from the 2020 base year. The target boundary includes removals.

GHG Emissions Reduction by 2030		
Metrics/ Observation Date	2020 (Baseline)	2030
SPT 1a	1,969,830	1,142,502
% Reduction from 2020	0%	42%
SPT 1c	2,979,290	2,076,565
% Reduction from 2020	0%	30.3%

GHG Emissions Reduction by 2050		
Metrics/ Observation Date	2020 (Baseline)	2050
SPT 1b	4,631,575	463,158
% Reduction from 2020	0%	90%

SPT 1d	7,568,222	2,119,102
% Reduction from 2020	0%	72%

Baseline

FY2020 GHG Emissions in mt CO₂e

Guthrie's sustainability strategies

Guthrie is undertaking a series of proactive initiatives and developed plans for the achievement of this SPT. Ongoing initiatives include:

- Expanding renewable energy adoption and energy efficiency across Guthrie's estates, mills, refineries, and production sites to further reduce Scope 1 and 2 emissions.
- Capturing methane gases from our effluent treatment processes through biogas plant to reduce Energy and Industrial Processes emissions.
- Rehabilitation of existing peatland and ensuring best practices in water management on planted peat to manage its contribution to our FLAG emissions.
- Engaging with suppliers to enhance the accuracy of Guthrie's Scope 3 emissions data and achieve supply chain decarbonisation.

SPT for KPI 2: Reduction of Upstream GHG Emissions Intensity

Target

SPT 2: Reduction of upstream (estates and mills) Scope 1 and 2 GHG emissions by 30% per tonne of CPO produced by 2030 from 2020

Upstream GHG Emissions Intensity Reduction		
Metrics/ Observation Date	2020 (Baseline)	2030
SPT 2	1.96	1.37
% Reduction from 2020	0%	30%

Baseline

FY2020 Upstream GHG Emissions Intensity in mt CO₂e/ mt CPO

Guthrie's sustainability strategies

Guthrie is undertaking a series of proactive initiatives and developed plans for the achievement of this SPT. Ongoing initiatives include:

- Expanding renewable energy adoption and energy efficiency across Guthrie's estates, mills, refineries, and production sites to further reduce Scope 1 and 2 emissions.
- Capturing methane gases from our effluent treatment processes through biogas plant to reduce Energy and Industrial Processes emissions.
- Rehabilitation of existing peatland and ensuring best practices in water management on planted peat to manage its contribution to our FLAG emissions.

SPT for KPI 3: Maintain 100% RSPO certification for palm oil mills

Target

SPT 3: Maintain 100% of palm oil mills operated under RSPO Principles and Criteria (P&C) certification

RSPO Certification		
Metrics/ Observation Date	2020 (Baseline)	2030
SPT 3	100%	100%

Baseline

100% of palm oil mills operated under RSPO Principles and Criteria (P&C) certification

Guthrie's sustainability strategies

Compliance with RSPO standards is anchored in a structured approach that includes continuous gap analysis, identification and updating of policies and procedures, and rigorous internal audits. This is complemented by the development and implementation of awareness programs across Guthrie's operations, ensuring operational teams are aligned with new requirements. Active participation in RSPO standard development working group and taskforce reinforces leadership in industry governance.

SPT for KPI 4: Maintain 100% traceability to mill and plantation

Target

- SPT 4a: Maintain 100% Traceability to Mill for third-party direct suppliers
- SPT 4b: Achieve 100% Traceability to Plantation for third-party direct suppliers by 2030

Traceability to Plantation			
Metrics/ Observation Date	2024 (Baseline)	2028	2030
SPT 4a	100%	100%	100%
SPT 4b	83.3%	90%	100%

Note: Traceability to Plantation percentage for FY2024 has been revised following verification by Control Union that was completed in June 2025.

Baseline

Traceability to mill (100%) and traceability to plantation (83.1%) for third-party direct suppliers in 2024

Guthrie's sustainability strategies

Guthrie is dedicated to enhancing supply chain transparency and fostering stakeholder collaboration. Guthrie's pledge to deforestation-free sourcing is driven by advanced traceability tools and ongoing supplier engagement. Guthrie leverages technology, data-driven monitoring, and risk assessments to ensure responsible sourcing, and strengthen the long-term resilience of its supply chain.

4.3 Characteristics of Sustainability-Linked Financial Instruments

In respect of each Sustainability-Linked Financial Instrument issuance, Guthrie will look to satisfy SPTs outlined in the relevant transaction documents of the Sustainability-Linked Financial Instrument.

The achievement or non-achievement of the SPT will result in a change to the Sustainability-Linked Financial Instrument characteristics and the same will be specified in the relevant transaction documentation.

Adjustments to the Sustainability-Linked Financial Instruments issued under this Framework will consist of a one-way or two-way adjustment, and will take the form of either the following:

- Step-up and/or Step-down coupon/interest;
- A premium payable on the redemption price;
- Margin adjustments; or

such other arrangement as agreed between the Issuer and the respective subscriber(s) of the Sustainability-Linked Financial Instruments that may include, but not limited to the following:

- Dedicated fund which will be used for Guthrie's sustainability initiatives linked to Guthrie's overall sustainability ambitions such as decarbonisation and sustainable supply chain management, which will be set out in the issuance documents,
- Donation towards environmental and/or social projects,
- Purchase of carbon credits; or

a combination of the aforementioned adjustments/arrangements.

4.4 Fallback Mechanism and Recalculation Policy

Guthrie may revise the KPI(s), relevant baselines and/or SPTs, if there is a modification to the KPI definition and scope, how the SPTs are calculated, and/or significant changes in data as a result of improved data availability, improved data accuracy, or major organisational changes such as but not limited to mergers, acquisitions or divestitures.

For the avoidance of doubt, a change in data is considered significant if it causes the KPI values to deviate by more than 5%. Nevertheless, Guthrie may also revise the SPTs, baselines, or intermediate targets in cases of non-significant changes (less than 5%), particularly if they are associated with structural transformations.

Before any revision is to be implemented, Guthrie must receive independent confirmation from its SPO provider that the changes:

- align with Guthrie's overall sustainability strategy; and
- maintain or exceed the original ambition level of the SPT(s); and
- overall Framework remains aligned to relevant market guidelines.

Guthrie will disclose any changes to financial instrument holders and relevant parties via a progress report, related transaction documents, or any other publicly available channel deemed appropriate.

4.5 Reporting

To ensure that investors, lenders, and other stakeholders remain well-informed about Guthrie's execution of its sustainability commitments, Guthrie will deliver comprehensive reporting on its progress toward achieving the KPIs and the corresponding SPTs set forth in the relevant Sustainability-Linked Financial Instrument documentation.

This reporting will be made publicly available on an annual basis, where applicable, through a dedicated Progress Report (Progress Report"). Depending on context, this report may be embedded within Guthrie's Annual or Sustainability Report, or issued as a standalone publication reflecting the previous calendar year. In either case, it will be published on Guthrie's website no later than the Reporting End Date specified in the transaction documentation.

Serving as a cornerstone for evaluating any changes to the characteristics of the issued Sustainability-Linked Financial Instruments, the Progress Report will include all critical data and disclosures necessary to assess Guthrie's advancement toward its SPTs. This includes, but is not limited to:

- The latest KPI performance data, including relevant baselines;
- A detailed comparison of actual performance against the SPTs, along with the implications and timing of any resulting impact on financial instrument performance;
- Key metrics and insights that allow stakeholders to track progress over time; and
- An independent assurance report verifying the accuracy and reliability of the reported information.

Where feasible and relevant, Guthrie may further enrich the report with:

- Qualitative and/or quantitative explanations of the primary drivers—such as mergers and acquisitions—that influenced annual KPI performance;
- Illustrations of the positive environmental or social impacts resulting from improved performance; and/or
- Reassessments or restatements of KPIs and SPTs, along with any pro forma adjustments to baselines or KPI scopes.

Through this transparent and thorough reporting process, Guthrie reaffirms its commitment to accountability, credibility, and sustainable value creation.

4.6 Verification

4.6.1 Pre-Issuance

Guthrie will obtain an SPO from MARC Solutions to ensure that this Framework is in alignment with the SLBP 2024, SLBS 2022, SRI-linked Sukuk Framework 2022, and SLLP 2023. The SPO report will be made publicly available on the Group's website: <https://www.sdguthrie.com/>

4.6.2 Post-Issuance

To ensure transparency for investors, lenders, and other stakeholders, Guthrie will arrange for independent, external verification of its KPI performance against the applicable SPTs. This commitment aligns with the SLBP, SLBS, SRI-Linked Sukuk Framework, and SLLP.

The KPI performance will be verified annually, with results presented in the Sustainability Report based on "Limited Assurance".

In the case of issuing Sustainability-Linked Bonds or Sukuk, Guthrie will publish the verification results on its website, along with its annual report on Sustainability-Linked Financial Instruments. This disclosure will take place no later than the Reporting End Date.

5 UPDATE AND AMENDMENT OF THE FRAMEWORK

Guthrie may review this Framework from time to time, including its alignment to updated versions of the relevant Principles as and when available in the market. Any major update will be subject to the prior approval of MARC Solutions or any such other qualified provider of an SPO.