

SUSTAINABILITY REPORT

Material Topic	FY2025 Performance
Social	
Retention Rate	ACHIEVED Maintain an employee retention rate of 90% or higher.
Employee Training	ACHIEVED Maintain at least 5,000 employee training hours annually across the workforce.
Community Investment	ACHIEVED Maintain annual contributions towards community development and social well-being initiatives.
Local Community Recruitment	ACHIEVED Maintain local workforce composition at not less than 80% of the total workforce.
Health and Safety (LTIR)	ACHIEVED Reduce the Lost Time Injury Rate (LTIR) on a year-on-year basis.
Human Rights	ACHIEVED Maintain zero substantial human rights violation cases annually.



SUSTAINABILITY GOVERNANCE



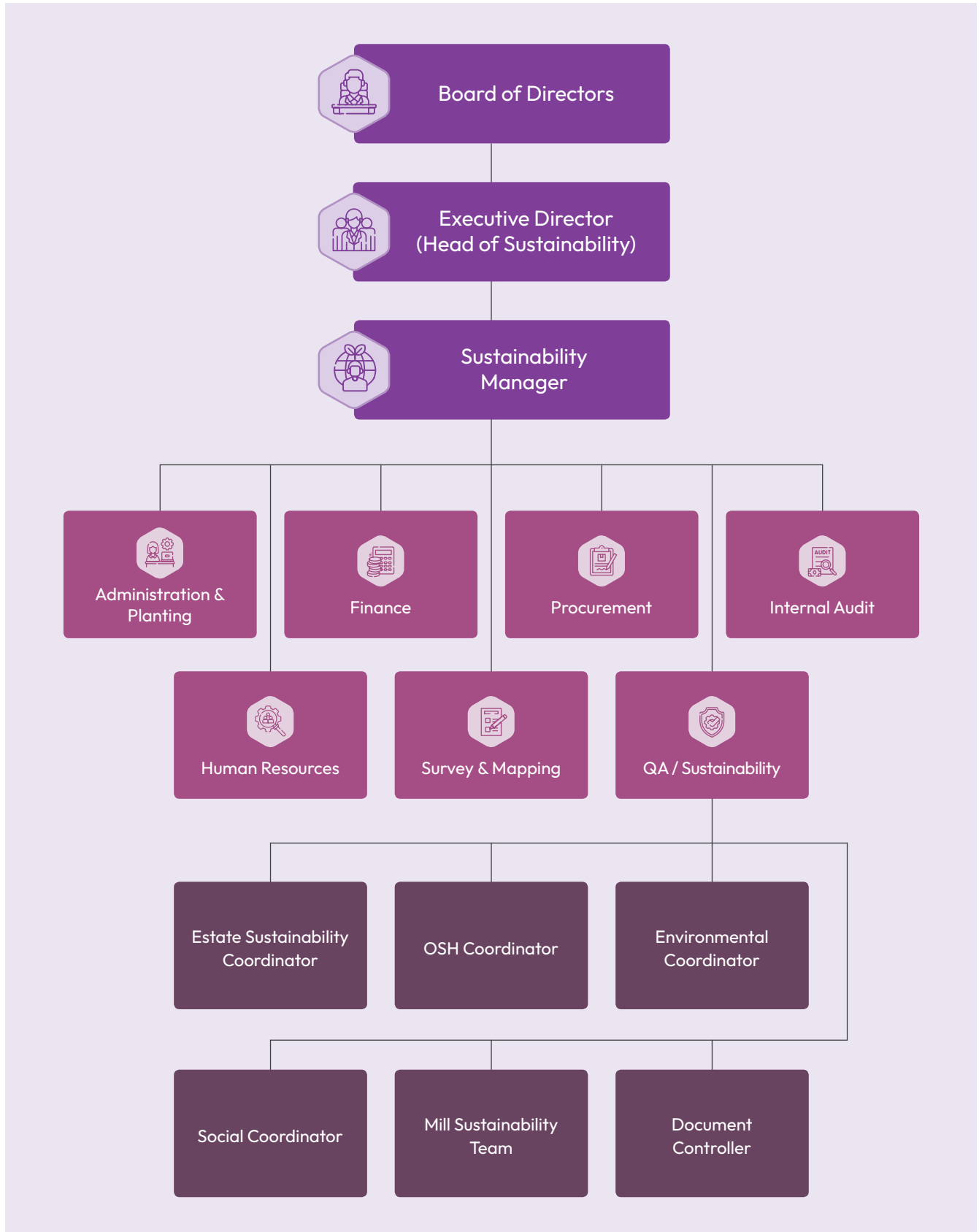
BOARD OVERSIGHT

The Board of Directors provides overall oversight of sustainability matters as part of its governance and risk management responsibilities. This includes reviewing sustainability performance, monitoring progress against targets, and overseeing material sustainability risks and opportunities.

Sustainability updates are presented by Management during scheduled Board meetings, enabling the Board to provide strategic guidance and ensure alignment with the Group's long-term objectives.

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REPORTING STRUCTURE



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The Group has established a structured sustainability governance framework to ensure effective oversight and reporting across all levels of the organisation.

The Board provides overall oversight, supported by the Executive Director (Head of Sustainability), while the Sustainability Manager coordinates implementation and consolidates data from key functions. At the operational level, estate and mill coordinators support execution, monitoring, and reporting.

This structured reporting flow ensures sustainability matters are effectively communicated from operational level to Management and ultimately to the Board.

ROLES AND RESPONSIBILITIES

The Group has established a clear governance arrangement for sustainability leadership to ensure that responsibilities are defined and coordinated across the organisation. This approach enables sustainability priorities set at the strategic level to be effectively translated into operational practices across estates, mills, and supporting functions. The following section outlines the key leadership levels, roles, and responsibilities that support the Group's sustainability commitments.

Level	Role/Function	Key Responsibilities
Board of Directors	Overall oversight	Provides strategic direction, oversees sustainability matters, reviews performance, and ensures compliance with regulatory and certification requirements.
Executive Director (Head of Sustainability)	Strategic leadership	Leads sustainability initiatives across the Group and ensures alignment of sustainability strategies with business objectives and regulatory requirements.
Sustainability Manager	Coordination and monitoring	Coordinates sustainability programmes, monitors KPIs and targets, and communicates sustainability strategies to departments and operational units.
Department Heads and Functional Managers (Administration & Planting, Finance, Procurement, Internal Audit, Human Resources, QA, Survey & Mapping)	Integration into operations	Integrate sustainability requirements into departmental processes, ensure compliance, and support monitoring and reporting.
Estate and Mill Sustainability Coordinators (Environment, OSH, Social, QA)	Implementation and reporting	Implement sustainability initiatives, monitor environmental and social performance, and report progress and issues to management.
Operational Personnel and Supporting Roles	Operational execution	Support implementation of environmental, safety, and social practices at estates and mill operations, including documentation, monitoring, and compliance activities.

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Anti-Bribery & Corruption Training 11 September 2025

ANTI-CORRUPTION

Our Approach

The Group maintains a zero-tolerance approach towards corruption and bribery across all operations and business relationships. This commitment is formalised through the Anti-Bribery and Corruption (“ABC”) Policy, which establishes the standards and controls to prevent, detect, and address corrupt practices. The policy is communicated through employee induction programmes and periodic compliance training to ensure employees understand their responsibilities in upholding ethical conduct. It also provides channels for reporting suspected misconduct, with individuals protected from retaliation when reporting in good faith. The ABC Policy applies to employees, suppliers, contractors, and business partners, reinforcing ethical conduct across the Group’s value chain.

Our Performance

Category	% Being Trained for ABC
Management	69.23
Executive	100.00
Non-Executive	100.00
General Workers	97.18
TOTAL	97.04

In FY2025, the Group achieved 97.04% anti-corruption training coverage, with 1,576 out of 1,628 employees having received ABC training as of December 2025. Full training coverage was achieved for both the executive and non-executive categories, while general workers recorded 97.18% coverage. Training coverage for the management category stood at 69.23%. This reflects the Group’s continued efforts to strengthen ethical awareness and embed anti-corruption practices across all levels of the workforce. The Group also

conducts periodic corruption-related risk assessments across its operations. In previous years, 60% of operations were assessed in FY2023, followed by 100% assessment coverage in FY2024, reflecting ongoing efforts to strengthen governance oversight. For FY2025, the Group is currently reviewing and enhancing its corruption risk assessment methodology to improve consistency and alignment with evolving governance practices and internal control frameworks. As this review involves refining the assessment scope and evaluation approach across operational units, the percentage of operations assessed for corruption-related risks will be disclosed in FY2026 once the updated assessment cycle is completed. This review is intended to ensure that the Group’s corruption risk assessments remain robust, comprehensive, and reflective of current operational risks.

CODE OF ETHICS

The Group has established a Code of Ethics for Company Directors (“Code”) to guide the expected standards of conduct for Directors of IPB and its subsidiaries. The Code promotes integrity, responsible leadership, and sound corporate governance while setting out the Board’s responsibilities in relation to key stakeholder groups, including employees, shareholders, customers, and business partners. It also reinforces expectations for transparency and accountability across the Group’s operations and business relationships.

WHISTLEBLOWING POLICY

The Group has implemented a Whistleblowing Policy to provide a confidential channel for reporting suspected misconduct or wrongdoing. The policy applies to both internal and external stakeholders, including employees and business partners. In line with the Whistleblower Protection Act 2010, whistleblowers are protected from retaliation, and their identities are kept strictly confidential. Reports may be submitted through line management or directly to the Chairman of the Audit Committee. All reports are subject to investigation, with findings escalated to the Audit Committee and the Board of Directors, where appropriate, for consideration and further action.

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ETHICAL SUPPLY CHAIN

The Group expects suppliers and contractors to uphold ethical standards in all business dealings. As part of this commitment, suppliers and contractors engaging with the Group are required to formally acknowledge and adhere to the Group's ABC Policy, demonstrating alignment with the Group's anti-corruption principles. Non-compliance may result in corrective action, termination of the business relationship, or referral to the relevant authorities, where appropriate.

DATA PRIVACY AND SECURITY

The Group maintains data privacy and cybersecurity measures to safeguard information relating to employees, operations, and customers. Data protection practices are aligned with the Personal Data Protection Act ("PDPA") 2010, to support the responsible collection, use and processing of personal data. Cybersecurity measures are managed by the Information Technology ("IT") Department, which monitors digital systems, manages access controls, and performs

routine maintenance to safeguard the Group's servers and networks against unauthorised access and cyber threats.

RISK MANAGEMENT

The Group manages risks through a structured governance approach led by the Sustainability Manager and overseen by the Executive Director, who also serves as the Head of Sustainability. Climate-related matters are reviewed at the operational level by relevant departments, with the Quality Assurance Department supporting coordination, implementation, and internal reporting.

Where a risk is identified as material, it is escalated to the Executive Director for further assessment and, where necessary, to the Board of Directors for strategic consideration. This escalation process enables risks to be addressed alongside other operational and business priorities, particularly where financial or operational implications may arise.

Once mitigation measures are established, the relevant departments are responsible for implementation and ongoing monitoring, with progress reported back to management.



STAKEHOLDER ENGAGEMENT

ENGAGEMENT APPROACH

The Group maintains continuous engagement with stakeholders to strengthen transparency and align business priorities with stakeholder expectations. Engagement is conducted through regular meetings, training programmes, operational interactions, and digital communication channels.

Key stakeholders include shareholders, employees, customers, regulators, suppliers, contractors, and local communities. Feedback gathered is reviewed by Management and incorporated into operational planning, sustainability initiatives, and risk management processes.

The Group's 31st Annual General Meeting served as an important platform for the disclosure of financial and operational performance, director re-election and governance-related matters. The proceedings were subsequently made available on the corporate website to enhance accessibility for stakeholders who were unable to attend. Stakeholder engagement activities are coordinated by the Sustainability Manager and relevant department heads, while key concerns and feedback are reported periodically to Senior Management. Matters identified through stakeholder engagement are considered as part of the Group's materiality assessment and management review processes, and are subsequently incorporated into operational planning, sustainability initiatives and risk management practices.

Stakeholder Group	Engagement Channels	Group's Approach	Relevant Material Topics
Shareholders & Investors 	<ul style="list-style-type: none"> Annual General Meetings ("AGM") Quarterly financial disclosures Investor relations meetings & site visits Corporate website updates & Bursa announcements 	Provide timely disclosures, maintain transparent communication and ensure strong corporate governance practices	<ul style="list-style-type: none"> Corporate governance & anti-corruption Regulatory engagement & compliance Economic performance