

EVOLVING
CAPABILITIES
TOWARDS
GREATER
OPPORTUNITIES





01 ABOUT THIS REPORT

- 2 ABOUT THIS REPORT
- 2 Report Scope And Boundary
- 2 Reporting Framework And Guidelines
- 2 Data And Assurance
- 2 Feedback
- 2 Forward-Looking Statements



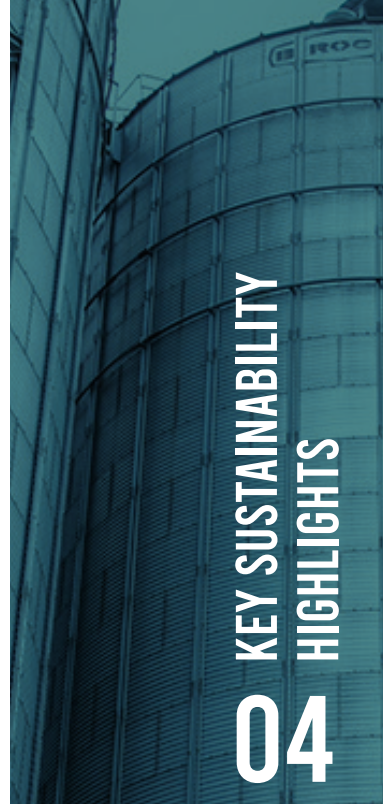
02 MESSAGE FROM THE CHAIRMAN OF THE SUSTAINABILITY OF THE SUSTAINABILITY STEERING COMMITTEE

- 3 MESSAGE FROM THE CHAIRMAN OF THE SUSTAINABILITY STEERING COMMITTEE



03 PPB AT A GLANCE

- 4 PPB AT A GLANCE



04 KEY SUSTAINABILITY HIGHLIGHTS

- 5 KEY SUSTAINABILITY HIGHLIGHTS



05 SUSTAINABILITY AT PPB

- 6 SUSTAINABILITY AT PPB
- 6 Sustainability Governance Structure
- 7 Key Developments In Our Sustainability Journey
- 8 Progress On Targets



06 MATERIALITY

- 10 MATERIALITY
- 11 Materiality Matrix



07 STAKEHOLDER ENGAGEMENT

- 12 STAKEHOLDER ENGAGEMENT



08 ENVIRONMENT

- 14 ENVIRONMENT
- 14 Response To The TCFD
- 18 Our Carbon Footprint
- 21 Energy Consumption
- 24 Minimising Waste
- 24 Sustainable Packaging
- 25 Water Management And Effluents
- 26 Land Use And Biodiversity



COVER RATIONALE

This year's cover design depicts PPB Group's continuing journey on sustainable progress with the steadfast performance of the various business segments, represented by the icons in complementary colours and tones. Moving in synergy, the curved lines also reflect each segment's ability to adapt and innovate smoothly, and be focused on maintaining alignment and a common direction to reach greater heights.



Scan this QR code for a direct link to our Sustainability Report online.

Or log on to: <https://www.ppbgroup.com/images/pages/sustainability/sustainability-report/2023/ppb-sustainability-report-2023.pdf>



09 SOCIAL

- 27 SOCIAL
- 27 Customer Satisfaction
- 27 Industry Recognition And Awards
- 29 Supply Chain
- 30 Community
- 36 Workplace



10 GOVERNANCE

- 43 GOVERNANCE
- 43 Corporate Governance And Ethical Business Practices
- 44 Risk Management And Business Continuity
- 45 Enhancing Data Privacy And Cyber Security



11 PERFORMANCE DATA

- 46 PERFORMANCE DATA



12 LIST OF ABBREVIATIONS

- 50 LIST OF ABBREVIATIONS



13 GRI CONTENT INDEX

- 51 GRI CONTENT INDEX

ABOUT THIS REPORT

PPB Group Berhad (“PPB” or “the Company”) and its subsidiaries (“the Group”) are committed to ensuring transparency in our reporting and communications. The Report is published on an annual basis and keeps our stakeholders informed of PPB’s approach to sustainability and performance throughout the reporting year.

REPORT SCOPE AND BOUNDARY

This Report covers the four main business segments in Malaysia: Grains & Agribusiness, Consumer Products, Film Exhibition & Distribution, and Property, and includes PPB’s Head Office in Kuala Lumpur, unless stated otherwise. The data in this Report is for the reporting period of 1 January 2023 to 31 December 2023. This Report should be read together with PPB Group Berhad Annual Report 2023 that contains a comprehensive account of the Company’s business and operations.

REPORTING FRAMEWORK AND GUIDELINES

Following the updated regulatory reporting requirements, this Report is guided by the Bursa Malaysia Main Market Listing Requirements, Sustainability Reporting Guide (3rd Edition) and Illustrative Sustainability Reporting Guide. PPB has referenced the Global Reporting Initiative (“GRI”) Standards since financial year 2016 and has transitioned to reporting against the new GRI Standards 2021. We continue to support the United Nations Sustainable Development Goals (“SDGs”), and align our sustainability priorities with the relevant SDGs. The Company has also included climate change-related disclosures aligned with the Task Force on Climate-related Financial Disclosures (“TCFD”) recommendations.

DATA AND ASSURANCE

We recognise the importance of Environmental, Social and Governance (“ESG”) disclosures and the quality of data underpinning it. Our data collection and external assurance processes are being developed and we currently rely on manual sourcing and categorisation of data. We continue to work towards improving the processes of standardising data collected across our operations to ensure the accuracy, objectivity and transparency of the information detailed in this Report. To enhance the reliability and transparency of the 2023 Sustainability Statement, the Company’s Internal Audit Department conducted a review of the data collection process for energy consumption and Scope 1 & Scope 2 greenhouse gas (“GHG”) emissions within the key business segments operating in Malaysia, including verifying the data using a sampling approach.

FEEDBACK

We welcome feedback from our stakeholders to improve our sustainability reporting. All comments and enquiries on this Report can be directed to:

Email: corporateaffairs@ppb.com.my

Telephone no.: 603-2726 0088

Office address: PPB Group Berhad
(Sustainability Department),
Letter Box No.115, 12th Floor UBN Tower,
No. 10 Jalan P. Ramlee,
50250 Kuala Lumpur, Malaysia.

Website: www.ppbgroup.com

FORWARD-LOOKING STATEMENTS

This Report contains forward-looking statements, which may be identified by words or phrases such as ‘target’ and ‘will’. Such statements should not be interpreted as a guarantee of future operational practices or initiatives, as actual results may differ significantly from these forward-looking statements due to challenges that may arise in a dynamic business and operating environment.

MESSAGE FROM THE CHAIRMAN OF THE SUSTAINABILITY STEERING COMMITTEE

Dear valued stakeholders,

As we reflect on 2023, PPB Group has remained steadfast in our commitment to strengthening operational stability for sustainable business growth amidst the challenges posed by the uncertain macro environment. We are dedicated to enhancing our ESG efforts, strengthening our workforce capabilities, and refining our operational practices to future-proof our business. Moving forward, we will continue to adapt to meet the rising expectations of stakeholders, prioritising business conduct that is socially responsible, environmentally sustainable, and ethically sound. Notably, stakeholders such as investors, regulators, and customers are increasingly advocating for greater transparency, aiming to foster collaborative efforts across all sectors towards achieving global sustainability goals.

The Group is committed to reaching long-term Net Zero emissions, in line with the nation’s goal of achieving carbon neutrality by 2050. Our efforts focus on improving GHG emissions reporting, aligning to the TCFD framework, and expanding the utilisation of renewable energy and technology that can minimise our internal footprint.

The 2023 Sustainability Report of PPB Group Berhad also sets out our approach in forging partnerships with the external communities and our dedicated workforce. In 2023, our community investment amounted to RM2.4 million on Corporate Social Responsibility (“CSR”) initiatives, benefitting more than 16,000 people. PPB’s foundation is backed by a diverse team of 6,258 employees. By prioritising employees’ well-being, fostering diversity and inclusion, and investing in their development, we ensure that we have the talent and resilience necessary to navigate any challenge.

Additional highlights of our Group’s sustainability efforts in FY2023 include:

- ▶ Improved scoring in the FTSE4Good, an index assessing companies’ ESG performance.
- ▶ Collaborated with more than 80 reputable organisations and social enterprises on food aid; educational support; job upskilling; environmental protection; and art, culture, and heritage initiatives.
- ▶ Completed three additional solar energy systems with 3.7 MWp capacity.
- ▶ Maintained zero work fatalities across the Group.



As we chart our course for the future, the Group will harness the strength of our human capital, embrace technology disruption through innovative approaches, and cultivate a culture of sustainability across our organisation. These fundamentals will serve as the cornerstone for generating sustained value for all stakeholders in the long term.

Lim Soon Huat
Managing Director
Chairman of the Sustainability Steering Committee





21 March 2024

PPB AT A GLANCE


PPB Group Berhad, headquartered in Kuala Lumpur, is an investment holding and property investment company listed on the Main Market of Bursa Malaysia Securities Berhad, the Malaysian stock exchange. Incorporated in Malaysia in 1968,

PPB Group today is a conglomerate with total assets and market capitalisation of RM29.41 billion and RM20.60 billion respectively as at 31 December 2023.

Business segments covered under the scope of this Report are:

Business segment	Business division	Location
 Grains & Agribusiness	FFM Berhad (HQ)	Sungai Buloh, Selangor
	Flour Milling And Animal Feed Manufacturing FFM Berhad (Pulau Indah) Johor Bahru Flour Mill Sdn Bhd FFM Grains & Mills Sdn Bhd	Pulau Indah, Selangor Prai, Penang Pasir Gudang, Johor
	Flour Milling Johor Bahru Flour Mill Sdn Bhd FFM Grains & Mills Sdn Bhd	Kota Kinabalu, Sabah Kuching, Sarawak
	Animal Feed Manufacturing FFM (Sabah) Sdn Bhd FFM Feedmills (Sarawak) Sdn Bhd	Kota Kinabalu, Sabah Kuching, Sarawak
	Livestock Farming FFM Farms Sdn Bhd	Gurun, Kedah Trong, Perak Sua Betong, Negeri Sembilan
 Consumer Products	Consumer Products Distribution FFM Marketing Sdn Bhd <i>Note: 12 branches across Malaysia</i>	Sungai Buloh, Selangor
	Bakery The Italian Baker Sdn Bhd <i>Note: 9 branches across Malaysia</i>	Pulau Indah, Selangor
	Food Processing FFM Further Processing Sdn Bhd	Pulau Indah, Selangor
 Film Exhibition & Distribution	Cinema Operations Golden Screen Cinemas Sdn Bhd (HQ) GSC Movies Sdn Bhd Cinead Sdn Bhd	Petaling Jaya, Selangor
 Property	Property PPB Hartabina Sdn Bhd PPB Property Development Sdn Bhd South Island Mining Company Sdn Bhd (Plantation) Seletar Sdn Bhd (Plantation)	Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Wilayah Persekutuan Bedong, Kedah Bedong, Kedah


KEY SUSTAINABILITY HIGHLIGHTS



PROTECTING THE ENVIRONMENT

Environment


- ▶ New investment of **RM9.2 million in renewable energy**
- ▶ Completion of **three PV solar energy systems** with **3.7MWp capacity**
- ▶ **Energy efficiency**
 - **Performed steam energy audit** at two sites to increase energy efficiency
 - Installed **new laser projectors** in selected cinema halls, expected to **reduce energy consumption by 70%**
 - Performed **energy audit** at Cheras LeisureMall to **optimise Air Handling Unit ("AHU")**
- ▶ **88%** of non-hazardous **waste diverted from landfill**



TAKING CARE OF PEOPLE

Workplace


- ▶ Out of over **6,000 employees**, Female representation
 - **29%** of total workforce
 - **41%** of management positions
- ▶ **100%** of employees returned to work after completion of parental leave
- ▶ **453 employees** received long service awards (more than 20 years)
- ▶ GSC recognised at the **Graduates' Choice Award 2023** (Entertainment and Leisure)
- ▶ Maintained **zero work-related fatalities** across the Group
- ▶ FFM Sabah awarded the **Best SOHELP-DIY Workplace award** for employee health and safety



TAKING CARE OF PEOPLE

Community

- ▶ **Invested RM2.4 million** in the community impacting over **16,000 beneficiaries**
- ▶ **Collaborated** with over **80 reputable organisations**
- ▶ **500 CSR hours** contributed for Cooking for A Cause, project management on restoration of a school in Penang, and Stream Restoration initiatives



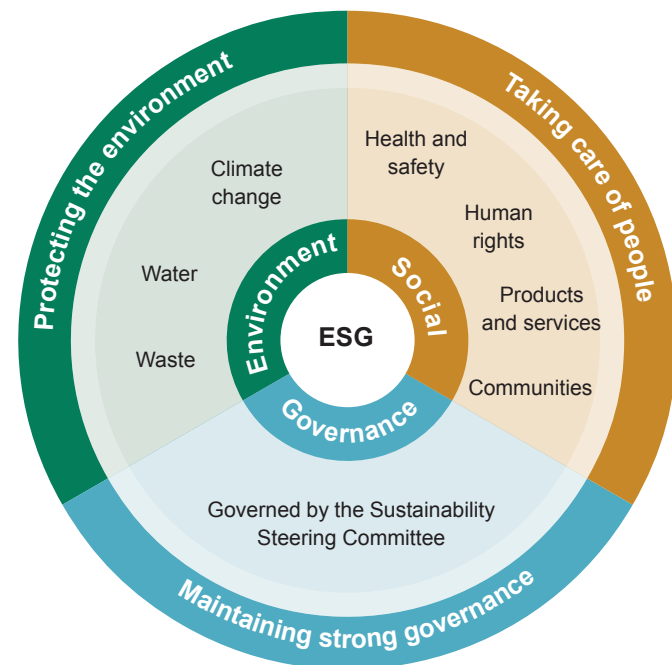
MAINTAINING STRONG GOVERNANCE

Governance

- ▶ **100%** of PPB Group Berhad and subsidiary companies assessed for **Anti-Bribery and Corruption risks**
- ▶ **100% completion** of Anti-Bribery and Corruption training for all directors and employees across the Group
- ▶ Listed on the **FTSE4Good Index Series since 2018**

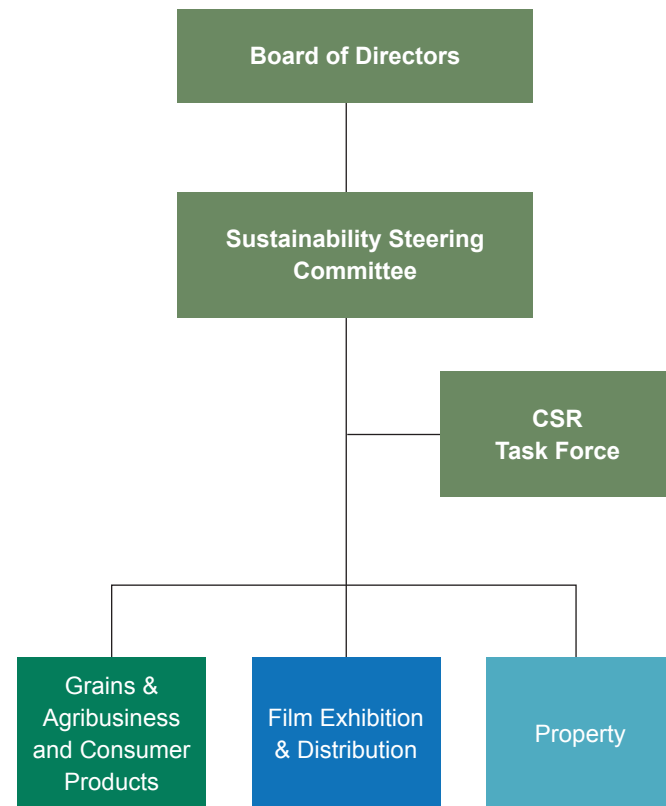
SUSTAINABILITY AT PPB

PPB adopted its Group Sustainability Policy in 2018, alongside the implementation of a 5-year Sustainability Roadmap (2022 to 2026). Our sustainability approach encompasses three goals on maintaining strong governance, taking care of people, and protecting the environment. These goals address eight priority issues that will continue to drive PPB's sustainability performance throughout our business.



SUSTAINABILITY GOVERNANCE STRUCTURE

Since 2017, we have put in place a sustainability governance structure to ensure cohesive implementation of our sustainability strategies and initiatives across the Group. The Sustainability Steering Committee ("SSC") was formed to assist the Board in fulfilling its responsibilities outlined in the charter pertaining to sustainability considerations and related matters. The Board's responsibilities are described in the Board Charter (available on the corporate website).



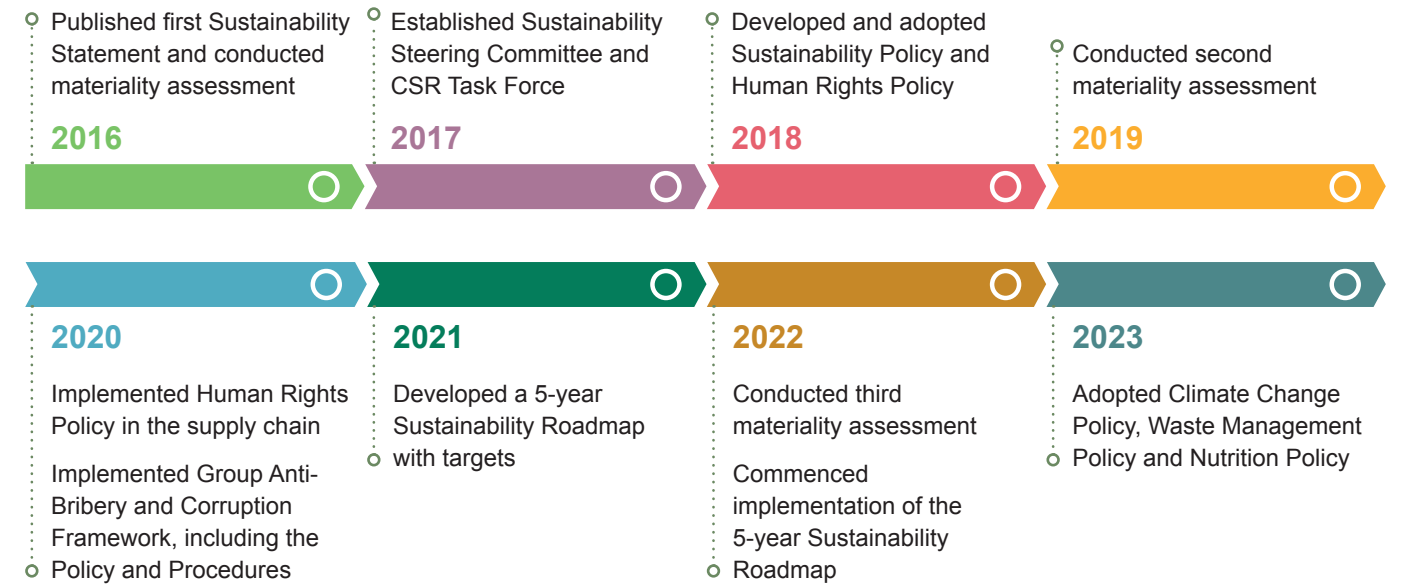
The SSC is led by the Managing Director of PPB and its members comprise PPB's Heads of Department, Chief Executive Officers of the business segments and their sustainability representatives. The SSC is responsible for supporting the management of sustainability matters and ensures collaboration to streamline the Group's sustainability approach. The SSC meets and reports their progress to the Board bi-annually.

The CSR Task Force reports to the SSC and is responsible for establishing a common and coherent Group-wide approach on strategic community investment.

SUSTAINABILITY AT PPB

KEY DEVELOPMENTS IN OUR SUSTAINABILITY JOURNEY

As part of our efforts to support transparency and good governance, several policies are available on PPB's corporate website. The policies guide the integration of sustainability practices into our daily operations and align them with our vision and core values.







SUSTAINABILITY AT PPB

PROGRESS ON TARGETS

PPB is committed to reporting progress against identified sustainability targets. We work to expand transparency on the impacts of our operations, product and services, and supply chain. Additional details on progress made against these targets are in the following sections within this Report.








We believe business participation is critical in achieving the 17 SDGs set by the United Nations in 2015 and align our actions towards strategically relevant SDGs. These SDGs cover areas with the greatest impact on our business and where we can contribute to positive change.

Business segment	Business division	Indicator	2023 target	2023 performance	2024 target
ENVIRONMENT					
Emission Our targets contribute to the following SDGs: 					
Grains & Agribusiness	Flour milling and animal feed manufacturing	In 2021, the Enablon platform was launched to collect, analyse and manage environmental data. Emission reduction and intensity targets will be established to align with the Group's long-term Net Zero aspiration.			
Energy use Our targets contribute to the following SDGs:   					
All	All	The Group has adopted four solar energy systems with a capacity of 4.4 MWp. We are looking to install seven additional solar photovoltaic ("PV") systems in Grains & Agribusiness, Consumer Products and Property segments in 2024.			
Grains & Agribusiness	Flour milling and animal feed manufacturing	In 2021, the Enablon platform was launched to collect, analyse and manage environmental data. Please refer to pages 19 to 23 for more information. Emission reduction and intensity targets will be established to align with the Group's long-term Net Zero aspiration.			
	Livestock farming	Breeder farms Energy use intensity to achieve equal or less than 5.90 kWh/ 100 parent stock	≤ 5.90 kWh/ 100 parent stock	● 5.94 kWh/ 100 parent stock	≤ 5.74 kWh/ 100 parent stock
		Layer farm Energy use intensity to achieve equal or less than 0.97 kWh/ 100 commercial layers	≤ 0.97 kWh/ 100 commercial layers	● 0.92 kWh/ 100 commercial layers	≤ 0.96 kWh/ 100 commercial layers
Film Exhibition & Distribution	Cinema	Energy use intensity to not exceed 52 kWh/ show	< 52 kWh/ show	● 52 kWh/ show	< 52 kWh/ show
Property	Property	Achieve Building Energy Index ("BEI") ¹ of 273 kWh/ m ² / year	< 273 kWh/ m ² / year	● 250 kWh/ m ² / year	< 250 kWh/ m ² / year

Legend: ● Target met ● In progress ● Target not met

¹ BEI = Building energy consumption (kWh/ year) / gross floor area (excluding car park) (m²). Building energy consumption is made up of PPB's own energy use (56%) and tenants' energy consumption (44%).

SUSTAINABILITY AT PPB

Business segment	Business division	Indicator	2023 target	2023 performance	2024 target
Water use intensity Our targets contribute to the following SDGs:   					
Grains & Agribusiness	Livestock farming	Breeder farms Water use intensity to achieve equal or less than 0.15 m ³ / 100 parent stock	≤ 0.15 m ³ / 100 parent stock	● 0.12 m ³ / 100 parent stock	≤ 0.11 m ³ / 100 parent stock
		Layer farm Water use intensity to achieve equal or less than 0.02 m ³ / 100 commercial layers	≤ 0.02 m ³ / 100 commercial layers	● 0.03 m ³ / 100 commercial layers	≤ 0.04 m ³ / 100 commercial layers ²
Property	Property	Water use intensity ("WUI") ³ to achieve less than 3.26 m ³ / m ² / year for all buildings under management and office spaces	< 3.26 m ³ / m ² / year	● 3.31 m ³ / m ² / year	< 3.26 m ³ / m ² / year
SOCIAL					
Food safety and certification					
Grains & Agribusiness	Flour milling	Percentage of sites to obtain FSSC 22000 certification for flour mills	100%	● 80% ⁴	100%
Film Exhibition & Distribution	Cinema	Introduction of healthy snacks		● New products introduced	-
Health & safety Our targets contribute to the following SDGs:   					
All	All	Zero work-related fatalities	0	● 0	0
Grains & Agribusiness and Consumer Products	All	Reduce Lost Time Accident Rate ("LTAR") from 0.44 (2022) to 0.26 (2025)	-	● 0.54 ⁵	See note ⁶
		Reduce Lost Time Injury Rate ("LTIR") by 40% by 2025	-	● 0.68	0.35
Labour Our targets contribute to the following SDGs: 					
All	All	Performance review for all employees ⁷	100%	● 100%	100%
GOVERNANCE					
Anti-Bribery and Corruption ("ABAC")					
All	All	Training for all employee categories	100%	● 100%	100%

Legend: ● Target met ● In progress ● Target not met

² Water use intensity targets for the layer farms has been increased from 0.02m³/ 100 commercial layers to 0.04m³/ 100 commercial layers to reflect an update in the reporting scope, which now accounts for the water usage from the pond.

³ WUI = Total water consumption per year (m³/ year)/ gross floor area (excluding car park) (m²). Total water consumption is made up of PPB's own water use (64%) and tenants' water use (36%).

⁴ Pending one flour mill i.e. JBFM KK.

⁵ LTAR = (Number of recordable accidents x 200,000)/ (total employees x 48 working weeks x 44 working hours per week). Recordable accidents are those with ≥ 4 lost work days.

⁶ Starting from 2024, the target metric transitions from LTAR to LTIR. LTIR = (Number of lost time injuries x 200,000)/ (total man hours worked). Lost time injuries reflect those with ≥ 1 lost work day.

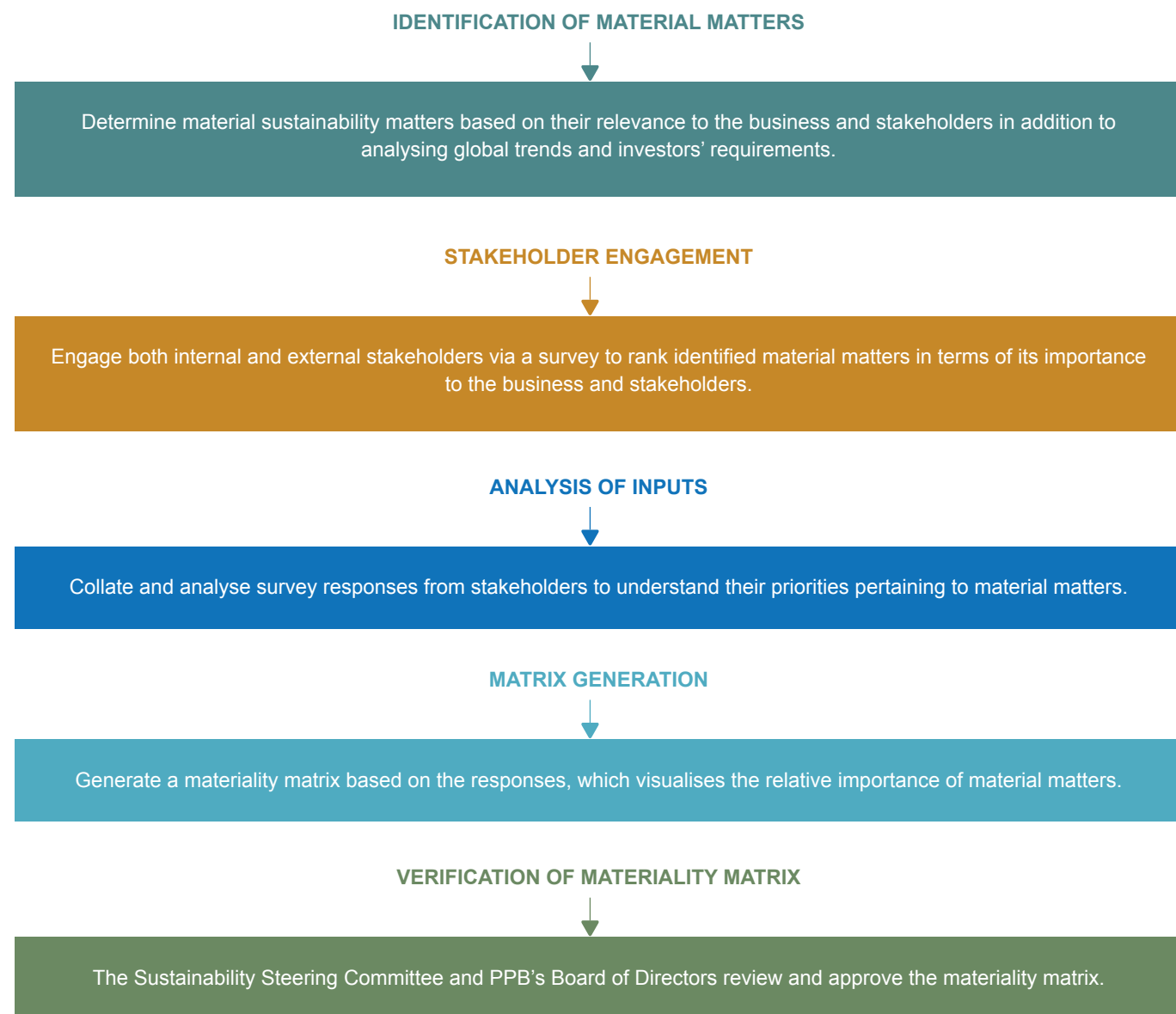
⁷ Permanent and contract employees (excluding interns and part-time contract employees).

MATERIALITY

PPB's success relies on its capability to understand and respond to the dynamic sustainability landscape and related issues that may influence future strategic decisions. The Group continually assesses its material matters to reflect the priorities of the Group and its stakeholders. There were no significant changes to the identified material matters in the matrix from the previous year. In 2022, PPB worked with an external organisation to refresh and reevaluate our ESG issues and material matters.

The Group reviews its material matters in line with the current sustainability regulatory requirements, reporting expectations and industry developments. PPB is committed to providing accurate and objective information, as well as timely disclosure of material information pertaining to our sustainability performance to all stakeholders.

The materiality assessment process overview:



MATERIALITY

MATERIALITY MATRIX



Legend: ● Environment ● Social ● Governance ● Others

The following sections provide more details on how we address each material topic:

- Response To The TCFD Our Carbon Footprint Energy Consumption (12, 16)
- Minimising Waste (17)
- Water Management And Effluents (18)
- Sustainable Packaging (19)
- Customer Satisfaction Through Quality Industry Recognition And Awards (1, 4, 5, 14)
- Supply Chain (6, 11)
- Community (20)
- Workplace (2, 8, 10, 13, 15)
- Corporate Governance And Ethical Business Practices (3)
- Risk Management And Business Continuity (9)
- Enhancing Data Privacy And Cyber Security (7)

STAKEHOLDER ENGAGEMENT

As a company with diverse business segments, PPB considers the interests of its stakeholders based on the actual or potential impact of the business on their interests. The following table provides a summary of the key methods of engagement

with each stakeholder group, including the frequency of engagements, valued areas of interest and the Company's response.

Stakeholder group	Frequency and engagement methods	Main topics of engagement	PPB's responses (see sections within this Report)
Certification bodies	<ul style="list-style-type: none"> An Compliance audits Ar Physical and virtual meetings and calls 	<ul style="list-style-type: none"> Accreditation status Ethics and integrity 	<ul style="list-style-type: none"> Progress on targets Customer satisfaction through quality Industry recognition and awards Supply chain Workplace Corporate governance and ethical business practices
Customers	<ul style="list-style-type: none"> Og Advertisements and promotions Og Corporate and brand websites Og Corporate and brand campaigns Og Customer relationship marketing Ar Customer satisfaction survey Og Product packaging Og Social media channels Og Tenant engagement and agreement 	<ul style="list-style-type: none"> Company's reputation and brand image Customer relationship management Halal-certification Nutrition, health and wellness Product offerings and affordability Product safety and quality Responsible labelling and marketing 	<ul style="list-style-type: none"> Progress on targets Sustainable packaging Customer satisfaction through quality Industry recognition and awards Supply chain Risk management and business continuity
Employees	<ul style="list-style-type: none"> Bi Employee engagement survey Og Employee events e.g. festive celebrations, company dinner Ar Intranet and internal e-announcements An Performance review Og Training 	<ul style="list-style-type: none"> Career development Diversity and inclusivity Employee recognition Occupational safety and health Remuneration and fair compensation Training and development Work-life balance and employee wellbeing 	<ul style="list-style-type: none"> Progress on targets Our carbon footprint Land use and biodiversity Supply chain Workplace Corporate governance and ethical business practices
Financial institutions	<ul style="list-style-type: none"> Ar Physical and virtual meetings and calls An Annual reports and sustainability reports Ar ESG questionnaires Qu Investor e-updates 	<ul style="list-style-type: none"> Business strategy Compliance ESG commitment Financial performance and reputation Prompt loan repayment Risk management 	<ul style="list-style-type: none"> Progress on targets Response to the TCFD Water management and effluents Customer satisfaction through quality Workplace Risk management and business continuity 2023 Annual Report

STAKEHOLDER ENGAGEMENT

Stakeholder group	Frequency and engagement methods	Main topics of engagement	PPB's responses (see sections within this Report)
Government and regulatory bodies	<ul style="list-style-type: none"> Ar Industry and regulatory working groups Ar Ministerial visits and dialogues Ar Regulatory filings and reporting 	<ul style="list-style-type: none"> Business ethics and integrity Corporate governance Food safety and quality Legal and regulatory compliance and disclosures (national and local) 	<ul style="list-style-type: none"> Progress on targets Water management and effluents Customer satisfaction through quality Supply chain Workplace Corporate governance and ethical business practices
Local communities	<ul style="list-style-type: none"> Og Community events and site visits Og Corporate social responsibility initiatives Og Corporate and brand website 	<ul style="list-style-type: none"> Clean water supply Community engagements and support Community health, safety and wellness Employee volunteerism Environmental protection Local talent development 	<ul style="list-style-type: none"> Water management and effluents Land use and biodiversity Supply chain Community
Media	<ul style="list-style-type: none"> Ba Corporate and brand websites Og Media engagement day Ar Physical and virtual meetings and calls Ba Press and analyst briefings 	<ul style="list-style-type: none"> Company's performance and business strategy Corporate brand events Corporate social responsibility Environmental impact Human rights New and upcoming projects/ launches Nutrition, health and wellness Product safety and quality 	<ul style="list-style-type: none"> Progress on targets Environment Customer satisfaction through quality Industry recognition and awards Community Workplace Corporate governance and ethical business practices
Shareholders	<ul style="list-style-type: none"> Ba Annual General Meetings An Annual reports and sustainability reports An Corporate and brand websites Og Investor e-updates Ba Press and analyst briefings Qu Quarterly reports 	<ul style="list-style-type: none"> Business strategy ESG matters Group financial results Policies i.e. Anti-Bribery and Corruption Policy, Whistleblowing Policy Risk management Statutory and regulatory compliance 	<ul style="list-style-type: none"> Our carbon footprint Materiality Response to the TCFD Water management and effluents Customer satisfaction through quality Corporate governance and ethical business practices Risk management and business continuity 2023 Annual Report
Vendors/suppliers	<ul style="list-style-type: none"> Ar Due diligence An Performance review Ar Physical and virtual meetings and calls 	<ul style="list-style-type: none"> Company's reputation and financial standing Company's governance guidelines i.e. Code of Conduct and Ethics, Human Rights Policy, Integrity Pact ESG initiatives Sales opportunities Timely payment 	<ul style="list-style-type: none"> Sustainability at PPB Our carbon footprint Response to the TCFD Customer satisfaction through quality Supply chain Workplace Corporate governance and ethical business practices 2023 Annual Report

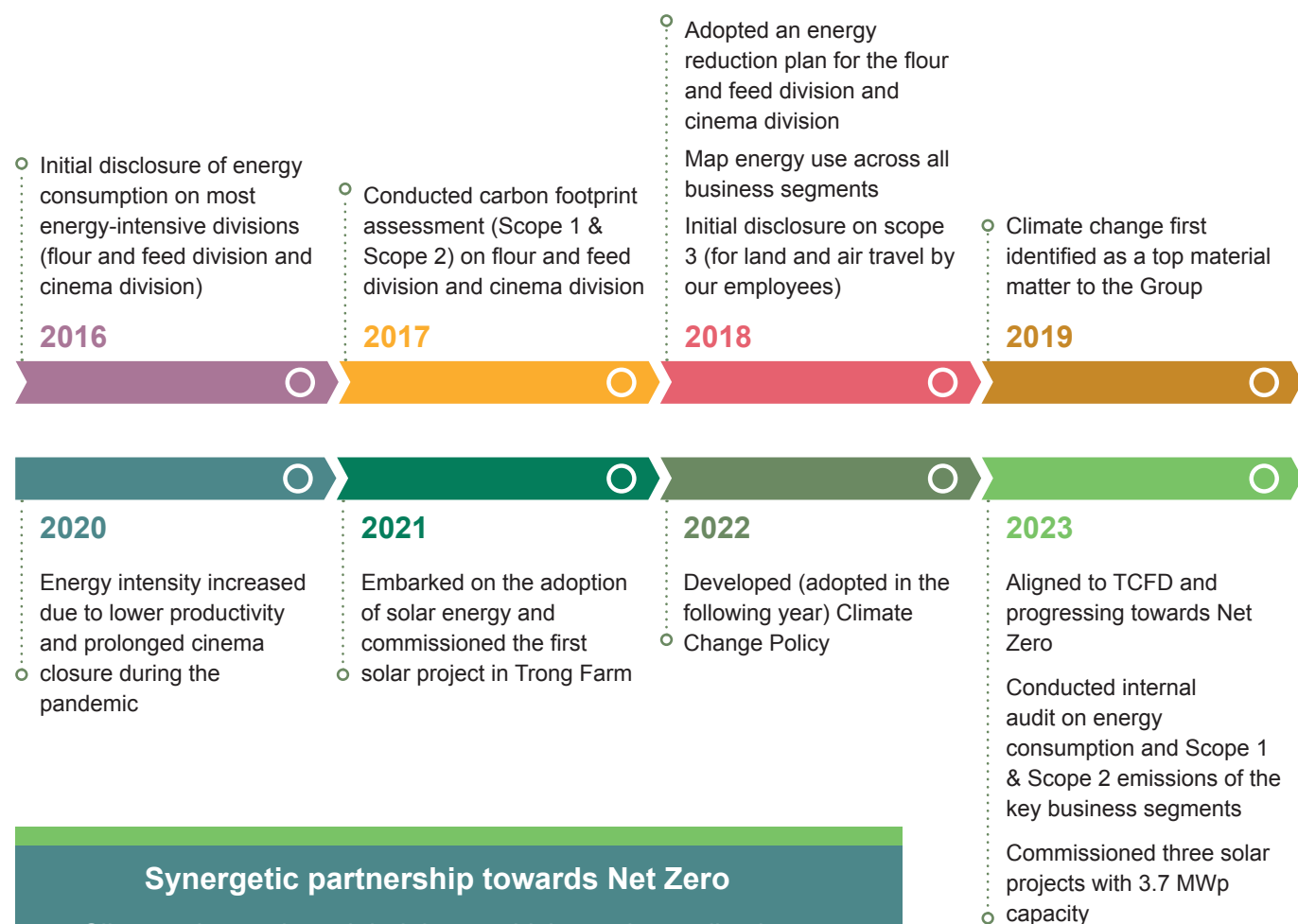
ENVIRONMENT

PPB strives to operate responsibly with consideration for the environment and surrounding communities. The Company recognises the importance of environmental protection, climate action and biodiversity conservation, as stated in PPB's Sustainability Policy. The Group complies with regulatory requirements and progressively innovates to improve processes to strengthen our environmental performance. In 2023, there were no significant incidents of non-compliance with any relevant environmental laws or regulations in our operations.

RESPONSE TO THE TCFD

As part of PPB's efforts to mitigate climate change, we aspire to align our strategy with Malaysia's pledge to meet Net Zero emissions by 2050. Since publishing our first sustainability statement in 2016, we have been working to improve our climate reporting to increase transparency and develop accountability for our climate action.

Key milestones achieved since our adoption of climate-related strategies are outlined below:



Synergetic partnership towards Net Zero

Climate change is a global threat which requires collective partnership across various sectors and stakeholders. Through our involvement in the CEO Action Network in 2023, PPB aims to collaborate with our peers and other key players to advance Malaysia's Net Zero goal. Through the network, we are staying informed on the best practices across industries and learning from our peers about their climate journeys.

ENVIRONMENT

As part of our climate transition, we are looking to implement the recommendations of TCFD to enable PPB and our wider stakeholders to better understand, assess and act on climate-related risks and opportunities.

Governance

In the context of climate governance, the Board Charter has underlined its responsibility in ensuring the Company has appropriate internal controls, risk management and regulatory compliance policies in place.

The Audit and Risk Committee ("A&RC") is responsible for overseeing the adequacy and effectiveness of the Group's risk management and internal control system. In addition to the A&RC, the Board is supported by the Risk Advisory Committee ("RAC") which is chaired by the Managing Director of PPB and presently comprise PPB's Heads of Department, and Chief Executive Officers of the main business segments. The Group governance structure is described within the Corporate Governance Overview Statement in the 2023 Annual Report.

At the working level, the PPB Group Risk Management and Integrity Department ("RMID") and the Group Sustainability Department are responsible for executing and implementing the group-wide climate measures.

Strategy

The 5-year Group Strategic Plan ("GSP") (2024-2028) was updated and adopted by the Board in 2023. We are addressing climate-related issues and incorporating climate considerations into our business processes to achieve our strategic plan. Our GSP is built on three fundamental enablers: human capital, digital innovation and sustainability. As we progress in tackling climate issues, we are committed to enhancing the management and transparency of our Scope 1 direct emissions and Scope 2 indirect emissions. Transparent disclosure is vital for establishing our baseline emissions and setting long-term targets. We recognise the significance of multi-stakeholder collaboration and partnerships in achieving a Net-Zero economy and have joined the CEO Action Network in the reporting year.

The TCFD framework identifies and manages two major categories of climate-related risk: transition risk and physical risk. The Group acknowledges the wide-ranging impacts that climate change may pose to our business operations and the surrounding environment. We are working across the Group to explore adaptation and mitigation strategies.

Risk types	Risk drivers	Potential impacts
Transition Risk due to the process of adjusting towards a low-carbon economy	Policy and regulatory changes <i>e.g. National Energy Transition Roadmap ("NETR"), New Industrial Master Plan ("NIMP")</i>	<ul style="list-style-type: none"> Changes to internal policies and procedures to ensure compliance with new regulations Higher operating costs such as energy costs from non-renewable sources Higher investment costs Losing market competitiveness due to the inability to adapt to the clients and consumers' demand Brand image and reputation
	Investors' expectations <i>e.g. increasing standards on climate-related disclosure and commitments</i>	
	Technological shifts <i>e.g. new low-carbon technology and related market competitiveness</i>	
	(Consumers' preference) <i>e.g. sustainable and responsible sourcing and avoidance of single-use materials</i>	
Physical Risk due to increased frequency and severity of climate-induced events	Acute weather events <i>e.g. floods and droughts</i>	<ul style="list-style-type: none"> Health and safety at the workplace Potential disruption to the operations and supply chain Damage to physical assets due to natural disasters Impact on long-term asset value
	Chronic events <i>e.g. sea level rises and long-term shifts in climate patterns</i>	

ENVIRONMENT

Moving forward, we will conduct qualitative scenario analysis and facilitate management workshops to establish strategic responses to climate risks. Our goal is to develop a climate-resilient strategy that can effectively tackle the risks and opportunities associated with climate change and embed climate risk considerations into the existing ERM framework.

Risk management

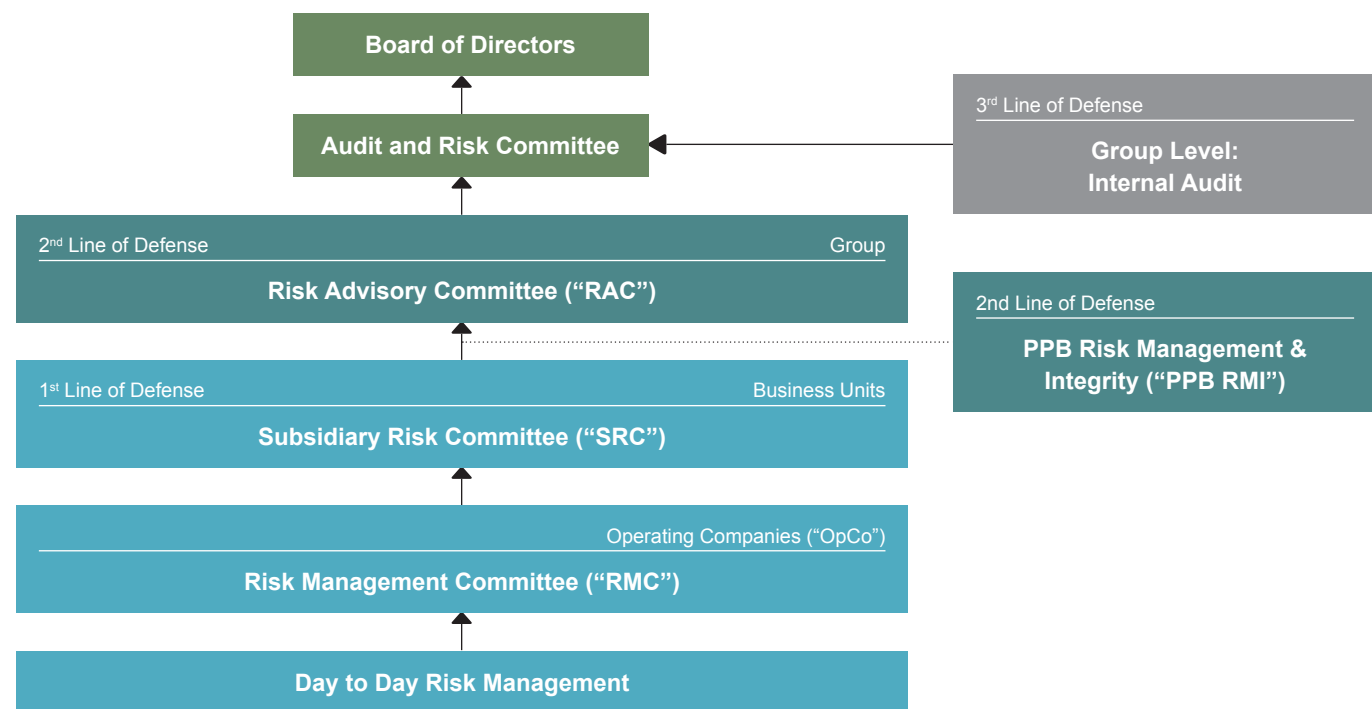
PPB's Group ERM Framework provides a structured and comprehensive approach for identifying, assessing, managing and monitoring risks across the Group. It aims to integrate risk management into the core business processes to enhance decision-making, improve resilience, seize opportunities and protect value by aligning risk management practices with the Group's strategic goals and objectives.

There are mainly two risk types identified within the PPB Group ERM Framework i.e. strategic risk and operational risk. Climate risk is covered under both these risk categories. Strategic risks will be identified by the management, which may be cascaded to relevant business segments for risk monitoring, action plan implementation and mitigation. For operational risk, a bottom-up approach will be taken

during the risk identification and assessment process, whereby identified risk will be deliberated by the Risk Management Committee and subsequently escalated to the Business Unit's Head of Risk for consolidation. The Business Unit's Risk Assessment Report will be discussed by the Subsidiary's Risk Committee and submitted to the Group Chief Risk Officer ("GCRO") and their relevant Board. At PPB Group level, the GCRO will prepare the PPB Group Top Risk Profile for RAC approval, and ultimately to the A&RC and PPB's Board. Action plans will be developed to ensure residual risk is maintained at an acceptable level.

In terms of risk management, PPB has implemented the Three Lines of Defense structure, whereby Business Units and their subsidiaries form the 1st Line of Defense on risk assessment and management, followed by the 2nd Line of Defense, PPB Group Risk Management & Integrity Department and RAC. Significant risk issues assessed by RAC will be brought forward to the A&RC and the Board's attention. The PPB Group Internal Audit Department serves as the 3rd Line of Defense within the Group risk governance structure. The function reports directly to the A&RC.

Group risk governance structure



Note: Business Units ("BU") refer to FFM Group, GSC Group and PPB Properties.

ENVIRONMENT

Supply-chain disruption due to climate change

Climate-induced extreme weather, such as prolonged droughts in certain regions, has impacted our key raw material supplies. To mitigate this risk, we closely monitor global supply and demand dynamics and have adopted a diversification approach, sourcing from multiple regions to reduce dependency on a single source. Leveraging our procurement expertise and technical competency, we minimise the risk of supply chain disruption, ensuring business operations continue seamlessly.

Metrics and targets

We currently report emissions from our owned and managed operations within Malaysia. A full list of business segments covered in this Report can be found on page 4. For these business segments, we report emissions from Scope 1, Scope 2 and Scope 3 (business travel). We are looking to begin calculating and reporting emissions from Scope 3 (employee commuting) in the following year.

As we advance our climate reporting, we aim to stay transparent in our reporting as we adopt additional Scope 3 categories while improving and refining our baseline emissions data. We are committed to developing realistic and actionable emission reduction targets to drive progress towards our long-term sustainability goals. The following sections of this Report will expand on the metrics used to quantify our emissions within this reporting year and provide updates on our progress against set targets.



One of FFM's solar PV system commissioned in 2023

ENVIRONMENT

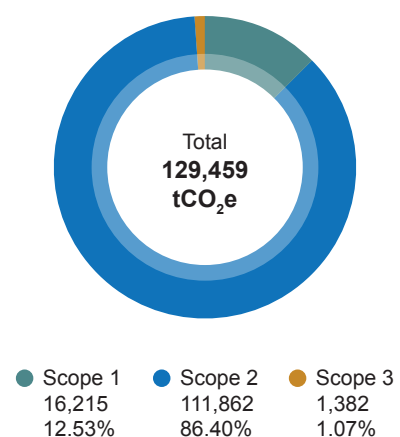
OUR CARBON FOOTPRINT

PPB recognises the wide-ranging impacts that climate change may pose to our business operations. The Company adopted a Climate Change Policy (available on the corporate website), in the reporting year. The Policy highlights the Group's commitment to addressing climate issues through the principles of adaptation and mitigation.

In 2023, the Group recorded combined emissions of 129,459 tCO₂e⁸, recording a 4% increase from the previous year mainly due to expansion of operations. Scope 2 accounts for 86% of the total emissions. We are committed to further broadening our Scope 3 coverage to gain a deeper understanding of our environmental impact.

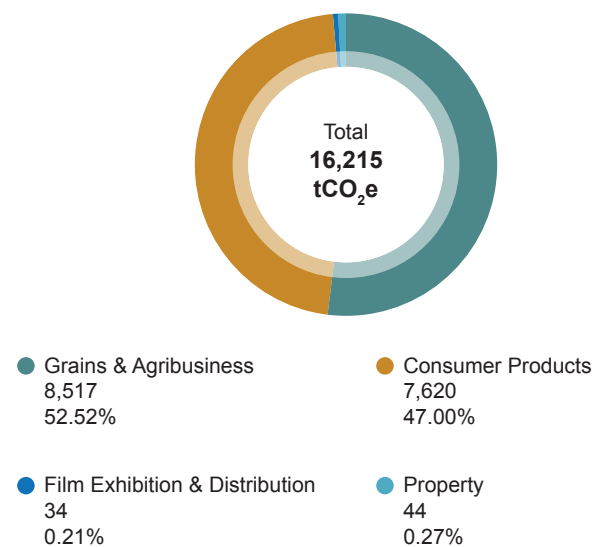
All emissions reported in this Report are expressed in tCO₂e, or metric tonnes of carbon dioxide equivalent. This is the metric used to express the global warming potential of various greenhouse gases, such as carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (NO₂) in terms of their equivalent amount of CO₂.

Group-wide total emissions (tCO₂e)



Scope 1 emissions reflect emissions from the combustion of fuels to operate our machineries and vehicles. Grains & Agribusiness and Consumer Products segments accounted for 99% of our Scope 1 emissions. For Film Exhibition & Distribution and Property segments, mobile combustion is the single source of Scope 1 emissions.

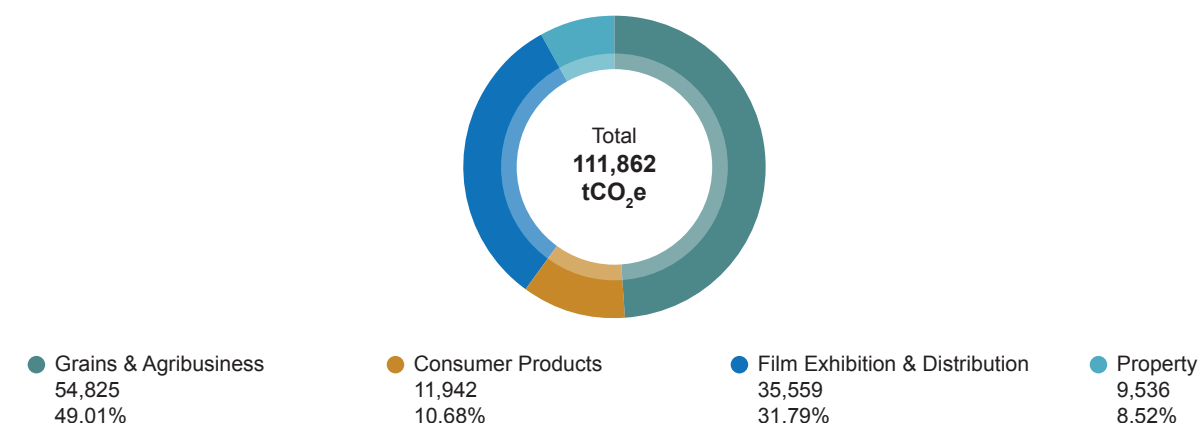
Scope 1 emissions by business segment (tCO₂e)



ENVIRONMENT

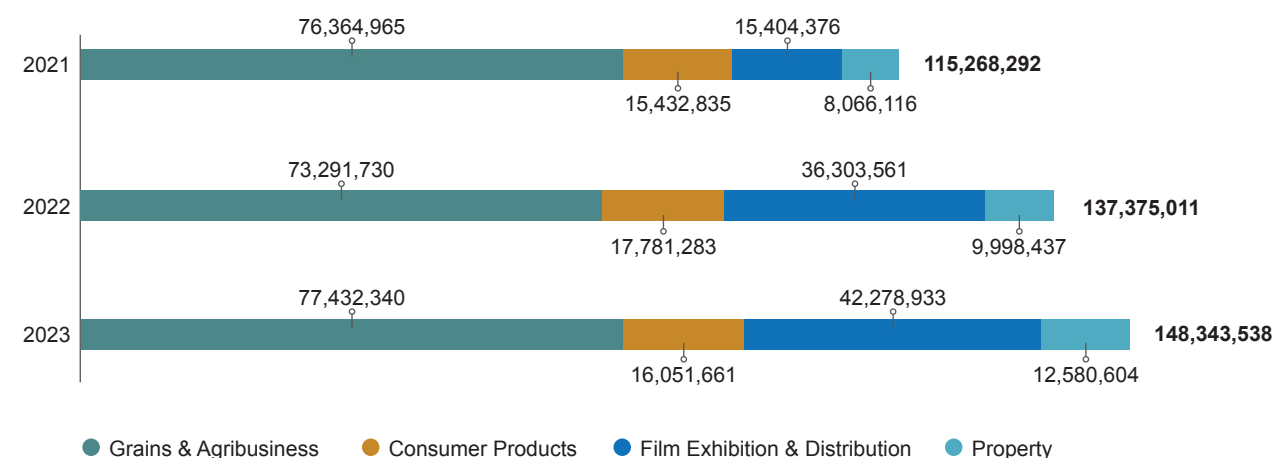
Scope 2 emissions shown in the chart include emissions from the purchase of electricity, steam and cooling. Within PPB's business segments, Scope 2 emissions largely reflect the purchase of electricity from the national grid. The Grains & Agribusiness segment has a portion of Scope 2 derived from purchased steam while the Film Exhibition & Distribution segment purchased chilled water for air conditioning. These indirect sources of energy are captured within our Scope 2 emissions.

Scope 2 emissions by business segment (tCO₂e)



Out of 111,862 tCO₂e of Scope 2 emissions, purchased electricity accounted for 94% of this emissions. The breakdown of our purchased electricity is shown below, and the Grains & Agribusiness segment accounted for more than 50% of the Group's total electricity. The Group electricity consumption increased 8% from 2022 due to a variety of factors, including the opening of five new GSC cinemas, the commencement of operations at PPB Properties' Megah Rise Mall, and the increase of Grains & Agribusiness production and output.

Purchased electricity consumption by business segment (kWh)



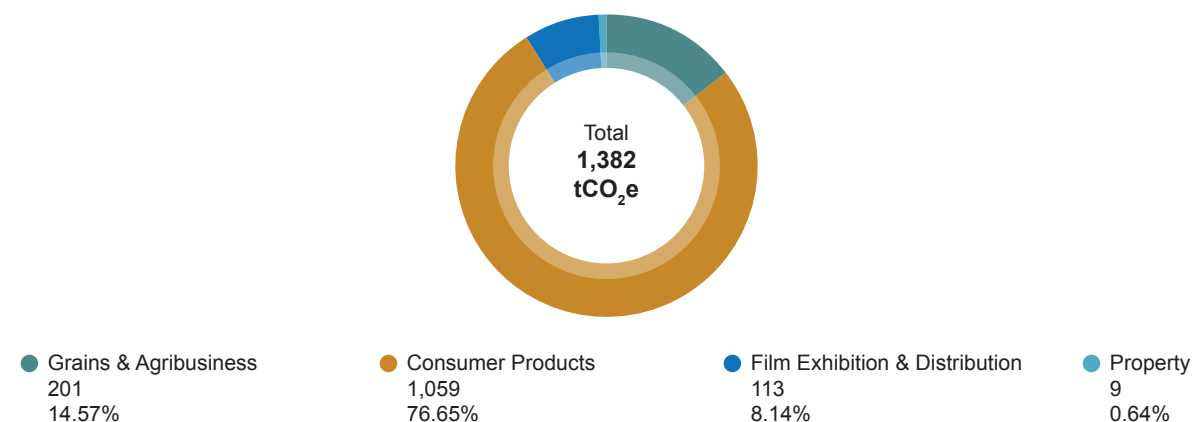
Note: The Group total for 2021 and 2022 excludes the Environmental Engineering & Utilities segment (2021: 282,328 kWh; 2022: 193,369 kWh) which was divested in November 2022.

⁸ Emissions from biodiesel use, amounting to 52.08 tCO₂e, are not included in this reported value. However, emissions from the consumption of conventional diesel fuel within the biofuel blend is accounted for in our Scope 1 emissions.

ENVIRONMENT

Currently, our Scope 3 emissions only reflect emissions from business travel and make up 1% of our total emissions. In 2024, we aim to expand our Scope 3 reporting by including emissions from employee commuting.

Scope 3 emissions by business segment (tCO₂e)



Combustion of fossil fuels not only releases greenhouse gases into the atmosphere, but also generates air pollutants such as sulphur oxides (“SOx”) and nitrogen oxides (“NOx”) that lead to the formation of fine particulate matter (“PM”) and ground-level ozone. Four animal feed manufacturing plants⁹, as well as the FFM Further Processing plant have annual stack monitoring to ensure the air emissions are below the allowable standards set by regulators.

Managing our carbon footprint

Efficient fuel consumption

The Italian Baker Sdn Bhd (“TIB”), a wholly owned subsidiary of FFM Berhad, operates an industrial bakery. TIB has a fleet of 280 trucks that deliver products to distribution centers and retailers around Malaysia. In 2021, TIB collaborated with vehicle manufacturer, Hino Malaysia, in adopting the Hino Connect System to track drivers’ driving behaviours, fuel consumption, fleet maintenance schedule and transportation duration. This system provides TIB with data to better understand and reduce fuel consumption and GHG emissions. Fleet drivers were given Key Performance



Massimo truck fleet

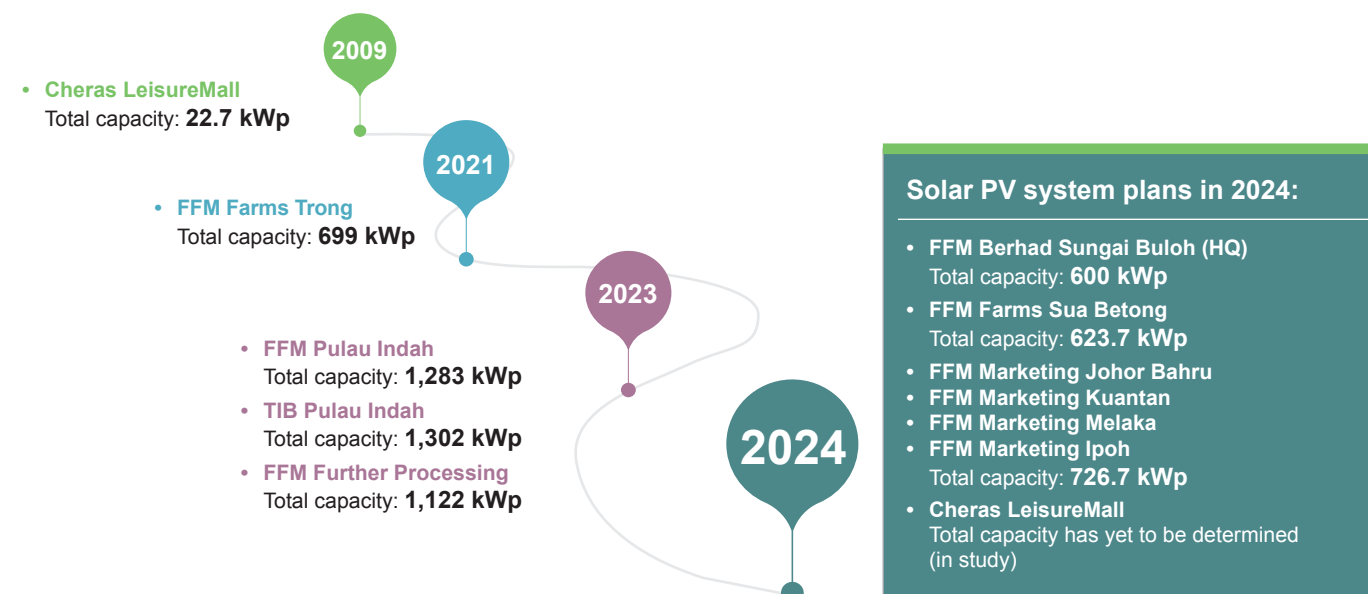
Indicators to monitor fuel waste from driving behaviours such as engine idling, harsh braking and sudden acceleration. Targets were evaluated and revised in 2023 to ensure continuous progress and improvement. In the reporting year, more than 200 drivers participated in a driving behavioural training to enhance driving skills, improve fleet efficiency and optimise fuel consumption.

Renewable energy projects

In support of Malaysia’s National Energy Transition Roadmap (“NETR”) target of 70% renewable energy capacity by 2050, the Group is expanding its adoption of renewable energy solutions. The property division plans to replace its solar panels, installed in 2009, with higher efficiency panels at Cheras LeisureMall. In 2021, FFM installed a solar PV system at FFM Farms Trong, which is estimated to avoid 610 tCO₂e of GHG emissions annually. FFM invested RM9.2 million to install three additional solar PV systems across its other operations. In 2024, FFM will continue to invest an additional RM5.55 million for solar PV systems at six other locations. The 10 solar energy projects combined are estimated to produce 7,721 MWh and estimated to avoid 5,013 tCO₂e of GHG emissions annually.

⁹ Johor Bahru Flour Mills (Prai), FFM Pulau Indah, FFM (Sabah) and FFM Feedmills (Sarawak).

ENVIRONMENT



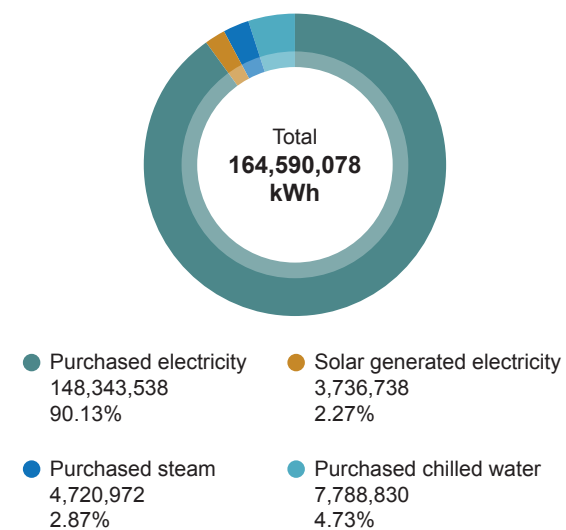
ENERGY CONSUMPTION

This year, we are disclosing a breakdown of our energy sources, including purchased electricity, chilled water, solar generated electricity and purchased steam.

Efficient steam consumption

FFM animal feed manufacturing uses steam to provide heat and moisture which helps to soften the feed in the animal feed pelletising process. In 2023, FFM Grains & Mills Sdn Bhd (Pasir Gudang) (“FGM PG”) and Johor Bahru Flour Mill Sdn Bhd (Prai) (“JBFM Prai”) completed a Steam System Energy Audit to identify opportunities in reducing the cost of energy consumption and maintenance operations. In the reporting year, FGM PG emitted 849 tCO₂e from purchased steam (scope 2) and JBFM Prai emitted 1,072 tCO₂e from generated steam (Scope 1) for pelletised animal feed production. Audit recommendations look to improve efficiency, process reliability and safety across the operations. As such, JBFM Prai has installed additional valves and replaced faulty valves. FGM PG is looking to implement recommendations from the audit in 2024.

Energy consumption (kWh)



Note: Solar panels are installed and are harvesting solar energy in the Grains & Agribusiness segment (FFM Farms Trong, FFM Pulau Indah) and the Consumer Products segment (TIB Pulau Indah, FFM Further Processing).

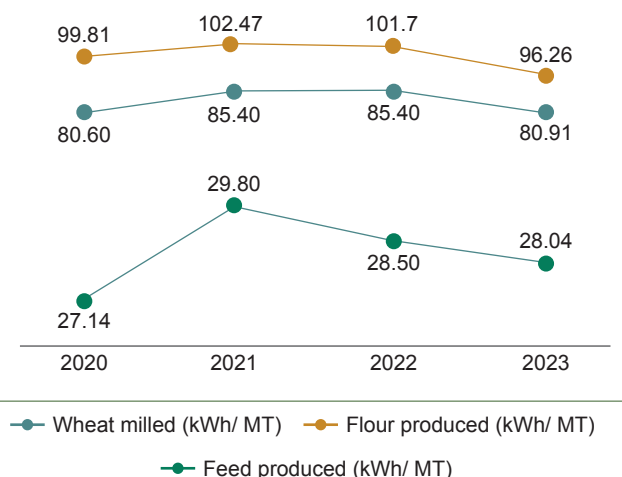
ENVIRONMENT

Investing in energy efficiency

The Group is invested in improving energy efficiency by incorporating responsible management and technologies into our operations. The business divisions are performing energy audits at selective sites to evaluate energy management and usage patterns to optimise consumption and reduce wastage.

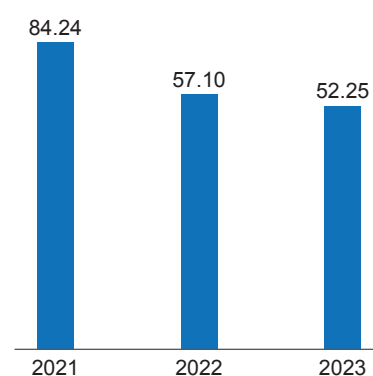
Some mills have installed motion and infrared sensors to reduce the idle time of lighting and ventilation fans. The flour milling and animal feed manufacturing divisions has replaced fluorescent lighting to light-emitting diode (“LED”) lighting.

Energy use intensity for wheat milled, flour produced and feed produced (kWh/ MT)



The cinema division uses a building management system to manage the efficiency of air conditioning units to reduce electricity consumption. Individually dedicated projector rooms for each hall will be introduced in new cinemas, with each projector room to be cooled by air conditioning supplied from the halls. In addition, some processes at the cinema operations have also been automated, such as lights and projectors that automatically turn-off once a cinema hall becomes empty, and air-conditioning that switches off half an hour before the end of the last show. To date, the cinema division has installed new laser projectors in selected halls across 24 GSC and Aurum Theatre locations. This new technology is expected to reduce energy consumption by 70% compared to conventional projectors. Expanding on the efforts to reduce energy consumption, the division will equip three other locations with laser projectors in 2024.

Energy intensity per show (kWh/ show) across all cinemas



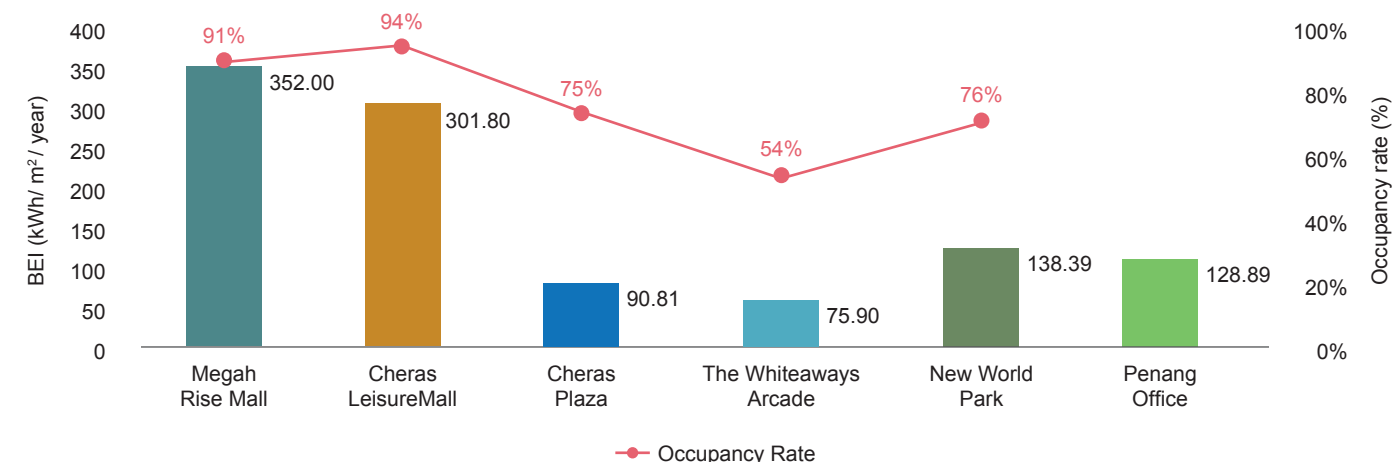
Note: Energy intensity per show for 2022 has been updated to include energy from the consumption of chilled water.

ENVIRONMENT

The property division uses the BEI¹⁰ to track and compare the energy consumption across its properties¹¹. In 2023, the average BEI achieved is 250 kWh/ m²/ year. Cheras LeisureMall, which was established in 1994, has implemented energy saving measures following the energy audit completed in April 2023. These measures include

optimising the operational hours and settings of the chiller system, installing digital power meters, and incorporating variable speed drives for six air handling units (“AHU”). The goal is to achieve 5% savings on electricity consumption.

Building energy index (“BEI”) (kWh/ m²/ year) for PPB Properties



Note: There is no occupancy rate for Penang Office as it is wholly owned and occupied by PPB Properties.



Megah Rise Mall

¹⁰ BEI = Building energy consumption (kWh/ year)/ gross floor area (excluding car park) (m²)

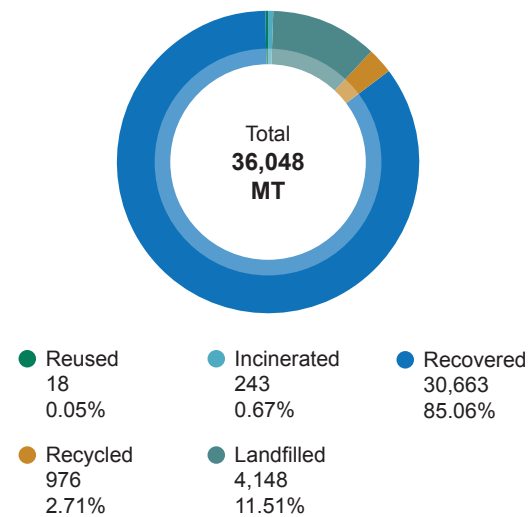
¹¹ Tenant and occupant activities account for about 44% of total building electricity consumption for PPB Properties’ managed buildings.

ENVIRONMENT

MINIMISING WASTE

We embrace the concept of a circular economy by minimising landfill disposal. PPB adopts a waste hierarchical approach, prioritising reduction, reuse, recycling and recovery over landfill disposal whenever possible, as in the Waste Management Policy (available on the corporate website). In 2023, total waste generated for the Group is 36,061 MT. We saw an increase of 40% in waste generated from the previous year mainly due to manure from our livestock farms. This waste was recovered through composting efforts. The Group's non-hazardous waste makes up 99.97% of total waste, out of which, 88% was diverted from the landfill.

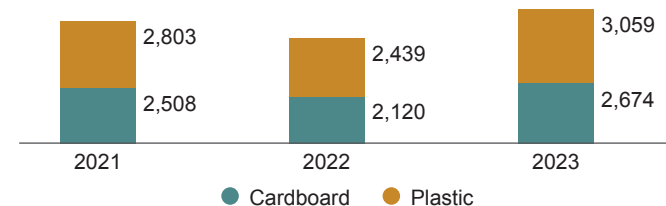
Disposal method of non-hazardous waste (MT)



SUSTAINABLE PACKAGING

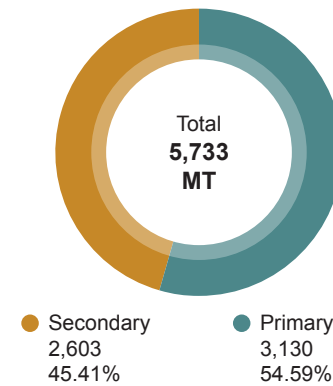
Packaging is essential to ensure protection of product quality and safety, and provide important information, such as ingredients and nutritional content. Paper, cardboard and plastic are among the packaging materials used as primary and secondary packaging in many of the products manufactured and distributed by FFM.

Packaging material (MT)



Note: Data for packaging only reflects data from the Grains & Agribusiness and Consumer Products segments. Cardboard includes both cardboard and paper materials.

Packaging material for 2023 (MT)



Note: Primary packaging comprises of PET, LDPE, PP, PS, virgin mixed plastic, mixed plastic and cardboard/ paper. Secondary packaging comprise cardboard/ paper and LDPE.

Data for packaging only reflects data from the Grains & Agribusiness and Consumer Products segments.

Addressing post-consumer packaging waste through partnerships

FFM has taken an active and voluntary role in anticipating and preparing for the Extended Producer Responsibility ("EPR") scheme. The EPR ensures that producers like FFM manages the end-of-life of its products by reducing the amount of plastic waste destined for final disposal and increasing the rates of recycling.

In 2022, FFM funded a feasibility study conducted by Penang Green Council and Resource Recycling Systems Inc. on the collection of films and flexible plastic packaging in Penang, Malaysia. The first phase of the study evaluated existing recycling infrastructure systems and consumer behaviours. The next phase intends to establish a pilot for recycling at selected areas in Penang. As EPR will be made mandatory in 2026, the pilot study and recycling project will provide FFM with insight on managing post-consumer packaging.



Employees introduced to the topic of EPR and GHG emissions at the FFM Risk & Governance Conference on 12 September 2023

ENVIRONMENT

WATER MANAGEMENT AND EFFLUENTS

Sustainable water management is critical for ensuring the long-term viability of our communities and ecosystems. As none of our operations in Malaysia are in water-stressed areas, we focus our efforts on managing water consumption and water discharge quantity and quality. The Department of Environment, under the Environmental Quality (Industrial Effluent) Regulation 2009, has set limits on the quality of water effluents and treated wastewater discharged. We fully comply with these limits as we perform compliance checks and proper treatments on effluents and industrial wastewater before discharge.

Chemical treatment	Physical treatment	Biological treatment
<p>pH adjustment uses chemicals to alter the pH levels of the effluents. Adjusters used depend on whether the effluents are acidic or alkaline.</p> <p>Coagulation and flocculation are processes used in succession during the water treatment process. Coagulation neutralizes the effluents while flocculation allows the solids to bind together so that they can easily be separated from the final discharge.</p>	<p>Clarifier (separation) occurs after the flocculation process and this process involves the continuous removal of solids while filtering the wastewater.</p>	<p>Conventional activated sludge is used to reduce the concentration of organic matter i.e. biological oxygen demand ("BOD") and chemical oxygen demand ("COD") in wastewater.</p>

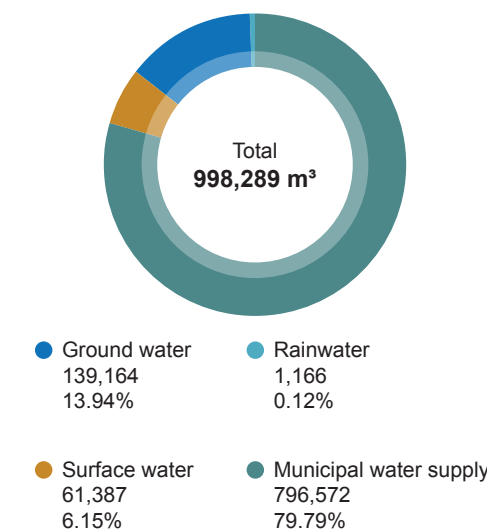
Parameters	Units	Limits (Standard B)	Bakery	Food processing
pH		5.5 – 9.0	7.7	7.1
COD	mg/ L	200	24.6	39.8
BOD	mg/ L	50	7.2	12.4
Suspended solids	mg/ L	100	Not detected < 2	60.6
Oil and grease	mg/ L	10	Not detected < 0.5	0.6

Note: COD and BOD data were taken from an average value of monthly wastewater monitoring analysis.

The Group withdrew a total of 998,289 m³ of water in 2023, which is an increase of 18% from the previous year. This is largely due to the opening of 5 new GSC cinemas and Megah Rise Mall.

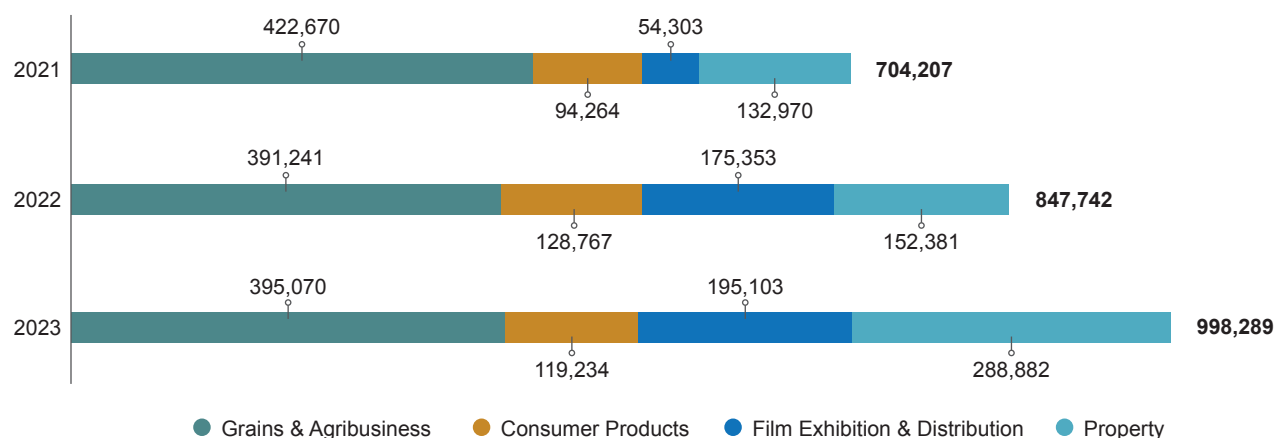
Our water efficiency efforts are guided by annual targets and rely on continuous improvement through rainwater harvesting, improve water consumption monitoring and conducting routine maintenance to check for water leakages. Additionally, the Group has conducted a water conservation awareness session for all business segments in September 2023.

Water withdrawal by source in 2023 (m³)



ENVIRONMENT

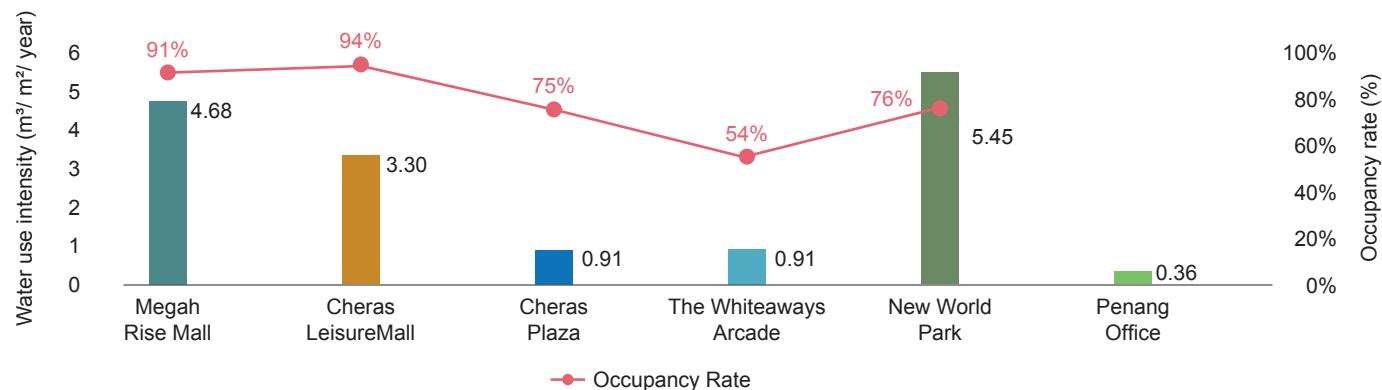
Water withdrawal by business segment (m³)



Note: Water withdrawal includes municipal water supply, freshwater, groundwater and rainwater. This refers to both water consumption (water usage) as well as water kept for reserve. Tenants' usage makes up about 36% of Property segment's water withdrawal. The Group total for 2021 and 2022 excludes Environmental Engineering & Utilities segment (2021: 9,574 m³; 2022: 9,502 m³) which was divested in November 2022.

Within the Property segment, the average WUI across all properties is 3.31 m³/m²/year. Malls typically consume more water, and therefore have a higher WUI than office buildings. However, as a food court, New World Park recorded the highest WUI compared to the average property in our portfolio as majority of the tenants need large volumes of water for their business.

Water use intensity ("WUI") (m³/m²/year) for PPB Properties



Note: There is no occupancy rate for Penang Office as it is wholly owned and occupied by PPB Properties.

LAND USE AND BIODIVERSITY

We mainly operate in industrialised zones and urban areas which have relatively low impact on biodiversity. None of our sites are adjacent to critical biodiversity ecosystems and we have had no conversion of land for agriculture use in more than five years. The Group manages three oil palm plantations with a total certified area of 875 hectares with a total production of 8,775 MT of fresh fruit bunches in 2023. These plantations are Malaysian Sustainable Palm Oil ("MSPO") certified, a national

scheme to promote sustainable palm oil production, which included local consultation with various stakeholders including employees, contractors and regulators.

As part of the certification requirements, in-situ biodiversity assessments were conducted in three estates. Wildlife such as junglefowl, wild boar and macaque were identified. Hunting is prohibited and sign boards were established in the estates, and employees were trained on importance of ecological diversity.

SOCIAL

CUSTOMER SATISFACTION THROUGH QUALITY

Understanding that customer satisfaction is paramount to long-term success, PPB prioritises building strong and trusting relationships with our customers. The Group takes into consideration the customer's priorities, such as the quality and reliability of our products and services in addition to their feedback to continuously improve.

The Group seeks to continually enhance customer reputation and trust in its brand products by committing to the highest food safety and quality standards. PPB's Nutrition Policy (available on the corporate website) states our commitment to providing consumers with knowledge and information required to make informed decisions. We comply with all applicable regulations and standards including HACCP Certification (MS1480:2007), HACCP Codex Alimentarius Certification, GMP Certification (MS1514:2009), FSSC 22000 and ISO 22000 Food Safety Management System ("FSMS"). All our flour mills are FSSC 22000 certified, except for Johor Bahru Flour Mill Sdn Bhd (Kota Kinabalu), which is actively working towards achieving the certification. Our products are also Halal certified by the Department of Islamic Development Malaysia ("JAKIM"). In the reporting year, there were no incidences of non-compliance with regulatory requirements on labelling or marketing concerning the health and safety impacts of our products across the Group.

As customer satisfaction metrics and preferred engagement platforms vary across business segments, we tailor our approach to ensure we meet their unique needs. We evaluate customer feedback and address complaints to prevent similar issues in the future.

Metrics	2023 performance
Grains & Agribusiness and Consumer Products	
Customer complaints	Recorded 523 valid customer complaints
Film Exhibition & Distribution	
Customer Satisfaction Score ("CSAT") via QR codes	Recorded 41 complaints (per 100,000 admissions)
Property	
Net Promoter Score ("NPS")	8.5 out of 10. In addition, the division received 181 feedback and 82 customer complaints

The safety of our customers, tenants and staff remains our top priority. On 28 October 2023, a section of the car porch ceiling by Megah Rise Mall's main entrance collapsed unexpectedly during heavy rain and strong winds. The property division's management team and building consultants have conducted a comprehensive safety inspection of all areas of the building. The mall received clearance to reopen the main entrance on 9 November 2023 after a thorough review to ensure the structural integrity and safety of the building. The incident resulted in three minor injuries, all of which have received the necessary medical attention.

INDUSTRY RECOGNITION AND AWARDS

GSC's commitment to creating innovative cinematic experiences has earned its place in the Putra Brand Awards Hall of Fame, joining 10 other esteemed Malaysian corporations that have won for 10 consecutive years at the Putra Brand Awards. In 2023, GSC was the platinum winner in the entertainment category of the Putra Brand Awards, reaffirming our standing as the foremost leader in the industry by consistently being voted the favourite brand by Malaysian consumers.

One of Group's subsidiary companies, PPB Property Development Sdn Bhd, garnered recognition in 2023 with two awards for a shopping mall they constructed. The first, the FIABCI Property Awards 2023 for the Purpose-Built Category is a prestigious honour in the Malaysian property market, and was awarded to The LINC KL for their innovative and sustainable architectural design. The mall also secured the Gold Award in the PPK Malaysia (Malaysia Shopping Malls Association) Best Experiential Marketing Awards 2022-2023 for Category A: Shopping Malls below 500,000 square feet net lettable area. This award recognises innovative marketing campaigns that transform shopping malls into a memorable and experiential shopping destination.



GSC received the Platinum Award for the Entertainment Category at the Putra Brand Awards 2023, an award recognising brands that connect and build a strong relationship with consumers

SOCIAL

Highest Scoring Residential Building – High Rise Category




Megah Rise Residensi is a 39-storey condominium that sits on a 3.36-acre plot in the established neighbourhood of Taman Megah, Petaling Jaya. The property has been awarded with the GreenRE gold certification and received the GreenRE Sustainable Development Awards for the Highest Scoring Residential Building – High Rise Category.




The GreenRE certification recognises buildings that showcase the six elements of a high-performing green building, namely energy efficiency, water efficiency, environmental protection, indoor environmental quality, green innovation and carbon emissions reduction. All indoor spaces within Megah Rise Residensi use low volatile organic compounds (“VOC”) paint to minimise indoor pollutants. As for energy efficiency, LED lighting and 5-Star air-conditioning units are used, and lifts are equipped with regenerative features to reduce energy consumption. These features provide an estimated energy savings of up to 33% compared to conventional buildings, resulting in a healthy energy efficiency index of 42.4 kWh/ year for the common areas. Additionally, Megah Rise Residensi provides EV charging stations to support the adoption of electric vehicles (“EV”).



PPB Properties receiving the GreenRE's sustainable Development Awards 2022/2023 for the Residential Building (High Rise) category

Water efficiency of 20% to 30% is achieved through proper selection of sanitary ware and fittings. Rainwater harvesting supplies non-potable water for landscape irrigation, while six sky gardens offer a recreational space for the residents. Megah Rise Residensi promotes recycling of food waste by providing residents with compost bins that convert waste into organic fertiliser. The development is built with careful consideration of environmental quality and ventilation.

- 
Energy savings: Use of hi-tech energy savings devices
 - Residential thermal transfer value = 20 W/ m²
 - 5-Star air-conditioning
 - Energy efficiency with LED lights
 - True cross ventilation design
 - Smart lifts
- 
Environmental protection: Design and material selection that harmonises with the environment
 - Sustainable products incorporated in the units
 - Lush greenery with edibles and herbs
 - Composting of green waste
 - EV charging system
- 
Indoor environment quality: Methods to harmonise indoor comfort
 - Low VOC paint

- 
Water positive: Use of water management and monitoring technology
 - 100% water efficient fittings
 - Rainwater harvesting system for irrigation
 - Total water consumption (common area) – 47m³/ year
- 
Green innovation: Adopting innovative green practices
 - Siphonic rainwater
- 
Carbon footprint: Operational carbon emission reduction
 - Total carbon reduction: 856,565.34 kgCO₂e/ year
 - Total carbon savings = 30%

Note: Green Real Estate (“GreenRE”) was established in 2013 and positioned as a profit-for-purpose green rating agency that is affordable and accessible to all the Real Estate & Housing Developers’ Association (“REHDA”) members. Megah Rise Residensi was featured in the GreenRE’s Sustainable Real Estate: Our 10-year journey publication.

SOCIAL

SUPPLY CHAIN

PPB operates in multiple industries and relies on an intricate network of suppliers.

A local supplier is defined as a direct supplier in Malaysia that provides a product or service without any transnational payments. In 2023, the Group spent approximately 33% on local suppliers. The data is derived from the two key business segments i.e. Grains & Agribusiness and Consumer Products. The Group engages local suppliers, including producers of raw materials where feasible. However, for some materials such as corn and wheat, local sourcing is not possible.

The Group developed Due Diligence Guidelines for Procurement in 2023, and this is explained further in the Governance section. In March 2024, the Board approved a Code of Conduct and Ethics for Business Associates to supplement the Due Diligence Guidelines. Suppliers are also required to comply with PPB’s sustainability policies, namely Climate Change Policy, Human Rights Policy and Waste Management Policy.

At our flour milling and animal feed manufacturing division, FFM Berhad (Pulau Indah) and FFM Grains & Mills Sdn Bhd (Kuching) are members of Sedex, a non-profit organisation that drives sustainable business practices throughout global supply chains. These subsidiaries have pledged to apply the United Nations Guiding Principles on Business and Human Rights and Organisation for Economic Cooperation and Development (“OECD”) Guidelines for Multinational Enterprises in their operations.

The Group uses palm oil as an ingredient in some of our products. In 2023, we purchased a total of 67,014 MT palm oil for food processing, of which 0.4% is Roundtable Sustainable Palm Oil (“RSPO”) certified. More than 90% of our palm oil purchased comes from suppliers



Group Head of Sustainability moderated the ‘Adopting Green Technologies and Circular Economy Practices in Supply Chain’ session at the Selangor Digital Economy Convention 2023

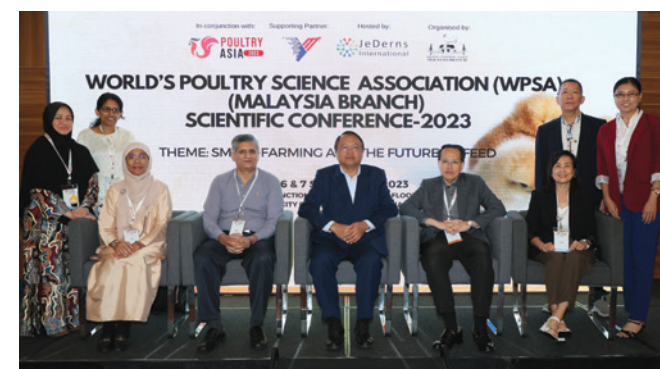
with No Deforestation, No Peat and No Exploitation (“NDPE”) Policy. Additionally, Wilmar International Limited, a listed agribusiness group headquartered in Singapore, which PPB owns 18.8% equity interest in, has committed to NDPE and 100% RSPO certification of its mills and supplying plantations by 2025.

We employ science and technology as instruments for continuous exploration of inventive solutions. Our Grains and Agribusiness segment actively collaborated to support and advance poultry science on both domestic and international fronts. Significantly, our contributions were recognised and emphasised during the World Poultry Science Association Scientific Conference in 2023. The discussions at the conference focused on endorsing smart farming approaches, underlining their potential influence on the future of feed and the cultivation of a sustainable poultry industry.

Supporting the local industry and nurturing future talents

We seek to create long-term economic benefits for our communities through investing in local talent and businesses. Supporting local businesses fuels economic growth in our communities. As a member of the Malaysian Association of Film Exhibitors, GSC is committed to empowering young creative talents in driving the local entertainment landscape by investing in homegrown film productions.

We are aware of the reach we have via our 55 cinemas and continuously advocate for mental health. The cinema division continued its third season of the My Mind on Film Youth Mental Health Short Film Festival drawing 953 submissions from youths aged 15 to 25 in Malaysia and around the world.



General Manager, Research & Development (Feed) of FFM participated in a conference held on 6 and 7 September 2023

SOCIAL

COMMUNITY

We invest in the community through four pillars – community development; education; environment; arts, culture and heritage – which are aligned with the SDGs. Within this reporting year, the Group developed its community investment strategy spanning over 3 years from 2023 to 2025. Since the inception of the CSR Taskforce in 2017, PPB has contributed RM38.2 million to the community, including through the education fund distributed under the PPB50 Fund.

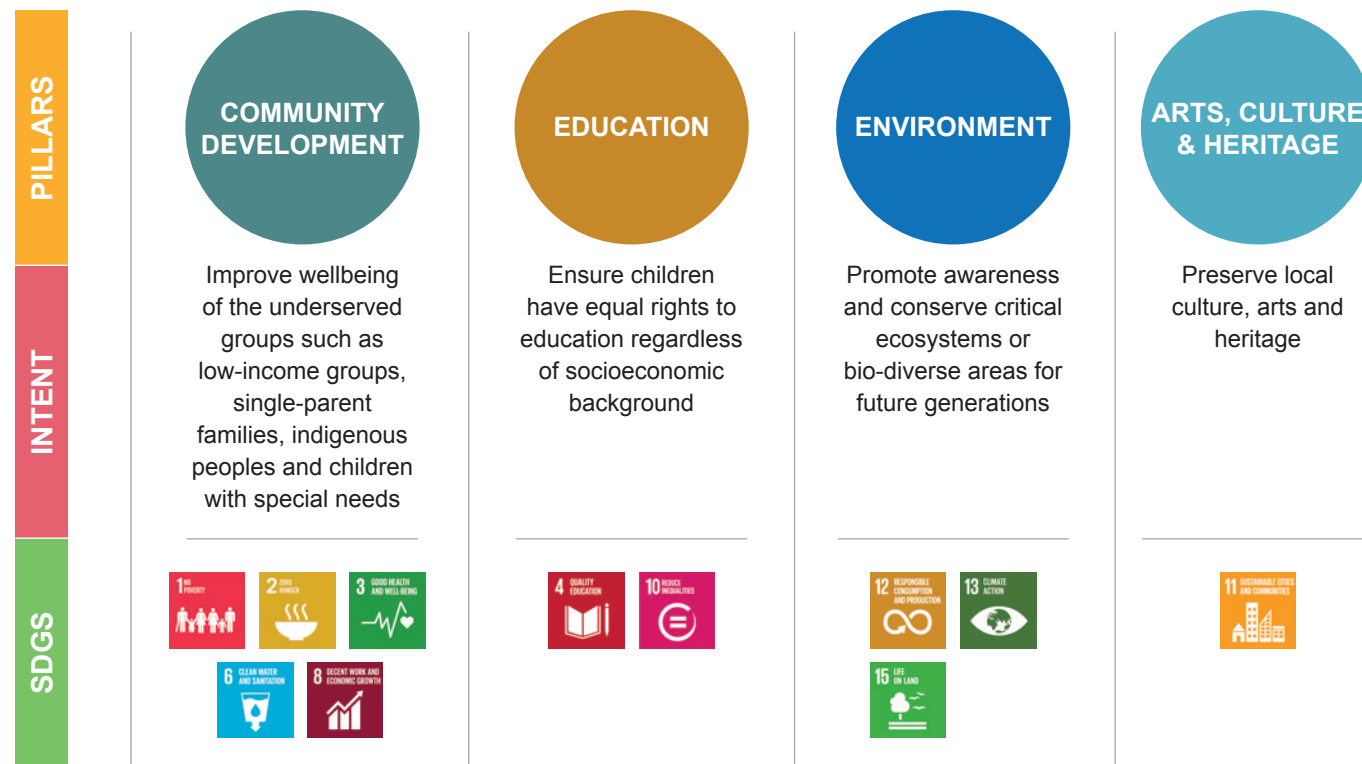
PPB has a separate fund for disaster relief efforts to provide immediate assistance, support, and resources to individuals, communities, or regions affected by natural disasters. The Group ensures that aid reaches these communities by working with various non-governmental organisations (“NGOs”) and humanitarian groups.

The Company encourages employee volunteerism, where employees are provided with resources to volunteer their time and in some instances, share their expertise with the community. Employees are entitled to 5 days of CSR Leave every year to participate in a CSR activity of their choice during work hours. Employees who volunteer outside of work hours are able to apply for Replacement Leave.

The CSR Task Force comprising representatives from PPB Head Office and business units was formed in 2017 to oversee the Group’s investment to drive positive social impacts. The Task Force meets twice a year and reports to the SSC, which is chaired by the Managing Director of PPB.

PPB Group Community Investment Strategy 2023-2025

GOAL: Contribute towards an equitable and inclusive society



SOCIAL

Investing in our four focus areas

The Company continues to drive impactful and long-term initiatives through fostering partnerships with various NGOs to offer product contributions, financial support and employee volunteerism. Through engaging with the local communities and beneficiaries, we are able to better understand their needs, priorities and concerns. The Company continues to foster long-term relationships with our partners to deliver social impact and empower local communities.



COMMUNITY DEVELOPMENT RM1.74 mil	EDUCATION RM255K
ENVIRONMENT RM263K	ARTS, CULTURE & HERITAGE RM58K
DISASTER PREPAREDNESS & RELIEF RM96K	

- ▶ Engaged with 83 reputable partners including welfare homes
- ▶ Upskilled 216 trainees and created income for 73 individuals
- ▶ Provided food to 7,143 recipients
- ▶ Assisted 5,937 students in their education needs
- ▶ Provided medical screening for 223 orang asli and medical treatment for 5 patients

Community development

Communities with various cultural backgrounds, socioeconomic status and geography will have different economic, financial and social needs. The Group focuses its efforts on supporting underserved communities such as low-income groups, single-parent families, indigenous peoples and children with special needs.

Food Aid

In 2023, the Group provided food aid to 7,143 recipients and distributed 2,000 hot meals. As a player in the food sector, we firmly believe that everyone deserves access to healthy and affordable food. We collaborated with various organisations around Malaysia such as Muhibbah Foodbank Malaysia Society, Perak Women for Women, Persatuan Keluarga Harapan Kluang Johor, Food Aid Foundation, Kechara Soup Kitchen and families under the B40 group. Food aid contribution usually consists of non-perishable items, including canned food, cooking oil, flour and rice.

Livelihoods

PPB contributes towards upskilling projects for the underserved communities via monetary and in-kind donations. These projects focus on developing skills such as entrepreneurship, or other skills which help increase the individuals’ employability. In this reporting year, the Group worked with reputable NGOs to organise outreach programmes in the areas of baking, sewing, culinary, traditional dyeing and chicken farming.

PPB Group’s flagship project, Baking for a Better Future, was launched in 2019 and empowers marginalised groups through developing their baking skills. The Group supports reputable NGOs in the six baking initiatives that revolve around a key ingredient – flour. PPB supports the establishment of these baking studios and continuously provides in-kind and financial support based on the partner’s and participants’ needs.

SOCIAL

Baking For A Better Future Project

284 Individuals

Initiative	Parties in collaboration	Year of commencement	Venue	Number of trainees
bake X dignity	Dignity for Children Foundation	2019	Sentul, Kuala Lumpur	98 youths
Supermum	Rotary Club Petaling Jaya Food Aid Foundation	2020	Taman Megah, Petaling Jaya	46 single mothers
Stand Pie Me	Persatuan Stand	2022	Taman Kinrara, Puchong	12 special needs adults
EZY Baking Workshop	Project Hope Welfare Association	2022	Subang Perdana Goodyear Court 2, Subang Jaya	20 individuals
Ibupreneur Academy	Ibupreneur	2023	TTDI Plaza, Kuala Lumpur	100 mothers
The PWW Baking Studio	Perak Women for Women	2023	PPR Flat Harmoni, Ipoh	8 women

Each training programme is designed around the baking proficiency of the trainees. FFM was invited to work with bake X dignity, Supermum and Ibupreneur Academy in providing technical expertise and baking knowledge. In 2023, PPB organised a skill enhancement workshop, facilitated by our employees, for the fifth batch of Supermum participants on business training topics such as basic accounting, marketing and branding. PPB Properties also supports trainees from these initiatives in providing promotional spaces to sell their baked goods at zero cost.



GSC senior management involved in skills-based volunteering at a workshop organised for Supermum participants



FFM's technical team facilitating a Flour Workshop for Ibupreneur Academy's participants

SOCIAL

Support Lokal Entertainers

PPB continues to support and create visibility for local musicians and artistes. PPB collaborates with GSC in the Support Lokal Entertainers project, offering 73 aspiring musicians a performing space at Jin Gastrobar in Aurum Theatre. This initiative aims to help musicians supplement their income while showcasing their talents.

Empowering the indigenous community

Since 2015, PPB has been actively involved with Malaysia's indigenous communities. Through our continuous involvement, PPB has identified the most pressing needs of these communities, namely – stable supply of clean water and electricity, sanitation facilities and proper shelter. These are the main focuses of the Group's efforts, whereby PPB purchases all the required materials for the communities to build infrastructure best suited to their needs. We have supported indigenous communities in Pahang in building wells, sanitation facilities, and shelter for the villagers and families. A set of sanitation facilities includes one toilet, one bathroom and one wash basin with a mirror.

Year	Sponsored	Serves	Location
2015	10 wells	158 individuals	Kampung Simpai, Pekan, Pahang
2016	10 wells	244 individuals	Tanjong Gong, Tasik Cini, Pahang
2017 / 2018	8 sets of sanitation facilities 7 sets of sanitation facilities Dam with piping system & solar panels	123 individuals 208 individuals 3 villages	Kampung Simpai, Pekan, Pahang Tanjong Gong, Tasik Cini, Pahang Gerik, Perak
2018	Saplings & farming tools	3 villages	Gerik, Perak
2019	Zinc roofs & wood panels	7 families	Kampung Simpai, Pekan, Pahang
2020	8 units of 600-gallon water tanks	2 families	Tanjong Gong, Tasik Cini, Pahang
2021	6 units of 600-gallon water tanks	4 families	Tasik Cini, Pahang
2022	9 sets of sanitation facilities 7 sets of sanitation facilities Set-up of eco-farming	4 villages 3 villages 4 individuals	Nenasi, Pekan, Pahang Kuala Rompin, Rompin, Pahang Kampung Keruing, Pekan
2023	4 sets of sanitation facilities 43 units of 600-gallon water tanks	3 villages 32 families	Pekan and Rompin, Pahang



Common sanitation facility available in the Orang Asli village



Community sanitation facility contributed by the Group

PPB employees accompanied 71 indigenous peoples from Kampung Bugis, Pekan District of Pahang for an outing to KLCC Acquaria in conjunction with the Christmas celebration in December 2023. This was the first time for many of them to visit the city center. The outing aimed to provide the indigenous peoples with new experiences while allowing them to foster interaction with people from diverse backgrounds, cultures and races.

SOCIAL

Loving Autism Campaign

GSC has been working with the National Autism Society of Malaysia and The Hope Project since 2018 and 2021 respectively, to create awareness on autism amongst Malaysians through a series of bi-monthly workshops. In addition, GSC launched Malaysia's first sensory-friendly cinemas at GSC Kuantan City Mall, GSC Ipoh Mall Falim, GSC Southkey JB and GSC 3 Damansara. These cinemas offer a safe space for special needs children to enjoy movies every second Sunday of the month, where lights are dimmed, volume is reduced and parents can bring their own snacks in. Complimentary movie screenings were given to 630 students from special needs government schools.

Education

PPB believes in the transformative power of education, not just for the individual, but also as a catalyst for positive change within their families and communities. PPB has established two endowment funds to alleviate poverty through education, managed by the Kuok Foundation Berhad ("KF").



PPB-KF Welfare Fund for Perlis

PPB-KF Welfare Fund for Perlis is an RM10 million endowment fund established in 2010 dedicated to the underprivileged population in Perlis

- RM318,864 spent in 2023
- 10 primary schools and 5 secondary schools
- 1,725 students received assistance with books, stationery and/ or school wear



PPB50 Fund

PPB50 Fund is an RM20 million endowment fund set up in 2019 to commemorate PPB's 50th anniversary

- RM796,153 spent in 2023
- 76 primary and secondary schools in Kedah, Kelantan, Terengganu, Pahang, Perak and Melaka
- 3,882 students received assistance with daily meals, stationery, spectacles or school wear
- Support an alternative after-school programme in Johor and set up a learning centre in Terengganu

PPB collaborated with a social enterprise, PWD Smart Farmability Sdn Bhd in an educational urban farming project known as My Carbon Farm School-cum-Home Programme. Through this programme, PPB sponsored 10 satellite farms to 10 schools for students with learning disabilities. A satellite farm consists of six growing towers of regenerative organic vegetables and a canvas pond housed in the centre which keeps up to 100 tilapia fish. The goals of the project are three-fold. Firstly, the satellite farm is maintained by teachers and students to educate students on farming. Secondly, the programme supports the students in understanding food security and ensuring food accessibility to people of all economic backgrounds while adopting a healthy and nutritious diet. Lastly, the programme aims to help students increase confidence, competitiveness and independence in the society.



The satellite farms help educate special needs children about urban farming and provide them with a therapeutic learning experience

SOCIAL

Environment

The Group is committed to protecting our planet for the future. PPB focuses on environmental enrichment programmes to conserve critical ecosystems and develop better environmental awareness among our workforce.

Since 2022, PPB has partnered with the Global Environment Centre ("GEC") for a stream restoration project in Taman Tugu, a secondary urban forest park in Kuala Lumpur. Taman Tugu is accessible as a public recreational park that spans over 66 acres, with 230 indigenous Malaysian rainforest tree species. More than 1,000 trees have been tagged for preservation. The park is often used as an open classroom to promote environmental conservation among the urban communities.

In 2023, PPB and FFM partnered with Pertubuhan Pelindung Alam Malaysia, an NGO focusing on tiger conservation within the Titiwangsa range in Peninsular Malaysia, by contributing 56 camera traps and 2,000 ready-to-eat meals for the rangers while conducting patrols and surveillance on the tigers.

PPB Properties organised the inaugural The REplace Project to foster environmental consciousness amongst the Megah Rise Mall goers. The project highlighted the importance of recycling and waste reduction through a series of talks hosted by various partners such as .bungkus, Biji-biji Initiative, Kloth Cares Malaysia, Impactlution, Mereka and Zero Waste Malaysia. These collective efforts aim to cultivate environmental awareness amongst the local community.



The Group employees volunteering at the stream restoration project in Taman Tugu, Kuala Lumpur



One-stop recycling centre located at Megah Rise Mall

Arts, culture and heritage

As Malaysia's largest cinema exhibitor, GSC has leveraged on its cinemas to promote global cultures through film since 1999. In 2001, GSC hosted film festivals in collaboration with foreign embassies and in 2023, hosted eight international film festivals featuring award-winning films from Japan, France, Thailand, Brazil, Europe, Latin America, South Korea and Malaysia.

Two of PPB's properties – The Whiteaways Arcade and New World Park – are located within the vicinity of the Penang heritage site. In conjunction with the George Town Heritage Celebrations 2023 in July 2023, PPB Properties organised the Penang Heritage Photography Fiesta for the second time. The campaign featured a series of workshops, photography and videography competitions as well as a photo exhibition. The campaign theme was Traditional Craftsmanship of Penang and jointly organised by George Town Festival and Sony Malaysia.



Youth in a photography workshop on heritage buildings and traditional craftsmanship in Georgetown, Penang

SOCIAL

WORKPLACE

People are essential to the successful delivery of PPB’s business strategy and to sustaining business performance over the long-term. PPB’s Group-wide competency framework – B.U.I.L.D.E.R. – was introduced and reinforced through various interventions, including integration of the competency framework into the performance management metrics in 2022. The framework guides the set of behaviour standards across the Group, builds a cohesive and collaborative culture and lays the foundation for growth and development.



2023 saw further refinements to the performance management framework, aligning it closely with the Group’s four strategic objectives relating to financial, customers, process and operations, and people. In 2022, we implemented the Human Resource Management System (“HRMS”) to provide leaders and employees with clear, end-to-end visibility into human resource processes. This has ensured a consistent experience and set of practices for all 6,258 employees within the Group.

We comply with all applicable labour laws, rules and regulations in the countries the Group operates, including the Malaysian Employment Act 1955 and the Industrial Relations Act 1967. In the reporting year, PPB enhanced the paid paternity leave to 7 days and maternity leave to 98 days in line with the amendments to the Employment Act 1955. Flexible working arrangements were introduced in 2023, allowing employees to work from home or staggered hours, depending on the nature of their job. In the reporting year, 182 employees took paid parental leave and 100% of employees returned to work after their leave ended.¹²

PPB employees are covered by statutory employment laws, with equitable-based remuneration based on qualifications, skills and experience relevant to the work performance expectations. The performance-based appraisal system integrates position-specific indicators that present our people with merit-based recognition and rewards, including welfare compensation and benefits. In the reporting year, 100% of our employees (excluding interns and part-time contract employees) received performance reviews to evaluate their work performance and receive formal feedback.

PPB Group’s Human Rights Policy is guided by the principles expressed in the Universal Declaration of Human Rights and the International Labour Organization (“ILO”) Declaration on Fundamental Principles and Rights at Work. The Policy extends our commitment towards maintaining a decent working environment ensuring non-discrimination, fair employment conditions, health and safety, workplace security, privacy/ data protection, no child or forced labour or human trafficking and community rights. In the reporting year, there were no instances of child labour or forced labour. All our employees have legal contracts and we do not employ any individual below the age of 16.

We have zero-tolerance against discrimination in any form and strive to provide a safe and respectful workplace environment that is free from violence, harassment, humiliation and intimidation. In the reporting year, enhancements were made to the grievance handling procedure to include anti-discriminatory principles and include a comprehensive guideline on reporting of sexual harassment incidents. There were four cases reported, investigated and resolved within the reporting year. Besides displaying a clear policy statement prohibiting sexual harassment and posters relating to anti-sexual harassment on all company premises, we have included the Policy in the Employee Handbook and provided a briefing to all new employees as part of their orientation. For existing employees, an online awareness session on workplace harassment and discrimination was conducted in 2022, and an additional physical awareness session was organised in 2023 to inform our employees on different forms of sexual harassment.

¹² 182 employees began their parental leave in 2023. Employees who returned to work in 2023 excludes those who have yet to complete their parental leave as at 31 December 2023.

SOCIAL



Employees place appreciation notes on the B.U.I.L.D.E.R. Appreciation Board at FFM Berhad

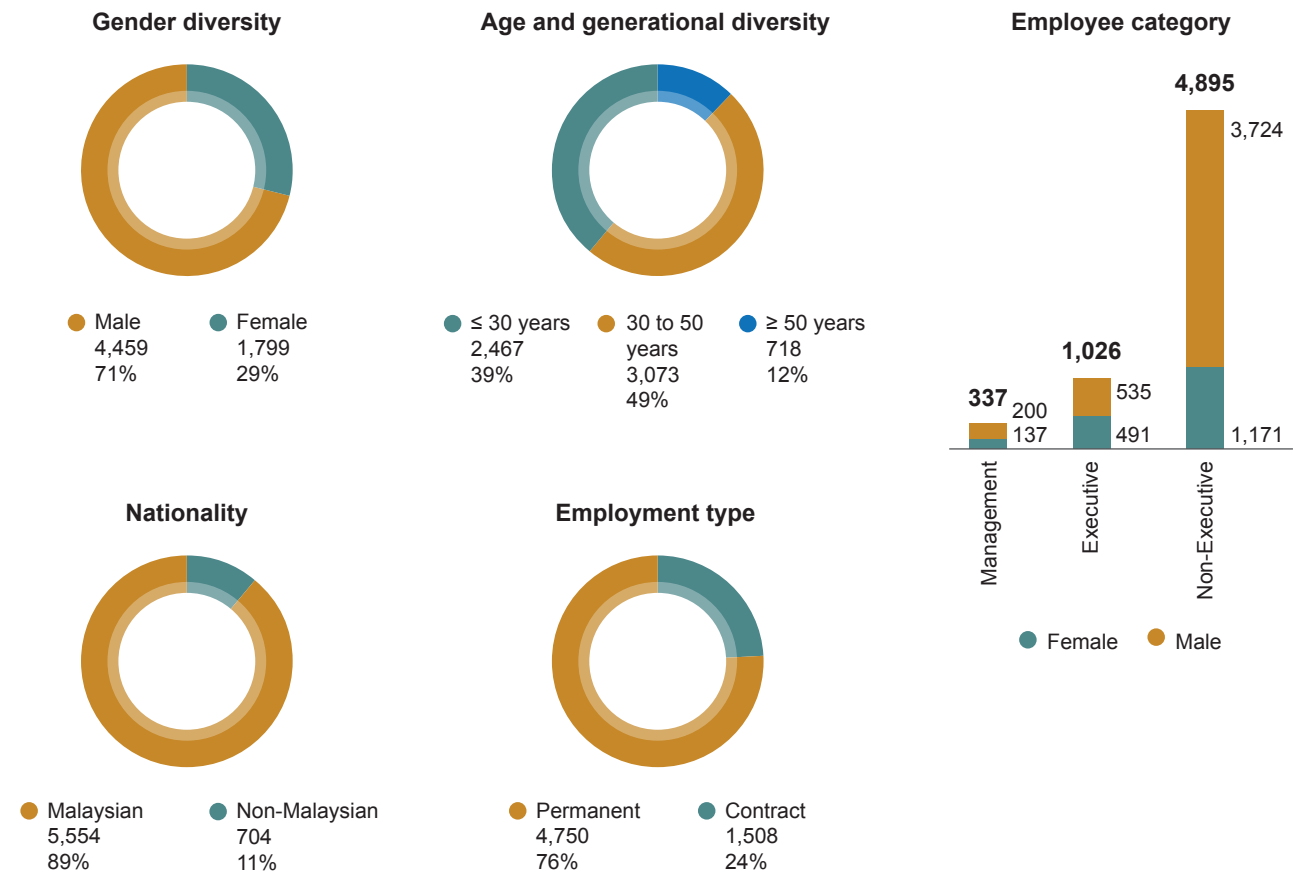


Empowering employees with the B.U.I.L.D.E.R. framework at operational sites

Diversity and inclusion

A diverse workforce within an inclusive and respectful environment helps to nurture and inspire growth in individuals. In turn, this strengthens our ability to innovate in all areas of our business. We strive to create equitable outcomes by identifying and eliminating any barriers that may hinder our employees’ contributions or opportunities for career advancement.

All PPB employees are provided with equal career opportunities regardless of race, religion, gender, age, sexual orientation, disabilities, or nationality. PPB directly employs 89% Malaysians of its total workforce in 2023. We encourage fair representation of women in top management and PPB’s Board level; with 41% and 38% of women representation respectively.

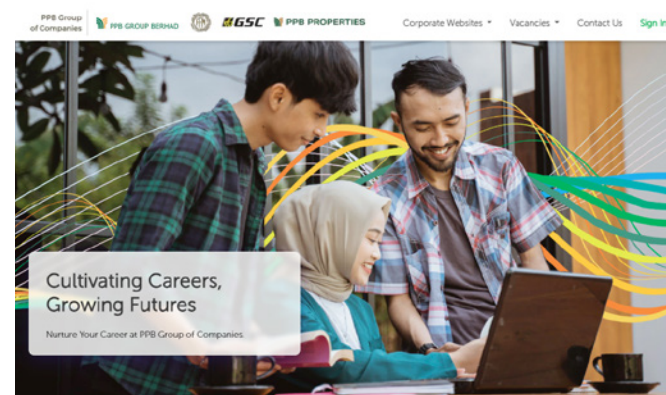


SOCIAL

Talent attraction and retention

We aim to attract, develop and retain the right people for each job by empowering them to excel in their chosen careers. Development conversations and performance feedback help us recognise and nurture employees for future growth. Recruitment activities are aligned with PPB's efforts to promote diversity as well as maintain equitable and non-discriminatory work practices for recruitment and succession planning.

Building a strong employer brand is key to attracting and retaining talent. GSC's commitment to fostering a positive work environment for youth secured recognition from Talent Bank. University students voted placed GSC as First Runner-Up in the Graduates' Choice Award 2023 (Entertainment and Leisure Category), solidifying GSC's position as top employer brand choice.



PPB Group job portal lists vacancies for job seekers and is a platform for employee mobility across PPB Group companies



The Group empowers employees through training programmes

Training and development

People want to work for a Group that makes a difference and has a clear purpose. PPB is made up of increasingly diverse teams, enabling the company to draw on a range of talents to better serve our communities. We invest to develop our employees by building strong leaders at every level, cultivating a culture of empowerment and inclusion to shape talented teams built for success.

We offer our employees access to continuous learning in a variety of ways such as external education courses as well as on-site and on-the-job training. We also encourage employees to participate in e-learning courses that are relevant to their individual roles and the business, helping them fulfill their job responsibilities effectively.



Training hours
(for all employees across the Group)

97,548 hours



Training hours by employment category
(permanent employees only)

Management
10,019

Executive
19,654

Non-executive
49,890

SOCIAL

Employee engagement and satisfaction

In 2023, we conducted the second employee engagement and satisfaction survey across the Group. The engagement survey was conducted in seven languages and received a response rate of 98%. The formal survey is done on a biennial basis and is administered by a third party. In 2023, we saw positive progress in performance management, the effectiveness of our people managers, and the availability of resources and infrastructure, which are necessary to deliver on our strategy.



GSC Popcorn Run feat Aquaman saw 7,000 runners and included participation of the employees' families



Employees celebrated the festive season at PPB Properties

We are committed to creating a more open and inclusive working environment by reinforcing a culture of appreciation. We believe that appreciation and recognition can make a big difference to the employee experience. In 2023, we celebrated and acknowledged the commitment and loyalty of 453 employees who have dedicated their professional lives to the PPB Group for more than 20 years.



Employees received long service awards



Employees helped to prepare meals and groceries for needy families

SOCIAL

Health, safety and wellbeing

The health, safety and wellbeing of PPB Group’s employees remains a top priority. PPB continues to strengthen its focus on working across business segments to create a safe and healthy work environment which supports employees’ wellbeing.

Building a safe and healthy workplace

Building on the foundation of the Group’s ERM Framework, which integrates health and safety considerations, the Group is committed to achieving zero workplace fatalities. This commitment goes beyond mere compliance; it reflects our understanding that effective health and safety management requires active participation from all levels. We emphasise shared responsibility and accountability, ensuring employees understand their role in fostering a safe work environment. In 2023, the Group reported zero work-related fatalities.

We continue to stay informed on the latest developments and industry best practices. In March 2022, the Occupational Safety and Health (Amendment) Act 2022 was gazetted and the Act will come into operation on 1 June 2024. The amendment grants all employees the statutory right to remove themselves from imminent danger¹³.

The role of employee engagement is crucial in achieving health and safety excellence. In the reporting year, FFM launched the Environment, Health & Safety (“EHS”) Champion programme. Dedicated Champions work with on-site EHS teams to drive improvements in compliance, systems, standards, performance, management and enforcement across 22 key areas. This collaborative approach fosters a culture of safety ownership and addresses critical areas such as ergonomics, machine safety, working at height, hot work, noise monitoring and warehouse safety. Working across businesses provides Champions with an opportunity to gain insights into other FFM Group operations, practices and even learn from different industries, further enriching their knowledge and skillset. At the sites, the Hazard Identification, Risk Assessment and Risk Control (“HIRARC”) system is used to recognise, evaluate, reduce and manage workplace hazards and risks.

In recognition of its commitment to employee health and safety, FFM (Sabah) Sdn Bhd was awarded third place for Best SOHELP-DIY Workplace (Category 4) at the National



FFM Sabah won third place for Best SOHELP-DIY Workplace at the National SOHELP DIY Convention 2023

Systematic Occupational Health Enhancement Level Programme – Do It Yourself (SOHELP DIY) Convention 2023. This award presented by the Department of Occupational Safety and Health (“DOSH”), acknowledges FFM Sabah’s effective implementation in managing noise exposure, chemicals and ergonomics in the workplace.

The cinema division has also established Emergency Response Teams (“ERT”), with quarterly Occupational Safety and Health (“OSH”) committee meetings held across all cinemas. Throughout the year, the division plans for workplace safety and hosts health training and awareness talks for employees.

The Property segment implemented a comprehensive Safety Policy across all sites, accompanied by systematic safety briefing for contractors. The multifaceted training programme addresses diverse needs, such as:

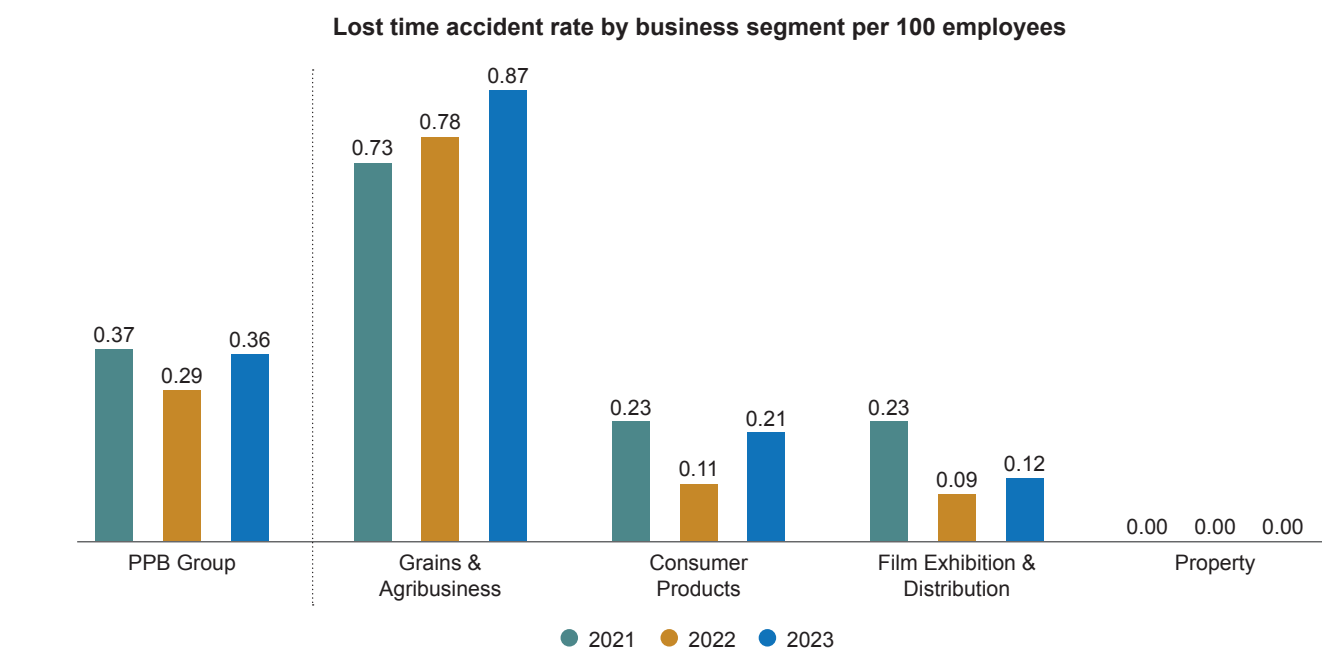
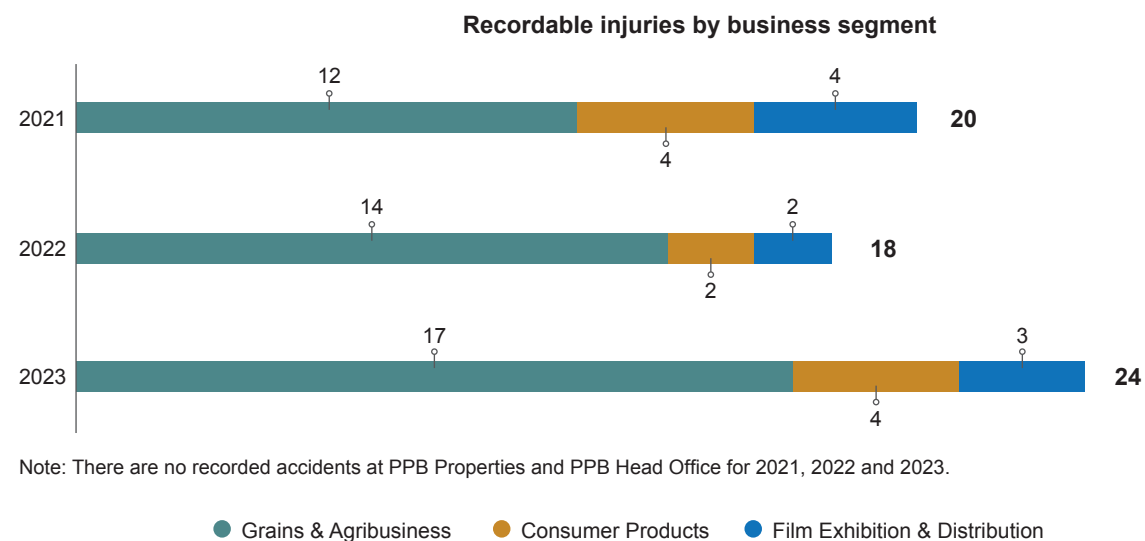
- ▶ Emergency Response Training: Equips relevant internal teams such as duty supervisors and external security personnel with critical response skills in emergency situations.
- ▶ First Aid Training: Ensures all locations (malls, offices and Seletar estate) have personnel trained to provide immediate medical assistance.
- ▶ Certificate Training for ERT members: Enhances the capabilities of Emergency Response Teams through specialised training and certification.

¹³ New Section 26A(3) of the Amended OSHA.

SOCIAL

Health and safety performance

The Group prioritises health and safety by training employees across all divisions. In the reporting year, 2,176 employees participated in specialised health and safety trainings, and 205 earned Health and Safety certificates. In 2023, there was a total of 24 work-related injuries requiring at least 4 days of medical leave. We have conducted appropriate investigations, reviewed the results, and strengthened safety measures at the relevant divisions where these injuries have occurred. The Grains & Agribusiness and Consumer Products segments are raising awareness and issuing EHS Alert and Lessons Learnt to educate employees and prevent future occurrences.



Note: There are no recordable accidents with ≥ 4 lost work days at the PPB Head Office for 2021, 2022 and 2023. The Group total for 2021 and 2022 exclude the headcount for Environmental Engineering & Utilities segment (LTAR 2021: 1.14; 2022: 1.2) which was divested in November 2022. However, employee count for Head Office is included in the calculation for PPB Group’s LTAR in 2023.
 LTAR = (total number of accidents with ≥ 4 lost work days x 200,000) / (total number of employees for the year x 48 working weeks x 44 working hours per week)

SOCIAL



Gearing up for safe and productive work with on-site scissors lift training



Taking preparedness seriously through fire drills



Fast response and teamwork is crucial for effective firefighting

Employee wellbeing

In 2023, we continued to evolve and expand our employee engagement initiatives as well as health and wellbeing programmes. PPB put in place the Employee Assistance Programme in 2022, an intervention programme in partnership with Malaysian Mental Health Association (“MMHA”), designed to help support employees’ mental wellbeing. Employees are able to connect directly with MMHA to ensure anonymity and professional guidance. These sessions with qualified psychotherapists or counsellors can be face-to-face or virtual and facilitated in various languages – English, Bahasa Malaysia or Mandarin. In addition, interactive virtual talks on heightening employee awareness on mental wellbeing were organised for employees in English and Bahasa Malaysia throughout the reporting year.

Employee Assistance Programme (EAP)

WHAT IS EAP?

An intervention programme designed to help employees cope with personal issues that may be adversely affecting their mental well-being.

HOW DOES EAP WORK?

Reach out to our service partner Malaysia Mental Health Association (MMHA) based on an arrangement best suited for you.

- Virtual or face-to-face setting
- Communicate in either English, Bahasa Malaysia, or Mandarin
- Cashless arrangement up to five (5) sessions a year per employee

WHY EAP?

In addition to other support made available to you, we believe EAP is a relevant resource to help employees journey through difficult times in their life to reach a greater state of wellness.

Employee's identity and all interactions with MMHA will be kept strictly confidential.

"It matters, don't let anyone suffer in silence".

Contact MMHA at 03-27806803
or email associates@mmha.org.my

a well-being initiative by
PPB Group of Companies
supported by
Malaysia Mental Health Association

GOVERNANCE

CORPORATE GOVERNANCE AND ETHICAL BUSINESS PRACTICES

PPB’s Board is committed to strong corporate governance structures and practices that help PPB achieve business results the right way. The Board is guided by the principles of the Malaysian Code on Corporate Governance (“MCCG”) and our Board Charter. A summary of the corporate governance practices of PPB and its subsidiaries is described in the Corporate Governance Overview Statement in the 2023 Annual Report.

Group Anti-Bribery and Corruption Policy and Procedures

PPB Group has a zero-tolerance approach to all forms of bribery and corruption and shall continuously conduct its business activities ethically, honestly and with high standards of integrity. PPB Group Board and Senior Management is committed to complying with the anti-bribery and corruption laws in Malaysia and other anti-bribery and corruption laws applicable in all the countries that the Group operates.

The Group has an Anti-Bribery and Corruption (“ABAC”) Framework in place which provides an overview of the compliance programme adopted by the Group in managing bribery and corruption risks across the organisation. The ABAC Framework has been designed based on the T.R.U.S.T. principles set out in the Guidelines on Adequate Procedures pursuant to Subsection (5) of Section 17A under the Malaysian Anti – Corruption Commission Act 2009. Using the T.R.U.S.T. principles, adequate procedures have been established, linked up as appropriate within PPB Group’s environment and embedded into the relevant operations.

In terms of governance, the Board delegates the oversight of the Integrity Programme (including Anti-Bribery and Corruption) and the authority for day-to-day decisions to the Group Integrity Steering Committee (“GISC”). PPB Risk Management & Integrity Department (“PPB RMID”) has been given the overall responsibility by the GISC to implement and manage the risk and compliance of the Integrity Programme for the Group. The Integrity Programme includes continued enhancement of policies and procedures to mitigate bribery and corruption, perform on-going monitoring and review of the programme, and conduct regular training and awareness programmes for the relevant stakeholders, including directors and employees of the Group.

The subsidiary companies conduct their own on-going monitoring of compliance with the Integrity Programme and prepare reports, which are presented to the respective Integrity Steering Committees and their respective Boards. PPB RMID consolidates these reports and presents them to the GISC for deliberation and necessary action, before submission to the Board.

In line with the Malaysian Anti-Corruption Commission Act 2009 (“MACC”), the Group has developed comprehensive Group Anti-Bribery & Corruption Policy & Procedures (“ABAC P&Ps”) which asserts the Group’s zero-tolerance approach to all forms of bribery and corruption and lists down the ABAC principles in managing bribery and corruption risks. The key ABAC P&P include:

- ▶ Conflict of Interest
- ▶ No Gift Policy
- ▶ Hospitality and Entertainment
- ▶ Dealing with Public Officials
- ▶ Dealing with Business Associates
- ▶ No Facilitation Payment
- ▶ Charitable Donations and Sponsorships
- ▶ Third Party Due Diligence

The Group also has a strict No Political Donation Policy and does not make political contributions to any political party, officials or candidates.

The ABAC P&Ps is applicable to all Group Personnel (directors and employees) and to our Business Associates, including joint venture entities, vendors, suppliers and any third parties working for or on behalf of the Group. Any non-compliance with the ABAC P&Ps may subject the employees to disciplinary action, including but not limited to the termination of employment. For Business Associates, any non-compliance may subject them to termination of contract.

As part of our effort to support transparency and good governance, the ABAC P&Ps are published on the Group’s corporate website. The ABAC training is held on a regular basis; during onboarding of new employees and annual refresher training for current employees to ensure continuous awareness. The same is applicable for our directors.

GOVERNANCE

The training materials are provided in both English and Bahasa Malaysia and is conducted via classroom training or e-learning. In 2023, we achieved 100% completion of ABAC training for all directors and employee categories across the Group. We print, distribute and display ABAC posters physically and digitally across the Group.

The Group has developed Due Diligence Guidelines for Procurement, an internal guidance for employees to assess the bribery and corruption risks of potential and existing Business Associates, as a way to further strengthen internal controls and better manage third party risk.

PPB Group Berhad and subsidiary companies conduct periodic bribery and corruption risk assessments to identify, evaluate and manage bribery and corruption risk. The outcome of these assessments will be consolidated to provide an overall view of the potential risks the Group may face. In 2023, 100% of the Group's operations have undergone a bribery and corruption risk assessment and adequate procedures have been put in place to manage the Group's risk.

Any real or suspected bribery and corruption incidents can be reported via the Group's Whistleblowing channels. During this financial period, we recorded zero material cases on bribery and corruption, including zero requests for facilitation payment. The Group's internal control systems and procedures which were designed to prevent bribery and corrupt gratification are subject to regular audits by either the PPB's Internal Audit Department, or the appointed external third party to ensure that they are effective in practice.

Whistleblowing Policy and Procedures

The Group's Whistleblowing Policy and Procedures provides a channel for individuals, including personnel in the Group, business associates and members of the public to report any incidents of negligence, malpractice or impropriety in the Group, including bribery and corruption acts. The Policy is designed to offer protection to whistleblowers who disclose such concerns provided the disclosure is made in good faith and with reasonable belief that it shows malpractice or impropriety. The identity of the whistleblower making the allegation may be kept confidential so long as it does not hinder or frustrate any investigation. The Audit and Risk Committee ("A&RC") holds the highest

authority to form an investigating panel which may consist of the relevant business division/ personnel best placed to address the reported issue. Further details on PPB's Whistleblowing Policy and Procedures are available on the corporate website.

Code of Conduct and Ethics

The Code of Conduct and Ethics provides guidance on the standards of behaviour expected of all directors and employees of PPB. It defines the fundamental standard of conduct, including personal conduct to maintain a consistent set of values and ethics throughout the Group. The Code of Conduct and Ethics is available on the corporate website and compiled as part of the Employee Handbook made available to all employees. New hires are briefed on the code during the onboarding process.

In 2023, FFM Berhad Malaysia received a Notice of Finding of a price-fixing infringement under the Competition Act 2010 with an imposed penalty of RM 42.689 million¹⁴. FFM had on 9 January 2024 appealed against the Decision via the filing of a notice of appeal with the Competition Appeal Tribunal and applied for a stay of the Decision¹⁵.

RISK MANAGEMENT AND BUSINESS CONTINUITY

The Group-wide ERM framework, aligned to ISO31000: 2018 - Risk Management Standard, is in place and applied across the Group for risk identification, evaluation and management of significant business risks. The scope of the risk assessment encompasses strategic, governance, legal and compliance, operations, cyber, financial, asset security, health, safety, environment and corruption. Some examples of ESG-related risks include:

- ▶ Compliance with regulatory requirements
- ▶ Supply chain disruption e.g. natural disasters, adverse weather
- ▶ Fluctuation of commodity prices e.g. due to global shortage of grains as a result of adverse weather at planting area
- ▶ Health and safety hazards
- ▶ Product safety and quality e.g. compliance with food safety regulations

¹⁴ Announcement to Bursa Malaysia

¹⁵ Announcement to Bursa Malaysia

GOVERNANCE

The Board has ultimate responsibility for overseeing the risk management process, of which the A&RC monitors the process for its adequacy and effectiveness. The A&RC delegates authority of day-to-day decisions to the Risk Advisory Committee ("RAC"). The RAC is further assisted by the RMID to implement and coordinate the management of risk for PPB Group. A control self-assessment system is also in place for management to monitor critical risk areas using internal control checklists.

The risks are measured using risk parameters approved by the Board. Any risks identified are documented in a risk register that includes the nature of the risks, its description, the causes and consequences, the existing controls and management action plans to mitigate the said risk. The risks are identified through risk assessment questionnaires, workshops, emails or meetings. A key risk indicator dashboard is used to monitor the risk performance and provide an early signal of increased risk exposure. The key features of the Group's risk management and business continuity frameworks are described in the Statement on Risk Management and Internal Control of the 2023 Annual Report. In 2024, the ERM framework embedded with climate risk considerations will be updated as part of the Group-wide TCFD implementation.

Business continuity is an integral pillar of operational resilience. The Group implements the Business Continuity Management ("BCM") programme in phases for each business segment. BCM is a structured approach that enables the Group to respond, recover and resume to business as usual more efficiently and effectively, in the event of a crisis. Elements of the BCM include plans on emergency response, disaster recovery, crisis communication, crisis management and business continuity.

ENHANCING DATA PRIVACY AND CYBER SECURITY

We treat personal data seriously and extend our efforts to protect the privacy of our stakeholders such as customers, suppliers and employees. PPB Group is compliant with relevant regulation, including the Personal Data Protection Act ("PDPA") 2010. There were no substantiated complaints concerning breaches of customer privacy and losses of customer data in 2023.

We recognise the importance of adopting digital technologies and solutions to drive efficiencies, collaborations, consistency and business agility across the Group. Efforts on enhancing the Group's Information Technology ("IT") infrastructure and security, namely on cloud migration and data analytics solutions, continues in the reporting year. In 2023, we rolled out a series of cybersecurity awareness and training sessions for our employees.

PERFORMANCE DATA¹⁶

ENVIRONMENT					
Indicator	Unit	2021	2022	2023	
Emissions					
Total GHG emissions	tCO ₂ e	93,156	124,681	129,459	
Direct (Scope 1) GHG emissions ¹⁷	tCO ₂ e	7,634	15,611	16,215	
Energy indirect (Scope 2) GHG emissions ^{a, 18}	tCO ₂ e	85,340	107,873	111,862	
Other indirect (Scope 3) GHG emissions ¹⁹	tCO ₂ e	182	1,197 ^b	1,382	
Energy					
Energy consumption	kWh	118,265,008	154,507,486 ^c	164,590,078	
	GJ ²⁰	425,754	556,227	592,524	
Purchased electricity	kWh	115,550,620	137,568,380	148,343,538	
Purchased chilled water	kWh	2,714,388	10,861,760	7,788,830	
Purchased steam	kWh	Not available	5,060,342	4,720,972	
Generated solar	kWh	Not available	1,017,004	3,736,738	
Waste					
Total waste generated	MT	2,170	25,748 ^d	36,061	
Non-hazardous waste	MT	296	25,705	36,048	
Hazardous waste	MT	1,874	43	13	
Waste diverted from disposal					
Reused	Non-Hazardous	MT	Not available	47	18
	Hazardous	MT		0	0
Recycled	Non-Hazardous	MT	Not available	697	976
	Hazardous	MT		0.81	0
Recovered	Non-Hazardous	MT	Not available	21,592	30,663
	Hazardous	MT		35	5
Waste directed to disposal					
Landfilled	Non-Hazardous	MT	Not available	3,158	4,148
	Hazardous	MT		4	3
Incinerated	Non-Hazardous	MT	Not available	211	243
	Hazardous	MT		3	5
Water					
Water withdrawn	m ³	713,781	857,244 ^e	998,289	
SUPPLY CHAIN					
Supply chain management					
Proportion of spending on local suppliers	%	Not available	Not available	33	

¹⁶ Values for 2021 and 2022 within the performance data table include data from the Environmental Engineering & Utilities segment, which was divested in November 2022.

¹⁷ Emission factors for Scope 1 are obtained from the GHG Protocol, Intergovernmental Panel on Climate Change ("IPCC") and UK Department for Environment and Food Affairs ("DEFRA").

¹⁸ Grid emission factors for Scope 2 are obtained from the Malaysia Energy Commission (2021 values).

¹⁹ Emission factors for Scope 3 are sourced from UK DEFRA.

²⁰ The conversion factor used to convert kWh to GJ is 0.0036 and is obtained from UK DEFRA.

PERFORMANCE DATA

SOCIAL					
Indicator	Unit	2021	2022	2023	
Local communities					
Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM million	7.2 ²¹	3.2	2.4	
Total number of beneficiaries of the investment in communities	Recipients	35,177	21,002	16,397²²	
Human rights					
Number of substantiated complaints concerning human rights violations	Number of complaints	Not available	Not available	4	
Diversity (employees)					
Total number of employees	People	5,297	6,007	6,258	
Total number of permanent employees	%	80	74	76	
Total number of contract employees	%	20	26	24	
Employee category - management: female	%	35	35	41	
Employee category - management: male	%	65	65	59	
Employee category - executive: female	%	49	50	48	
Employee category - executive: male	%	51	50	52	
Employee category - non-executive: female	%	27	27	24	
Employee category - non-executive: male	%	73	73	76	
Employees by age group - management: under 30 years old	%	Not available	Not available	0	
Employees by age group - management: 30 to 50 years old	%			61	
Employees by age group - management: over 50 years old	%			39	
Employees by age group - executive: under 30 years old	%	Not available	Not available	18	
Employees by age group - executive: 30 to 50 years old	%			68	
Employees by age group - executive: over 50 years old	%			14	
Employees by age group - non-executive: under 30 years old	%	Not available	Not available	47	
Employees by age group - non-executive: 30 to 50 years old	%			44	
Employees by age group - non-executive: over 50 years old	%			9	
Employees by nationality: Malaysian	%	Not available	92	89	
Employees by nationality: non-Malaysian	%		8	11	

²¹ In 2021, 85.4% of the community investment was channeled towards COVID-19 initiatives, with physical employee volunteerism programmes held off due to the COVID-19 pandemic.

²² The total number of beneficiaries includes recipients of education support, food aid, job upskilling and other community projects.

PERFORMANCE DATA

SOCIAL				
Indicator	Unit	2021	2022	2023
New employee hires and employee turnover				
New employee hires	People	Not available	Not available	991
New employee hire rate ²³	%			20.9
Employee turnover	People			766
Employee turnover: management	People			41
Employee turnover: executive	People			132
Employee turnover: non-executive	People			593
Employee turnover rate ²⁴	%	15.8	22.6	16.1
Parental leave				
Employees who took parental leave: female	People	129	67	58²⁵
Employees who took parental leave: male	People		94	124²⁵
Employees who returned after parental leave: female	%	100	97	100²⁶
Employees who returned after parental leave: male	%		100	100²⁶
Training and education				
Total training hours	Hours	48,837	92,419	97,548
Average training hours per employee ²⁷	Hours	10.5	15.4	15.6
Total training hours by employment type: management	Hours	4,005	9,242	10,019²⁸
Total training hours by employment type: executive	Hours	8,351	18,484	19,654²⁸
Total training hours by employment type: non-executive	Hours	36,481	64,693	49,890²⁸
Occupational health and safety				
Work-related fatalities	Number of fatalities	0	0	0
Recordable injuries with ≥ 4 lost work days	Number of injuries	23	19	24
Average number of lost days per injury	Days	26.48	46.79	20.63
Lost time incident rate	Per 100 employees	Not available	Not available	0.68
Employees trained on health and safety standards	Number	407	1,781	2,176

²³ The new hire rate (permanent employees only) is calculated based on total new hires/ total employees as at 31 Dec 2023 x 100%.

²⁴ The turnover rate (permanent employees only) is calculated based on total voluntary turnover/ total employees as at 31 Dec 2023 x 100%.

²⁵ Only employees who began parental leave in 2023.

²⁶ This excludes employees who are yet to complete their leave in 2023.

²⁷ Average training hours per employee = total training hours/ total employees (permanent and contract).

²⁸ Training hours by employee type refer to training hours for permanent employees within each employee category.

PERFORMANCE DATA

GOVERNANCE				
Indicator	Unit	2021	2022	2023
Anti-corruption				
Percentage of operations assessed for corruption-related risks	%	100	100	100
Percentage of employees who have received training on anti-corruption by employee category: management	%	100	100	100
Percentage of employees who have received training on anti-corruption by employee category: executive	%			100
Percentage of employees who have received training on anti-corruption by employee category: non-executive	%			100
Confirmed incidents of corruption and action taken	Incidents	0	0	0
Data privacy and security				
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Complaints	0	0	0

Note: Breakdown of data according to employee category is made available from 2023 onwards.

^a Scope 2 emissions for 2021 and 2022 are restated, the restated figures are 27% and 19% higher respectively due to updated emissions factors from the Energy Commission to use 2021 numbers, amendments on steam emission factor (from 0.098 tCO₂e/ GJ to 0.0499 tCO₂e/ GJ) and data correction from FFM Sabah.

^b Scope 3 emissions in 2022 are restated. The restated amount has increased from 177 tCO₂e to 1,197 tCO₂e due to the inclusion of additional reporting entities i.e. FFM Marketing, TIB, and Livestock Farms in the scope and corrections on the diesel emission factor.

^c Energy consumption in 2022 is restated. The restated amount has increased by 6% from 145,182,275 kWh to 154,507,486 kWh to include energy from the purchase of chilled water and correction on electricity consumption in GSC Cinema and FFM Sabah.

^d Waste in 2022 is restated from 25,843 MT to 25,748 MT due to a change in the categorisation of data from hazardous to non-hazardous waste, and among the recovered, reused and recycled categories. The reduction in waste is due to the human error in data input from FFM Farms.

^e Water withdrawal in 2022 is restated from 857,462 m³ to 857,244 m³ due to a correction on the water withdrawal numbers at FFM Sabah.

LIST OF ABBREVIATIONS

A&RC	Audit and Risk Committee	JBFM Prai	Johor Bahru Flour Mill Sdn Bhd (Prai)
ABAC	Anti-Bribery and Corruption	KF	Kuok Foundation Berhad
ABAC P&P	Anti-Bribery and Corruption Policy and Procedures	kWh	Kilowatt-hour
AHU	Air handling units	LED	Light-emitting diode
B40	Bottom 40% of income earners in Malaysia	LTAR	Lost time accident rate
BCM	Business Continuity Management	LTIR	Lost time injury rate
BEI	Building Energy Index	MACC	Malaysian Anti-Corruption Commission
BOD	Biological Oxygen Demand	MCCG	Malaysian Code on Corporate Governance
BU	Business Unit	MWh	Megawatt-hour
CO ₂	Carbon Dioxide	MWp	Megawatt-peak
CSAT	Customer Satisfaction Score	MMHA	Malaysian Mental Health Association
COD	Chemical Oxygen Demand	MSPO	Malaysian Sustainable Palm Oil
CSR	Corporate Social Responsibility	NDPE	No Deforestation, No Peat and No Exploitation
DEFRA	Department for Environment and Food Affairs	NETR	National Energy Transition Roadmap
DOSH	Department of Occupational Safety and Health	NIMP	New Industrial Master Plan
EHS	Environment, Health & Safety	NGO	Non-governmental organisation
EPR	Extended Producer Responsibility	NOx	Nitrogen oxides
ERM	Enterprise Risk Management	NPS	Net Promoter Score
ERT	Emergency Response Team	OECD	Organisation for Economic Cooperation and Development
ESG	Environmental, Social and Governance	OSH	Occupational Safety and Health
EV	Electric Vehicle	PDPA	Personal Data Protection Act
FGM PG	FFM Grains & Mills Sdn Bhd (Pasir Gudang)	PM	Particulate matter
FSMS	Food Safety Management System	PV	Photovoltaic
GCRO	Group Chief Risk Officer	RAC	Risk Advisory Committee
GEC	Global Environment Centre	REHDA	Real Estate and Housing Developers' Association
GHG	Greenhouse gas	RMC	Risk Management Committee
GISC	Group Integrity Steering Committee	RMID	Risk Management & Integrity Department
GJ	Gigajoules	RSPO	Roundtable Sustainable Palm Oil
GreenRE	Green Real Estate	SDGs	Sustainable Development Goals
GRI	Global Reporting Initiative	SOx	Sulphur oxides
GSP	Group Strategic Plan	SRC	Subsidiary Risk Committee
HIRARC	Hazard Identification, Risk Assessment and Risk Control	SSC	Sustainability Steering Committee
HRMS	Human Resource Management System	TCFD	Task Force on Climate-related Financial Disclosures
ILO	International Labour Organization	tCO ₂ e	Metric tonnes of carbon dioxide equivalent
IPCC	Intergovernmental Panel on Climate Change	TIB	The Italian Baker Sdn Bhd
IT	Information Technology	VOC	Volatile organic compounds
JAKIM	Department of Islamic Development Malaysia	WUI	Water Use Intensity
JBFM KK	Johor Bahru Flour Mill Sdn Bhd (Kota Kinabalu)		

GRI CONTENT INDEX

This Global Reporting Initiative ("GRI") content index has been prepared in accordance with the GRI Standards 2021.

Statement of use	PPB Group Berhad has reported in accordance with the GRI Standards for the period 1 January 2023 to 31 December 2023
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Location (see section within this Report)	
General disclosures			
GRI 2: General Disclosures 2021	2-1	Organisational details	PPB at a glance 2023 Annual Report
	2-2	Entities included in the organisation's sustainability reporting	PPB at a glance 2023 Annual Report
	2-3	Reporting period, frequency and contact point	About this report
	2-4	Restatements of information	Performance data
	2-5	External assurance	About this report
	2-6	Activities, value chain and other business relationships	Customer satisfaction through quality Supply chain 2023 Annual Report
	2-7	Employees	Workplace Performance data
	2-8	Workers who are not employees	Workplace
	2-9	Governance structure and composition	Governance 2023 Annual Report Sustainability at PPB
	2-10	Nomination and selection of the highest governance body	2023 Annual Report
	2-11	Chair of the highest governance body	2023 Annual Report
	2-12	Role of the highest governance body in overseeing the management of impacts	2023 Annual Report Governance
	2-13	Delegation of responsibility for managing impacts	2023 Annual Report
	2-14	Role of the highest governance body in sustainability reporting	Sustainability at PPB
	2-15	Conflicts of interest	2023 Annual Report Governance
	2-16	Communication of critical concerns	Governance Response to the TCFD
	2-17	Collective knowledge of the highest governance body	Sustainability at PPB
	2-18	Evaluation of the performance of the highest governance body	2023 Annual Report
	2-19	Remuneration policies	2023 Annual Report
	2-20	Process to determine remuneration	2023 Annual Report
	2-21	Annual total compensation ratio	2023 Annual Report
	2-22	Statement on sustainable development strategy	Message from the chairman of the SSC
	2-23	Policy commitments	Sustainability at PPB Environment Supply chain Workplace Governance

GRI CONTENT INDEX

GRI Standard	Disclosure	Location (see section within this Report)
General disclosures		
GRI 2: General Disclosures 2021	2-24 Embedding policy commitments	Sustainability strategy Response to TCFD Workplace Governance
	2-25 Processes to remediate negative impacts	Customer satisfaction through quality Workplace
	2-26 Mechanisms for seeking advice and raising concerns	Customer satisfaction through quality Governance
	2-27 Compliance with laws and regulations	Environment Customer satisfaction through quality Governance Performance data
	2-28 Membership associations	Customer satisfaction through quality Supply chain Response to the TCFD
	2-29 Approach to stakeholder engagement	Stakeholder engagement
2-30 Collective bargaining agreements	The Group complies with all applicable labour laws, rules and regulations in our operating countries	
Material topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Sustainability governance structure Materiality Response to the TCFD
	3-2 List of material topics	Materiality
	3-3 Management of material topics	Progress on targets Response to the TCFD Environment Social Governance
Economic performance		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	2023 Annual Report
	201-2 Financial implications and other risks and opportunities due to climate change	Response to the TCFD Risk management and business continuity
	201-3 Defined benefit plan obligations and other retirement plans	2023 Annual Report
	201-4 Financial assistance received from government	2023 Annual Report
Procurement practices		
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Supply chain Performance data

GRI CONTENT INDEX

GRI Standard	Disclosure	Location (see section within this Report)
Material topics		
Anti-corruption		
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Corporate governance and ethical business practices
	205-2 Communication and training about anti-corruption policies and procedures	Corporate governance and ethical business practices
	205-3 Confirmed incidents of corruption and actions taken	Corporate governance and ethical business practices
Energy		
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Our carbon footprint Energy consumption Performance data
	302-2 Energy consumption outside of the organisation	Energy consumption
	302-3 Energy intensity	Energy consumption
	302-4 Reduction of energy consumption	Our carbon footprint Energy consumption
	302-5 Reductions in energy requirements of products and services	Managing our carbon footprint Energy consumption
Water and effluents		
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water management and effluents
	303-2 Management of water discharge-related impacts	Water management and effluents
	303-3 Water withdrawal	Water management and effluents Performance data
	303-4 Water discharge	Water management and effluents
	303-5 Water consumption	Water management and effluents
Emissions		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Our carbon footprint Performance data
	305-2 Energy indirect (Scope 2) GHG emissions	Our carbon footprint Performance data
	305-3 Other indirect (Scope 3) GHG emissions	Our carbon footprint Performance data
	305-4 GHG emissions intensity	Our carbon footprint
	305-5 Reduction of GHG emissions	Our carbon footprint
	305-6 Emissions of ozone-depleting substances (ODS)	Currently not tracking and will continue to monitor developments in regulations and best practices related to ODS emissions
	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	Our carbon footprint

GRI CONTENT INDEX

GRI Standard	Disclosure	Location (see section within this Report)
Material topics		
Waste		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Minimising waste
	306-2 Management of significant waste-related impacts	Minimising waste
	306-3 Waste generated	Minimising waste Performance data
	306-4 Waste diverted from disposal	Minimising waste Performance data
	306-5 Waste directed to disposal	Minimising waste Performance data
Employment		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Workplace Performance data
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Workplace
	401-3 Parental leave	Workplace Performance data
Occupational health and safety		
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Health, safety and wellbeing
	403-2 Hazard identification, risk assessment, and incident investigation	Health, safety and wellbeing
	403-3 Occupational health services	Health, safety and wellbeing
	403-4 Worker participation, consultation, and communication on occupational health and safety	Health, safety and wellbeing
	403-5 Worker training on occupational health and safety	Health, safety and wellbeing
	403-6 Promotion of worker health	Health, safety and wellbeing
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health, safety and wellbeing
	403-8 Workers covered by an occupational health and safety management system	Health, safety and wellbeing
	403-9 Work-related injuries	Health, safety and wellbeing Performance data
	403-10 Work-related ill health	Health, safety and wellbeing Performance data
Training and education		
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Workplace Performance data
	404-2 Programs for upgrading employee skills and transition assistance programs	Workplace
	404-3 Percentage of employees receiving regular performance and career development reviews	Workplace

GRI CONTENT INDEX

GRI Standard	Disclosure	Location (see section within this Report)
Material topics		
Diversity and equal opportunity		
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Workplace
	405-2 Ratio of basic salary and remuneration of women to men	Workplace
Non-discrimination		
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Workplace
Local communities		
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Land use and biodiversity Community
	413-2 Operations with significant actual and potential negative impacts on local communities	Land use and biodiversity Community
Customer health and safety		
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Customer satisfaction through quality
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Customer satisfaction through quality
Marketing and labeling		
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Customer satisfaction through quality
	417-2 Incidents of non-compliance concerning product and service information and labeling	Customer satisfaction through quality
	417-3 Incidents of non-compliance concerning marketing communications	Customer satisfaction through quality
Customer privacy		
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Enhancing data privacy and cyber security Performance data

Performance Data Table
from Bursa Malaysia ESG Reporting Platform

Indicator	Measurement Unit	2023
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	164,590.08
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	998.289000
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	33.00
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	2,409,000.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	16,397
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	0.00
Management Between 30-50	Percentage	61.00
Management Above 50	Percentage	39.00
Executive Under 30	Percentage	18.00
Executive Between 30-50	Percentage	68.00
Executive Above 50	Percentage	14.00
Non-executive Under 30	Percentage	47.00
Non-executive Between 30-50	Percentage	44.00
Non-executive Above 50	Percentage	9.00
Gender Group by Employee Category		
Management Male	Percentage	59.00
Management Female	Percentage	41.00
Executive Male	Percentage	52.00
Executive Female	Percentage	48.00
Non-executive Male	Percentage	76.00
Non-executive Female	Percentage	24.00
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	62.50
Female	Percentage	37.50
Below 60	Percentage	12.50
60 and above	Percentage	87.50

Indicator	Measurement Unit	2023
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	10,019
Executive	Hours	19,654
Non-executive	Hours	49,890
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	24.00
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	41
Executive	Number	132
Non-executive	Number	593
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	4
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.68
Bursa C5(c) Number of employees trained on health and safety standards	Number	2,176
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	100.00
Executive	Percentage	100.00
Non-Executive	Percentage	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0

Internal assurance External assurance No assurance (*)Restated

Notes:

- The value indicated for Bursa C4(a) on total energy consumption reflects the total energy consumed in "Megawatt-hours".
- The percentage indicated for Bursa C7(a) on the proportion of spending on local suppliers is derived from the two key business segments i.e. Grains & Agribusiness and Consumer Products.

PPB GROUP BERHAD

196801000571 (8167-W)

12th Floor, UBN Tower, No. 10 Jalan P. Ramlee,
50250 Kuala Lumpur, Malaysia

T | +603 2726 0088 F | +603 2726 0099

www.ppbgroup.com