Illuminating Change

SUSTAINABILITY
REPORT 2025

INTERCONTINENTAL SPECIALTY FATS SDN. BHD.

Sustainability is not just aspirational, it is action-oriented.

Content

About this report

[GRI 2-2, 2-3, 2-5]

Welcome to the sixth Intercontinental Specialty Fats Sdn Bhd (ISF) Sustainability Report, prepared in accordance with the latest Global Reporting Initiative (GRI) Standards. GRI disclosures are included throughout the report and referenced under headings or sub-headings as GRI XX-XXX.

This report is our first to be aligned with the International Sustainability Standards Board (ISSB) frameworks, specifically the International Financial Reporting Standards (IFRS) S1 and S2 Sustainability Disclosure Standards. Specifically, it builds on our climate-related disclosures in line with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, reflecting our adherence to the broader sustainability objectives of our parent company, The Nisshin OilliO Group, Ltd., Japan.

This report is complemented by the sustainability disclosures on our website.

The following indexes outline the standards referenced in this report:

GRI Content Index

IFRS S1 and S2 Indexes

Theme rationale

This report is themed 'Illuminating Change', reflecting ISF's commitment to creating real, measurable impact through purposeful sustainability actions. Our approach to sustainability is grounded in adaptability, in response to evolving frameworks, compliance requirements, and stakeholder expectations.

With purpose and integrity, ISF advances our sustainability goals to help foster a thriving society and a more balanced way of doing business. Our sustainability initiatives are not just aspirational – they are action-oriented. We believe that every positive change, no matter how small, marks meaningful progress on our collective journey.

Scope and boundaries

The scope of our sustainability reporting remains unchanged, covering material topics for ISF's Port Klang and Dengkil, Malaysia operations and facilities. It excludes ISF's Italian refinery and Shanghai sales office, which represent less than 5% of our business. Additionally, our reporting does not represent the sustainability measures of our parent company, The Nisshin OilliO Group, Ltd., Japan.

The present report covers our financial year 2025 (FY2025) sustainability performance from 1 April 2024 to 31 March 2025, unless otherwise stated.[1] Supplier data is provided where applicable, alongside historical data where available.

Assurance

Control Union (Malaysia) Sdn Bhd has provided limited independent assurance on selected disclosures in this report, including ISF's No Deforestation, No Peat, and No Exploitation Implementation Reporting Framework (NDPE IRF) profiles and traceability to plantation (TTP) data. Greenhouse gas (GHG) inventory emissions against the GHG Protocol Scope 1 and 2 GHG Inventory Guidance, Corporate Value Chain (Scope 3) Accounting and Reporting Standard, and Technical Guidance for Calculating Scope 3 Emissions (version 1.0) were also independently assured.

Assurance statement

[1] ISF transitioned from calendar year to financial year reporting in 2023. Specifically, FY2023 data cover 15 months, comprising Q1 2022 and our 2023 financial year (January 2022 to March 2023) to account for our transition.

CEO message

[GRI 2-22]

Dear stakeholders,

I am pleased to present ISF's Sustainability Report 2025 – my second since assuming the role of CEO. Over the past year, my appreciation of ISF's unique role in the palm oil sector has deepened. As a company, we continue to balance resilience, responsibility, and innovation, demonstrating that sustainability is no longer simply about compliance – it is about creating long-term value, safeguarding ecosystems, and uplifting the communities where we operate.

We titled this year's report 'Illuminating Change' because we believe progress begins by shining a light across the supply chain – revealing where we must do better, sparking change in how palm oil is produced and traded, and inspiring partners and stakeholders to act with us. To us, illuminating change means converting ambition into action that transforms lives, landscapes, and markets.

Toshio Fujimori
Chief Executive Officer
Intercontinental Specialty Fats Sdn Bhd

Navigating a changing landscape

Global sustainability standards are evolving rapidly, and frameworks such as the EU Deforestation Regulation (EUDR) and the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards are redefining expectations across our value chain. While these frameworks pose real operational challenges, they are also catalysts for improvement and innovation.

In anticipation of EUDR, we are aligning our Roundtable on Sustainable Palm Oil (RSPO) and Malaysian Sustainable Palm Oil (MSPO) 2.0 Standards and due diligence practices to demonstrate legality, traceability, and deforestation-free sourcing. In FY2025, ISF achieved a major milestone: 100% traceability to plantation (TTP) for crude palm oil (CPO) and 99.8% for crude palm kernel oil (CPKO). This is reinforced by the independent verification of supplier No Deforestation, No Peat, and No Exploitation (NDPE) commitments, strengthening transparency and customer confidence.

From compliance to value creation

ISF's role as a palm oil refiner positions us to translate compliance into value creation by embedding sustainable practices across the value chain – supporting smallholders, advancing food safety and product integrity, restoring ecosystems, and developing specialty oils and fats that meet evolving market needs. By going beyond regulatory requirements, we aim to turn sustainability into both a competitive advantage and a driver of shared progress.

Building a low-carbon future

Decarbonisation is a foundational commitment for ISF. As a subsidiary of The Nisshin OilliO Group, Ltd., Japan, we align with the Group's target of reducing Scope 1 and 2 emissions by 50% by 2030. In FY2025, we delivered tangible results:

Achieved a

39.2 %

reduction in Scope 1 and Scope 2 emissions against 2019 baseline; and

Lowered waste generation intensity from 37.33 kg/MT (FY2024) to

35.97 kg/MT (FY2025)

These achievements reflect our sustained investment in low-carbon solutions, including the commissioning of our first cogeneration (COGEN) plant in Dengkil, with a second underway in Port Klang, subscribing to the Green Electricity Tariff (GET); installing solar panels, entering Virtual Power Purchase Agreement (VPPA), and securing certified biomethane through a gas supply agreement. At the same time, we are capturing process heat, expanding water reuse, and implementing numerous operational upgrades that deliver cumulative impact. Where emissions are hardest to eliminate, we will continue to prioritise innovation and efficiency, ensuring that emission reduction remain at the core of our decarbonisation strategy.

To support our customers' decarbonisation goals and strengthen product transparency, we have begun measuring the product carbon footprint (PCF) of many of our most in-demand products. This not only equips customers to make more informed low-carbon sourcing decisions but also guides our own priorities for future emissions reduction.

Our people: ISF's greatest strength

“Our progress is powered by our people. From plant operations to sustainability and commercial teams, ISF colleagues bring resilience, ingenuity, and a shared purpose. My priority as CEO is to ensure ISF remains a platform where people thrive and collaborate, turning strategy into action and ambition into measurable outcomes.”

Looking ahead

Looking ahead, we see a landscape of opportunity – driven by evolving sustainability standards, stronger partnerships, and accelerating climate action. ISF is well positioned to lead with resilience, resourcefulness, and collaboration. Together with our employees, partners, and stakeholders, we will illuminate change – advancing a traceable, deforestation-free, low-carbon value chain and strengthening ISF's position as a trusted provider of specialty oils and fats.

We also extend our thanks to all suppliers and customers for their continued collaboration, and express our gratitude to our consumers around the world.

Toshio Fujimori
Chief Executive Officer
Intercontinental Specialty Fats Sdn Bhd

Highlights and targets

Policies and practices

Revised Sustainable Palm Oil Policy to **Sustainability Policy**

Deployed **EUDR** compliance and risk assessment tool

Introduced **Social Media Policy**

Certification and marketplace

Certified

RSPO (since 2011)
MSPO (since 2019)
ISCC (since 2012)

>85%
customer satisfaction score

Full Compliance with
Revised MSPO 2.0 Standards (MS2530:2022)

Established a **tanker washing facility** at Port Klang to enhance food safety practices

Traceability and supplier engagement

Verified **NDPE IRF and traceability data** for the first time

Achieved

100% CPO traceability to plantation

99.8% CPKO traceability to plantation

98.8% FFB sourced from all suppliers ‘delivering’ on their no deforestation and no peat commitments

>60% of direct suppliers RSPO certified

100% of direct suppliers MSPO certified

Environmental performance

Pledged to achieve **carbon neutrality by 2050**

39.2% reduction in Scope 1 and Scope 2 GHG emissions against 2019 baseline

- Subscribed to over **76.6 Million kwh** of Green Electricity Tariff (GET), replacing **>90%** of conventional grid electricity and offsetting **59,294** MT CO_2e

First cogeneration (COGEN) plant commissioned at Dengkil facility

Signed **a supplemental gas supply agreement with Gas Malaysia for certified biomethane gas**

Cultivated **9,000 mangrove seedlings**

Planted **8,000 trees** across 4 hectares

84% of trees survived and demonstrated healthy growth

2024 CDP questionnaire scores:

Partnerships and engagement

Concluded **Phase Two of Labour Transformation Programme (LTP)** with Earthworm Foundation and Dara-Lam Soon Sdn Bhd

Continued RSPO **Smallholder Support Project** with Ferrero Trading Lux S.A. and Hap Seng Plantations Holdings Berhad

Our people

37.1% of management roles are held by women

21.4% of our workforce is women

LTAR decreased by **71.1%** and severity rate decreased by **64%** since FY2023

Target list and progress

	Year	Target	Contributing to SDG	Status as of March 2025, unless otherwise stated
ENVIRONMENT	Ongoing	Maintain zero instances of non-compliance with environmental regulations	12 Responsible Consumption and Production	**Achieved**
	2030	Reduce Scope 1 and Scope 2 emissions by 50% against our 2019 baseline	13 Climate Action	**On track:** Our total Scope 1 and Scope 2 emissions were 98,126 MT CO_2e, approximately 39.2% lower than the baseline.
	2030	Reduce Scope 3 emissions by 25% against our 2020 baseline		**On track:** Our total Scope 3 emissions were 878,587 MT CO_2e.
	2030	Reduce energy consumption intensity by 10% against our 2019 baseline	7 Affordable and Clean Energy; 12 Responsible Consumption and Production; 13 Climate Action	**On track but needs improvement:** Our energy consumption intensity increased by 3.2% from 3.13 GJ/MT product in FY2024 to 3.23 GJ/MT product in FY2025.
	2030	Reduce water consumption intensity by 10% against our 2019 baseline	12 Responsible Consumption and Production; 14 Life Below Water	**On track but needs improvement:** Our water consumption intensity increased by 4.3% from 0.93 m^3/MT product in FY2024 to 0.97 m^3/MT product in FY2025.
	2030	Reduce waste intensity by 10% against our 2019 baseline	12 Responsible Consumption and Production	**On track:** Our waste generation intensity fell from 37.33 kg/MT product in FY2024 to 35.97 kg/MT product in FY2025.
SOCIAL	Ongoing	Zero fatalities	8 Decent Work and Economic Growth	**Achieved**
	Ongoing	Zero accidents		**Needs improvement:** One accident was recorded.

SUPPLY CHAIN

Year	Target	Contributing to SDG	Status as of March 2025, unless otherwise stated
2025	Achieve 100% traceability to plantation (TTP) for CPO and CPKO	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	**Achieved for CPO** **On track:** TTP for CPKO increased from 93.1% to 99.8%.
Ongoing	Engage with suppliers on our Sustainability Policy requirements		**Achieved**

Who we are

About ISF

[GRI 2-1, 2-6, 3-3] [SASB FB-AG-000.A]

Established in 1980 and headquartered in Port Klang, Malaysia, Intercontinental Specialty Fats Sdn Bhd (ISF) is a subsidiary of The Nisshin OilliO Group, Ltd., Japan's largest vegetable oil company.

ISF is a leading producer of specialty fats, operating two state-of-the-art palm oil refineries in Port Klang and Dengkil, as well as a research and development (R&D) centre in Port Klang. The company also operates a refinery in Genoa, Italy, serving European markets, as well as a sales and distribution office in Shanghai, China.

Operational overview

Supplying to more than **50** countries

776 employees

Combined annual refining capacity: **750,000 MT**

FY2025 volume processed: **557,731 MT**

FY2025 volume sold: **614,472 MT**

For an overview of our operations, see https://isfsb.com/corporate-profile/

Business overview

[SASB FB-AG-000.A]

More than 99% of ISF's raw materials consist of crude palm oil (CPO) and crude palm kernel oil (CPKO), both of which are entirely sourced from local suppliers. These raw materials are refined and processed at ISF's Malaysian facilities and then used to manufacture products for diverse applications across multiple industries, including chocolate and confectionery, baked goods, fried foods, plant-based dairy alternatives, and non-alimentary uses.

ISF produces and distributes a wide range of bulk and packed specialty fats and oils. Approximately, 92.1% of our commercial production comprises refined, bleached, and deodorised (RBD) bulk palm, olein, and stearin oils. The remaining 7.9% includes packed cocoa butter alternatives, dairy fat replacements, margarine, and other fats.

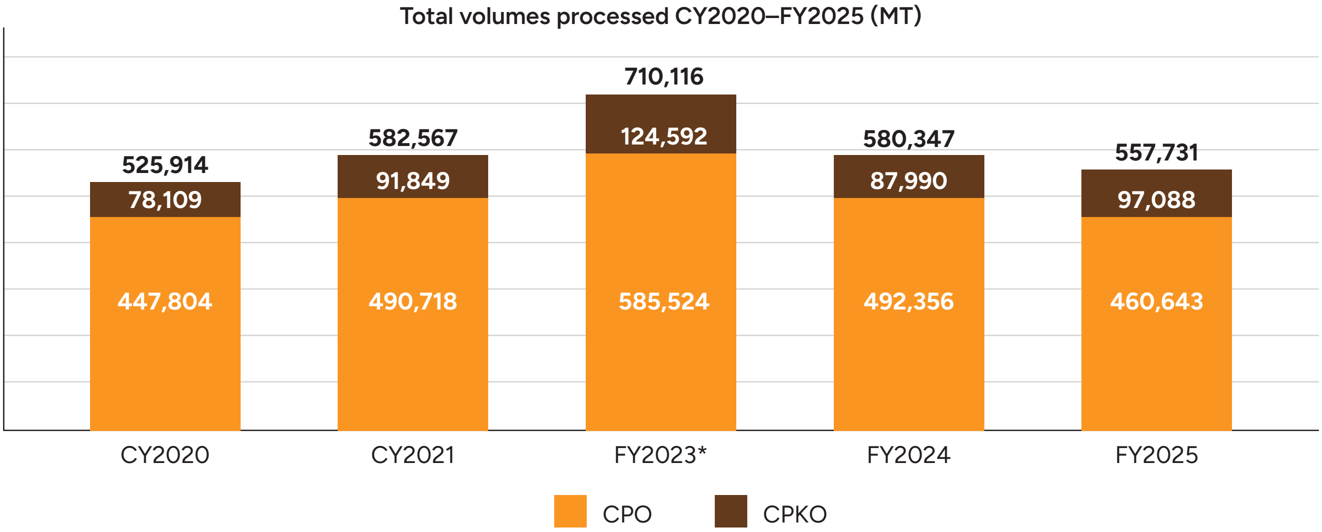
See Responsible sourcing and supplier engagement

ISF processed 557,731 tonnes (MT) of CPO and CPKO, selling 614,472 MT of product to more than 50 countries in FY2025. Specifically, 57.6% of our production was sold to Asia, 38.1% to Europe, and the remaining 4.2% to the Americas, Africa, and Oceania.

ISF produces and delivers innovative, high-quality, sustainable products that meet evolving global standards and consumer needs. We have earned a strong reputation as a trusted and reliable partner in the food manufacturing industry. For detailed information about our products and their applications, please visit our website.

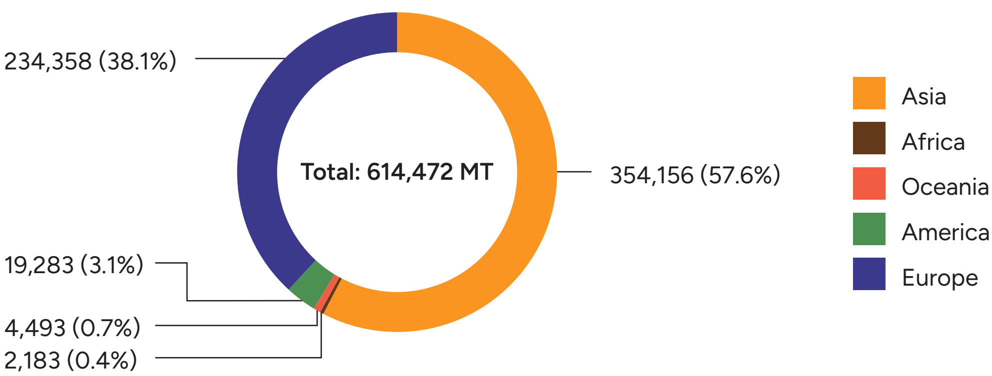
ISF is also investing in digitalisation and automation to enhance productivity, streamline interdepartmental coordination, reduce operational costs, and minimise reliance on foreign labour. As new technologies are introduced, we will ensure that employees affected by automation are retrained and upskilled.

Total volumes processed CY2020–FY2025 (MT)

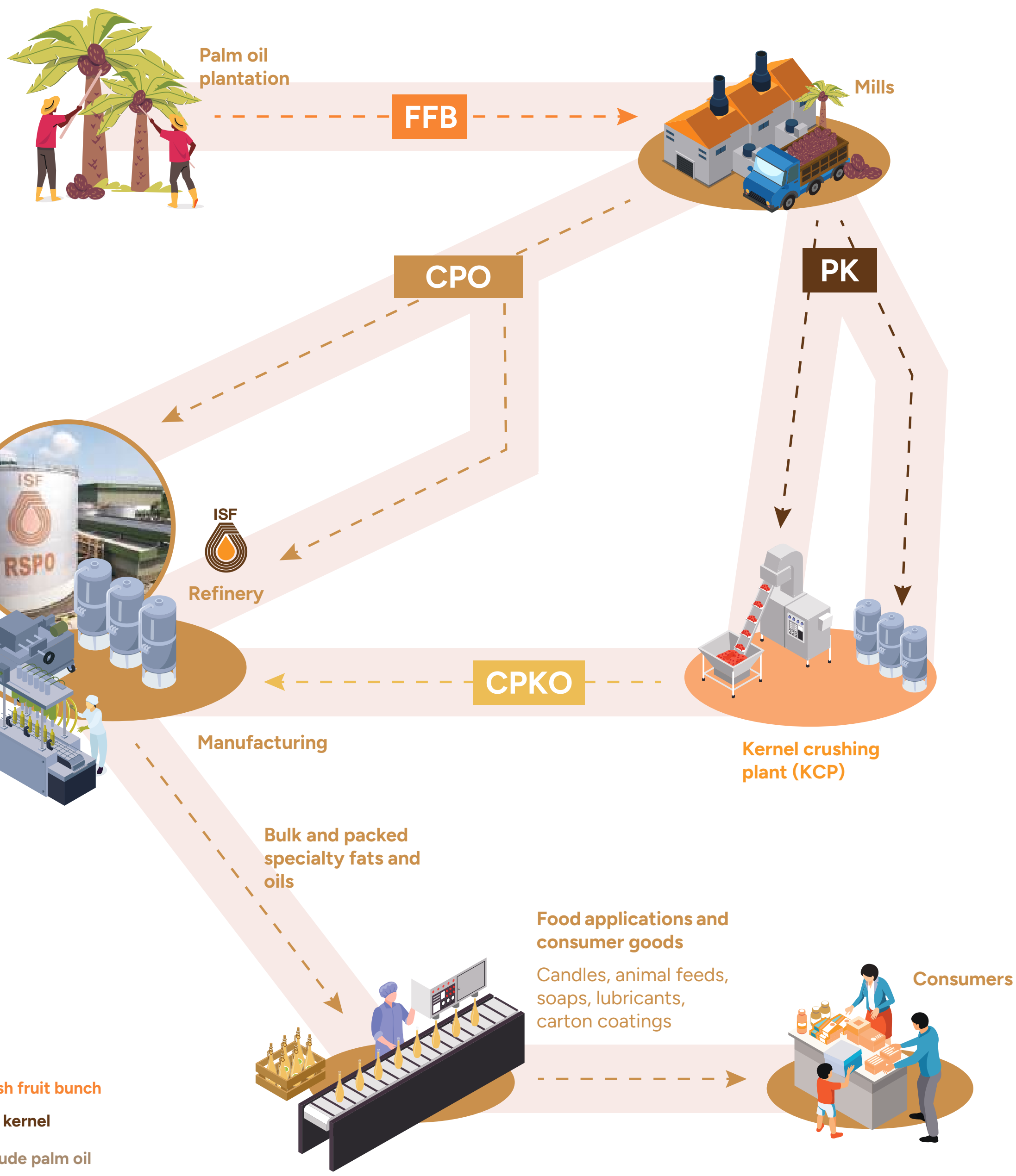


Note: *FY2023 data cover a 15-month period, comprising Q1 2022 and the 2023 financial year (January 2022 to March 2023) to account for the transition from calendar year (CY) reporting to financial year (FY) reporting.

Volume sold by region FY2025 (MT (%))

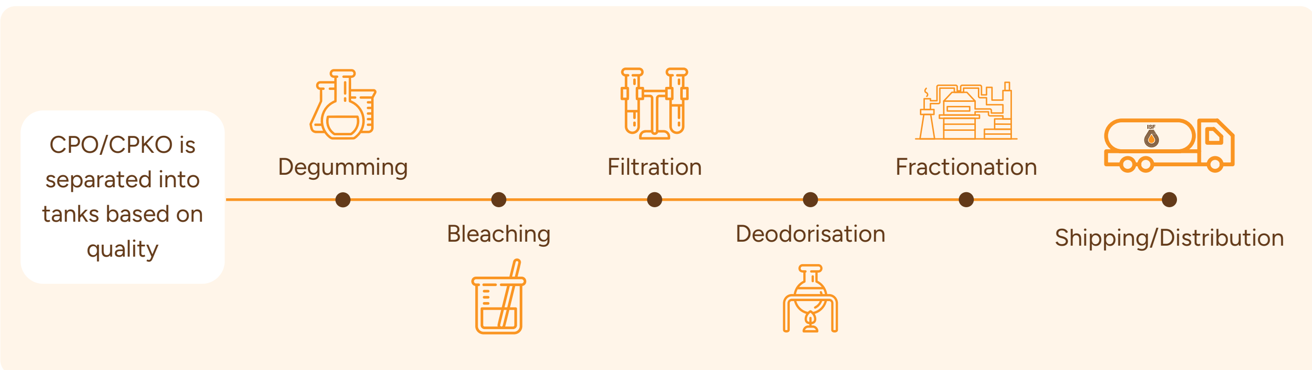


The ISF value chain



Legend

- FFB – Fresh fruit bunch
- PK– Palm kernel
- CPO – Crude palm oil
- CPKO – Crude kernel palm oil



Approach to sustainability

[GRI 3-3]

Sustainability is the foundation of ISF's corporate values. It guides our production of healthier palm oil products and informs our operational practices and supplier engagement efforts. As a responsible operator, ISF recognises the significant and lasting environmental and social impacts of palm oil production and is committed to driving meaningful change that advances sustainable and inclusive development across the sector.

ISF's Sustainability Policy and Supplier Code of Conduct comply with industry-wide No Deforestation, No Peat, and No Exploitation (NDPE) commitments. They are operationalised through our Sustainability Timebound Action Plan, an internal roadmap that guides our initiatives. The scope of the plan extends beyond NDPE, encompassing governance, roles and responsibilities, social impact, climate action, and other priority areas. It includes mechanisms to monitor our performance and update stakeholders on progress towards meeting our sustainability targets.

ISF's revised Sustainability Policy

In April 2025, ISF renamed our **Sustainable Palm Oil Policy** to **Sustainability Policy** to better reflect responsible sourcing and sustainable business practices across all operations. Although its contents remain unchanged, the new name signals our commitment to sustainability across the entire value chain, not just palm oil sourcing.

This change reflects global trends and a unified policy framework that commits ISF to addressing a wider range of environmental, social, and governance (ESG) issues, including energy efficiency, waste management, and community engagement.

Our policies and expectations are clearly communicated to employees, suppliers, contractors, and other relevant stakeholders through orientation sessions, regular briefings, meetings, and email. Additionally, sustainability principles are incorporated into our food safety management and environmental protection policies, which are publicly available on our website.

Materiality

[GRI 2-14, 3-1, 3-2]

This report addresses the sustainability topics most relevant to ISF's business and stakeholders. These topics were initially identified during an April 2019 workshop involving top management, senior executives, and other key personnel. Our most recently updated materiality matrix was reviewed and updated in 2023.

Although no changes were made to the material topics for this reporting cycle, we engaged with two project partners (a supplier and a customer) to confirm that our topics remain aligned with stakeholder expectations and are responsive to emerging issues.

See pages 15 and 16 of our 2022–2023 Sustainability Report for an overview of the materiality assessment process.

See ISF material topics for definitions.

Contributing to the SDGs

ISF contributes to and impacts upon the following five United Nations Sustainable Development Goals (UN SDGs):

To focus our approach and maximise our contribution to their attainment, we mapped these SDGs and their relevant targets to our material topics. Aligning our sustainability strategy and targets with these goals creates long-term value.

Furthermore, it enables us to collaborate with our stakeholders to achieve shared objectives and advance the global sustainability agenda.

ISF's SDG contributions

The SDGs to which we contribute are highlighted at the beginning of each section of this report.

Corporate and sustainability governance

[GRI 2-9, 2-11, 2-12, 2-13, 2-16]

Our ESG initiatives require bold leadership and comprehensive oversight. The Board of Directors and senior executives, including our Chief Executive Officer (CEO), oversee ISF company strategies, including ESG matters. Led by Masahiko Oka,[2] the Board comprises nine experienced professionals – all male, Japanese, and aged 50 and above.

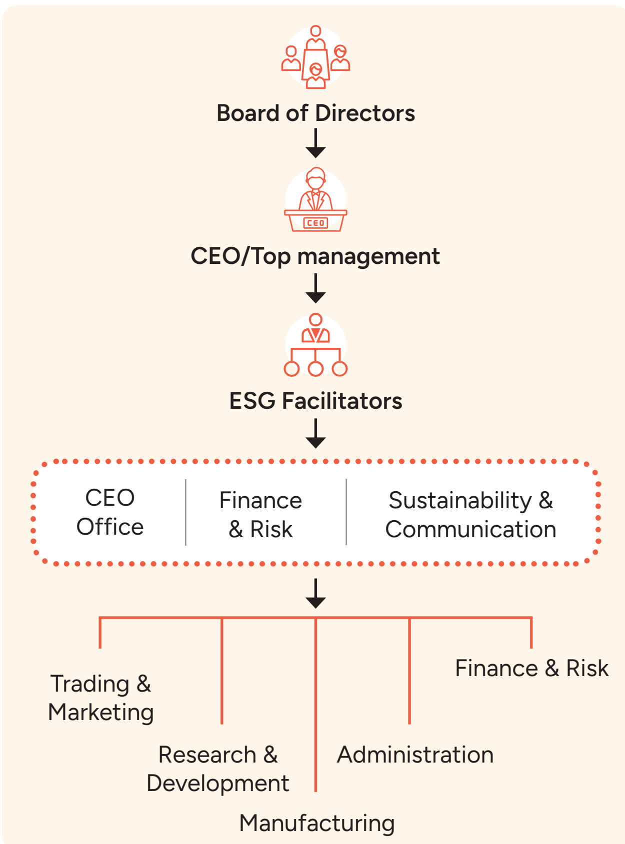
ISF has a dedicated ESG Committee that meets at least twice a year to establish our strategic business direction. It incorporates sustainability into every aspect of our operations, including policy development, risk management, and organisational growth. This cross-functional committee comprises senior managers and executives from all our divisions and departments. The committee reports directly to the CEO, who reports to the Board of Directors.

Our ESG facilitators, comprising representatives from the CEO's office, Finance and Risk department, and the Sustainability and Communication team, play a key role in communicating and supporting the implementation of ISF's ESG measures and strategies, bridging upper management and the execution teams.

The ISF Sustainability and Communication team manages and implements the day-to-day elements of our sustainability initiatives. Formerly known as the Sustainability team, it was officially renamed in February 2025 after its scope was expanded to include corporate communications. Its new mandate allows the team to communicate ISF's sustainability progress, initiatives, and impact to our stakeholders more effectively. The team is part of ISF's Trading and Marketing Division, and is led by the Chief Marketing Officer (CMO), who reports directly to the CEO.

Both our sustainability and commercial teams report directly to the CMO, ensuring that our business practices are responsible and aligned with our sustainability goals. ISF engages with partners, customers, and multi-stakeholder platforms to identify, prioritise, and address sustainability issues.

ESG Committee structure



[2] Masahiko Oka is a Senior Managing Officer of Nisshin and serves as a Director of ISF. He is not part of ISF's management team.

Although ISF is an independent subsidiary of The Nisshin OilliO Group, Ltd., Japan, our sustainability initiatives are integrated, aligned with, and guided by our parent company's goals. We continue to explore and leverage synergies with the Group, combining our respective strengths to meet common objectives, improve the cohesion of our disclosures, and better respond to stakeholder expectations.

ESG Committee Meeting 2025

Day 1: Strategic discussion

ISF's ESG Committee convened on 13–14 March 2025 for a series of strategic discussions to review and refine key sustainability priorities. The agenda covered the corporate communication plan, establishment of a carbon management team, product carbon footprint (PCF) measurement, greenhouse gas (GHG) emissions overview, and optimisation of labour practices. These discussions aimed to strengthen ISF's sustainability strategy, enhance accountability, and align cross-functional efforts across the organisation.

Day 2: Field visits

Following the discussions, 31 committee members visited an organic farm in Dengkil, the Kuala Langat North Forest Reserve, and the Temuan Culture Information Centre. The visits provided valuable first-hand insights into sustainable organic farming practices, peatland conservation and fire marker identification, as well as meaningful engagement with the Indigenous Temuan community. These experiences deepened the committee's understanding of environmental stewardship and community-based conservation.

Overview of Board skills and expertise

[GRI 2-17]

Name	Corporate management	Sustainability /ESG	Finance /Accounting	Human resource management	Legal affairs/Risk management	Sales/ Marketing	Production /R&D	IT/Digital
Masahika Oka	●					●		
Takahisa Kuno	●	●	●	●		●		
Yoshiharu Okano					●	●		
Masayuki Sato		●					●	
Kenji Koike			●			●		
Katsuaki Yamanouchi		●					●	
Toshio Fujimori	●	●		●		●		
Takashi Ishigami	●	●	●		●	●		●
Takashi Iijima		●					●	

Notes:
1. The above does not represent the full range of knowledge and expertise that the Directors (including candidates for such) possess.
2. ISF management representatives are Fujimori san, Ishigami san, Iijima san.

Linking sustainability to financing

ISF's reputation for sustainable practices has allowed us to secure several rounds of sustainability-linked financing, including three sustainability-linked loans from a consortium of financial institutions comprising CIMB, RHB, and Sumitomo Mitsui Banking Corporation (SMBC).

These financing agreements are structured with predefined sustainability performance targets designed to improve operational efficiency, bolster supply chain engagement, and enhance our ability to meet evolving customer expectations. Having achieved these targets, ISF is eligible for substantial interest rate rebates.

Ethical conduct and values

[GRI 2-23, 2-24, 2-25I, 2-26, 3-3, 205-1, 205-2, 205-3]

ISF upholds the highest ethical standards, reflecting our Core Values: Reliability, Sustainability, Innovation, and Collaboration. Our Ethics Policy and Anti-Bribery and Corruption (ABC) Policy are available to all employees and guide how we conduct business with customers, suppliers, governments, civil society entities, and other stakeholders.

ISF's Whistleblowing Policy reflects our commitment to upholding good corporate governance and ethical conduct. It provides channels for reporting issues, while protecting whistleblowers, and ensures that all claims are subject to a thorough, impartial, and confidential investigation. In FY2025, no cases were reported through the whistleblowing mechanism. Nevertheless, we remain committed to tracking and addressing 100% of all reported cases. In addition, ISF has established a dedicated Grievance Procedure that allows stakeholders to raise concerns about our operations and our supply chain, which are subject to a rigorous and transparent resolution process.

Additionally, ISF requires suppliers to comply with our Supplier Code of Conduct and adhere to our ethical business practices. We engage with them to assess their level of compliance. In cases when full or partial non-compliance is established, we develop comprehensive action plans to address the identified gaps.

In FY2025, all ISF employees received training on the ABC Policy, achieving the company's internal target of 100% participation. The policy was also communicated to 96% of business partners through the ISF intranet, newsletters, and annual refresher training. As part of our anti-corruption due diligence programme, ISF conducts pre-employment background checks and enforces transparent expense reporting for employees. Additionally, suppliers are managed through a dedicated portal using in-house verification processes supported by third-party checks. Internal audits are also carried out to identify potential anti-bribery and corruption risks.

During the year, ISF recorded **zero cases of corruption**. To further strengthen awareness, ISF introduced the Compliance Challenge, an ethics and conduct questionnaire, which was completed by all ISF employees, achieving our targeted 100% response rate.

100% of employees trained on ABC Policy

96% of business partners received communication on the Policy

0 cases of corruption recorded

100% employee participation in the Compliance Challenge (ethics and conduct questionnaire)

See Grievance management or visit our website for more details.

See Supplier engagement and assessment.

Launch of new Social Media Policy

ISF introduced a comprehensive **Social Media Policy** in March 2025. It establishes clear guidelines for the appropriate and professional use of social media by employees, business partners, service providers, and all individuals representing ISF online, thereby protecting our reputation, maintaining confidentiality, and ensuring compliance with legal and ethical standards.

As part of our commitment to responsible communication and ethical conduct, the policy will be communicated to all employees through internal training and made accessible via the company intranet. It is also available to our external stakeholders on ISF's official website to ensure transparency and alignment across our broader network.

Risk mitigation and governance

Our Risk Management Committee comprises members from ISF's Risk Management, Finance, and Sustainability departments. Supervised by our management team, it oversees enterprise-wide risk management programmes on safety, finance, operations, compliance, and sustainability.

ISF has adopted an ISO 31000:2018-compliant Enterprise Risk Management (ERM) framework, which includes an escalation mechanism that promptly communicates risks and their severity to our executive team.

Additionally, our comprehensive risk register allows us to assess risks, classify their severity, and assign qualified individuals to manage them effectively. It is reviewed and updated every six months to anticipate and address potential issues as they arise.

ISF's risk reporting hierarchy

Our Sustainability department evaluates sustainability risks and their potential impact. Its findings are subject to our ERM framework and are escalated to our Board of Directors and the responsible managers for timely follow up and action.

Sustainability certification and compliance

ISF adheres to industry-leading sustainability standards and certification schemes to independently assure our customers and other stakeholders that our operations and practices are sustainable.

Our production is 100% certified against the Roundtable on Sustainable Palm Oil (RSPO), Malaysian Sustainable Palm Oil (MSPO), and International Sustainability and Carbon Certification (ISCC) Standards.

RSPO and MSPO audits are conducted annually to ensure compliance with standard requirements.

Additionally, ISF adheres to the RSPO Shared Responsibility principles. This means we support the adoption and promotion of RSPO-certified palm oil products among customers worldwide.

Complying with the revised MSPO 2.0 Standards

ISF operations are MSPO-certified to ensure responsible palm oil production. The revised MSPO 2.0 Standards took effect on January 1, 2025. Its provisions mandate stricter sustainability, traceability, and ethical business practices across the palm oil supply chain, requiring ISF to evaluate our degree of compliance with the new measures.

In December 2024, ISF was audited by the British Standards Institution (BSI) and became the organisation's first client to achieve MSPO 2530-4-2:2022 certification, thereby demonstrating full compliance with the new MSPO Standards and our commitment to embracing evolving national sustainability requirements.

ISF employs the Segregated and Identity Preserved (SG/IP) and the Mass Balance (MB) supply chain models. All raw materials and products we process and trade comprise certified sustainable palm oil to meet market demand and comply with regulatory requirements.

In FY2025, 100% of our sales consisted of SG/IP-compliant products – 72.8% of our sourced crude palm oil (CPO) and 18.1% of our crude palm kernel oil (CPKO) were RSPO-certified.

See Responsible sourcing and supplier engagement.

Complying with the EUDR

The EU remains a major market for ISF. We are committed to complying with the EU Deforestation Regulation (EUDR) as part of our broader efforts to ensure sustainable and responsible sourcing. We have dedicated additional resources to supporting our commercial partners, thereby ensuring adherence to the new requirements and responding to the demand for EUDR-compliant products. Consequently, ISF is well-positioned to promote EUDR compliance across our supply chain, especially among RSPO-certified suppliers. We have partnered with PT Inovasi Digital to better prepare for the EUDR and have subscribed to their Agriplot Due Diligence System to conduct detailed polygon mapping and risk assessments. The platform is currently being piloted with customers to support our supplier due diligence for enhancing supply chain transparency and traceability against EUDR requirements.

Additionally, ISF is strengthening our EUDR preparedness by revising supplier engagement methods, establishing standard operating procedures, and conducting internal training. ISF continues to work closely with stakeholders across the supply chain, including suppliers and customers, to implement the systems and procedures necessary for full compliance with EUDR requirements.

Commentary by Adrian Choo Chee Yong
Country Director, PT Inovasi Digital

ISF has been a subscriber to the Inovasi Digital's Agriplot Due Dilligence System since 2024, leveraging our comprehensive database and rigorous verification processes to strengthen compliance and traceability in line with EUDR requirements.

About: Adrian is the Country Director of Inovasi Digital, a privately held tech company committed to advancing fair and sustainable trade through technological innovations.

Stakeholder engagement and transparency

[GRI 2-28, 2-29, 3-3]

ISF values stakeholder engagement. We actively solicit feedback to better understand evolving stakeholder expectations, and we incorporate it into our sustainability practices. Additionally, we maintain an ongoing dialogue with stakeholders, ensuring transparency through regular reporting and communicating our progress through various channels, including:

- Quarterly progress snapshots on our Sustainability Dashboard
- Annual Sustainability Reports
- RSPO Annual Communication of Progress (ACOP)
- CDP Climate Change, Forests, and Water Security questionnaires
- Online grievance procedure
- Regular customer and supplier visits

See the Stakeholder engagement table for a detailed overview of our engagement methods and meeting frequency with each stakeholder group.

ISF also partners with industry peers and participates in key multi-stakeholder initiatives to further advance our sustainability agenda. Additional information on some of these partnerships is presented throughout the report.

Notable engagements and partnerships in FY2025

Programme	Details
Labour Transformation Programme (LTP) *Est: 2021*	Partnered with the Earthworm Foundation (EF), Dara-Lam Soon Sdn Bhd, and Ferrero Trading Lux S.A. to advance responsible labour practices. • See our 2021 Sustainability Report
Mangrove Rehabilitation Programme *Est: 2021*	Partnered with environmental NGO Global Environment Centre (GEC) and the local community in Kampung Dato' Hormat to help restore coastal ecosystems. • See Community section
RSPO Smallholder Support Project *Est: 2024*	Partnered with Ferrero Trading Lux S.A. and Hap Seng Plantations Holdings Berhad to fund and provide technical support to smallholders in the Kinabatangan District, Sabah. • See our 2024 Sustainability Report • See Smallholder support
Food Ingredients China 2025	Showcased our extensive portfolio of innovative food application solutions at Food Ingredients China 2025 in Shanghai from March 17 to 19.
Mangrove Point sponsorship	Sponsored the installation of project signage and contributed to replanting and landscaping efforts within the park in August 2024. • See Enhancing visibility at Mangrove Point

See list of partnerships and collaborations.

Sustainability ratings and benchmarks

ISF participates in several international sustainability rating schemes to identify areas for improvement and benchmark our performance against that of our industry peers. These schemes include the CDP global disclosure system, which evaluates companies' environmental performance and transparency.

CDP Discloser 2024

ISF has submitted responses to the CDP Forests Questionnaire since 2018 to evaluate and manage our deforestation risks and opportunities. In CY2021, we submitted data to the CDP Climate Change questionnaire, which measures greenhouse gas emissions and tracks climate-related risks for the first time. In FY2024, we further expanded our disclosures to include the CDP Water Security questionnaire, which assesses water-related risks and opportunities providing insights into improving water management.

Our 2024 results were:

Forests CDP A List 2024

CDP Forests questionnaire:
A

CDP Climate Change questionnaire:
B

CDP Water Security questionnaire:
A- (inaugural submission)

ISF achieved a Silver rating in the FY2024 EcoVadis assessment, and a reassessment is planned for Q3 2025.

Responsible sourcing and supplier engagement

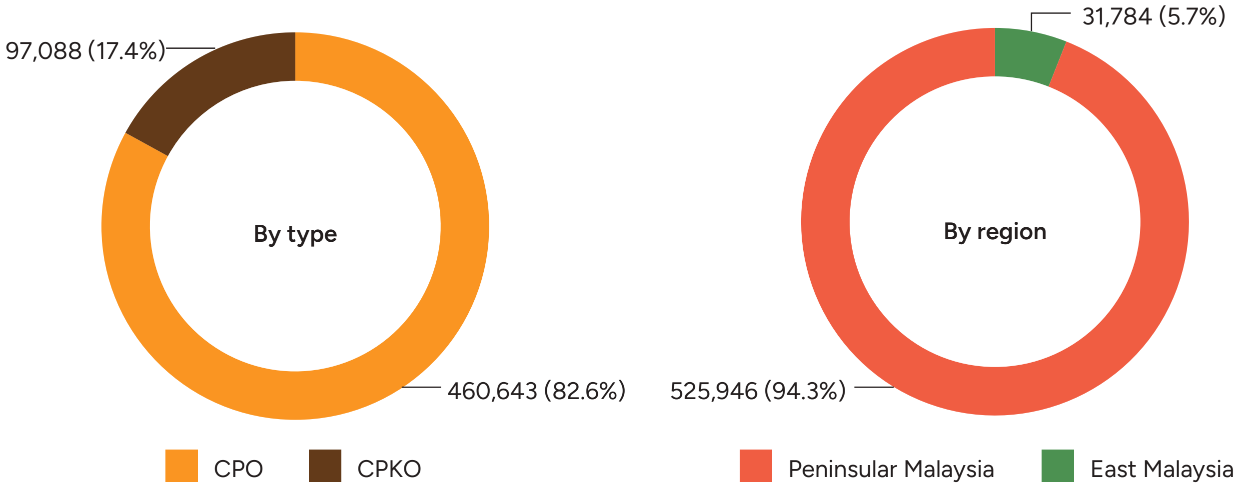
[GRI 2-6, 3-3, 204-1]

ISF sources crude palm oil (CPO) directly from mills and crude palm kernel oil (CPKO) from kernel crushing plants (KCPs). In FY2025, a combined 557,731 metric tonnes (MT), comprising 82.6% CPO and 17.4% CPKO, was sourced from 41 direct suppliers, including 29 mills and 12 KCPs.

ISF predominantly sources from a small pool of local suppliers in Malaysia, primarily from Peninsular Malaysia. Only 5.7% of our CPO originates in East Malaysia. This approach ensures a resilient, low-risk supply chain.

Total volumes sourced by type and region FY2025 (MT (%))

Total: **557,731 MT**



Independent verification of NDPE IRF and traceability data

In FY2025, ISF achieved a significant milestone, strengthening accountability and transparency across our supply chain. For the first time, supplier submissions under the **No Deforestation, No Peat, and No Exploitation Implementation Reporting Framework (NDPE IRF) and traceability to plantation (TTP) data** were both independently verified by Control Union (Malaysia) Sdn Bhd. This marks a shift from reliance on self-reported data to third-party assurance, reinforcing the accuracy and credibility of our reporting.

Traceability

[GRI 3-3]

Our sustainability commitments are underpinned by supply chain traceability. We trace our supply to support industry measures that identify and mitigate environmental and social risks in the palm oil supply chain and actively engage with our suppliers on traceability. Consequently, 100% traceability for CPO and CPKO sourced was achieved and maintained since January 2018.

To ensure full TTP, we engage with our direct suppliers and collect data about the plantations they source from. We map their geographic coordinates and record their Universal Mill List (UML) codes, as well as the volumes they supply.

These engagements confirm that 69% of our total CPO volumes sourced originate from 21 of our direct supplying mills, which source fresh fruit bunch (FFB) from plantations they own. Meanwhile, 31% of our total CPO volumes sourced originate from eight suppliers who source from both their own and external plantations.

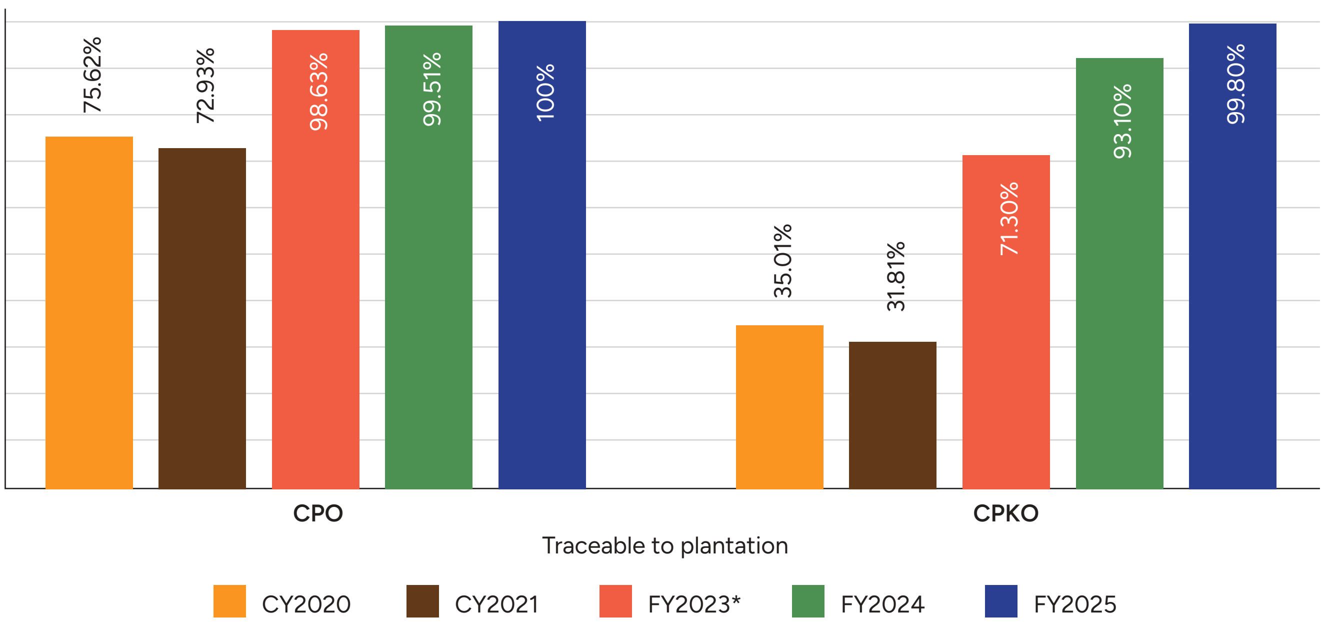
Traceability data collection has vastly improved since 2022, fostering closer collaboration with our suppliers. We continue to engage directly with Roundtable on Sustainable Palm Oil (RSPO) Mass Balance (MB) and conventional mills. Because our supply chain is interconnected, we now share our TTP data templates with direct kernel crushers, some of whom also supply CPO to ISF.

As a result of these efforts and continuous engagement with our suppliers, our target of 100% TTP for CPO by 2025 was achieved in March 2025, rising from 99.5% in 2024.

TTP can fluctuate year on year because we source from different suppliers in our supply base to mitigate risks and ensure a steady supply of raw materials. Despite these fluctuations, ISF remains committed to maintaining 100% TTP for CPO. We will continue to strengthen our traceability systems and supplier engagement practices to uphold transparency and support sustainable sourcing across our supply chain.

Unlike CPO, achieving full TTP for CPKO remains more challenging due to its complex supply chains, which involves multiple actors and stakeholders. As of FY2025, the 12 KCPs supplying ISF in turns source from **167 mills**. In FY2025, **CPKO traceability performance rose to 99.8% from 93.1% in FY2024**. We are close to meeting our 100% TTP for CPKO and remain on track to meet this target by the end of 2025.

CPO and CPKO traceability to plantation CY2020–FY2025 (%)



See our supplier dashboard at https://isfsb.com/traceability/.

Supplier engagement and assessment

[GRI 2-23, 2-24, 308-1, 308-2, 414-1, 414-2] [SASB FB-AG-430a.1, 430a.2, 430a.3]

Supplier commitments to sustainability

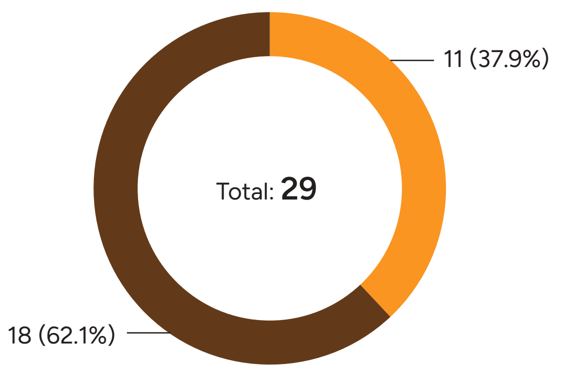
First introduced in 2017, ISF's Supplier Code of Conduct applies to our entire supply chain and includes key elements such as supporting smallholders, offering strong grievance mechanisms, upholding the land rights of local communities, strengthening health and safety standards, and ensuring transparent public disclosures. Together, these provisions enhance accountability and foster sustainable practices. Our Supplier Code of Conduct aims to create positive change and promote sustainable development across the palm oil supply chain. Its provisions equally apply to our operations, allowing ISF to set an example for the wider industry.

New suppliers are required to acknowledge ISF's NDPE commitments by signing the Supplier Code of Conduct. They are engaged through workshops, surveys, and other sustainability programmes. In FY2025, 100% of ISF's direct raw material suppliers acknowledged the Supplier Code of Conduct and completed the 2024 Supplier Sustainability Questionnaire covering environmental, social, and governance (ESG) criteria, NDPE policy, and certification status.

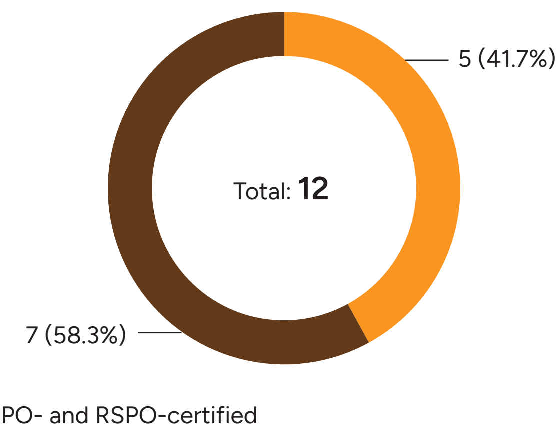
All suppliers are tracked and monitored to guide our engagement strategies and ensure they align with our sustainability goals. In FY2025, 100% of assessed suppliers were engaged through corrective actions after implementation gaps were identified. As of FY2025, 100% of ISF's CPO suppliers were Malaysian Sustainable Palm Oil (MSPO) certified, and the total 460,643 MT of CPO sourced from them were MSPO-certified.

As of FY2025, 25 suppliers – 18 CPO suppliers and 7 CPKO suppliers – were RSPO certified. In FY2025, we sourced 335,419 MT of RSPO-certified CPO and 17,566 MT of RSPO-certified CPKO, representing 72.8% and 18.1% of our total volumes sourced, respectively.

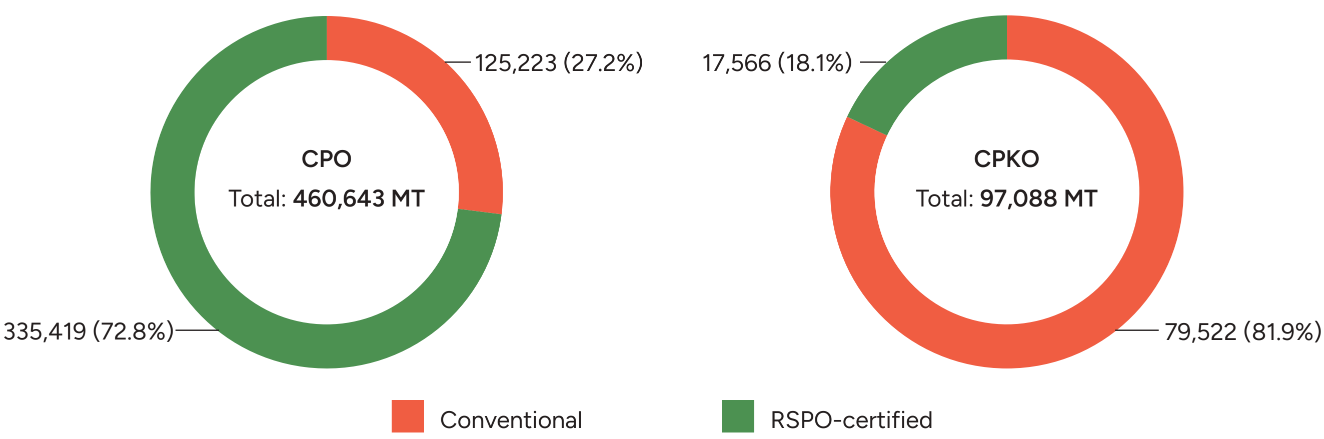
CPO direct suppliers' certification FY2025 (no. (%))



CPKO direct suppliers' certification FY2025 (no. (%))



RSPO-certified volumes processed by product in FY2025 (MT (%))



In FY2025, ISF participated in multi-stakeholder collaboration meetings, peer learning visits, and stakeholder engagement sessions with key suppliers and industry partners. These sector-related activities involved discussions on sustainability, progress assessments, and collaborative relationship building within our supply chain.

Supplier assessments

ISF annually assess suppliers to measure their progress towards aligning with our NDPE commitments. Suppliers are evaluated and prioritised based on their deforestation risk to identify potential social and environmental concerns. Engagement efforts are then focused on high-risk mills, typically conventional suppliers. There were no new suppliers in the reporting period.

All volumes from RSPO-certified suppliers meet rigorous sustainability criteria in line with our NDPE policy. All suppliers are required to complete our Supplier Sustainability Questionnaire, so ISF can understand their ESG commitments better, assess their performance and progress in meeting our shared environmental goals, and evaluate their compliance with our Sustainability Policy. We regularly engage with and reassess suppliers to help them comply with our policies.

In November 2024, a comprehensive Social Impact Assessment (SIA) was conducted in alignment with the revised MSPO 2.0 Standards (MS2530:2022) and the MSPO SIA Guidelines. This assessment evaluated the potential social impacts of ISF's operations, ensuring our continued compliance with the MSPO requirements. The SIA process engaged with a range of stakeholders, including key ISF suppliers. It garnered valuable insights while promoting transparency and strengthening our commitment to responsible and inclusive business practices.

Total: **41**

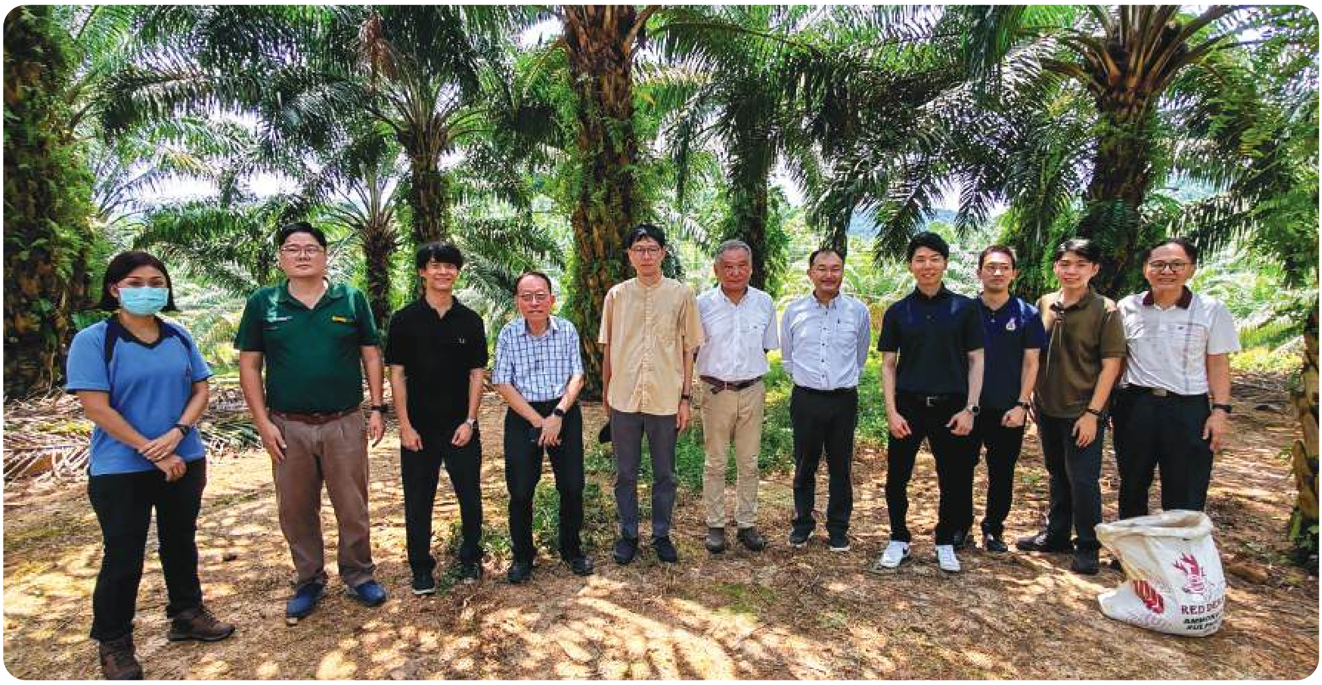
100% direct suppliers adhering to our Sustainability Policy

Total: **167**

100% indirect suppliers adhering to our Sustainability Policy

Total: **41**

100% suppliers who have implemented an NDPE policy OR signed ISF's Supplier Code of Conduct



NDPE IRF reporting

ISF utilises the industry-specific NDPE IRF to assess the progress of supplying mills in meeting our NDPE commitments. This tool was developed by the Palm Oil Collaboration Group (POCG). The framework covers set criteria and a standardised methodology to evaluate supplying mills' progress towards meeting their obligations on no deforestation, no planting on peat, labour rights, and land and local community rights.

IRF submissions are typically self-reported. For the first time, ISF engaged Control Union (Malaysia) Sdn Bhd in FY2025 to externally verify supplier-submitted IRF data in accordance with the NDPE IRF Verification Protocol. The verification process enhances accountability and strengthens confidence in reported outcomes. Moving from accepting self-reported data as accurate to confirming its veracity through an independent third-party review was a significant milestone for ISF.

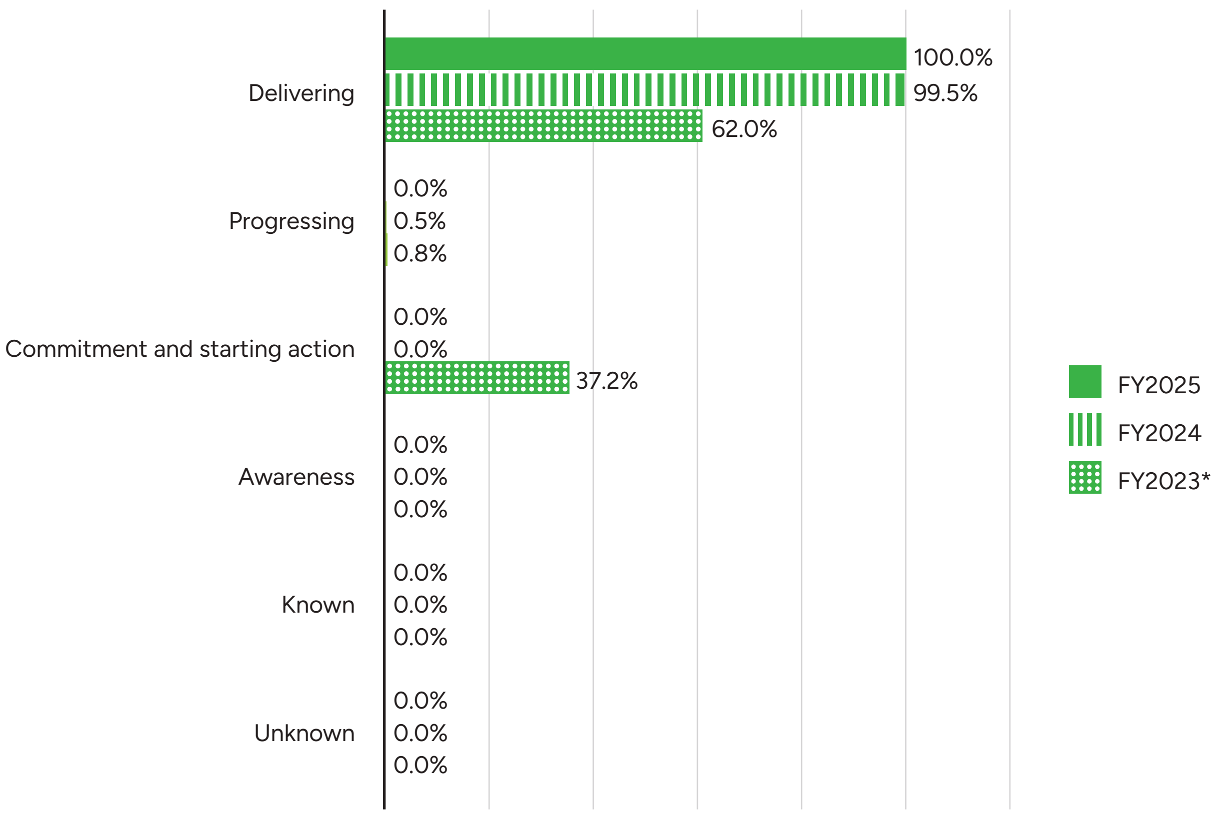
As of FY2025, verified IRF data confirm 100% of volumes sourced from ISF's CPO suppliers are meeting their No Deforestation and No Peat commitments.

For the first time, ISF is also reporting on the NDPE performance of our CPKO suppliers. As of FY2025, 92.8% of volumes sourced from direct PKO mills were verified as meeting their No Deforestation commitments, while 93.8% met their No Peat commitments.

Despite persistent challenges in collecting and verifying data – due to the relatively lower volume of PKO production, the smaller number of crushing mills, and the cross-border nature of palm kernel trade – we remain committed to improving traceability and transparency in our CPKO supply chain. This first disclosure reflects our ongoing efforts to expand the scope of our monitoring and ensure NDPE compliance across all product streams.

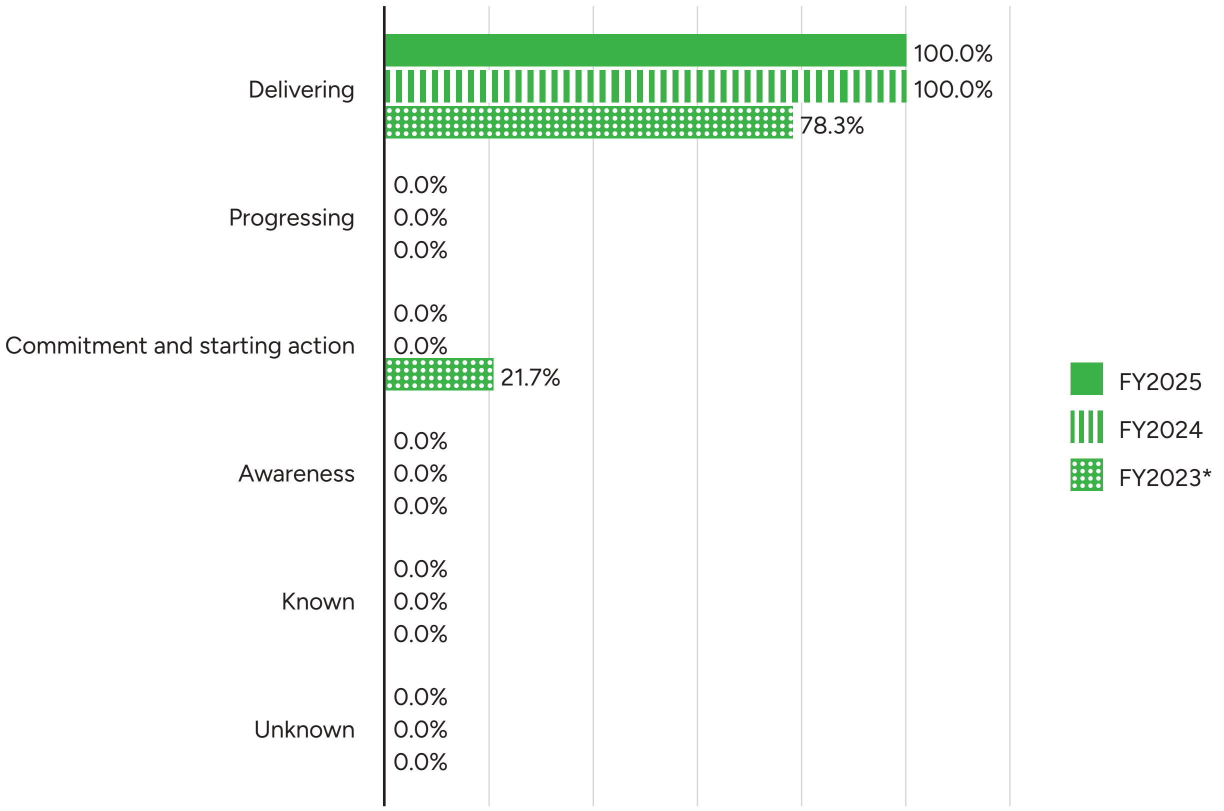
In its current state, the IRF only covers the environmental aspects of the industry's NDPE commitments. The No Exploitation component is currently being developed, and ISF will adopt the new guidelines when the expanded framework is finalised.

Mill progress on No Deforestation commitment for FY2023–FY2025 (% volume sourced)
Direct mills only (CPO suppliers)



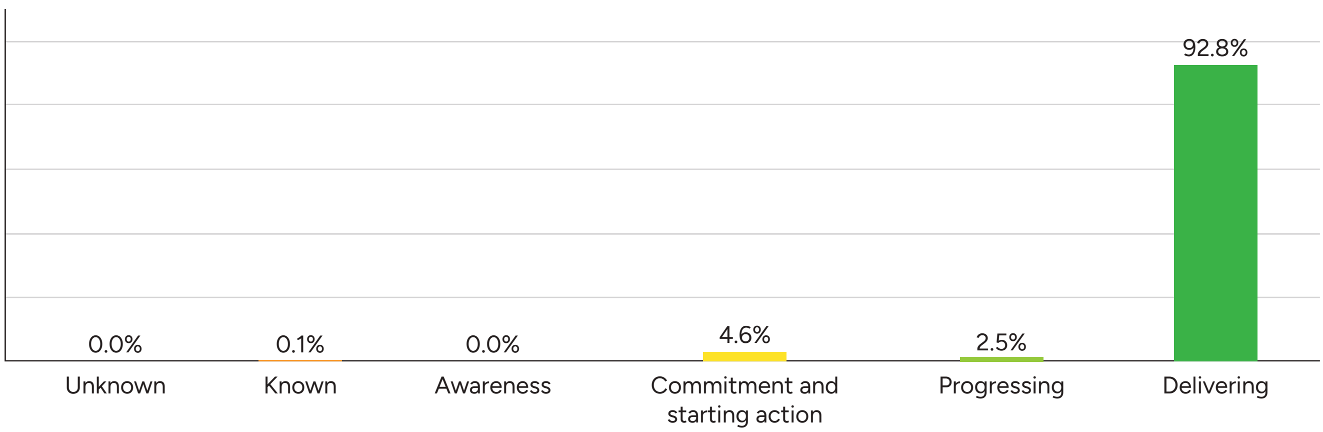
Note: *FY2023 data cover a 15-month period, comprising Q1 2022 and the 2023 financial year (January 2022 to March 2023) to account for the transition from calendar year (CY) reporting to financial year (FY) reporting.

Mill progress on No Peat commitment for FY2023–FY2025 (% volume sourced)
Direct mills only (CPO suppliers)

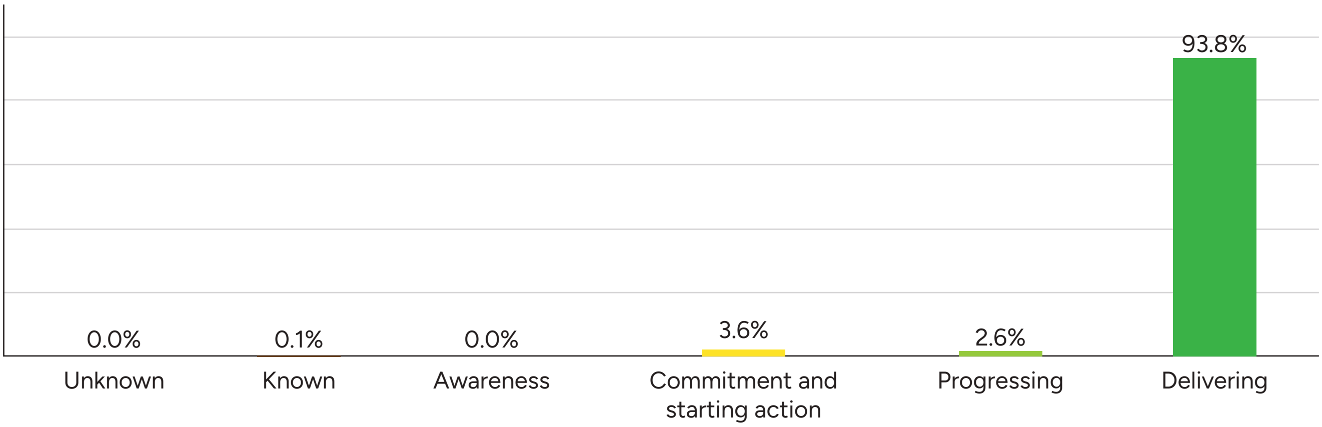


Note: *FY2023 data cover a 15-month period, comprising Q1 2022 and the 2023 financial year (January 2022 to March 2023) to account for the transition from calendar year (CY) reporting to financial year (FY) reporting.

Mill progress on No Deforestation commitment for FY2025 (% volume sourced)
Direct mills only (CPKO suppliers)



Mill progress on No Peat commitment for FY2025 (% volume sourced)
Direct mills only (CPKO suppliers)



Grievance management

[GRI 2-25, 2-26]

ISF's grievance mechanism is a robust framework that is accessible to all stakeholders. It enables them to report instances of non-compliance and express concerns about areas needing improvement in our value chain. Our grievance mechanism allows us to resolve complaints in a fair, timely, and transparent manner with input from the affected stakeholders, as necessary.

As an RSPO member, we also employ that organisation's grievance process to adjudicate relevant cases. We then communicate the status of unresolved grievances as mandated by our internal protocols and procedures.

No new grievance cases were recorded in FY2025. However, of the 26 grievances filed since 2017, ten have been successfully resolved and closed to date.

	FY2025	Cumulative since 2017
Number of grievances filed	0	26
Number of grievances closed/resolved	0	10
Number of suppliers suspended	0	3

For more about ISF's grievance procedure and the status of cases, see: https://isfsb.com/grievances/.

Environment

[GRI 2-27, 3-3]

ISF conducts its operations in an environmentally responsible manner. Our environmental management system (EMS) is certified against the ISO 14001:2015 standard, and we fully comply with all applicable environmental regulations.

A proactive approach has been adopted to identify, prevent, and mitigate the potential adverse impacts associated with our activities. Key focus areas include reducing greenhouse gas (GHG) emissions, optimising energy and water consumption, and efficiently manage waste. These priorities are supported by specific targets that have been established to drive measurable progress.

See more about our environmentally responsible operations here.

2030 Environmental Plan

By 2030, we aim to reduce:

Scope 1 & 2 emissions
by **50%**
against 2019 baseline

Scope 3 emissions
by **25%**
against 2020 baseline

Energy intensity
by **10%**
against 2019 baseline

Water consumption intensity
by **10%**
against 2019 baseline

Waste generation intensity
by **10%**
against 2019 baseline

See also: Target list and progress.

Addressing climate change

[GRI 3-3] [SASB FB-AG-110a.2]

ISF supports the global transition to a low-carbon economy. We conducted our first climate-related scenario analysis in 2023 to address the pressing issue of climate change. The study assessed the potential impacts of 2°C and 4°C global temperature rise scenarios, with the findings informing ISF's Climate Action Roadmap and other climate-related strategies, which will guide our immediate and long-term business objectives and activities.

Our parent company, The Nisshin OilliO Group, Ltd., Japan, introduced a new strategic roadmap in 2023 to advance decarbonisation and achieve carbon neutrality by 2050.[3] Consequently, ISF has set emissions reduction targets and additional environmental objectives for 2030 that support the Group's overarching sustainability goals and align with its decarbonisation strategy.

In 2023, ISF adopted the Task Force on Climate-related Financial Disclosures (TCFD) recommendations to fulfil climate reporting requirements and enhance transparency. In this FY2025 report, we have embarked on the process of mapping our disclosures to the International Financial Reporting Standards (IFRS), specifically, the S2 Sustainability Disclosure Standards. Additionally, we will look to improve disclosure gaps in future reports.

[3] See page 49 of The Nisshin OilliO Group Ltd.'s Integrated Report 2023.

Our roadmap to carbon neutrality

ISF aims to achieve carbon neutrality by 2050. This long-term goal aligns with our overall climate strategy and reflects our drive to effect meaningful environmental change. We have identified five priority areas that inform our 2050 climate strategy, including:

01

Exploring nature-based approaches

See page 33–34

02

Reducing emissions at operations

See page 36–38 (COGEN and other emissions reduction initiative, alongside the establishment of CMT)

03

Expanding uptake of renewable energy

See page 40–41

04

Promoting a low-carbon value chain

See page 62 (PCF)

05

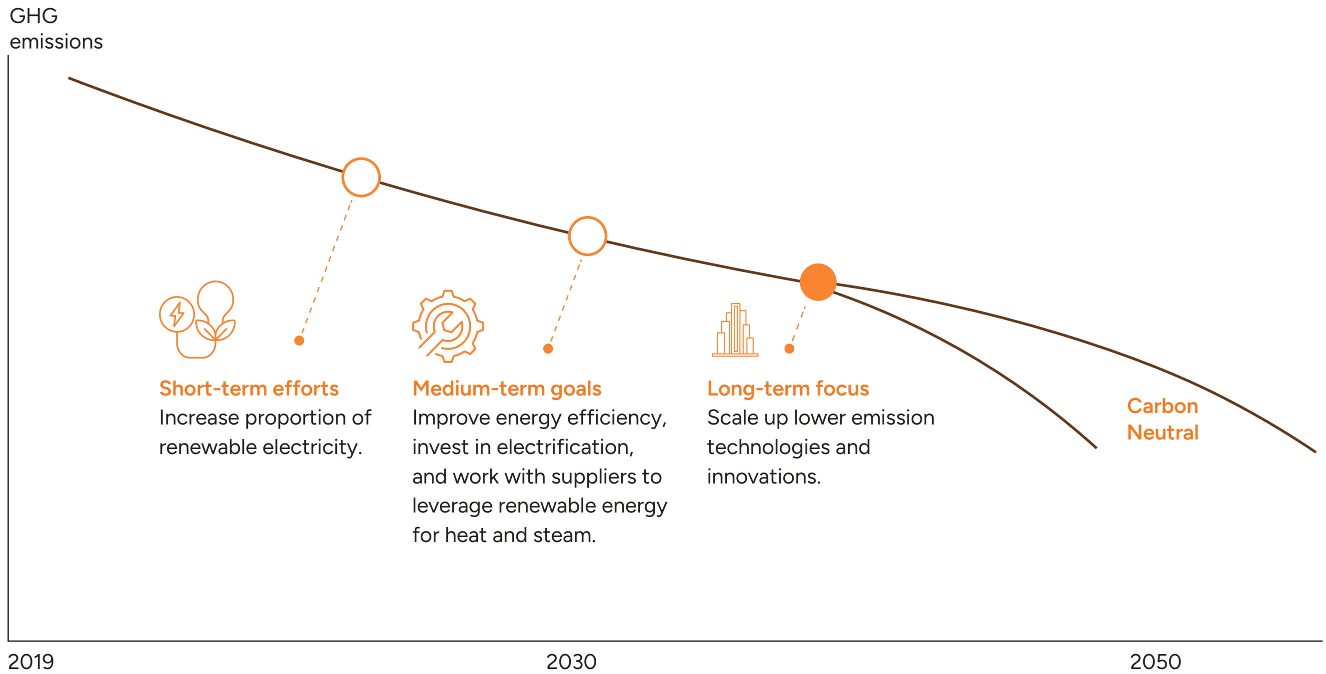
Increasing impact through partnerships and collaborations

See page 22 (Notable engagements and partnerships)

Based on these five focus areas, we are taking the following actions:

- **Our short-term efforts (1–3 years)** will reduce reliance on fossil fuels by increasing the share of renewable energy. To address residual emissions that cannot yet be eliminated, we are also starting to incorporate certified carbon offset projects, such as Virtual Power Purchase Agreement (VPPA) and nature-based solutions.
- **Our medium-term goals (3–7 years)** include enhancing energy efficiency across operations, investing in solar installations, and accelerating equipment electrification. A key initiative is the development of a cogeneration (COGEN) plant, with carbon offsetting continuing to complement our emissions reduction efforts.
- **Our long-term focus (beyond 7 years)** is on scaling the use of lower-emission technologies and innovating in cutting-edge applications. Over time, we aim to prioritise absolute emission reductions and engage in quality offset initiatives specifically for hard-to-abate emissions. This includes establishing a product carbon footprint system to monitor emissions across product portfolios.

This structured and staggered approach will drive progressive decarbonisation across our operations and supply chain, paving a clear path by establishing measurable milestones towards achieving our climate goals.



Enhancing climate resilience through nature-based approaches

In addition to assessing our climate-related risks and opportunities, ISF is adopting nature-based solutions to strengthen our climate adaptation plans. In 2022, ISF entered into a three-year partnership with the Global Environment Centre (GEC) and the community of Kampung Dato' Hormat in Tebuk Mendeleng, Sabak Bernam, Selangor.

ISF's Mangrove Rehabilitation Programme will restore approximately four hectares of degraded mangrove forest. It employs a nature-based approach to climate adaptation that sequesters carbon, restores ecological balance, promotes sustainable livelihoods, and strengthens social cohesion by actively involving local communities.

The programme set a target of planting 8,000 seedlings, which was achieved in 2024. An additional 1,000 seedlings have since been cultivated to support future replanting activities and are also available to local communities for maintenance and as replacements for trees that may not survive.

This ISF-led collaborative project has established a solid foundation for the long-term protection, preservation, and management of the Tebuk Mendeleng mangrove ecosystem. Lessons learned will inform future initiatives aimed at advancing sustainability and strengthening community resilience in the region and beyond.

Ecological milestone: Fireflies signal ecosystem recovery

Beyond tree planting, the Mangrove Rehabilitation Programme continues to deliver measurable improvements to the local ecosystem – most notably, the return of fireflies to the restoration site.

The return of fireflies, which were previously absent at the project site, is a programme highlight. The presence of *Pyrocoelia* and *Pteroptyx valida* – the latter a Vulnerable species on the International Union for Conservation of Nature (IUCN) Red List – signals a healthier ecosystem with improved biodiversity.[4] Fireflies are sensitive to changes in habitat quality, and their return is widely regarded by ecologists as a sign of ecological recovery. Their glowing presence has also renewed enthusiasm and increased interest in conservation in the surrounding communities and amongst restoration partners.

Other positive signs of ecosystem recovery include sightings of mud crabs (*Scylla serrata*), a keystone species[5] that burrows into soil. Its presence leads to natural processes that enhance nutrient cycling and carbon retention, playing a vital role in supporting the long-term health and resilience of the mangrove forest.

The progress observed at the project site underscores the importance of long-term, community-inclusive conservation initiatives. As ISF prepares to enter the next phase of the programme, we remain committed to protecting and restoring critical coastal habitats – ensuring that both biodiversity and local communities can thrive side by side.

Pyrocoelia

Pteroptyx valida

[4] Bernard, C.L., et al. 'Ecological Study on Congregating Fireflies (Coleoptera: Lampyridae) in Sulaman Lake Forest Reserve, Sabah, East Malaysia.' *Serangga*, vol. 28, no. 2, 1 Aug. 2023, https://doi.org/10.17576/serangga-2023-2802-05.
[5] A keystone species is a species that plays a critical role in maintaining the structure of an ecological community and whose impact on the community is greater than would be expected based on its relative abundance or total biomass.

Monitoring and management

GEC staff and community members continue to monitor and maintain the project site to ensure healthy tree growth and prevent illegal activities such as land clearing and waste dumping. A dendrological assessment revealed a consistent increase in the height and diameter of the planted mangroves, indicating strong, healthy development across the site.

A GEC biodiversity assessment confirmed the emergence of a functioning mangrove ecosystem. Surviving trees naturally trap wild seeds through tidal action, regenerating species such as *Nypa fruticans, Sonneratia alba, Sonneratia caseolaris, Excoecaria agallocha*, and *Avicennia*.

Aerial photo of ISF's Mangrove Rehabilitation Programme site before planting (2022) and after planting (2024).

Achievements as of December 2024:

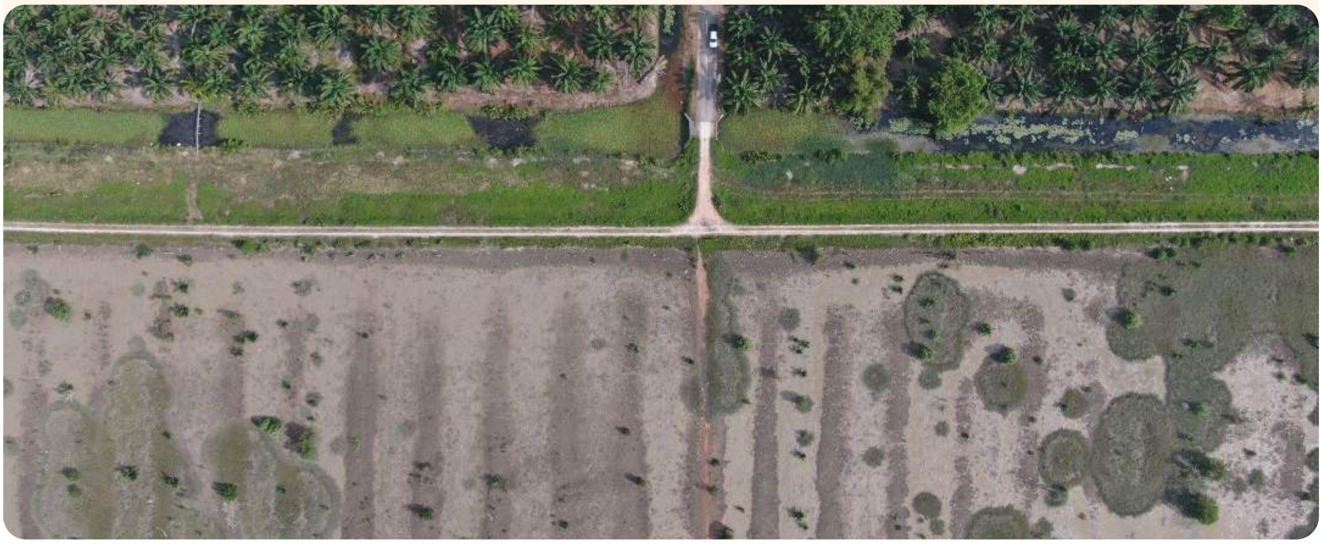
9,000
mangrove seedlings were cultivated

8,000
Rhizophora apiculata (*Bakau Minyak*) and *Rhizophora mucronata* (*Bakau Kurap*) mangrove trees were planted across 4 hectares

84% (6,720)
of the trees have survived, showing healthy growth

Phase Two of the Mangrove Rehabilitation Programme

Following the success of our initial Mangrove Rehabilitation Programme, ISF extended the partnership with the GEC and the community of Kampung Dato' Hormat for another three years. The second phase of the programme, running from 2025 to 2027, will see the planting of an additional 4,000 mangrove saplings to restore two more hectares of degraded mangrove forest. The agreement was renewed in April 2025, with progress to be updated in future reports.



Carbon footprint

[GRI 3-3, 305-1, 305-2, 305-3, 305-4, 305-5] [SASB FB-AG-110a.1, FB-AG-110a.2]

ISF utilises the widely adopted GHG Protocol and the International Sustainability and Carbon Certification (ISCC) standards to monitor, calculate, and report on our carbon footprint.

Scope 1 and Scope 2 emissions

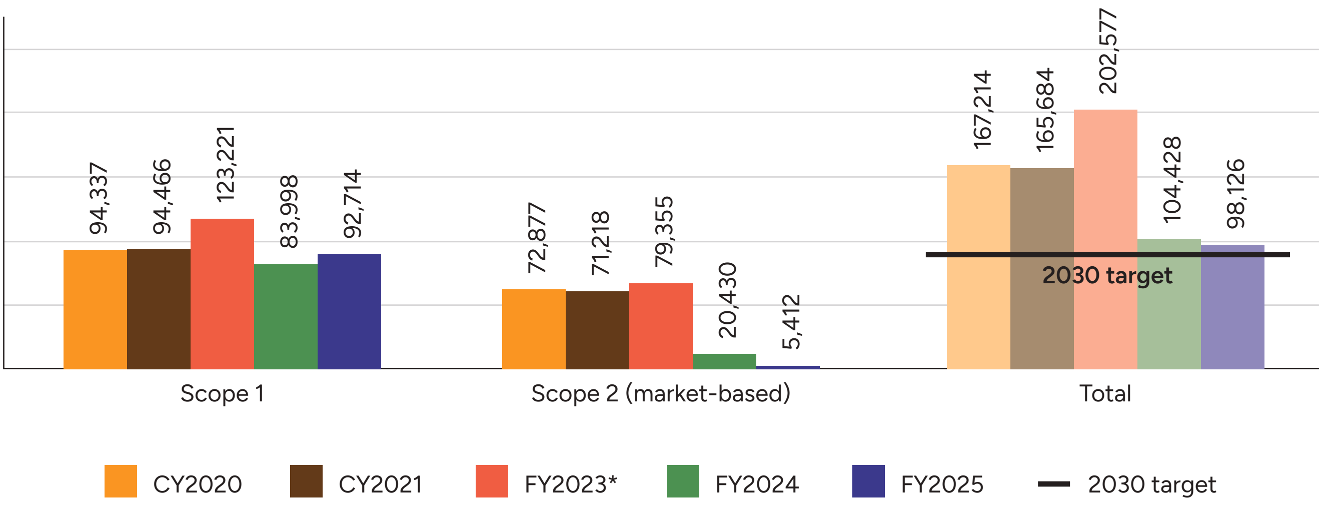
In FY2025, our combined Scope 1 and Scope 2 (market-based) emissions were 98,126 tonnes of carbon dioxide equivalent (MT CO_2e).

Scope 1 emissions totalled 92,714 MT CO_2e – or 94.5% of our overall emissions – a 10.4% increase over FY2024. It was primarily driven by the commencement of ISF's first COGEN plant, which led to higher natural gas consumption.

In contrast, Scope 2 emissions declined by 73.5% compared to FY2024 levels, falling to 5,412 MT CO_2e. This significant reduction in Scope 2 emissions resulted from ISF's strategic shift to low-carbon electricity sources through the Tenaga Nasional Berhad (TNB) Green Electricity Tariff (GET) programme. The subscription enabled the offset of 59,294 MT CO_2e of emissions.

ISF aims to reduce Scope 1 and 2 emissions by 50% by 2030 against our 2019 baseline. As of FY2025, we have already reduced emissions by 39.2% by implementing carbon offsetting methods and enhancing operational efficiencies through our COGEN plant and other initiatives. We are well on track to meet our 2030 target ahead of achieving carbon neutrality by 2050.

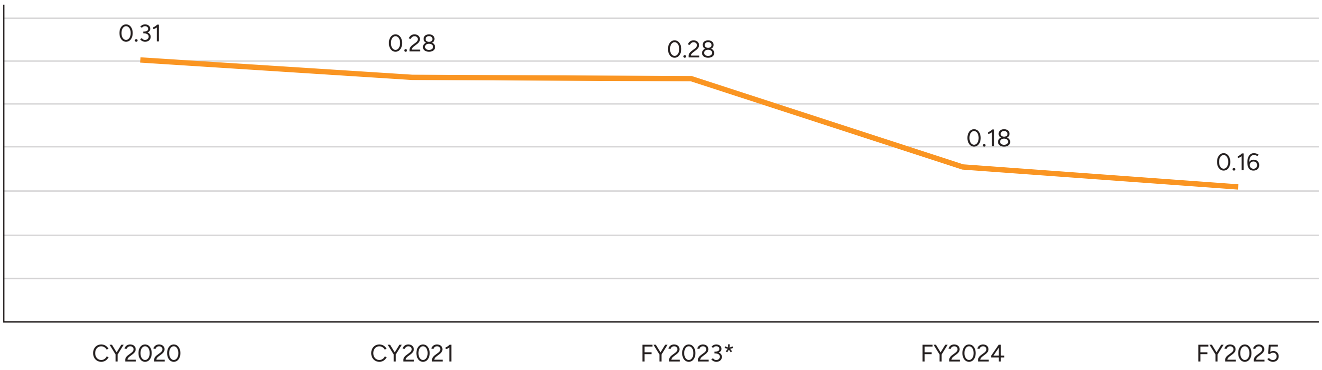
Net GHG emissions by scope CY2020–FY2025 (MT CO_2e)



Notes:
1. *FY2023 data cover a 15-month period, comprising Q1 2022 and the 2023 financial year (January 2022 to March 2023) to account for the transition from calendar year (CY) reporting to financial year (FY) reporting.
2. Scope 1 emissions sources include emissions from fuel combustion in refining equipment, pressing machines, and vehicles. Scope 2 (market-based) emissions encompass all indirect emissions generated from the purchase of electricity.

In FY2025, our Scope 1 and Scope 2 GHG emissions intensity was 0.16 MT CO_2e per metric tonne of finished product (MT product), a 11.1% improvement from FY2024. This is a result of our ongoing investments in energy efficiency measures and other decarbonisation efforts.

GHG emissions intensity CY2020–FY2025 (MT CO_2e/MT product)



Note: *FY2023 data cover a 15-month period, comprising Q1 2022 and the 2023 financial year (January 2022 to March 2023) to account for the transition from calendar year (CY) reporting to financial year (FY) reporting.

Commissioning our first COGEN plant to advance energy efficiency

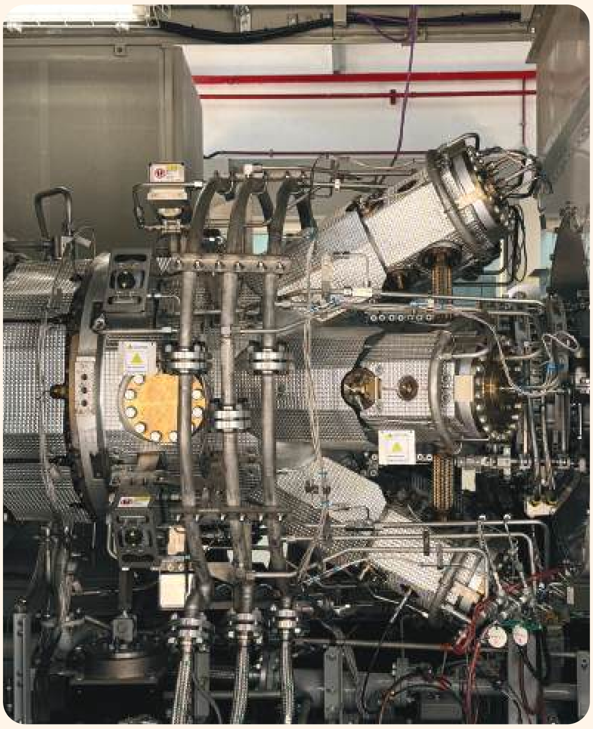
Establishing COGEN plants is a cornerstone of ISF's emissions reduction strategy. ISF inaugurated our first COGEN plant at our Dengkil facility in January 2025. Construction began in June 2023 and was completed in December 2024.

The 3.8 megawatt (MW) COGEN plant runs entirely on natural gas and reduces ISF's reliance on electricity from the national grid (TNB). It uses a gas turbine to generate electricity and a 28-tonne-per-hour heat recovery steam generator to capture waste heat. The recovered heat is used to produce steam for industrial processes, improving overall fuel efficiency and reducing GHG emissions compared to conventional systems, which produce electricity and heat separately.

ISF's COGEN plant is projected **to reduce GHG emissions at our operations by approximately 10%** against our 2021 baseline.

We are building a second COGEN system at our Port Klang site, with construction expected to be completed by the end of 2025.

ISF marks a key milestone toward carbon neutrality with Dengkil cogeneration plant launch



ISF is continuously exploring and implementing emissions reduction initiatives, with several projects launched to reduce emissions and utility costs since 2021, including:

- Recovering and utilising exhaust and residual heat from production equipment, machinery, and systems
- Subscribing to TNB's GET programme to source renewable energy and reduce reliance on fossil fuels
- Utilising solar energy systems in and around our operations
- Leveraging VPPA and nature-based solutions to offset our carbon emissions
- Maximising the recovery of steam condensate after heating process and reducing municipal water for steam generation
- Improving efficiency of heating and cooling systems to lower energy and water usage
- Modifying, replacing, or upgrading equipment parts, chillers, and cooling towers to improve energy efficiency
- Leveraging COGEN systems to maximise energy efficiency and reduce emissions

In February 2025, ISF formally established the Carbon Management Taskforce (CMT), which evolved from earlier special task forces at our Dengkil and Port Klang operations. The CMT was formed to centralise and strengthen efforts to reduce ISF's carbon footprint and to implement broader environmental initiatives in support of our long-term sustainability goals.

The taskforce is responsible for identifying and assessing carbon-related risks and opportunities, planning and executing targeted projects, and monitoring their progress. It also plays a key role in driving innovation and cultivating partnerships that support low-carbon solutions and sustainable practices across ISF's operations.

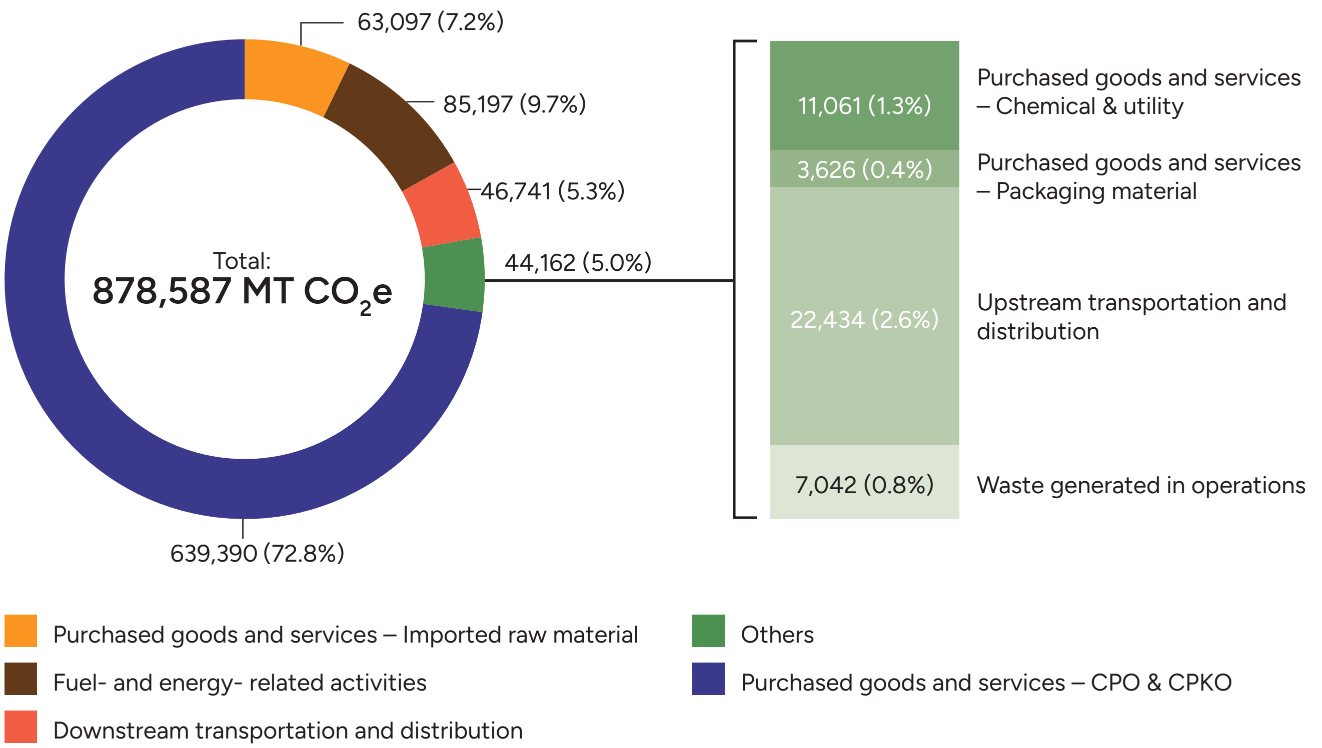
Led by the Chief Technology Officer (CTO) and supported by appointed Taskforce Leads, the team comprises representatives from various departments at both factories, with support from key departments at ISF's headquarters – including Sustainability and Communication, Finance and Risk, Human Resources Management, Research and Development (R&D), and Quality Management and Food Safety (QMFS).

Scope 3 emissions

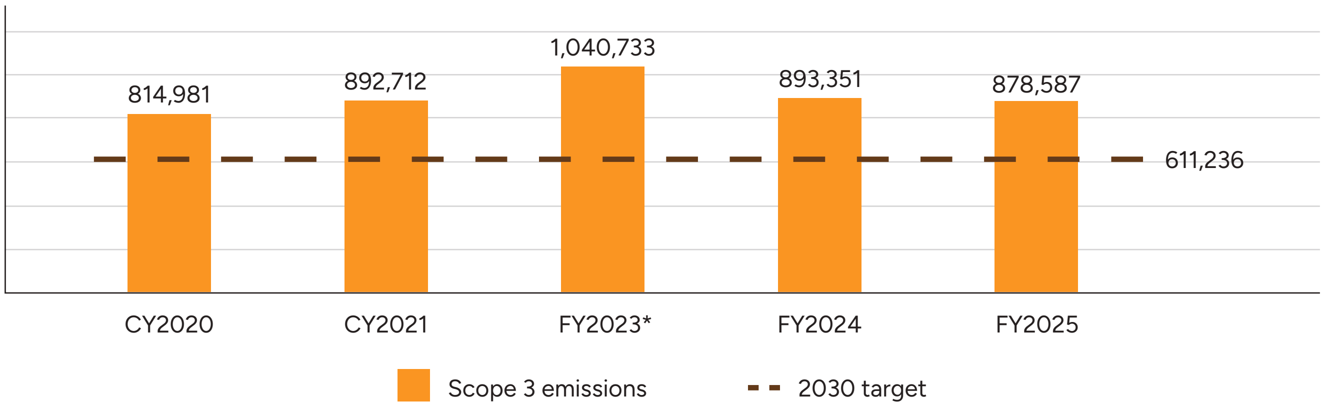
Our FY2025 Scope 3 emissions were 878,587 MT CO_2e – a 7.8% increase from the 2020 baseline of 814,981 MT CO_2e. The bulk of these emissions (81.7%) stemmed from upstream activities, including purchased goods and services (crude palm oil [CPO], crude palm kernel oil [CPKO], imported raw materials, chemicals, packaging materials, and utilities). Fuel and energy use contributed 9.7%, while transportation and distribution accounted for 7.9%. We remain committed to our 2030 target of reducing Scope 3 emissions by 25% against our 2020 baseline.

Recognising that Scope 3 emissions represent a significant portion of our overall carbon footprint, ISF continues to engage with our supply chain partners to accelerate progress. Our strategy focuses on increasing traceability and transparency, promoting sustainable agricultural practices, prioritising certified and deforestation-free raw materials, and encouraging the use of lower-emission transport options. Through data-driven assessments and by collaborating with industry platforms, we aim to identify high-impact intervention points, thus aligning our reduction efforts with international climate targets.

ISF Scope 3 by category FY2025 (MT CO_2e (%))



Scope 3 emissions CY2020–FY2025



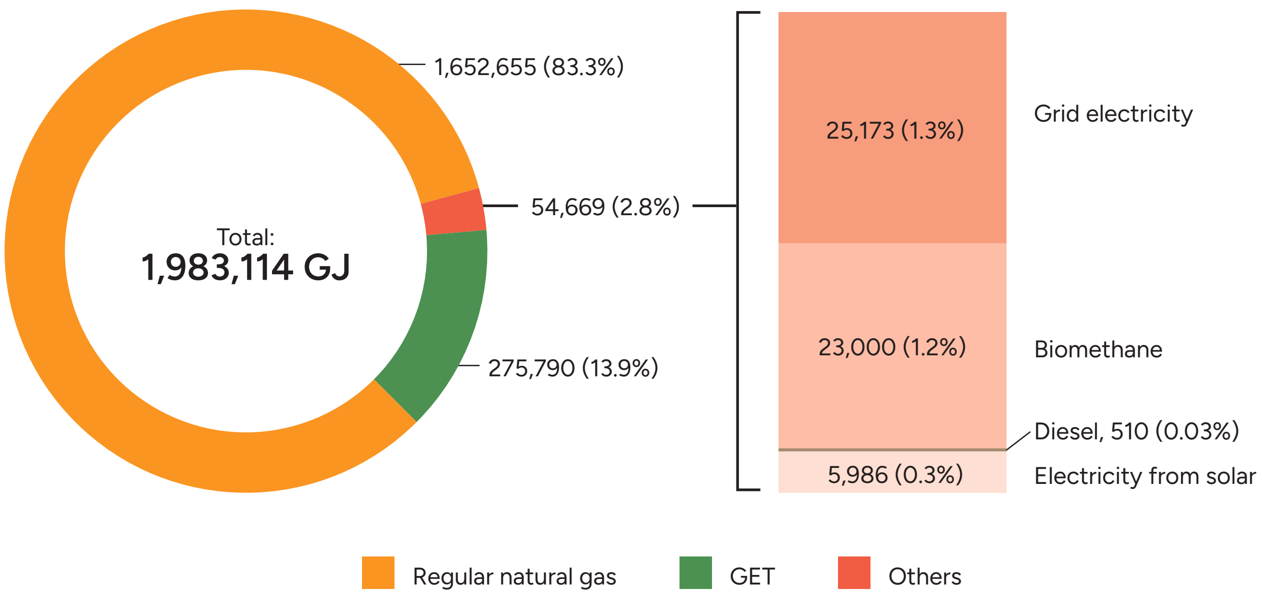
Note: *FY2023 data cover a 15-month period, comprising Q1 2022 and the 2023 financial year (January 2022 to March 2023) to account for the transition from calendar year (CY) reporting to financial year (FY) reporting.

Energy

[GRI 3-3, 302-1, 302-3] [SASB FB-AG-130a.1]

ISF monitors energy consumption and analyses trends to optimise efficiency. Our FY2025 energy consumption was 1,983,114 gigajoules (GJ), with 83.3% from natural gas, 13.9% from green electricity through TNB's GET programme,[6] and 1.3% from the public grid.

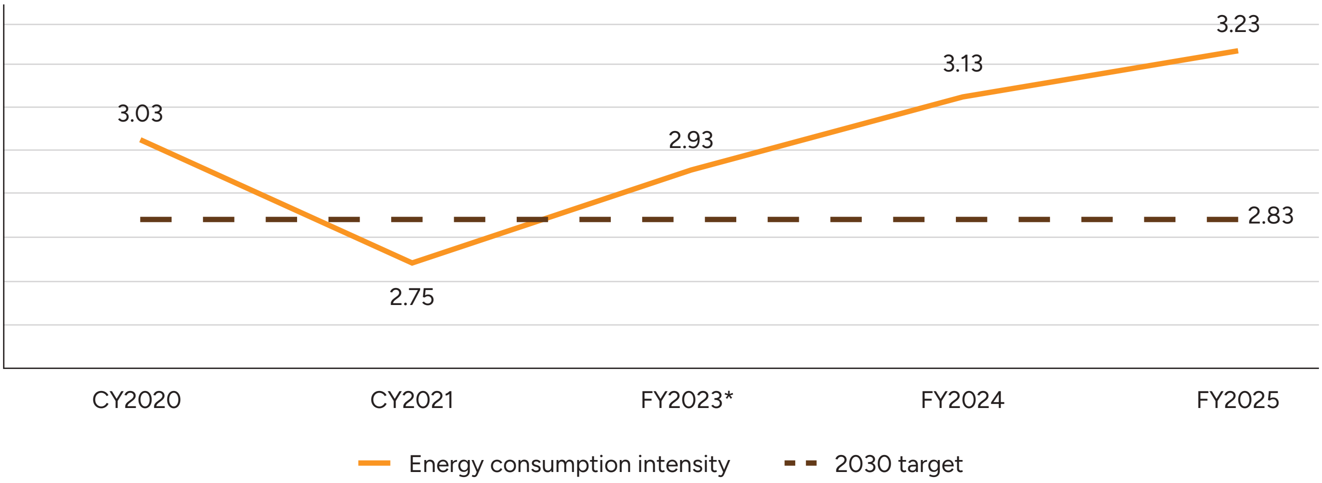
Energy consumed by type FY2025 (GJ (%))



[6] The GET programme offers subscribers blocks of green electricity generated by Malaysian solar and hydroelectric plants that adhere to international Renewable Energy Certificate (REC) standards and have earned Malaysia Renewable Energy Certificates (mREC).

Commissioning our COGEN plant in FY2025 represented a significant step towards improving our carbon footprint. However, its launch led to an increase in energy demand. Consequently, our energy intensity rose to 3.23 GJ/MT product in FY2025, a 3.2% increase compared to 3.13 GJ/MT product in FY2024. Despite this temporary setback, we continue to target reducing our energy intensity by 10% by 2030 compared to our 2019 baseline of 3.15 GJ/MT product. We aim to achieve this by expanding the use of renewable energy and enhancing energy efficiency. Our plans include the construction of a larger-capacity COGEN plant in Port Klang, scheduled for completion by the end of 2025.

Energy intensity CY2020–FY2025 GJ/MT product



Note: *FY2023 data cover a 15-month period, comprising Q1 2022 and the 2023 financial year (January 2022 to March 2023) to account for the transition from calendar year (CY) reporting to financial year (FY) reporting.

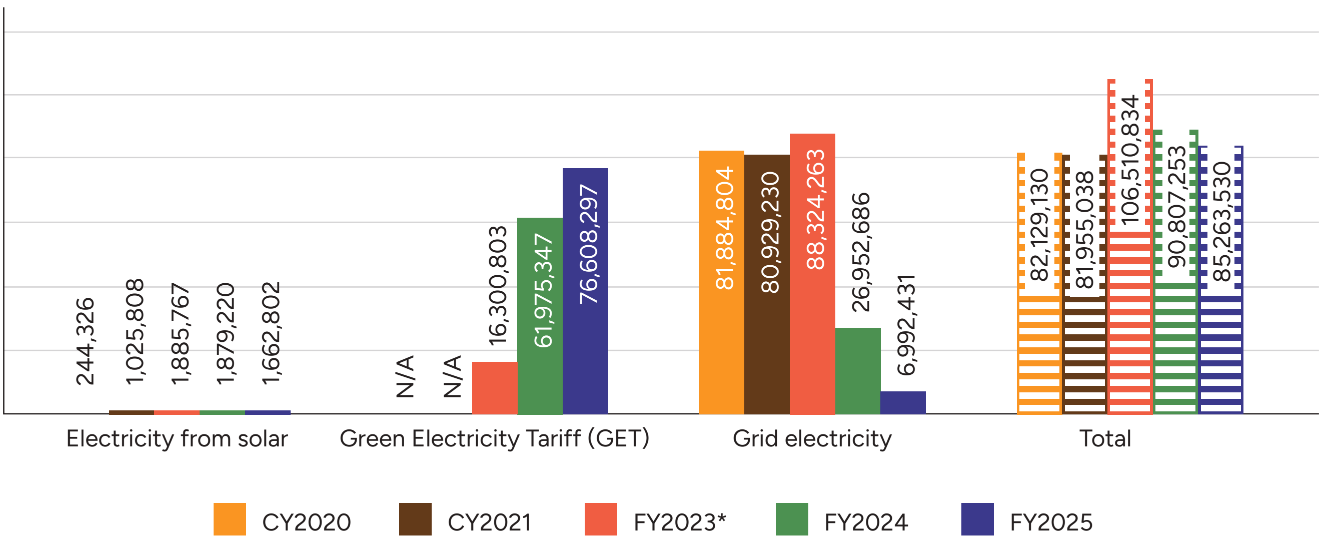
Transition to renewable energy

ISF continues to expand our renewable energy mix. In FY2025, our GET programme subscription substantially increased to offset more Scope 2 emissions from our Dengkil and Port Klang sites.

We consumed 78,271,099 kilowatt-hours (kWh) of green electricity in our renewable energy mix, a 22.6% increase from FY2024. Consequently, almost 92% of our conventional grid electricity was replaced with green energy, reducing GHG emissions by 59,294 MT CO_2e.

Solar panels contribute a modest share to ISF's total renewable energy generation capacity. The existing Port Klang solar facility has a peak capacity of 539.2 kilowatt-peak (kWp), comprising 345.6 kWp of panels installed in 2022, and an additional 193.6 kWp generated by the solar panels installed on the roof of the new administrative building in FY2025. This latter facility came online in August 2024.

Electricity mix CY2020–FY2025 (kWh)



Note: *FY2023 data cover a 15-month period, comprising Q1 2022 and the 2023 financial year (January 2022 to March 2023) to account for the transition from calendar year (CY) reporting to financial year (FY) reporting.

In November 2024, ISF signed a Supplemental Gas Supply Agreement with Gas Malaysia Energy and Services (GMES), a subsidiary of Gas Malaysia, to secure a supply of certified biomethane. This partnership supports ISF's long-term goal of achieving carbon neutrality by 2050. Also, it embodies our commitment to cross-sector collaboration in driving Malaysia's industrial transition towards more sustainable energy solutions.

In January 2024, ISF signed a 21-year VPPA with Cenergi to source green electricity from a solar farm that will commence operations in 2026.

Water

[GRI 2-23, 2-24, 3-3, 303-1, 303-2, 303-3, 303-4, 303-5] [SASB FB-AG-140a.1, 140a.2, 140a.3]

ISF monitors and continuously improves water usage efficiency across our operations. To maintain a reliable water supply while managing rising tariffs, we introduced the 2030 Water Conservation Plan in 2024. Our focus on water security, circularity, and efficiency reduces water usage and conserves this precious resource.[7]

2030 Water Conservation Plan

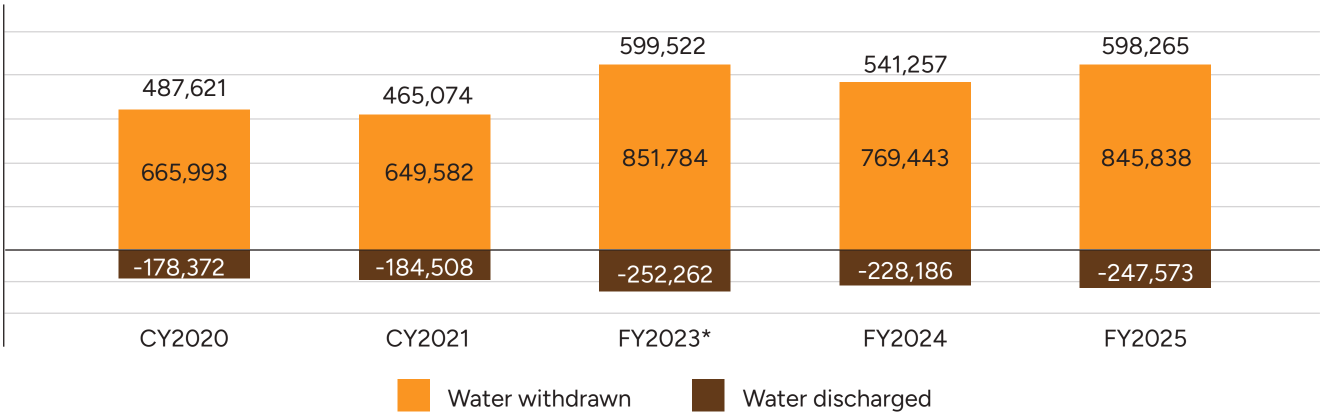
Water Security	Strengthening site-level water resilience by establishing on-site storage tanks to ensure supply during water disruptions. Rainwater harvesting systems are deployed to provide a renewable source of non-potable water for facility use.
Water Circularity	Increasing non-potable water reuse by reusing treated wastewater for floor cleaning and harvesting rainwater for irrigation, toilet flushing, and cooling tower make-up water, in line with local regulations and industry best practices.
Water Efficiency	Minimising water usage by continuously monitoring conusmption, optimising cooling and boiler operations, actively reviewing our Water Conservation Plan, and conducting regular employee awareness campaigns on water-saving practices.

Our primary water source for production is the municipal water supply, which is supplemented occasionally by groundwater. Sourcing high-quality water is essential to ISF's operations, and only clean water is used in the production process. Regular third-party testing is conducted to ensure safety and compliance with applicable regulatory standards.

In FY2025, water consumption totalled 598,265 cubic metres (m^3), a 10.5% increase compared to FY2024. Water usage intensity increased by 4.3% to 0.97 m^3/MT product, deviating from our 2030 target of 0.76 m^3/MT product. We recognise that water usage intensity has been increasing over the years, primarily driven by ongoing plant expansions. To address this, we pledge to continuously review our Water Conservation Plan 2030 and refine it by identifying new opportunities to conserve water.

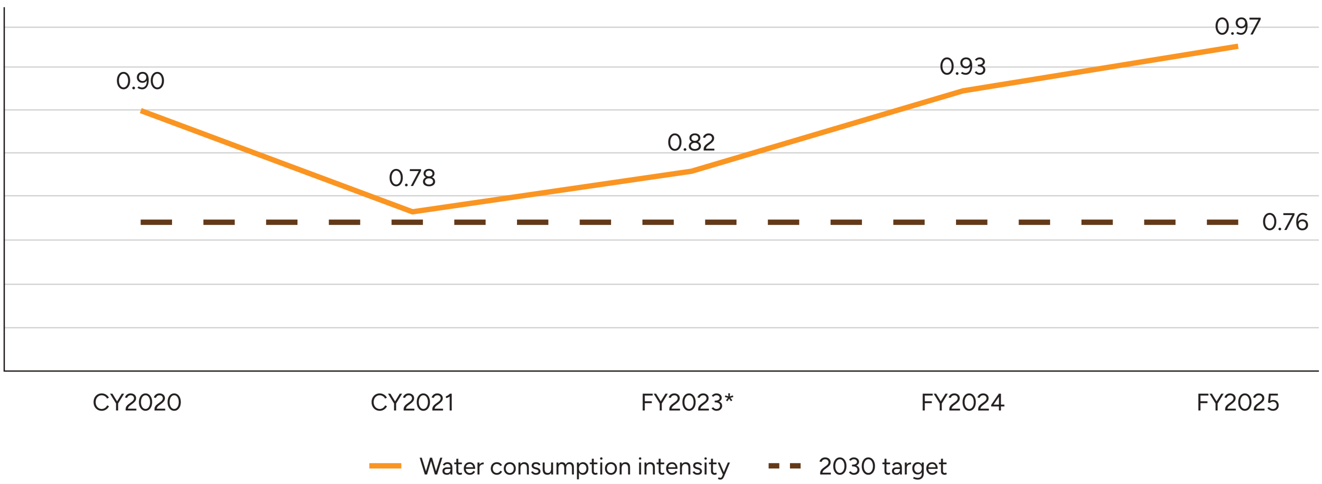
[7] See page 44 of our Sustainability Report 2024.

Total water consumption CY2020–FY2025 (m^3)



Note: *FY2023 data cover a 15-month period, comprising Q1 2022 and the 2023 financial year (January 2022 to March 2023) to account for the transition from calendar year (CY) reporting to financial year (FY) reporting.

Water consumption intensity CY2020–FY2025 (m^3/MT product)



Note: *FY2023 data cover a 15-month period, comprising Q1 2022 and the 2023 financial year (January 2022 to March 2023) to account for the transition from calendar year (CY) reporting to financial year (FY) reporting.

Water consumption by site CY2020–FY2025 (m^3)

Site	CY2020	CY2021	FY2023*	FY2024	FY2025
Port Klang	260,137	266,756	385,668	338,595	387,773
Dengkil	227,484	198,318	213,854	202,662	210,492

Notes:
1. *FY2023 data cover a 15-month period, comprising Q1 2022 and the 2023 financial year (January 2022 to March 2023) to account for the transition from calendar year (CY) reporting to financial year (FY) reporting.
2. Water consumption is calculated as follows: water withdrawal minus manufacturing discharge, excluding domestic discharge.

ISF complies with all relevant effluent discharge regulations and follows strict internal wastewater and effluent treatment guidelines. Discharged water is closely monitored to ensure that chemical levels and quality indicators meet safety standards before it is released into municipal drainage systems or the natural environment. This approach minimises and mitigates potential negative impacts on nearby water bodies.

Waste management

[GRI 3-3, 306-1, 306-2, 306-3, 306-4, 306-5]

ISF manages waste responsibly in compliance with applicable regulations to ensure the safe and proper handling of all operational waste, including scheduled (hazardous) and non-scheduled (general or non-hazardous) waste.

ISF's approach to waste management

Total waste generated FY2025:

22,103 MT

Scheduled

Used cotton rags, chemical bottles, fluorescent tubes, lubricants, engine oil, and cake waste from effluent plants

Carefully handled with specialised storage, packaging, and warning labels before being disposed of by a licensed contractor

Non-scheduled

Spent bleaching earth (>98%), and others e.g. construction waste

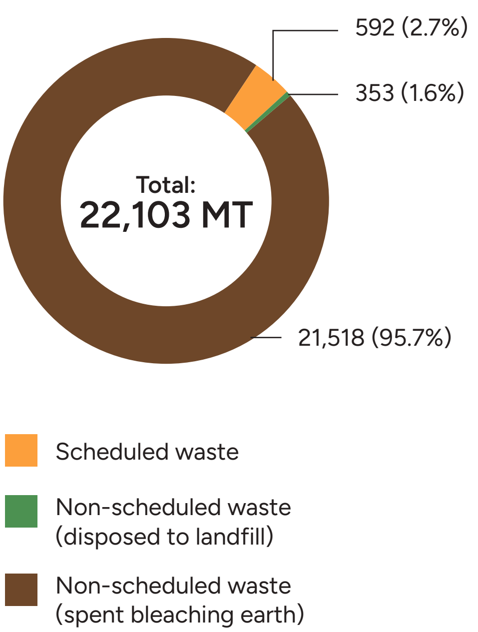
Spent bleaching earth sold to registered third-party waste handlers to be repurposed as raw material for other manufacturers or to be used as biomass

Other waste disposed of at registered landfills

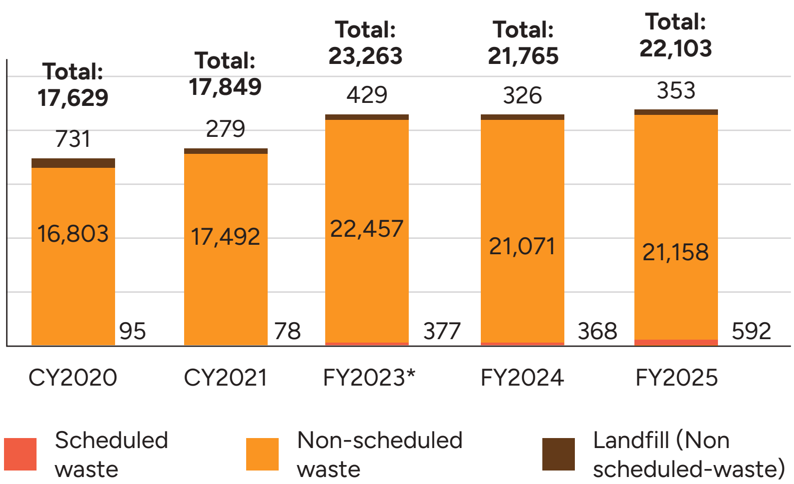
ISF generated 22,103 MT of waste in FY2025, primarily at our Dengkil operations, with 97.3% comprising non-scheduled waste. While total waste generation increased due to higher production volumes, waste intensity fell to 35.97 kg/MT product, marking continued progress towards the 2030 target of 27.10 kg/MT. This reduction was driven by continuous improvements in process efficiencies, enhanced resource utilisation, and better waste management practices.

ISF continues to implement waste intensity reduction measures, such as monitoring and minimising scheduled waste at the Dengkil facility, and will update our waste reduction progress in future reports.

Total waste generated by type FY2025 (MT (%))

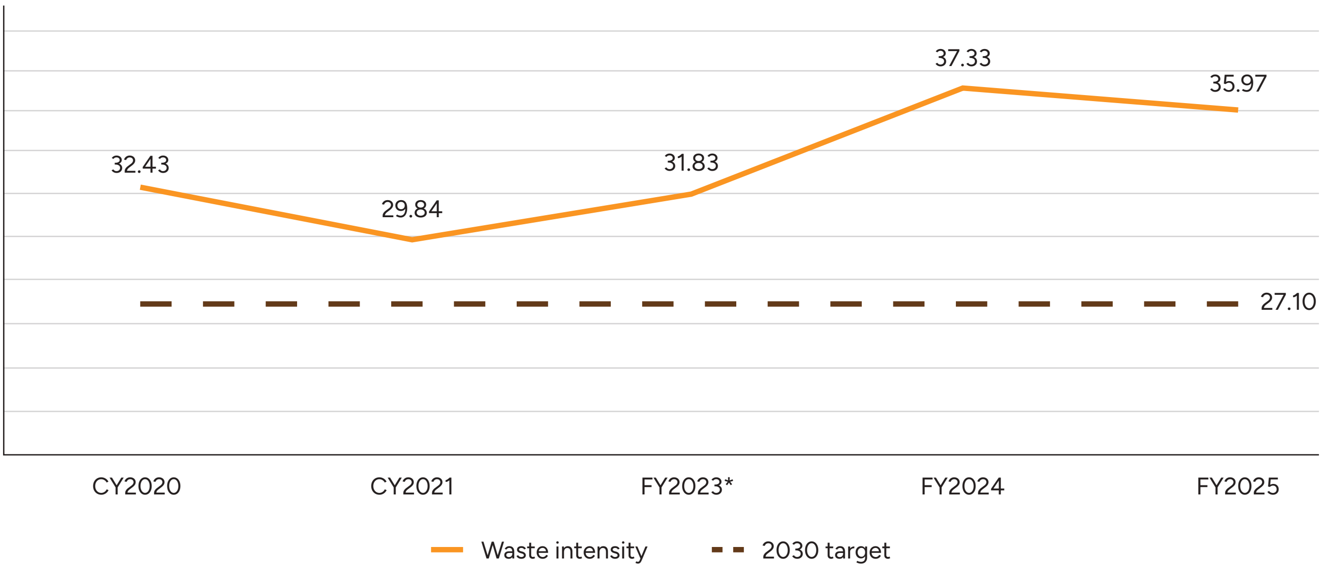


Total waste generated by type CY2020–FY2025 (MT)



Note: *FY2023 data cover a 15-month period, comprising Q1 2022 and the 2023 financial year (January 2022 to March 2023) to account for the transition from calendar year (CY) reporting to financial year (FY) reporting.

Waste intensity CY2020–FY2025 (kg/MT product)



Note: *FY2023 data cover a 15-month period, comprising Q1 2022 and the 2023 financial year (January 2022 to March 2023) to account for the transition from calendar year (CY) reporting to financial year (FY) reporting.

Our people

[GRI 2-23, 2-24, 3-3]

ISF cultivates a workplace where employees feel valued, empowered, and motivated to contribute to the company's shared success. We are committed to upholding human rights and ensuring ethical recruitment practices across our business operations and supply chain through our Sustainability Policy, Labour and Human Rights Policy, Migrant Worker Ethical Recruitment Guideline and Procedures, and Supplier Code of Conduct.

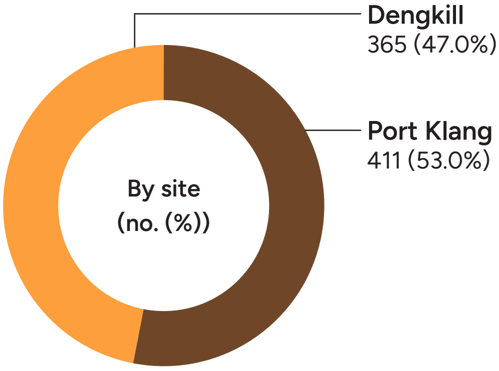
Workforce overview

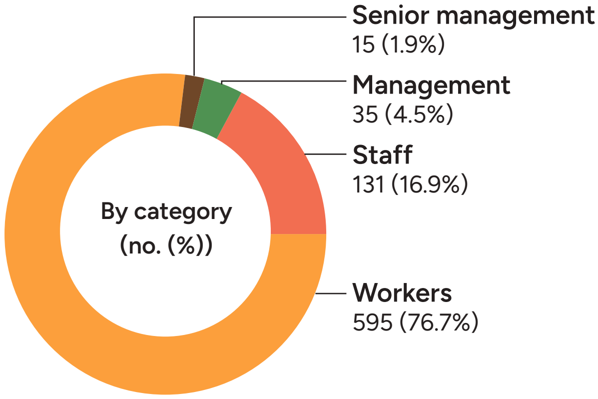
[GRI 2-7, 2-8]

As of FY2025, ISF employed 776 permanent, full-time staff members. The company does not employ temporary or part-time workers. Additionally, 76.7% of employees were non-executive level staff, i.e. workers. This number includes supervisors and operators at our production sites.

Employee overview by site and category FY2025

Total: **776**





ISF is a member of Sedex (Supplier Ethical Data Exchange), a global non-profit that promotes responsible and ethical business practices in supply chains. ISF implements the Sedex Members Ethical Trade Audit (SMETA) to enhance compliance with human rights and sustainability requirements by assessing four pillars: labour standards, health and safety, environment, and business ethics.

Upon completing our first SMETA audit in January 2023, we implemented action plans to improve labour practices, such as adjusting working hours, cultivating safe working conditions, minimising environmental impacts, and strengthening anti-corruption practices. In FY2025, follow-up SMETA audits completed by accredited third-party auditors at both our Port Klang and Dengkil factories confirmed compliance with the latest ethical trade requirements.

We also completed a Social Impact Assessment (SIA) in November 2024, based on the MSPO SIA Guidelines, as part of the requirements under revised MSPO 2.0 Standards (MS2530:2022). This procedure provides a standardised framework for ISF to evaluate social impacts and supports the broader transition to the revised standard, specifically aligning with Principle 4: Responsible to Social, Health, Safety, and Employment.

Through our participation in the SMETA audit and the implementation of the MSPO 2.0 Standards' SIA, ISF reinforces its commitment to upholding human rights and addressing labour-related challenges across its operations and supply chain.

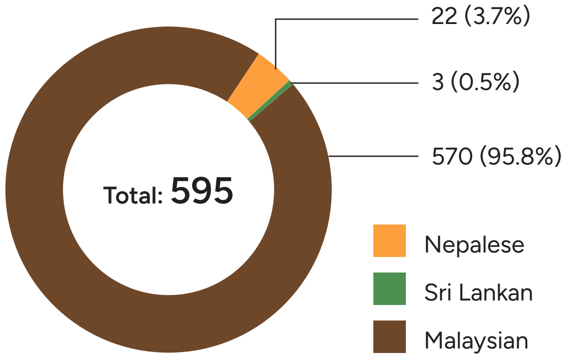
Upholding migrant workers' rights

[GRI 401-2, 402-1]

Foreign workers represent a small portion (less than 5%) of ISF's workforce and are primarily employed as packers in the Production division. As of FY2025, 25 migrant workers were employed at our Dengkil operations: three Sri Lankans and 22 Nepalese.

ISF's Migrant Worker Ethical Recruitment Guideline and Procedures outline ethical hiring and employment practices, ensuring compliance with Malaysian regulations on responsible migrant worker pre-employment, employment, and post-employment measures. Our Human Resource Management (HRM), Risk Management, and Sustainability and Communication teams oversee worker recruitment.

Workers by nationality FY2025 (no. (%))



In accordance with our zero-cost recruitment approach, outlined in our Labour and Human Rights Policy, ISF ensures that migrant workers do not incur recruitment fees. As a responsible employer, ISF covers all associated costs, including passport and visa fees, airfare and transportation, medical expenses, insurance, work permit renewals, and repatriation costs when workers' contracts conclude. The company also provides one month's notice to employees and their representatives before implementing any significant operational changes that could substantially affect them.

Wages and benefits

[GRI 401-2]

ISF is committed to providing all employees with fair wages, a healthy work-life balance, and comprehensive benefits that support their overall well-being. ISF employees receive equal pay for equal work, regardless of gender. In FY2025, we revised and enhanced our compensation and benefits system to better meet employees' needs, introducing additional coverage, such as eye care and dental care. Other benefits include annual medical coverage, attendance allowances, and Long-Service Awards. Social benefits are extended to all employees, with coverage based on employee category and employment type (e.g. full-time or part-time).

ISF adheres to Malaysia's revised minimum wage policy. The latest entry-level wage is RM1,700 per month for men and women employees at our Port Klang and Dengkil facilities, regardless of gender. All workers, including foreign workers, are employed on fixed-term contracts and receive compensation that meets or exceeds local minimum wage requirements. Additionally, ISF supports workers' welfare by providing secure private lockers for their personal belongings and company-managed dormitories with essential amenities for a safe, clean, and comfortable living environment.

Labour Transformation Programme

ISF recognises that inherent and systemic labour issues may exist within palm oil supply chains. We are addressing them collaboratively with our customers and suppliers through the No Exploitation measures outlined in our shared No Deforestation, No Peat, and No Exploitation (NDPE) commitments.

Since 2022, ISF has participated in Earthworm Foundation's (EF) Labour Transformation Programme (LTP), an initiative aimed at strengthening labour management and ethical recruitment practices across responsible supply chains. After joining the programme with ISF supplier Johor Plantations Berhad in 2022, we expanded our participation in FY2024 to include another supplier, Dara-Lam Soon Sdn Bhd (DLS), based in Pahang, Malaysia.

Ethical Recruitment Due Diligence (ERDD) aimed at implementing and strengthening ethical recruitment policies, management systems and practices at the mill and plantation level.

As part of our role in this programme, we accompanied EF on three site visits and took part in a stakeholder engagement call to gain a deeper understanding of DLS's on-the-ground challenges. Based on these visits and consultations, DLS developed and fully implemented an Improvement Action Plan focused on strengthening ethical recruitment practices and improving labour conditions within the palm oil supply chain.

This project is a significant step towards a proactive and inclusive industry-wide transformation programme that brings together upstream and downstream stakeholders. We hope to expand this collaborative project to other Tier 1 suppliers.

Timeline of joint ERDD-LTP engagement

1 HQ Visit
- Securing suppliers' participation
- Interview with HQ management

21 Dec 2023

2 Visit 1 for *LTP & ERDD*
- Management interviews
- Worker interviews
- Document review

27 Feb–1 Mar 2024

3 Inter-visit period (roughly 3–4 months)
- V1 findings and improvements
- Check-in call
- Problem solving and implementation

4 Visit 2 for *LTP & ERDD*
- Management interviews
- Worker interviews
- Document review
- Coaching/support session

12–15 Aug 2024

5 Monitoring/Support (roughly 4–6 months)

6 Visit 3 for ERDD
- Management interviews
- Worker interviews
- Document review

10–12 Dec 2024

Please see our Sustainability Report 2021 for more information on our previous engagement.

Commentary by Abdul Hamid Bin Kimar

Group Sustainability Manager, Lam Soon Plantations Sdn Bhd

At Lam Soon, we remain committed to responsible business practices. Our products comply with both local regulations and international standards, including the EU Deforestation Regulation (EUDR). While Roundtable Sustainable on Palm Oil (RSPO) certification has long laid the foundation for our sustainability efforts, our partnership with ISF has helped us further strengthen our internal systems.

Through the LTP, supported by EF, we identified system gaps via third-party audits, implemented best practices, and secured senior management buy-in for improvements. A key outcome has been the development of clearer, more streamlined procedures that enhance efficiency and transparency – building on, but going beyond, RSPO requirements.

The programme also sharpened our focus on third-party compliance, particularly among contractors, their workers, and recruitment agents. We prioritised direct engagement through site visits and face-to-face meetings to align expectations, improve understanding, and support regulatory compliance.

'ISF played a valuable role throughout – introducing the programme, conducting regular follow-ups, and responding to our feedback with ongoing support. With the final assessment completed in December 2024, we are now working to apply these learnings across all operations.'

We recognise that labour issues, especially in recruitment and human rights due diligence, remain medium- to high-risk areas. While we have taken a holistic approach to managing these risks, third-party validation has been key to strengthening our practices.

Looking ahead, we hope ISF continues promoting broader stakeholder participation in initiatives like this. We remain committed to continuous improvement in advancing social sustainability across our operations and supply chain.

About: Abdul Hamid serves as the Group Sustainability Manager at Lam Soon Plantation Sdn Bhd ('Lam Soon' or 'the Company'), a subsidiary of Lam Soon Malaysia Berhad. The Company has been supplying RSPO Identity Preserved (IP) certified products – particularly from its Dara estate – to ISF for over a decade.

Note: Lam Soon Plantation and Dara-Lam Soon are sister companies operating under the umbrella of Lam Soon Malaysia Berhad.

Commentary by Paola Nogales Anaya

Raw & Pack Responsible Sourcing Manager, Ferrero Trading Luxembourg S.A.

Beyond upholding our Palm Oil Charter commitments, we see fair labour practices as essential to supply chain resilience – minimising supply chain vulnerabilities, safeguarding workers' rights, and preparing for evolving regulatory expectations. The LTP also aligns with broader industry goals as it enables the building of mechanisms that verifies good practices and drives continuous improvements.

Since its launch we have seen that programme success depends on supplier openness and collaboration. At the same time, we face challenges such as fragmented industry efforts risk duplication, some suppliers remain hesitant to undergo assessments due to regulatory pressures, and action plans often demand more time and flexibility than expected to achieve meaningful results.

This is where ISF plays a vital role. By building trust through its direct supplier relationships, ISF helps reassure suppliers that the programme is supportive, not punitive. ISF identifies where support is most needed and provides the tools and guidance that enable suppliers to act. **'Looking ahead, we see strong value in continuing and expanding collaboration with ISF. We aim to scale and refine the programme, guided by ISF and participants input on readiness and priorities, to expand impact and strengthen labour practices across our supply chain.'**

About: Paola is the Responsible Sourcing Manager, Raw Materials & Packaging at Ferrero. Ferrero has maintained a long-standing partnership with ISF, having sourced palm oil from them for over 30 years.

Joint Consultative Panel

The ISF Joint Consultative Panel (JCP) facilitates dialogue between employees and management on matters such as compensation, benefits, and health and safety. The Port Klang and Dengkil factories each nominate three employee representatives. Three of the six elected this way serve as official Employee Representatives (ERs) on the panel.

Employee development and retention

[GRI 3-3, 401-1, 401-3, 404-1, 404-2, 404-3]

ISF provides a supportive work environment where employees can thrive, grow professionally, and pursue rewarding long-term career paths. Our ongoing professional development programmes foster employee satisfaction and help us retain talent.

Every year, our HRM team conducts a training needs analysis to identify skills gaps and align training with career development goals. Based on this analysis, a structured annual training plan is developed, comprising in-house sessions, on-the-job learning, and participation in public programmes such as external seminars, workshops, conferences, and exhibitions. Following a December 2022 training needs assessment, we shifted our focus to upskilling senior staff members who could then transfer their new knowledge to operational teams.

To equip them with technical and soft skills tailored to the industry's evolving demands, ISF employees receive an average of 15 hours of in-house or on-the-job training annually. We offer training on regulatory compliance, food safety, quality management, certification standards, occupational health and safety, job-specific technical skills, and leadership development, among other subjects.

Employees are subject to annual performance reviews that foster open dialogue, facilitate continuous improvement and provide opportunities for managers to recognise workers' contributions, offer feedback, and collaborate to address areas of concern. In FY2025, ISF achieved its target of 100% of employees undergoing annual performance reviews. Additionally, the HRM team conducted refresher training for all staff-level employees, also achieving 100% attendance.

100%
employees undergoing annual performance reviews

100%
attendance to refresher training

As well as employee development, ISF offers internship programmes that nurture future talent. In June 2024, a University of Toronto student interned at our headquarters for five weeks, working on environmental, social, and governance (ESG) activities, palm oil product applications, and corporate communications. In September 2024, two interns from Showa Women's University in Japan spent time at our headquarters, gaining valuable experience and expanding their knowledge of palm oil traceability, greenhouse gas (GHG) accounting, certified ingredients, and sustainability communications.

Employee engagement

ISF corporate sustainability initiatives (CSIs) promote work-life balance, foster a supportive work environment, boost employee morale, and instil a sense of belonging. In April 2024, a SharePoint portal was introduced to enhance internal communications, enabling departments and divisions to share information, updates, and events directly with our entire workforce.

FY2025 CSIs

ISF Long-Service Awards

21 ISF employees received Ten-Year Certificates of Appreciation and Long-Service Awards – these accolades honour employees' first decade of service and every decade thereafter.

ISF Employee Day

26 October 2024

ISF Employee Day welcomed employees to Splash Mania WaterPark in Gamuda Cove. Employees enjoyed outdoor activities, entertainment, games, and a prize raffle.

Employee Health Monitoring Programme

16 January–14 February 2025

We conducted health screenings and drug tests to ensure employee well-being and maintain workplace health and safety. We continue to monitor and care for employees who are at risk of chronic diseases, all of whom will receive follow-up screenings and medical consultations in the six months following their initial assessment.

Mangrove planting

ISF employees volunteered for our Mangrove Rehabilitation Programme.

20 July 2024

53 ISF employees (and their families), 20 *Sahabat Hutan Bakau Kampung Dato' Hormat* (SHBKDH) community members, and 4 Global Environment Centre (GEC) officers planted 500 mangrove trees.

Annual briefings and refresher training

Annual employee briefings and refresher training sessions were conducted in Dengkil from 4–26 March 2025, followed by sessions in Port Klang in April 2025. Key topics covered included raising awareness about company policies and best practices in areas such as anti-bribery and corruption, ethics, IT and cybersecurity, and health and safety. Training targeted employees from the operator to the senior executive level.

ISF Port Klang Sports Club

This 22-member committee organises sporting activities at Port Klang.

2 June 2024

Organised a 5 km fun run in the vicinity of our Port Klang Factory with a Klang Municipal (MPK) councillor and ISF managers starting the event. Post-run activities included a podium ceremony for the top three men and women finishers, complimentary medical check-ups by *Komuniti Sihat Pembina Negara* (KOSPEN), and a prize raffle.

8 September 2024

Held a Men's and Women's doubles badminton tournament, with prizes awarded to the winners.

3 November 2024

Organised a Men's and Women's Bowling Tournament, with prizes for the top five scorers in each category.

We regularly organise friendly football matches, with employees from our Port Klang and Dengkil factories playing against teams from other companies in their respective areas.

20 October 2024

Hosted indoor games featuring mixed doubles carrom and men's and women's doubles table tennis, with prizes for category winners.

Festival celebrations

19 April 2024

Organised *Ketupat* weaving and *lemang*-making activities at our headquarters with *Hari Raya Aidilfitri.*

16 May 2024

Hosted a cultural food festival featuring dishes from Malaysia's diverse communities, accompanied by fun quizzes at Port Klang and Dengkil. This event fostered inclusivity and celebrated the rich cultural tapestry at ISF.

20 December 2024

Organised a Christmas gift exchange and a mini prize draw at our headquarters.

17 January 2025

Celebrated the 2025 Chinese New Year at our headquarters with activities including plum blossom art painting, traditional Chinese painting, and calligraphy. The festivities culminated in a Yee Sang ceremony.

Diversity and inclusion

[GRI 3-3, 405-1, 406-1]

ISF promotes a diverse and inclusive work environment, offering equal opportunities for all employees. We strictly prohibit any form of discrimination in hiring, compensation, training access, promotion, termination or retirement based on sexual orientation, gender, religion, race, caste, disability, age, political affiliation, marital status, union membership, or national origin. In line with this commitment, we also strive to eliminate harassment, intimidation, criminal activity, abuse, and all forms of violence in all our supply chain activities. To promote awareness of sexual harassment and discrimination among employees, we regularly share messages and reminders through various internal channels, including SharePoint, digital information screens, posters, newsletters, and other internal channels.

The majority of our workers are Malaysian citizen, of whom 24.5% are non-Bumiputera. Additionally, we employ 17 Japanese expatriates from our parent company, The Nisshin OilliO Group, Ltd., Japan, who support our operations in Malaysia.

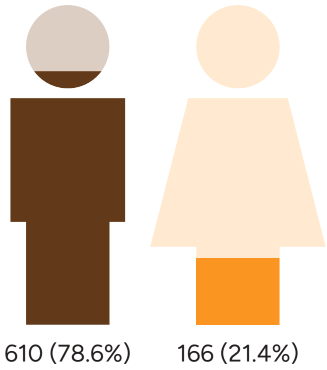
ISF primarily employs men due to the physical demands of roles at our plants, with only 21.4% of our workforce being women. Despite this imbalance, we value merit and promote gender equality where possible, prioritising women for suitable roles throughout the company.

Women's representation in management roles at all levels continued to increase in FY2025, rising from 21.6% in FY2023 to 37.1%. ISF is committed to training women, empowering them to assume leadership roles within the organisation.

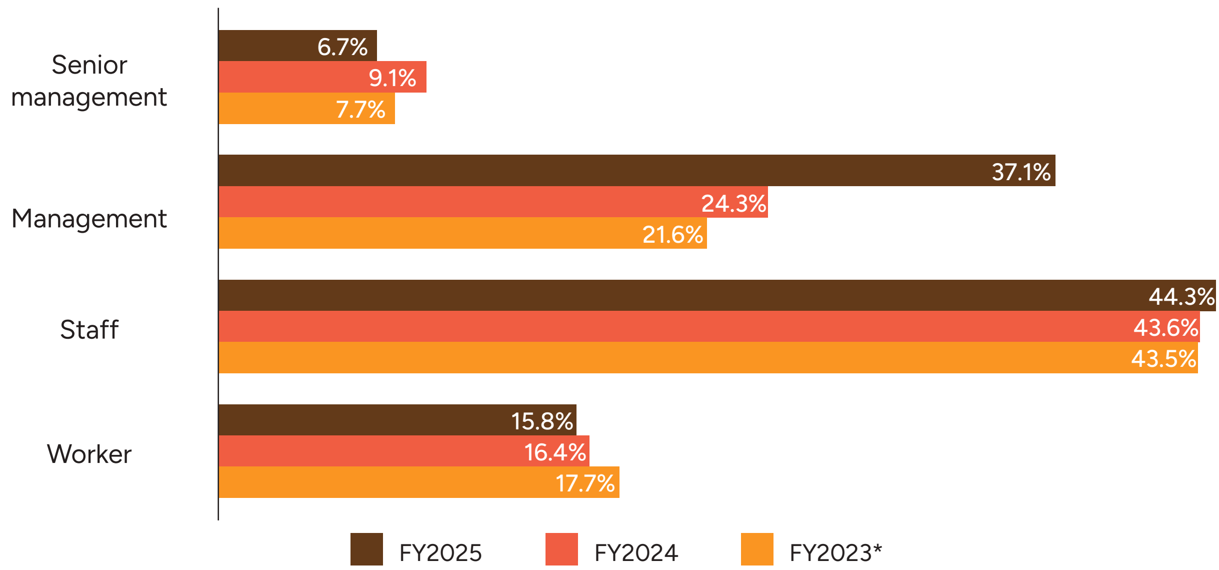
There were no incidents of discrimination during the reporting period.

Employees by gender FY2025 (no. (%))

Total: 776



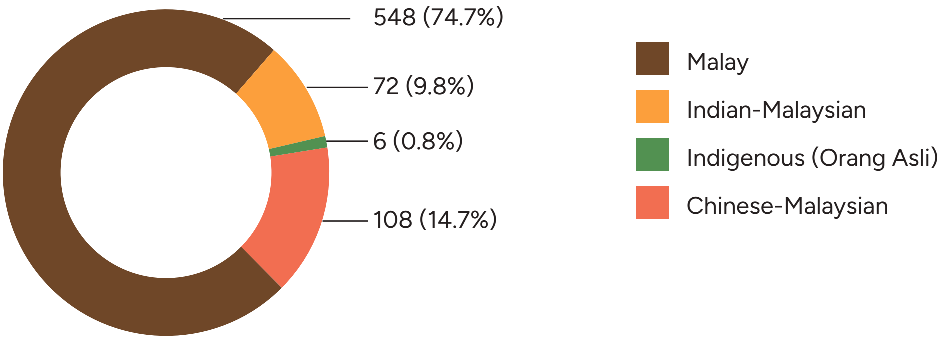
Women representation in workforce FY2023*–FY2025



Note: *FY2023 data cover a 15-month period, comprising Q1 2022 and the 2023 financial year (January 2022 to March 2023) to account for the transition from calendar year (CY) reporting to financial year (FY) reporting.

Malaysian employees by ethnicity FY2025 (no. (%))

Total: 734



Employee health and safety

[GRI 3-3, 403-2, 403-5, 403-9] [SASB FB-AG-320a.1]

Employee safety is critical to our business success. Our Occupational Safety and Health (OSH) unit monitors day-to-day operations and production processes. This independent entity advises the company on safety, health, and environmental (SHE) matters, particularly in our Manufacturing division, given the nature of its working conditions and job activities.

A senior OSH officer oversees employee health, safety, and security at Dengkil and Port Klang. ISF's active OSH Committee, comprising employees and management representatives, meets four times a year to discuss and address safety and health issues.

Regular health and safety training is offered to all employees to ensure workers remain safe and are prepared to handle critical situations and emergencies. Below is an overview of how we continuously engage with employees on health and safety preparedness:

- Introductory safety training and annual refreshers for all employees
- Designated representatives from every department receive mandatory emergency training
- Annual Safety Days to educate vendors and contractors on occupational safety and health practices
- Additional briefings and training when new policies are introduced
- Employees briefed on safety matters through regular OSH newsletters and campaigns
- Safety Week to promote employee health and safety practices

For non-employee workers and contractors, ISF provides training and requires the completion of a contractor induction checklist, which includes health and safety requirements to ensure compliance with site regulations and safe working practices.

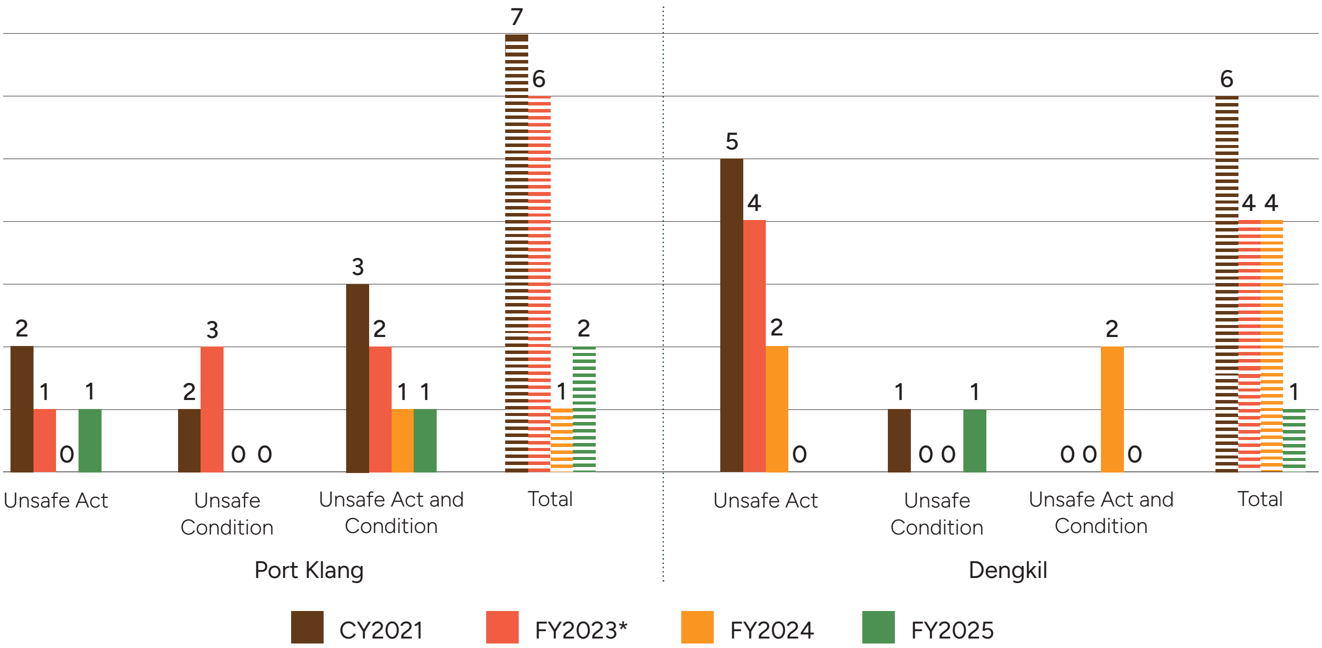
In FY2025, ISF organised Safety Weeks at our Port Klang and Dengkil facilities, featuring a range of activities, including safety talks by government agencies, health screenings by medical partners, first aid and fire safety demonstrations, as well as interactive safety exhibitions and quizzes. Blood donation drives and health and wellness awareness campaigns further engaged employees. Through these initiatives, we continue to foster a culture of safety and health responsibility across all sites.

Accident reporting

ISF has a mechanism in place to track all workplace accidents, regardless of severity. Accidents are classified into two categories: those caused by unsafe actions and those caused by unsafe conditions, with some resulting from a combination of both.[8] In FY2025, three accidents were reported (one in Dengkil, two in Port Klang), a slight decrease from the five accidents reported the previous year. The accident frequency rate has shown a steady decline of 82.3%, from 8.32 in CY2021 to 1.47 in FY2025. The accident severity rate also decreased by 45.1% from 26.4 in FY2024 to 14.5 in FY2025, implying fewer serious accidents in the reporting year.

To prevent the recurrence of the nature of accidents that occurred, further corrective actions were implemented, reinforcing ISF's ongoing commitment to a safe and healthy workplace. Additionally, these improvements reflect the continued impact of the One Million Man-Hours with Zero Accidents campaign introduced in August 2021, which promotes behavioural change and building a safety-first culture.

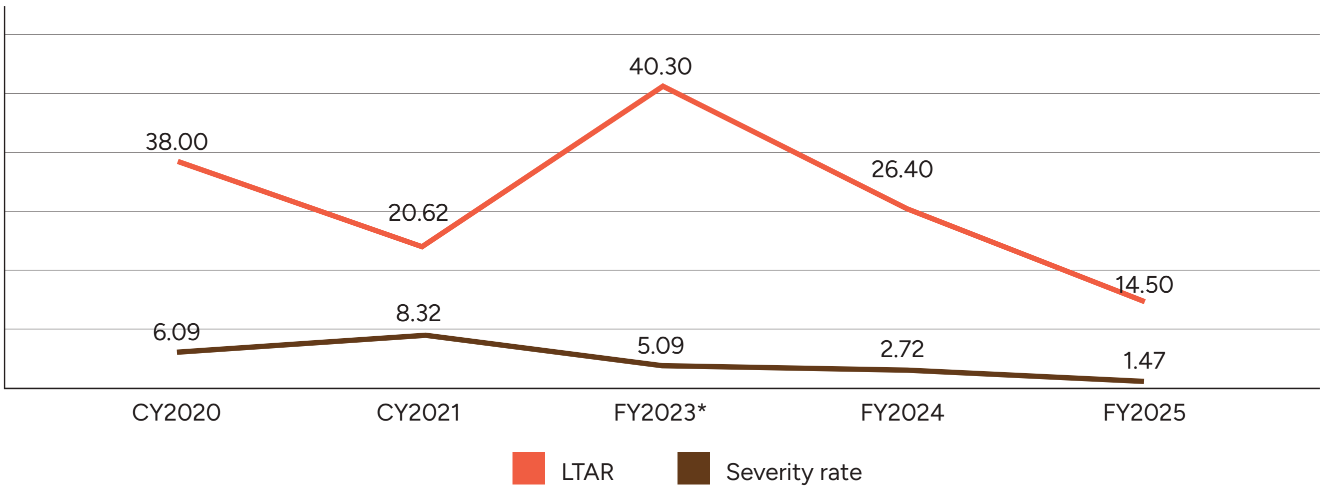
Lost time injuries by cause by site CY2021–FY2025 (no.)



Note:
1. *FY2023 data cover a 15-month period, comprising Q1 2022 and the 2023 financial year (January 2022 to March 2023) to account for the transition from calendar year (CY) reporting to financial year (FY) reporting.
2. Previous years' data (CY2021, FY2023, and FY2024) have been restated.

[8] An unsafe act violates accepted safety procedures and includes negligent behaviour that may cause an accident. An unsafe condition is a physical hazard, such as poor lighting, a slippery floor, or a faulty machine, that may cause an accident.

Lost time accident rate (per million hours worked) and severity rate CY2020–FY2025



Notes:
1. *FY2023 data cover a 15-month period, comprising Q1 2022 and the 2023 financial year (January 2022 to March 2023) to account for the transition from calendar year (CY) reporting to financial year (FY) reporting.
2. Lost time accident rate (LTAR) measures productivity lost due to accidents and is calculated as follows: the number of accidents divided by the total hours worked multiplied by 1,000,000.
3. The severity rate measures the seriousness of accidents and is calculated as follows: the total number of days lost divided by the total number of accidents.
4. Previous years' data (CY2021, FY2023, and FY2024) have been restated.

ISF prioritises safety and accident prevention for our management and employees, creating a culture of safety by shifting our mindset company-wide. Safety rules are continuously communicated, and new measures have been implemented to achieve a zero-accident workplace as quickly as possible. Below are some of our ongoing safety and health improvement strategies to achieve one million employee hours with no lost-time incidents:

Continuous OSH Campaigns

Launch Height (WAH) and Dropped Object Awareness Month

Injury-Free Awareness Month and Safety Week

Partnership with Occupational Health and Safety Specialists (DOSH)

Initiate regular workplace audits by DOSH

Disseminate new OSH/DOSH information and regulations as needed

Distribute safety, occupational hazard, and mental health newsletters

Promote a culture of wellness

Operate smoking cessation campaigns

Offer heart attack prevention and AED training

Conduct mental illness awareness campaigns

Update compliance labels and signs

Ensure all labels and signs meet current safety standards

Recognition and prevention

Celebrate safety achievements and recognise employee contributions to identify predictive trends that prevent safety incidents

Scheduled inspections

Conduct regular tool, facility and equipment, plant, project site, and chemical/environmental safety checks, including spill kits, forklifts, eye wash and shower stations, first aid kits, cranes, and skylifts

Emergency preparedness and response

Implement a health and safety emergency plan, which includes an Emergency Response Team (ERT), standard operating procedures for emergency situations and annual fire drills, to ensure 100% of ERT members are fully trained

Workplace risk assessment

Conduct Periodic safety audits and Hazard Identification, Risk Assessment, and Risk Control (HIRARC) assessments are conducted to identify, evaluate, and mitigate potential health and safety risks in the workplace

Our commitment to communities

[GRI 3-3, 203-1, 203-2, 411-1,413-2]

ISF strives to positively impact surrounding communities. We collaborate with suppliers to engage with community members, smallholders, and other stakeholders in a transparent and inclusive manner, respecting free, prior, and informed consent (FPIC). In doing so, we operate responsibly and create long-term community benefits without adversely impacting the livelihoods and wellbeing of community members.

Mangrove rehabilitation for community livelihoods

Mangrove ecosystem recovery is crucial for improving marine biodiversity. Its benefits include reviving fisheries to enhance food security and create new income opportunities for the local economy. ISF's Mangrove Rehabilitation Programme[9] supports mangrove recovery in the region. It is a collaborative effort with the Global Environment Centre (GEC) and *Sahabat Hutan Bakau Kampung Dato' Hormat* (SHBKDH).[10] The programme is supported by the Sabak Bernam Drainage and Irrigation Department (*Jabatan Pengairan dan Saliran Daerah Sabak Bernam or JPS*), as well as the State Government of Selangor.

In FY2025, ISF organised one mangrove planting activities for employees and key partners. On 20 July 2024, 53 ISF employees and their families, 20 SHBKDH members, and four GEC officers planted 500 seedlings. Our Family Mangrove Planting Day also featured a stone art activity for children and members of the local community.

Between 2 and 13 November 2024, 47 SHBKDH and local community members planted an additional 3,000 trees. A total of 486 participants, including ISF staff and local community members, participated in eight planting sessions as part of Phase One of the Mangrove Rehabilitation Programme.

The programme has yielded substantial ecological and social benefits. SHBKDH members have learned mangrove propagation and nursery management to ensure the long-term sustainability of the site. Restoration activities, such as nursery operations, planting, and maintenance work, are creating income-generating and inclusive employment opportunities, particularly for women and community elders.

See more in: Enhancing climate resilience through nature-based approaches

[9] This initiative is aligned with national programmes, including the Mangrove and Suitable Tree Species Planting Programme's *Treasure the Mangroves Campaign and the Greening Malaysia Programme's 100-Million-Tree Planting Campaign*.

[10] Established in 2012, the SHBKDH is a 29-member intergenerational community group that addresses the rapid degradation of mangrove forests near the Bernam River in Kampung Dato' Hormat.

Enhancing visibility at Mangrove Point

Mangrove Point, a 70-acre nature park located at the Klang River mouth in Port Klang, is a flagship social initiative under the Selangor Maritime Gateway (SMG) and the Selangor Forestry Department. The project aims to restore the landscape through replanting efforts where original vegetation has been lost. ISF has supported in enhancing site visibility with the installation of the 'Mangrove Point' signage. For the local mangrove ecosystem – situated within the community area of our factory – the project has revitalised the natural beauty of the entrance with fresh plantings, while improved signage strengthens site recognition and enhances the overall visitor experience.

Smallholder support

[GRI 3-3]

ISF recognises the crucial role of smallholders in a responsible and sustainable palm oil supply chain. For this reason, we are collaborating with key suppliers to promote the adoption of sustainable practices among smallholders outside our direct supply chain.

RSPO smallholder support project

In April 2023, ISF signed a memorandum of understanding (MoU) with Ferrero Trading Lux S.A. and Hap Seng Plantations Berhad, launching a smallholder engagement programme[11] in Kinabatangan, Sabah. The three-year initiative (2023–2025) provides funding and technical support to independent smallholders working towards Roundtable on Sustainable Palm Oil (RSPO) and Malaysian Sustainable Palm Oil (MSPO) certification.

The project facilitates access to group-level certification for individual smallholders. This promotes the sharing of best practices and offers training to a group of members, which in turn, reduces costs and streamlines administrative resources. With co-funding from ISF and Ferrero to the cost of the programme, Hap Seng Plantations will provide technical support, training, and facilities to help local smallholders achieve RSPO and MSPO certification. Key initiatives include assisting smallholders in forming compliant groups, establishing internal control systems and appointing group managers, gathering necessary data and land documents, and educating members on RSPO certification requirements.

In FY2025, four independent smallholders were certified under this programme, with plans to expand the programme to include more participants. ISF remains committed to supporting all identified smallholders in achieving certification and helping them become financially self-sufficient, enabling them to sustain certification costs within three years.

[11] See page 62 of our Sustainability Report 2024.

Marketplace responsibility

[GRI 3-3, 416-1, 416-2] [SASB FB-AG-250a.1]

ISF is an established and trusted brand that promotes a balanced and informed view of palm oil, its role in various industries and its value in household and consumer goods. We provide accurate, science-backed information on sustainable palm oil production to address misconceptions about this valuable commodity.

ISF maintains rigorous product safety and quality standards while continuously investing in research and development (R&D) to anticipate evolving regulations, shifting market dynamics, and changing consumer preferences.

Our extensive list of certifications includes:

- Good Manufacturing Practice (GMP+) (Feed Safety Assurance) certified since 2018
- Kosher London Beth Din (KLBD) certified since 2002
- US Food and Drug Administration (FDA) Food Facility Registration since 2003
- Hazard Analysis and Critical Control Point (HACCP) certified since 2004
- Halal Department of Islamic Development Malaysia (JAKIM) certified since 2005
- Quality Management System ISO 9001:2015 certified since 2013
- Food Safety System Certification (FSSC) 22000 (Food Safety Management System) certified since 2015
- US Department of Agriculture (USDA) Organic certified since 2018
- EU Organic MY-BIO-149 Non-EU Agriculture certified since 2018
- Environmental Management System ISO 14001:2015 certified since 2018






Customer satisfaction

ISF prioritises customer satisfaction, excellent service, and meeting customer needs. Our Quality Management and Food Safety department (QMFS) conducts annual surveys to establish customer satisfaction index and identify areas for improvement.

We consistently achieve satisfaction scores of 85% and above in all areas – including product quality, delivery performance, service reliability, and operational capability, surpassing our minimum target of 80%.

We value customer feedback and continuously enhance our products and services, responding to evolving demands and expectations while ensuring a stable supply of raw materials.

See Responsible sourcing and supplier engagement.

Product quality and food safety

Our Food Safety Management and Quality policies guarantee the delivery of the safest and highest-quality products for our customers. We strictly monitor our operations and supply chain to eliminate contaminants, chemicals, and compounds that pose potential health risks.

Suppliers and service providers must meet our strict production standards. ISF annually assesses supplier performance and compliance to identify areas for improvement. We also collaborate with suppliers and service providers to raise awareness and support their efforts to reduce contamination risks in consumer products.

In January 2024, ISF commissioned a semi-automatic washing facility for palm oil tankers used in local deliveries and bulk transport. The system integrates high-pressure rotating jets, steam, hot water, and mild alkaline solutions to ensure thorough removal of residues and effective sanitisation of tanker interiors. A dedicated drying system eliminates residual moisture, minimising the risk of microbial growth and cross-contamination.

This facility has been designed with food safety as a top priority, fully complying with FSSC 22000 (version 6) and GMP to safeguard product quality. Importantly, the washing and drying procedures also meet Kosher requirements, including Passover standards, ensuring that products remain suitable for stringent international markets.

Quality assurance is reinforced through comprehensive visual inspections, underscoring ISF's commitment to delivering palm oil products that meet the highest global food safety and compliance benchmarks.

See Meeting our commitments.

Our approach

- Developed internal standards and practices a decade ahead of the first EU regulations on 3-monochloropropane diol (3-MCPD) and glycidyl ester (GE) levels in food oils.
- Independently and regularly audit compliance with relevant certifications, standards, and regulations, ensuring we meet customer expectations.
- Adhere to Malaysian Palm Oil Board (MPOB) 3-MCPD and GE regulations that enter into effect in January 2026.

R&D, productivity, and innovation

[GRI 3-3]

ISF has pioneered and advanced local food technology research and development for over 40 years. Our cutting-edge Port Klang R&D facility is home to our Analysis Development, Product Development, Application Development, Technical Support, and QMFS departments, all staffed by skilled and experienced researchers.

In addition, these five internal teams collaborate with and leverage the expertise of our parent company, The Nisshin OilliO Group, Ltd., Japan's Technology Development Centre (NGRC). Our industry-leading R&D teams drive innovation that anticipates market trends, addresses food safety concerns, ensures regulatory compliance, and upholds product quality.

R&D allows ISF to continuously improve product quality and sustainability. We are optimising our production processes to minimise common process contaminants, including 3-MCPDE, GE, and mineral oils in palm oil products.

ISF is taking steps to strengthen its approach to carbon management, with the Carbon Management Taskforce (CMT) conducting in-house calculations of our product carbon footprint (PCF). These assessments aim to identify greenhouse gas (GHG) emissions hotspots across our products' lifecycle. We are currently defining the scope of the assessment and gathering detailed product data from relevant departments. This groundwork will support the development of a robust PCF framework and guide future carbon reduction strategies.

Appendices

Base data

General disclosures

[GRI 418-1]

Description	Breakdown	UoM	FY2025	FY2024	FY2023*	CY2021	CY2020
Total number of operations	Refineries	no.	2	2	2	2	2
	Refinery throughput	MT per annum	750,000	750,000	750,000	750,000	750,000
	Fractionation plants	no.	2	2	2	2	2
	Specialty fats plant	no.	2	2	2	2	2
Volume produced / finished products	**Total**	**MT**	**614,472**	**583,063**	**730,960**	**598,074**	**543,611**
	Bulk	MT	566,190	538,002	683,910	558,279	507,835
	Packed	MT	48,282	45,062	47,050	39,795	35,776
Volume sold by region	**Total**	**MT**	**614,472**	**583,063**	**730,960**	**598,422**	**539,760**
	Americas	MT	19,283	18,805	26,530	18,847	15,421
	Europe	MT	234,358	212,749	299,729	243,783	182,867
	Asia	MT	354,156	343,307	392,237	327,890	332,978
	Africa	MT	2,183	3,077	5,818	2,969	3,144
	Oceania	MT	4,493	5,126	6,646	4,935	5,348
Total employees	**Total**	**no.**	**776**	**721**	**645**	**580**	**576**
	Men	no.	610	569	501	448	453
	Women	no.	166	152	144	132	123
By facility, employment status and gender							
Port Klang	**Total**	**no.**	**411**	**383**	**332**	**309**	**304**
	Men	no.	325	301	258	237	240
	Women	no.	86	82	74	72	64
	Permanent	**no.**	**411**	**363**	**332**	**309**	**304**
	Men	no.	325	285	258	237	240
	Women	no.	86	78	74	72	64
	Temporary	**no.**	**0**	**20**	**0**	**0**	**0**
	Men	no.	0	16	0	0	0
	Women	no.	0	4	0	0	0
Dengkil	**Total**	**no.**	**365**	**338**	**313**	**271**	**272**
	Men	no.	285	268	243	211	213
	Women	no.	80	70	70	60	59
	Permanent	**no.**	**364**	**338**	**271**	**271**	**272**
	Men	no.	284	268	203	211	213
	Women	no.	80	70	68	60	59
	Temporary	**no.**	**1**	**0**	**42**	**0**	**0**
	Men	no.	1	0	40	0	0
	Women	no.	0	0	2	0	0
Ethical conducts and value and data privacy							
Number of sites assessed for corruption-related risks		no.	58	54	N/A	N/A	N/A
Confirmed incidents of corruption		no.	0	0	N/A	N/A	N/A
Number of substantiated complaints regarding breaches of customer privacy or losses of customer data		no.	0	0	N/A	N/A	N/A

Note: *FY2023 data cover a 15-month period, comprising Q1 2022 and the 2023 financial year (January 2022 to March 2023) to account for the transition from calendar year (CY) reporting to financial year (FY) reporting.

Responsible sourcing and supplier engagement

Description	Breakdown	UoM	FY2025	FY2024	FY2023*	CY2021	CY2020
Suppliers and volumes sourced	Total direct suppliers	no.	41	43	51	49	52
	Total volumes sourced	MT	557,731	580,347	710,116	582,567	525,914
	Crude palm oil						
	Direct suppliers	no.	29	32	38	35	39
	Indirect suppliers	no.	N/A	0	0	0	0
	Sources from their own plantations	no.	21	18	20	14	16
	Volumes sourced	MT	317,927	327,252	355,573	258,794	224,476
	Sources from third party plantations	no.	8	14	18	21	23
	Volume sourced	MT	142,715	165,105	229,951	231,924	223,328
	CPO volumes	MT	460,643	492,356	585,524	490,718	447,804
	Direct volumes	MT	460,643	492,356	585,524	490,718	447,804
	Indirect volumes	MT	0	0	0	0	0
	Peninsular Malaysia	%	93.1%	90.6%	92.1%	94.3%	94.9%
	East Malaysia	%	6.9%	9.4%	7.9%	5.7%	5.1%
	Crude palm kernel oil						
	Direct suppliers	no.	12	11	13	14	13
	Indirect suppliers	no.	167	143	176	177	261
	CPKO volumes	MT	97,088	87,990	124,592	91,849	78,109
	Direct volumes	MT	97,088	87,990	124,592	91,849	78,109
	Peninsular Malaysia	%	100%	100%	97.7%	100%	60.0%
	East Malaysia	%	0%	0%	0%	0%	40%
	International	%	N/A	N/A	2.3%	N/A	N/A
Traceability	% CPO traceable to mill	%	100%	100%	100%	100%	100%
	% CPO traceable to plantation	%	100%	99.5%	98.6%	72.9%	75.6%
	% CPKO traceable to mill	%	100%	100%	100%	100%	100%
	% CPKO traceable to plantation	%	99.8%	93.1%	71.3%	31.8%	35.0%
Supplier engagement and assessment	Direct suppliers complying with palm oil sourcing policy	no.	41	43	51	47	46
	Indirect suppliers complying with palm oil sourcing policy	no.	167	143	176	177	261
	Have NDPE policy in place OR have signed ISF's Supplier code of conduct	no.	41	43	51	47	46
	Conventional suppliers who have attended NDPE workshops	no.	0	0	0	0	15
Grievances	Number of grievances filed	no.	0	2	1	4	12
	Number of grievances closed/ resolved	no.	0	1	2	1	4
	Number of suppliers terminated due to grievances	no.	0	0	1	0	1

Note: *FY2023 data cover a 15-month period, comprising Q1 2022 and the 2023 financial year (January 2022 to March 2023) to account for the transition from calendar year (CY) reporting to financial year (FY) reporting.

Environment

[GRI 302-1, 303-3, 303-4, 303-5, 305-1, 305-2, 305-3, 306-4, 306-5]

Description	Breakdown	UoM	FY2025	FY2024	FY2023*	CY2021	CY2020
Gross direct (Scope 1) GHG emissions	**Total**	**MT CO_2e**	**92,714**	**83,998**	**123,221**	**94,466**	**94,337**
	Port Klang	MT CO_2e	48,347	42,076	62,672	45,052	44,796
	Natural gas	MT CO_2e	48,347	42,076	62,672	45,052	44,796
	Dengkil	MT CO_2e	44,367	41,922	60,550	49,415	49,541
	Natural gas	MT CO_2e	44,367	41,922	60,550	49,415	49,541
Gross location-based indirect (Scope 2) GHG emissions	**Total**	**MT CO_2e**	**64,707**	**67,407**	**92,070**	**71,218**	**72,877**
	Port Klang	MT CO_2e	47,193	44,736	59,674	45,025	46,559
	Dengkil	MT CO_2e	17,514	22,671	32,396	26,192	26,319
Gross market-based indirect (Scope 2) GHG emissions	**Total**	**MT CO_2e**	**5,412**	**20,430**	**79,355**	**71,218**	**72,877**
	Port Klang	MT CO_2e	4,309	14,378	47,816	45,025	46,559
	Dengkil	MT CO_2e	1,103	6,052	31,539	26,192	26,319
Gross other indirect (Scope 3) GHG emissions	**Total**	**MT CO_2e**	**878,587**	**893,351**	**1,040,733**	**892,712**	**814,981**
	Purchased goods and services – CPO & CPKO	MT CO_2e	639,390	650,959	718,846	658,602	569,647
	Purchased goods and services – Imported raw material	MT CO_2e	63,097	62,442	107,408	61,483	80,088
	Purchased goods and services – Chemical & utility	MT CO_2e	11,061	1,150	1,118	953	913
	Purchased goods and services – Packaging material	MT CO_2e	3,626	2,850	3,150	2,324	2,176
	Fuel & energy-related activities	MT CO_2e	85,197	98,020	116,229	89,366	90,379
	Upstream transportation and distribution	MT CO_2e	22,434	25,022	28,961	21,659	19,085
	Waste generated at operations	MT CO_2e	7,042	6,996	7,470	7,572	7,007
	Downstream transportation and distribution	MT CO_2e	46,741	45,912	57,551	50,752	45,687
	Port Klang	**MT CO_2e**	**199,327**	**195,901**	**260,076**	**191,935**	**178,461**
	Purchased goods and services – CPO & CPKO	MT CO_2e	108,070	104,587	147,985	99,646	84,837
	Purchased goods and services – Imported raw material	MT CO_2e	18,480	18,850	28,893	28,275	29,116
	Purchased goods and services – Chemical & utility	MT CO_2e	2,188	382	366	315	338
	Purchased goods and services – Packaging material	MT CO_2e	0	0	0	0	0

Description	Breakdown	UoM	FY2025	FY2024	FY2023*	CY2021	CY2020
	Fuel-and energy-related activities	MT CO_2e	59,211	61,074	71,461	53,197	54,132
	Upstream transportation and distribution	MT CO_2e	5,564	4,782	3,340	3,413	2,926
	Waste generated in operations	MT CO_2e	1,293	1,235	1,892	1,557	1,477
	Downstream transportation and distribution	MT CO_2e	4,522	4,990	6,138	5,531	5,634
	Dengkil	**MT CO_2e**	**679,259**	**697,450**	**780,657**	**700,777**	**636,520**
	Purchased goods and services – CPO & CPKO	MT CO_2e	531,321	546,372	570,862	558,956	484,810
	Purchased goods and services – Imported raw material	MT CO_2e	44,617	43,592	78,515	33,208	50,972
	Purchased goods and services – Chemical & utility	MT CO_2e	8,872	768	751	637	575
	Purchased goods and services – Packaging material	MT CO_2e	3,626	2,850	3,150	2,324	2,176
	Fuel-and energy-related activities	MT CO_2e	25,986	36,946	44,768	36,169	36,247
	Upstream transportation and distribution	MT CO_2e	16,870	20,240	25,621	18,245	16,158
	Waste generated at operations	MT CO_2e	5,749	5,761	5,578	6,015	5,530
	Downstream transportation and distribution	MT CO_2e	42,219	40,922	51,412	45,222	40,053
Energy consumption	**Total**	GJ	1,983,114	1,824,473	2,143,011	1,643,855	1,646,045
	Port Klang	GJ	1,106,114	819,906	1,084,919	827,447	829,354
	Dengkil	GJ	877,000	781,455	999,409	816,409	814,568
Energy consumption by type							
Non-renewable energy	Electricity from regular TNB tariff	GJ	25,173	97,030	317,967	291,345	294,785
	Regular Natural gas	GJ	1,652,655	1,497,291	1,758,951	1,348,480	1,350,017
	Diesel	GJ	510	276	621	338	364
Renewable energy	TNB Green Electricity Tariff (GET)	GJ	275,790	223,111	58,683	N/A	N/A
	Biomethane consumption (purchased)	GJ	23,000	N/A	N/A	N/A	N/A
	Electricity generated by solar	GJ	5,986	6,765	6,789	3,693	880
Electricity consumption	**Total**	**GJ**	**300,963**	**320,141**	**376,650**	**291,345**	**294,785**
		kWh	**83,600,728**	**88,928,033**	**104,625,066**	**80,929,230**	**81,884,804**
	Port Klang	kWh	60,972,507	59,018,703	67,811,456	51,165,296	52,313,080
	Dengkil	kWh	22,628,221	29,909,330	36,813,610	29,763,934	29,571,724

Description	Breakdown	UoM	FY2025	FY2024	FY2023*	CY2021	CY2020
Regular TNB tariff	**Total**	**GJ**	**25,173**	**97,030**	**317,967**	**291,345**	**294,785**
		kWh	**6,992,431**	**26,952,686**	**88,324,263**	**80,929,230**	**81,884,804**
	Port Klang	kWh	5,567,734	18,968,703	52,608,867	51,165,296	52,313,080
	Dengkil	kWh	1,424,697	7,983,983	35,715,396	29,763,934	29,571,724
TNB Green Electricity Tariff (GET)	**Total**	**GJ**	**275,790**	**223,111**	**58,683**	**N/A**	**N/A**
		kWh	**76,608,297**	**61,975,347**	**16,300,803**	**N/A**	**N/A**
	Port Klang	kWh	55,404,773	40,050,000	15,202,589	N/A	0
	Dengkil	kWh	21,203,524	21,925,347	1,098,214	N/A	N/A
Natural gas consumption	**Total**	**GJ**	**1,675,655**	**1,497,291**	**1,758,951**	**1,348,480**	**1,350,017**
		mmBTU	**1,588,209**	**1,419,152**	**1,667,157**	**1,278,107**	**1,279,564**
	Port Klang	mmBTU	838,625	710,871	847,934	609,538	607,574
	Dengkil	mmBTU	749,584	708,281	819,223	668,569	671,990
Regular natural gas consumption	**Total**	**GJ**	**1,652,655**	**1,497,291**	**1,758,951**	**1,348,480**	**1,350,017**
		mmBTU	**1,566,409**	**1,419,152**	**1,667,157**	**1,278,107**	**1,279,564**
	Port Klang	mmBTU	816,825	710,871	847,934	609,538	607,574
	Dengkil	mmBTU	749,584	708,281	819,223	668,569	671,990
Biomethane consumption (purchased)	**Total**	**GJ**	**23,000**	**N/A**	**N/A**	**N/A**	**N/A**
		mmBTU	**21,800**	**N/A**	**N/A**	**N/A**	**N/A**
	Port Klang	mmBTU	21,800	N/A	N/A	N/A	N/A
	Dengkil	mmBTU	0	N/A	N/A	N/A	N/A
Diesel consumption	**Total**	**GJ**	**510**	**276**	**621**	**338**	**364**
		Liters	**13,904**	**7,524**	**16,945**	**9,207**	**9,917**
	Port Klang	Liters	2,958	2,974	7,950	4,157	5,065
	Dengkil	Liters	10,946	4,550	8,995	5,050	4,852
Electricity generated from solar	**Total**	**GJ**	**5,986**	**6,765**	**6,789**	**3,693**	**880**
		kWh	**1,662,802**	**1,879,220**	**1,885,767**	**1,025,808**	**244,326**
	Port Klang	kWh	473,600	416,162	170,673	N/A	N/A
	Dengkil	kWh	1,189,202	1,463,058	1,715,094	1,025,808	244,326
Water withdrawal	**Total**	**m^3**	**845,838**	**769,443**	**851,784**	**649,582**	**665,993**
	Port Klang	m^3	511,809	427,115	490,183	344,465	337,990
	Dengkil	m^3	334,029	342,328	361,601	305,117	328,003
Water withdrawal by sources							
Rainwater	**Total**	**m^3**	**897**	**252**	**315**	**252**	**252**
	Port Klang	m^3	300	0	0	0	0
	Dengkil	m^3	597	252	315	252	252
Ground water	**Total**	**m^3**	**35,656**	**36,124**	**44,976**	**35,008**	**33,061**
	Port Klang	m^3	0	0	0	0	0
	Dengkil	m^3	35,656	36,124	44,976	35,008	33,061

Description	Breakdown	UoM	FY2025	FY2024	FY2023*	CY2021	CY2020
Municipal water	**Total**	**m^3**	**809,285**	**733,067**	**806,493**	**614,322**	**632,680**
	Port Klang	m^3	511,509	427,115	490,183	344,465	337,990
	Dengkil	m^3	297,776	305,952	316,310	269,857	294,690
Water discharged to surface water	**Total**	**m^3**	**247,573**	**228,186**	**252,262**	**184,508**	**178,372**
	Port Klang	m^3	124,036	88,520	104,515	77,709	77,853
	Dengkil	m^3	123,537	139,666	147,747	106,799	100,519
Water consumption	**Total**	**m^3**	**598,265**	**541,257**	**599,522**	**465,074**	**487,621**
	Port Klang	m^3	387,773	338,595	385,668	266,756	260,137
	Dengkil	m^3	210,492	202,662	213,854	198,318	227,484
Average BOD of water discharged	Port Klang	mg/L	14	14	N/A	13	N/A
	Dengkil	mg/L	14	25	N/A	N/A	N/A
Waste management	**Total**	**MT**	**22,103**	**21,765**	**23,263**	**17,849**	**17,629**
	Non-scheduled waste (sent to landfill)	MT	353	326	429	279	731
	Non-scheduled waste (spent bleaching earth)	MT	21,158	21,071	22,457	17,492	16,803
	Scheduled waste (sent to waste disposal facility)	MT	592	368	377	78	95
	Port Klang	**MT**	**4,255**	**3,849**	**5,760**	**4,884**	**4,570**
	Non-scheduled waste (sent to landfill)	MT	118	138	164	113	166
	Non-scheduled waste (spent bleaching earth)	MT	3,789	3,593	5,483	4,724	4,337
	Scheduled waste (sent to waste disposal facility)	MT	348	118	113	46	67
	Dengkil	**MT**	**17,848**	**17,916**	**17,504**	**12,966**	**13,059**
	Non-scheduled waste (sent to landfill)	MT	235	188	265	166	565
	Non-scheduled waste (spent bleaching earth	MT	17,369	17,479	16,975	12,768	12,466
	Scheduled waste (sent to waste disposal facility)	MT	244	250	264	32	28

Note: *FY2023 data cover a 15-month period, comprising Q1 2022 and the 2023 financial year (January 2022 to March 2023) to account for the transition from calendar year (CY) reporting to financial year (FY) reporting.

Our people

[GRI 2-7, 202-1, 401-1, 401-3, 403-9, 405-1]

Description	Breakdown	UoM	FY2025	FY2024	FY2023*	CY2021	CY2020
New hires by age group	< 30 years old	no.	59	123	81	43	N/A
	30–50 years old	no.	23	32	60	17	N/A
	> 50 years old	no.	-	4	4	1	N/A
Employees who left by age group	< 30 years old	no.	18	41	41	32	N/A
	30–50 years old	no.	17	17	34	25	N/A
	> 50 years old	no.	9	7	13	8	N/A
Employee turnover by age group	< 30 years old	%	6.9%	9.3%	22.3%	23.4%	N/A
	30–50 years old	%	4.1%	2.1%	9.3%	6.9%	N/A
	> 50 years old	%	8.4%	3.9%	15.1%	10.1%	N/A
New hires by gender	Men	no.	69	132	112	17	N/A
	Women	no.	13	27	33	8	N/A
Employees who left by gender	Men	no.	38	56	64	20	N/A
	Women	no.	6	9	22	10	N/A
Employee turnover by gender	Men	%	6.2%	5.0%	12.9%	80.0%	N/A
	Women	%	3.6%	2.9%	15.5%	33.3%	N/A
New hires by site	Port Klang	no.	13	112	57	36	N/A
	Dengkil	no.	69	47	45	25	N/A
Employees who left by site	Port Klang	no.	6	44	42	35	N/A
	Dengkil	no.	38	21	44	30	N/A
Employee turnover by site	Port Klang	%	1.5%	5.8%	12.7%	11.3%	N/A
	Dengkil	%	10.4%	3.2%	14.4%	11.1%	N/A
Employees entitled to parental leave	Men	no.	555	344	327	448	348
	Women	no.	125	111	121	132	66
Employees who took parental leave	Men	no.	27	33	42	5	29
	Women	no.	9	6	11	2	7
Employees returned to work after parental leave ended	Men	no.	27	33	42	5	29
	Women	no.	9	6	11	2	7
Employees still employed 12 months after their return to work from parental leave	Men	no.	27	33	42	2	29
	Women	no.	7	6	11	1	7
Employee diversity by category							
Board of directors	Men	no.	9	9	9	9	9
	Women	no.	0	0	0	0	0
	< 30 years old	no.	0	0	0	0	0
	30–50 years old	no.	0	0	0	0	0
	> 50 years old	no.	9	9	9	9	9
	Malaysians	no.	0	0	0	0	0
	Non-Malaysian	no.	9	9	9	9	9

Description	Breakdown	UoM	FY2025	FY2024	FY2023*	CY2021	CY2020
Senior management	Men	no.	14	10	12	13	4
	Women	no.	1	1	1	1	1
	< 30 years old	no.	0	0	0	0	N/A
	30–50 years old	no.	7	5	6	5	N/A
	> 50 years old	no.	8	6	7	9	N/A
	Malaysian	no.	7	11	4	5	N/A
	Japanese	no.	8	0	9	9	N/A
Management	Men	no.	22	28	29	24	66
	Women	no.	13	9	8	7	50
	< 30 years old	no.	0	7	0	0	N/A
	30–50 years old	no.	22	15	24	23	N/A
	> 50 years old	no.	13	15	13	8	N/A
	Malaysian	no.	27	26	28	22	N/A
	Japanese	no.	8	11	9	9	N/A
Staff	Men	no.	73	66	65	35	208
	Women	no.	58	51	50	40	69
	< 30 years old	no.	23	22	20	14	N/A
	30–50 years old	no.	84	42	70	51	N/A
	> 50 years old	no.	24	53	25	10	N/A
	Malaysian	no.	130	116	111	71	N/A
	Japanese	no.	1	1	2	4	N/A
Workers	Men	no.	501	465	395	376	175
	Women	no.	94	91	85	84	3
	< 30 years old	no.	236	122	160	141	N/A
	30–50 years old	no.	306	153	263	260	N/A
	> 50 years old	no.	53	281	57	59	N/A
	Malaysian	no.	570	524	448	455	N/A
	Nepalese	no.	22	28	28	1	N/A
	Sri Lankan	no.	3	4	4	4	N/A
Malaysian employees	Total	no.	734	677	616	552	550
Malaysian employees by ethnicity							
Port Klang	Indigenous (orang asli)	no.	1	0	0	0	0
	Chinese-Malaysian	no.	75	70	60	62	58
	Malay	no.	278	267	230	189	193
	Indian-Malaysian	no.	38	31	20	35	32
Dengkil	Indigenous (orang asli)	no.	5	5	5	2	3
	Chinese-Malaysian	no.	33	32	33	32	33
	Malay	no.	270	239	233	204	199
	Indian-Malaysian	no.	34	33	35	28	32

Description	Breakdown	UoM	FY2025	FY2024	FY2023*	CY2021	CY2020
Wages	ISF starting wage	MYR per month	1,700	1,500	1,500	1,200	1,200
	Legal minimum wage	MYR per month	1,700	1,500	1,500	1,200	1,200
Occupational health and safety							
Workers covered by an occupational health and safety management system	Employees	no.	776	721	645	580	576
	Non-employees	no.	59	51	250	267	233
Lost time injuries	Port Klang	no.	2	2	4	5	3
	Dengkil	no.	1	4	4	6	6
Total days lost due to work related injury	Port Klang	days	31	6	272	92	89
	Dengkil	days	13	126	131	176	253
Total hours worked	Port Klang	hours	1,131,768	1,065,804	1,120,512	887,680	852,640
	Dengkil	hours	910,360	774,464	842,400	673,920	624,000

Note: *FY2023 data cover a 15-month period, comprising Q1 2022 and the 2023 financial year (January 2022 to March 2023) to account for the transition from calendar year (CY) reporting to financial year (FY) reporting.

ISF material topics

Material topic	Description (focus areas)
Climate adaptation and mitigation	Minimising our carbon footprint across operations to reduce overall greenhouse gas (GHG) emissions intensity through technology, facilities, and other measures aligned with the Science Based Targets initiative (SBTi) and other international frameworks; assessing and adapting to climate-related risks.
Legal and regulatory compliance	Complying with local and international regulations, including EU standards and customer requirements.
Stakeholder engagement	Ensuring transparency and openly communicating with stakeholders through open dialogue and reporting; engaging in multi-stakeholder initiatives and collaborations.
Food safety and quality	Guaranteeing customers the highest product quality and safety, addressing their concerns on food safety, and complying with industrial food safety regulations, i.e. by adhering to relevant food safety certifications, standards, and labels.
Raw material supply	Ensuring a stable supply of raw materials to meet customer demand, especially in unforeseen circumstances (e.g. COVID-19 pandemic, floods, and drought).
Policy and management system	Enacting internal controls to meet policy commitments (e.g. compliance with sustainability certifications).
Ethics and anti-corruption	Implementing processes and systems to ensure ISF operates responsibly; adopting high ethical standards in line with national laws; strengthening anti-bribery and corruption policies through our Supplier Code of Conduct.
Occupational safety and health	Continuously improving workplace safety standards to prevent injuries and minimise accidents; implementing an OSH management programmes.
Operational productivity	Continuously improving worker productivity through efficient coordination between different departments; ensuring continued viability, financial health, and the economic growth of the company by investing in automation and digitalisation to improve productivity; developing production technology and facilities; reducing reliance on labour to increase company-wide productivity; upgrading IT systems for Big Data and analytics.
Profits and cost saving	Improving our financial health; allocating resources for new and existing initiatives (e.g. reducing energy consumption, improving operational efficiencies, and R&D); ensuring fair dividends to shareholders.
Corporate communications	Strengthening stakeholder perceptions of ISF's corporate identity through internal and external corporate communication strategies promoting our brand and values; communicating with external parties and our supply chain on news and issues related to anti-palm oil campaigns while emphasising food safety and quality; supporting Malaysia's 'Love MY Palm Oil' campaign.
Traceability	Mapping and identifying suppliers' facilities to trace palm oil to mill and plantation, thus addressing environmental and social risks within our supply chain.
Labour rights	Upholding employees' and contractors' human and labour rights; adopting responsible recruitment practices for migrant workers; ensuring no illegal forced, bonded, or child labour.
Water management	Implementing water management best practices across our operations to ensure the optimum use of this precious resource.
Smallholder inclusion	Supporting smallholder inclusion in sustainable supply chains through partnerships with relevant organisations and engagement programmes with key suppliers.
Supplier management and engagement	Implementing robust sourcing management and supplier engagement policies; engaging with suppliers to meet NDPE requirements through awareness and capacity building programmes; implementing monitoring systems to track their progress.
R&D and innovation	Actively engaging in advanced research and development (R&D) programmes in raw material research and selection, process engineering and quality improvement, and new product development to meet the growing demand for specialty fats in the global market.
Energy management and renewable energy	Minimising our operations' environmental footprint by efficiently consuming and managing energy, including adopting renewable energy alternatives like solar panels.
Waste management	Managing waste, from its creation to disposal, in accordance with applicable regulations and standards; implementing waste reduction strategies; reusing and recycling waste.

Material topic	Description (focus areas)
Corporate social responsibility	Implementing Corporate Sustainability Initiatives (CSIs); making financial and in-kind contributions to support and uplift local communities (e.g. environmental and community activities).
Globalisation/business expansion	Exploring expansion plans in global markets; growing ISF's international presence to meet increasing market demand.
Continuous improvement	Establishing and regularly updating business continuity plans that include protocols and procedures to minimise the impact of disruptive events on the organisation, our employees, customers, and stakeholders; continuously improving management and operational systems to ensure business sustainability and continuity in the face of evolving risks and threats.
Talent retention	Developing employee skills and knowledge through training and upskilling.
Employee welfare	Prioritising employee welfare and ensuring a workplace conducive to a work-life balance; implementing policies and procedures that improve employees' physical and mental wellbeing; ensuring employees perform their duties while respecting the need for personal and family time, leisure activities, and other responsibilities.
Diversity and inclusion	Building a corporate culture that fosters a feeling of belonging among employees; promoting gender diversity and equal opportunity by empowering women employees; creating a workplace that encourages open communication between management and employees; implementing a two-way engagement process to ensure worker feedback is heard and acted upon.
Carbon tax	Investing in carbon tax initiatives for financial and environmental benefits.

Stakeholder engagement table

Stakeholder group	Focus	Engagement method	Engagement frequency
Employees	Training and development	In-house and external training programmes	When required
	Employee performance Employee satisfaction Employee engagement (salary and benefits, career progression, etc.)	Employee surveys	Annually
		Performance reviews	Annually
		Grievance mechanism	When required
		Company policies	When required
		Employee awards and recognition (e.g. Long Service Award)	Annually
		Employee engagement activities (fun run, mangrove planting, festivals and celebrations, etc.)	Annually
	Employee welfare and well-being	Medical check-ups	Annually
		Health awareness talks	
Certification bodies	Compliance with certification standards	Roundtable meetings	Annually
		Site and data audits (i.e. GHG emissions verification, safety audits, etc.)	
Non-governmental organisations (NGOs)	Policy updates and improvements	Multi-stakeholder forums and meetings One-on-one consultations	When required
	Programmes and initiatives	Partnerships, sponsorships, and joint projects (Mangrove tree planting with GEC, Labour Transformation Programme)	When required
Parent company	Strategy and business planning	Meetings	Monthly
		Report submissions (i.e. updates on targets and progress, financial and sustainability performance, etc.)	When required
	Research and development	Joint research programmes	When required
Industry peers	Industry best practices	Collaborative workshops	When required
		Multi-stakeholder forums and events (POCG, Consumer Goods Forum)	Annually
Communities	Community contributions	Disaster relief efforts, community outreach programmes	Annually
Customers	Meeting customer requirements (Sustainability, food safety and quality, etc.)	Joint ventures	When required
		Meetings and other engagement activities (surveys, email, phone calls, in-person and online events)	When required
		Site visits	When required
	Customer satisfaction	Customer satisfaction surveys	Annually
Governments and regulators	Compliance	Regular engagement and communication	When required
Suppliers	Traceability and compliance	Contractor and supplier interviews and negotiations	When required
		Audits and site visits, data collection	
		Supplier screening and assessments	
		Strategic partnerships and engagement meetings	Annually
	Multi-stakeholder collaborations and programmes	Smallholder support projects	When required
	Grievances	Regular engagement and communication	When required

GRI Content Index

The Global Reporting Initiative (GRI) is a multi-stakeholder standard for sustainability reporting. It offers guidance on determining report content and indicators. GRI is the most widely adopted global standard for sustainability reporting. It is designed to enhance the comparability and quality of global information on environmental and social impacts, increasing organisations' transparency and accountability. This report and its preparation align with the 2021 GRI Standards. Our GRI Content Index references our 2025 Sustainability Report and the ISF website.

Statement of use	Intercontinental Specialty Fats Sdn Bhd has reported in accordance with the GRI Standards for the period of 1 April 2024 to 31 March 2025.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard/Other source	Disclosure	Location or reason for omission
1. The organization and its reporting practices		
GRI 2: General Disclosures 2021	2-1 Organizational details	About ISF, p. 12
	2-2 Entities included in the organization's sustainability reporting	About this report, p. 4
	2-3 Reporting period, frequency and contact point	About this report, p. 4 Contact, p. 93
	2-4 Restatements of information	Available throughout, where necessary
	2-5 External assurance	About this report, p. 4
2. Activities and workers		
GRI 2: General Disclosures 2021	2-6 Activities, value chain and other business relationships	About ISF, p. 12 Responsible sourcing and supplier engagement, p. 23
	2-7 Employees	Workforce overview, p. 46 Base data, p. 63
	2-8 Workers who are not employees	Workforce overview, p. 46
3. Governance		
GRI 2: General Disclosures 2021	2-9 Governance structure and composition	Corporate and sustainability governance, p. 17
	2-10 Nomination and selection of the highest governance body	This disclosure is not currently reported.
	2-11 Chair of the highest governance body	Corporate and sustainability governance, p. 17
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate and sustainability governance, p. 17
	2-13 Delegation of responsibility for managing impacts	Corporate and sustainability governance, p. 17
	2-14 Role of the highest governance body in sustainability reporting	Materiality, p. 16
	2-15 Conflicts of interest	This disclosure is not currently reported.
	2-16 Communication of critical concerns	Corporate and sustainability governance, p. 17
	2-17 Collective knowledge of the highest governance body	Overview of Board skills and expertise, p. 18
	2-18 Evaluation of the performance of the highest governance body	This disclosure is not currently reported.
	2-19 Remuneration policies	This disclosure is not currently reported.
	2-20 Process to determine remuneration	This disclosure is not currently reported.
	2-21 Annual total compensation ratio	This disclosure is not currently reported.

GRI Standard/Other source	Disclosure	Location or reason for omission
4. Strategy, policies and practices		
GRI 2: General Disclosures 2021	2-22 Statement on sustainable development strategy	CEO message, p. 6
	2-23 Policy commitments	Ethical conduct and values, p. 19 Supplier engagement and assessment, p. 25 Water, p. 42 Our people, p. 46
	2-24 Embedding policy commitments	Ethical conduct and values, p. 19 Supplier engagement and assessment, p. 25 Water, p. 42 Our people, p. 46
	2-25 Processes to remediate negative impacts	Ethical conduct and values, p. 19 Grievance management, p. 29
	2-26 Mechanisms for seeking advice and raising concerns	Ethical conduct and values, p. 19 Grievance management, p. 29
	2-27 Compliance with laws and regulations	Environment, p. 30
	2-28 Membership associations	Stakeholder engagement and transparency, p. 21
5. Stakeholder engagement		
GRI 2: General Disclosures 2021	2-29 Approach to stakeholder engagement	Stakeholder engagement and transparency, p. 21
	2-30 Collective bargaining agreements	All employees, including migrant workers, are free to join trade unions and engage in collective bargaining if they so choose, to the extent permitted by law.
Material topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality, p. 16
	3-2 List of material topics	Materiality, p. 16
Climate adaptation and mitigation		
GRI 3: Material Topics 2021	3-3 Management of material topics	Addressing climate change, p. 31 Carbon footprint, p. 35
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	IFRS S1 and S2 indexes, p. 81
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Carbon footprint, p. 35
	305-2 Energy indirect (Scope 2) GHG emissions	Carbon footprint, p. 35
	305-3 Other indirect (Scope 3) GHG emissions	This disclosure is not currently reported.
	305-4 GHG emissions intensity	Carbon footprint, p. 35
	305-5 Reduction of GHG emissions	Carbon footprint, p. 35
	305-6 Emissions of ozone-depleting substances (ODS)	Not applicable
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Not applicable
Corporate communication		
GRI 3: Material Topics 2021	3-3 Management of material topics	Stakeholder engagement and transparency, p. 21
Labour rights		
GRI 3: Material Topics 2021	3-3 Management of material topics	Our people, p. 46
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or parttime employees	Wages and benefits, p. 47 ISF does not employ temporary or part-time workers.
	401-3 Parental leave	Base data, p. 63

GRI Standard/Other source	Disclosure	Location or reason for omission
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Upholding migrant workers' rights, p. 47
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Labour and Human Rights Policy
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Labour and Human Rights Policy
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Labour and Human Rights Policy
Legal and regulatory compliance		
GRI 3: Material Topics 2021	3-3 Management of material topics	Environment, p. 30
Stakeholder engagement		
GRI 3: Material Topics 2021	3-3 Management of material topics	Stakeholder engagement and transparency, p. 21 Our commitment to communities, p. 58
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Our commitment to communities, p. 58
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	This disclosure is not currently reported.
	413-2 Operations with significant actual and potential negative impacts on local communities	Our commitment to communities, p. 58
Traceability		
GRI 3: Material Topics 2021	3-3 Management of material topics	Traceability, p. 24
Food safety & quality		
GRI 3: Material Topics 2021	3-3 Management of material topics	Marketplace responsibility, p. 60
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Marketplace responsibility, p. 60
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Marketplace responsibility, p. 60
Ethics and anti-corruption		
GRI 3: Material Topics 2021	3-3 Management of material topics	Ethical conduct and values, p. 19
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Ethical conduct and values, p. 19
	205-2 Communication and training about anti-corruption policies and procedures	Ethical conduct and values, p. 19
	205-3 Confirmed incidents of corruption and actions taken	Ethical conduct and values, p. 19
Raw material supply		
GRI 3: Material Topics 2021	3-3 Management of material topics	Responsible sourcing and supplier engagement, p. 23
Policy and management systems		
GRI 3: Material Topics 2021	3-3 Management of material topics	Approach to sustainability, p. 15
Water management		
GRI 3: Material Topics 2021	3-3 Management of material topics	Water, p. 42

GRI Standard/Other source	Disclosure	Location or reason for omission
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water, p. 42
	303-2 Management of water discharge related impacts	Water, p. 42
	303-3 Water withdrawal	Water, p. 42 Base data, p. 63
	303-4 Water discharge	Water, p. 42 Base data, p. 63
	303-5 Water consumption	Water, p. 42 Base data, p. 63
Smallholder inclusion		
GRI 3: Material Topics 2021	3-3 Management of material topics	Smallholder support, p. 59
Supplier management and engagement		
GRI 3: Material Topics 2021	3-3 Management of material topics	Supplier engagement and assessment, p. 25
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Supplier engagement and assessment, p. 25 No new suppliers during the reporting period
	308-2 Negative environmental impacts in the supply chain and actions taken	Supplier engagement and assessment, p. 25
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Supplier engagement and assessment, p. 25 No new suppliers during the reporting period
	414-2 Negative social impacts in the supply chain and actions taken	Supplier engagement and assessment, p. 5
Occupational safety and health		
GRI 3: Material Topics 2021	3-3 Management of material topics	Employee health and safety, p. 55
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	ISF Website - Responsible operations
	403-2 Hazard identification, risk assessment, and incident investigation	Employee health and safety, p. 55
	403-3 Occupational health services	ISF Website - Responsible operations
	403-4 Worker participation, consultation, and communication on occupational health and safety	This disclosure is not currently reported.
	403-5 Worker training on occupational health and safety	Employee health and safety, p. 55
	403-6 Promotion of worker health	ISF Website - Responsible operations
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Employee health and safety, p. 55
	403-8 Workers covered by an occupational health and safety management system	ISF Website - Responsible operations
	403-9 Work-related injuries	Employee health and safety, p. 55 Base data, p. 63
	403-10 Work-related ill health	This disclosure is not currently reported.
R&D and innovation/Operational productivity /Profit and cost savings/Continuous improvement		
GRI 3: Material Topics 2021	3-3 Management of material topics	R&D, productivity, and innovation, p. 62
Energy management and renewable energy		
GRI 3: Material Topics 2021	3-3 Management of material topics	Energy, p. 39

GRI Standard/Other source	Disclosure	Location or reason for omission
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy, p. 39 Base data, p. 63
	302-2 Energy consumption outside of the organization	This disclosure is not currently reported.
	302-3 Energy intensity	Energy, p. 39
	302-4 Reduction of energy consumption	This disclosure is not currently reported.
	302-5 Reductions in energy requirements of products and services	This disclosure is not currently reported.
Waste management		
GRI 3: Material Topics 2021	3-3 Management of material topics	Waste management, p. 44
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste management, p. 44
	306-2 Management of significant waste-related impacts	Waste management, p. 44
	306-3 Waste generated	Waste management, p. 44 Base data, p. 63
	306-4 Waste diverted from disposal	Waste management, p. 44 Base data, p. 63
	306-5 Waste directed to disposal	Waste management, p. 44 Base data, p. 63
Corporate social responsibility		
GRI 3: Material Topics 2021	3-3 Management of material topics	Our commitment to communities, p. 58
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Base data, p. 63
	202-2 Proportion of senior management hired from the local community	This disclosure is not currently reported.
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	This disclosure is not currently reported.
	203-2 Significant indirect economic impacts	This disclosure is not currently reported.
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Responsible sourcing and supplier engagement, p. 23
Globalisation/Business expansion		
GRI 3: Material Topics 2021	3-3 Management of material topics	About ISF, p. 12
Talent retention		
GRI 3: Material Topics 2021	3-3 Management of material topics	Employee development and retention, p. 50
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Base data, p. 63
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Employee development and retention, p. 50
	404-2 Programs for upgrading employee skills and transition assistance programs	Employee development and retention, p. 50
	404-3 Percentage of employees receiving regular performance and career development reviews	Employee development and retention, p. 50
Employee welfare		
GRI 3: Material Topics 2021	3-3 Management of material topics	Workforce overview, p. 46

GRI Standard/Other source	Disclosure	Location or reason for omission
Carbon tax		
GRI 3: Material Topics 2021	3-3 Management of material topics	Addressing climate change, p. 31
Diversity and inclusion		
GRI 3: Material Topics 2021	3-3 Management of material topics	Diversity and inclusion, p. 54
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Diversity and inclusion, p. 54 Base data, p. 63
	405-2 Ratio of basic salary and remuneration of women to men	This disclosure is not currently reported.
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Diversity and inclusion, p. 54
General disclosures		
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Base data, p. 63

IFRS S1 and S2 Indexes

[GRI 201-1]

Following the recent release of the National Sustainability Reporting Framework (NSRF), Bursa Malaysia Securities Berhad requires reporting companies to adopt the International Sustainability Standards Board's (ISSB) IFRS Sustainability Disclosure Standards: IFRS S1 on General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 on Climate-related Disclosures. Although we are not a listed entity on the Bursa Stock Exchange, ISF is committed to aligning with this leading industry practice and are working towards adopting IFRS S1 and S2 in the near future. As part of our preparation, we have undertaken an initial gap analysis against both standards for this report. As we have already conducted a TCFD analysis, we will be integrating it into our IFRS S2 disclosures.

IFRS S1 index

Pillar	IFRS S1
Governance	ISF outlines the Board's responsibilities for managing sustainability risks and opportunities as part of its oversight of the Group's strategy formulation. We comprehensively reviewed our material topics in 2023 and formally adopted them as the basis of our disclosures. These topics are linked to environmental, social, and governance (ESG) risks and opportunities. These material topics have been formally adopted as the basis for disclosure and communicated to the Board to support strategy planning, decision making, and risk management processes at ISF. • Corporate and sustainable governance • Materiality
Strategy	ISF discloses each of our sustainability-related risks and opportunities under their respective sections throughout the report. However, limited information regarding the financial implications of these risks and opportunities is currently provided. ISF acknowledges this gap and will explore meeting these recommendations in future reporting. • Environment • Our people • Our commitment to communities
Risk management	We have disclosed the processes, inputs, and parameters used by the Group to monitor sustainability-related risks. These indicators are presented throughout the report under their respective sections. Moving forward, we aim to align our sustainability focus areas and our Enterprise Risk Management (ERM) system and will report on developments in future reports. • Environment • Our people • Our commitment to communities
Metrics and targets	The metrics used to monitor our sustainability-related risks and opportunities are presented throughout the report under their respective sections. We have also disclosed our performance against the relevant SASB standards. • Environment • Our people • Our commitment to communities

SASB index

Agricultural products

Topic	Code	Accounting metric	Category	Unit of measure	Location of disclosure/reason for omission
Greenhouse gas emissions	FB-AG-110a.1	Gross global Scope 1 emissions	Quantitative	MT CO_2e	Carbon footprint, p. 35
	FB-AG-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	N/A	Carbon footprint, p. 35 Addressing climate change, p. 31
	FB-AG-110a.3	Fleet fuel consumed, percentage renewable	Quantitative	MT CO_2e	Not applicable
Energy management	FB-AG-130a.1	(1) Operational energy consumed, (2) percentage grid electricity, (3) percentage renewable	Quantitative	GJ, %	Energy, p. 39
Water management	FB-AG-140a.1	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	m^3, %	Water, p. 42
	FB-AG-140a.2	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	N/A	Water, p. 42
	FB-AG-140a.3	Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	Quantitative	No.	Water, p. 42 There were no incidents of non-compliance during the reporting period.
Food safety	FB-AG-250a.1	Global Food Safety Initiative (GFSI) audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances	Quantitative	Rate	ISF complies with several food safety standards but is not GFSI certified.
	FB-AG-250a.2	Percentage of agricultural products sourced from suppliers certified to a Global Food Safety Initiative (GFSI) recognized food safety certification program	Quantitative	% by cost	ISF complies with several food safety standards but is not GFSI certified.
	FB-AG-250a.3	(1) Number of recalls issued and (2) total amount of food product recalled	Quantitative	No., MT	This disclosure is not currently reported.
Workforce health and safety	FB-AG-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) seasonal and migrant employees	Quantitative	Rate	Employee health and safety, p. 55

Topic	Code	Accounting metric	Category	Unit of measure	Location of disclosure/reason for omission
Environmental & Social Impacts of Ingredient Supply Chain	FB-AG-430a.1	Percentage of agricultural products sourced that are certified to a third-party environmental and/or social standard, and percentages by standard	Quantitative	% by cost	Supplier engagement and assessment, p.25
	FB-AG-430a.2	Suppliers' social and environmental responsibility audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances	Quantitative	Rate	Supplier engagement and assessment, p. 25
	FB-AG-430a.3	Discussion of strategy to manage environmental and social risks arising from contract growing and commodity sourcing	Discussion and analysis	N/A	Supplier engagement and assessment, p. 25
GMO management	FB-AG-430b.1	Discussion of strategies to manage the use of genetically modified organisms (GMOs)	Discussion and Analysis	N/A	ISF pledges not to use GMOs by adhering to the RSPO commitments.
Ingredient Sourcing	FB-AG-440a.1	Identification of principal crops and description of risks and opportunities presented by climate change	Discussion and Analysis	N/A	ISF Climate Action Roadmap 2023 TCFD Report
	FB-AG-440a.2	Percentage of agricultural products sourced from regions with High or Extremely High Baseline Water Stress	Quantitative	% by cost	ISF does not source from water-stressed areas.

Activity metrics

Activity metric	Code	Category	Unit of measure	Location of disclosure
Production by principal crop	FB-AG-000.A	Quantitative	MT	Business overview, p. 13
Number of processing facilities	FB-AG-000.B	Quantitative	No.	About ISF, p. 12
Total land area under active production	FB-AG-000.C	Quantitative	ha	ISF does not own any plantations.
Cost of agricultural products sourced externally	FB-AG-000.D	Quantitative	Reporting currency	This disclosure is not currently reported.

IFRS S2 index

IFRS S2 indicator	Indicator	Location of disclosure
Governance		
6	To achieve this objective, an entity shall disclose information about:	
	a. the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the entity shall identify that body(s) or individual(s) and disclose information about:	
	i. how responsibilities for climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s);	Corporate and sustainable governance, p. 17 ISF Climate Action Roadmap 2023 TCFD Report
	ii. how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities;	Overview of Board skills and expertise, p. 18
	iii. how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;	Corporate and sustainable governance, p. 17
	[TCFD Required Disclosure]	
	iv. how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities; and	Corporate and sustainable governance, p. 17 ISF Climate Action Roadmap 2023 TCFD Report
	[TCFD Required Disclosure]	
	v. how the body(s) or individual(s) oversees the setting of targets related to climate-related risks and opportunities, and monitors progress towards those targets (see paragraphs 33–36), including whether and how related performance metrics are included in remuneration policies (see paragraph 29(g)).	Corporate and sustainable governance, p. 17 ISF Climate Action Roadmap 2023 TCFD Report
	[TCFD Required Disclosure]	
	b. management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about:	
	i. whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and	Corporate and sustainable governance, p. 17
	[TCFD Required Disclosure]	
	ii. Whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	Corporate and sustainable governance, p. 17 ISF Climate Action Roadmap 2023 TCFD Report
Strategy		
10	Climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects. Specifically, the entity shall:	
	a. describe climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects;	ISF Climate Action Roadmap 2023 TCFD Report
	b. explain, for each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk;	ISF Climate Action Roadmap 2023 TCFD Report
	c. specify, for each climate-related risk and opportunity the entity has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	This disclosure is not currently reported.
	d. explain how the entity defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.	This disclosure is not currently reported.

IFRS S2 indicator	Indicator	Location of disclosure
13	Current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain. Specifically, the entity shall disclose:	
	a. a description of the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain; and	ISF Climate Action Roadmap 2023 TCFD Report
	b. a description of where in the entity's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	ISF Climate Action Roadmap 2023 TCFD Report
14	Effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the entity shall disclose:	
	[TCFD Required Disclosure]	
	a. information about how the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the entity shall disclose information about:	
	i. current and anticipated changes to the entity's business model, including its resource allocation, to address climate-related risks and opportunities (for example, these changes could include plans to manage or decommission carbon-, energy- or water-intensive operations; resource allocations resulting from demand or supply-chain changes; resource allocations arising from business development through capital expenditure or additional expenditure on research and development; and acquisitions or divestments);	ISF Climate Action Roadmap 2023 TCFD Report
	ii. current and anticipated direct mitigation and adaptation efforts (for example, through changes in production processes or equipment, relocation of facilities, workforce adjustments, and changes in product specifications);	ISF Climate Action Roadmap 2023 TCFD Report
	iii. Current and anticipated indirect mitigation and adaptation efforts (for example, through working with customers and supply chains);	ISF Climate Action Roadmap 2023 TCFD Report
	iv. any climate-related transition plan the entity has, including information about key assumptions used in developing its transition plan, and dependencies on which the entity's transition plan relies; and	ISF Climate Action Roadmap 2023 TCFD Report
	v. how the entity plans to achieve any climate-related targets, including any greenhouse gas emissions targets, described in accordance with paragraphs 33–36.	ISF Climate Action Roadmap 2023 TCFD Report
	b. information about how the entity is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 14(a).	ISF Climate Action Roadmap 2023 TCFD Report
	c. quantitative and qualitative information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 14(a).	ISF Climate Action Roadmap 2023 TCFD Report
16	Specifically, an entity shall disclose quantitative and qualitative information about:	
	a. how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period;	This disclosure is not currently reported.
	b. the climate-related risks and opportunities identified in paragraph 16(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements;	This disclosure is not currently reported.
	c. how the entity expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration:	

IFRS S2 indicator	Indicator	Location of disclosure
	i. its investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirements), including plans the entity is not contractually committed to; and	This disclosure is not currently reported.
	ii. Its planned sources of funding to implement its strategy; and	This disclosure is not currently reported.
	d. how the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities (for example, increased revenue from products and services aligned with a lower-carbon economy; costs arising from physical damage to assets from climate events; and expenses associated with climate adaptation or mitigation).	This disclosure is not currently reported.
21	If an entity determines that it need not provide quantitative information about the current or anticipated financial effects of a climate-related risk or opportunity applying the criteria set out in paragraphs 19–20, the entity shall:	
	a. explain why it has not provided quantitative information;	ISF is a private company that typically does not disclose financial information due to confidentiality concerns.
	b. provide qualitative information about those financial effects, including identifying line items, totals and subtotals within the related financial statements that are likely to be affected, or have been affected, by that climate-related risk or opportunity; and	
	c. provide quantitative information about the combined financial effects of that climate-related risk or opportunity with other climate-related risks or opportunities and other factors unless the entity determines that quantitative information about the combined financial efforts would not be useful.	
22	Resilience of the entity's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities. The entity shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with the entity's circumstances (see paragraphs B1–B18). In providing quantitative information, the entity may disclose a single amount or a range. Specifically, the entity shall disclose:	
	a. the entity's assessment of its climate resilience as at the reporting date, which shall enable users of general purpose financial reports to understand:	This disclosure is not currently reported.
	[TCFD Required Disclosure]	
	i. the implications, if any, of the entity's assessment for its strategy and business model, including how the entity would need to respond to the effects identified in the climate-related scenario analysis;	This disclosure is not currently reported.
	ii. The significant areas of uncertainty considered in the entity's assessment of its climate resilience;	This disclosure is not currently reported.
	iii. The entity's capacity to adjust or adapt its strategy and business model to climate change over the short, medium and long term, including	This disclosure is not currently reported.
	(1) the availability of, and flexibility in, the entity's existing financial resources to respond to the effects identified in the climate-related scenario analysis, including to address climate-related risks and to take advantage of climate-related opportunities;	This disclosure is not currently reported.
	(2) the entity's ability to redeploy, repurpose, upgrade or decommission existing assets; and	This disclosure is not currently reported.
	(3) the effect of the entity's current and planned investments in climate-related mitigation, adaptation and opportunities for climate resilience; and	This disclosure is not currently reported.

IFRS S2 indicator	Indicator	Location of disclosure
	b. how and when the climate-related scenario analysis was carried out, including:	This disclosure is not currently reported.
	[TCFD Required Disclosure]	
	i. information about the inputs the entity used, including:	
	(1) which climate-related scenarios the entity used for the analysis and the sources of those scenarios;	ISF Climate Action Roadmap 2023 TCFD Report
	(2) whether the analysis included a diverse range of climate-related scenarios;	ISF Climate Action Roadmap 2023 TCFD Report
	(3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks;	ISF Climate Action Roadmap 2023 TCFD Report
	(4) whether the entity used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change;	ISF Climate Action Roadmap 2023 TCFD Report
	(5) why the entity decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties;	This disclosure is not currently reported.
	(6) the time horizons the entity used in the analysis; and	This disclosure is not currently reported.
	(7) what scope of operations the entity used in the analysis (for example, the operating locations and business units used in the analysis);	This disclosure is not currently reported.
	ii. The key assumptions the entity made in the analysis, including assumptions about:	This disclosure is not currently reported.
	(1) climate-related policies in the jurisdictions in which the entity operates;	This disclosure is not currently reported.
	(2) macroeconomic trends;	This disclosure is not currently reported.
	(3) national- or regional-level variables (for example, local weather patterns, demographics, land use, infrastructure and availability of natural resources);	This disclosure is not currently reported.
	(4) energy usage and mix; and	This disclosure is not currently reported.
	(5) developments in technology; and	This disclosure is not currently reported.
	iii. The reporting period in which the climate-related scenario analysis was carried out	This disclosure is not currently reported.
Risk management		
	To achieve this objective, an entity shall disclose information about:	
	a. the processes and related policies the entity uses to identify, assess, prioritise and monitor climate-related risks, including information about:	
	[TCFD Required Disclosure]	
	i. the inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes);	This disclosure is not currently reported.
25	ii. whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related risks;	ISF Climate Action Roadmap 2023 TCFD Report
	iii. how the entity assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria);	ISF Climate Action Roadmap 2023 TCFD Report
	iv. whether and how the entity prioritises climate-related risks relative to other types of risk;	This disclosure is not currently reported.
	v. how the entity monitors climate-related risks; and	ISF Climate Action Roadmap 2023 TCFD Report

IFRS S2 indicator	Indicator	Location of disclosure
	vi. whether and how the entity has changed the processes it uses compared with the previous reporting period;	This disclosure is not currently reported.
	b. the processes the entity uses to identify, assess, prioritise and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities; and	ISF Climate Action Roadmap 2023 TCFD Report
	[TCFD Required Disclosure]	
	c. the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process.	ISF Climate Action Roadmap 2023 TCFD Report
	[TCFD Required Disclosure]	
Metrics and targets		
28	To achieve this objective, an entity shall disclose:	
	[TCFD Required Disclosure]	
	a. information relevant to the cross-industry metric categories **(see paragraphs 29–31);**	ISF Climate Action Roadmap 2023 TCFD Report
	b. industry-based metrics that are associated with particular business models, activities or other common features that characterise participation in an industry **(see paragraph 32)**; and	This disclosure is not currently reported.
	c. targets set by the entity, and any targets it is required to meet by law or regulation, to mitigate or adapt to climate-related risks or take advantage of climate-related opportunities, including metrics used by the governance body or management to measure progress towards these targets **(see paragraphs 33–37)**.	ISF Climate Action Roadmap 2023 TCFD Report
29	An entity shall disclose information relevant to the cross-industry metric categories of:	
	[TCFD Required Disclosure]	
	a. greenhouse gases – the entity shall:	
	i. disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO2 equivalent (see paragraphs B19–B22), classified as:	
	(1) Scope 1 greenhouse gas emissions;	Carbon footprint, p. 35 ISF Climate Action Roadmap 2023 TCFD Report
	(2) Scope 2 greenhouse gas emissions; and	Carbon footprint, p. 35 ISF Climate Action Roadmap 2023 TCFD Report
	(3) Scope 3 greenhouse gas emissions;	Carbon footprint, p. 35
	ii. measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or an exchange on which the entity is listed to use a different method for measuring its greenhouse gas emissions (see paragraphs B23–B25);	Carbon footprint, p. 35
	iii. disclose the approach it uses to measure its greenhouse gas emissions (see paragraphs B26–B29) including:	
	(1) the measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions;	Carbon footprint, p. 35
	(2) the reason why the entity has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and	Carbon footprint, p. 35

IFRS S2 indicator	Indicator	Location of disclosure
	(3) any changes the entity made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;	Carbon footprint, p. 35
	iv. for Scope 1 and Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(1)–(2), disaggregate emissions between:	Carbon footprint, p. 35
	(1) the consolidated accounting group (for example, for an entity applying IFRS Accounting Standards, this group would comprise the parent and its consolidated subsidiaries); and	ISF is a private company that does not typically disclose financial information due to confidentiality concerns.
	(2) other investees excluded from paragraph 29(a)(iv)(1) (for example, for an entity applying IFRS Accounting Standards, these investees would include associates, joint ventures and unconsolidated subsidiaries);	
	v. for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(2), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to inform users' understanding of the entity's Scope 2 greenhouse gas emissions (see paragraphs B30–B31); and	Carbon footprint, p. 35
	vi. for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(3), and with reference to paragraphs B32–B57, disclose:	
	(1) the categories included within the entity's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011); and	Carbon footprint, p. 35
	(2) additional information about the entity's Category 15 greenhouse gas emissions or those associated with its investments (financed emissions), if the entity's activities include asset management, commercial banking or insurance (see paragraphs B58–B63);	Not applicable
	b. climate-related transition risks – the amount and percentage of assets or business activities vulnerable to climate-related transition risks;	This disclosure is not currently reported.
	c. climate-related physical risks – the amount and percentage of assets or business activities vulnerable to climate-related physical risks;	This disclosure is not currently reported.
	d. climate-related opportunities – the amount and percentage of assets or business activities aligned with climate-related opportunities;	This disclosure is not currently reported.
	e. capital development – the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities;	This disclosure is not currently reported.
	f. internal carbon prices – the entity shall disclose:	
	i. an explanation of whether and how the entity is applying a carbon price in decision-making (for example, investment decisions, transfer pricing and scenario analysis); and	This disclosure is not currently reported.
	ii. the price for each metric tonne of greenhouse gas emissions the entity uses to assess the costs of its greenhouse gas emissions;	This disclosure is not currently reported.
	g. remuneration – the entity shall disclose:	
	i. a description of whether and how climate-related considerations are factored into executive remuneration (see also paragraph 6(a)(v)); and	This disclosure is not currently reported.
	ii. The percentage of executive management remuneration recognised in the current period that is linked to climate-related considerations.	This disclosure is not currently reported.

IFRS S2 indicator	Indicator	Location of disclosure
32	An entity shall disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry. In determining the industry-based metrics that the entity discloses, the entity shall refer to and consider the applicability of the industry-based metrics associated with disclosure topics described in the Industry-based Guidance on Implementing IFRS S2.	This disclosure is not currently reported.
33	Quantitative and qualitative climate-related targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the entity shall disclose:	
	[TCFD Required Disclosure]	
	a. the metric used to set the target (see paragraphs B66–B67);	This disclosure is not currently reported.
	b. the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives);	This disclosure is not currently reported.
	c. the part of the entity to which the target applies (for example, whether the target applies to the entity in its entirety or only a part of the entity, such as a specific business unit or specific geographical region);	Carbon footprint, p. 35
	d. the period over which the target applies;	Carbon footprint, p. 35
	e. the base period from which progress is measured;	Carbon footprint, p. 35
	f. any milestones and interim targets;	This disclosure is not currently reported.
	g. if the target is quantitative, whether it is an absolute target or an intensity target; and	Carbon footprint, p. 35
	h. how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	This disclosure is not currently reported.
34	Approach to setting and reviewing each target, and how it monitors progress against each target, including:	
	a. whether the target and the methodology for setting the target has been validated by a third party;	This disclosure is not currently reported.
	b. the entity's processes for reviewing the target;	This disclosure is not currently reported.
	c. the metrics used to monitor progress towards reaching the target; and	Carbon footprint, p. 35
	d. Any revisions to the target and an explanation for those revisions.	This disclosure is not currently reported.
35	An entity shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the entity's performance.	Carbon footprint, p. 35

IFRS S2 indicator	Indicator	Location of disclosure
36	For each greenhouse gas emissions target disclosed in accordance with paragraphs 33–35, an entity shall disclose:	
	a. which greenhouse gases are covered by the target.	Carbon footprint, p. 35
	b. whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target.	Carbon footprint, p. 35
	c. whether the target is a gross greenhouse gas emissions target or net greenhouse gas emissions target. If the entity discloses a net greenhouse gas emissions target, the entity is also required to separately disclose its associated gross greenhouse gas emissions target (see paragraphs B68–B69).	Carbon footprint, p. 35
	d. whether the target was derived using a sectoral decarbonisation approach.	This disclosure is not currently reported.
	e. Planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits the entity shall disclose information including, and with reference to paragraphs B70–B71:	
	i. The extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits;	This disclosure is not currently reported.
	ii. which third-party scheme(s) will verify or certify the carbon credits;	This disclosure is not currently reported.
	iii. the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and	This disclosure is not currently reported.
	iv. any other factors necessary for users of general purpose financial reports to understand the credibility and integrity of the carbon credits the entity plans to use (for example, assumptions regarding the permanence of the carbon offset).	This disclosure is not currently reported.

Assurance statement

CONTROLUNION

AA1000 Licensed Report 000-779/V3-3IEO5

INDEPENDENT ASSURANCE STATEMENT

Control Union (Malaysia) Sdn. Bhd. (referred to as Control Union) was appointed by Intercontinental Specialty Fats Sdn Bhd (ISF) to independently verify ISF's GHG Protocol Inventory emissions. This verification covered the reporting period from April 2024 to March 2025. This verification was conducted in accordance with the GHG Protocol: Scope 1& Scope 2 and GHG Inventory Guidance, Corporate Value Chain (Scope 3): Accounting and Reporting Standard, and Technical Guidance for Calculating Scope 3 Emissions. Control Union's verification involved calculating GHG emissions, reviewing data, and conducting on-site assessments at ISF's two refining facilities in Dengkil and Port Klang.

Control Union was not involved in preparing any of the report's content, apart from issuing this Independent Assurance Statement. Control Union's role was to verify ISF's GHG emissions information and data inventory for the reporting period of April 2024 to March 2025, specifically for their GHG Protocol Inventory emission verification. This included establishing GHG emission boundaries, assessing the materiality of emission scoping, verifying the data inventory, and checking the accuracy of GHG emission calculations for Scope 1, Scope 2, and Scope 3, as well as the final total GHG emissions. All work was performed according to the GHG Protocol methodology within the defined assurance scope, aiming to inform all interested parties of ISF. Control Union's assurance relies on the assumption that all data and information provided by ISF is reliable and submitted in good faith.

Assurance Scope

The assurance engagement has been planned and performed in accordance with AA1000AS V3. Control Union multi-disciplinary verification team performed the assurance process that involves verification of the following aspects:

Inclusivity

The inclusion and exclusion of the emissions sources related to the ISF nature of business and operation.

ISF's GHG emissions calculations for April 2024 to March 2025 were prepared following recognized GHG Protocol methodologies for their inventory. ISF declared these emissions based on an operational boundary covering gate-to-gate operations, specifically including their two facilities: ISF Dengkil and ISF Port Klang.

The GHG emission sources has been determined by ISF according to each GHG scope as following:

Scope 1: ISF has calculated Scope 1 Greenhouse Gas (GHG) emissions from the consumption of natural gas and diesel. Natural gas is used as fuel for refining equipment and boiler machinery, while diesel powers vehicle operations, specifically forklifts and standby generators. As diesel consumption contributes less than 1% to the total emissions and is not material to the GHG emission quantification, ISF has excluded it in the Scope 1 total GHG emissions declaration.

Starting January 2025, ISF Port Klang began purchasing ISCC Plus certified biomethane ("Molecule Biomethane" on Gas Malaysia bills). While a sustainability declaration accompanies each purchase (noting 1.19 gCO2eq/MJ processing emissions), this green energy's emissions are not included in ISF's GHG accounting due to the GHG Protocol's currently not allowed for a market-based approach for Scope 1 emissions.

Scope 2: The Scope 2 emissions sourced from purchased electricity originates from the national grid, Tenaga Nasional Berhad. ISF has been awarded Renewable Energy Certificates (REC) by TNBX Sdn Bhd for its Green Electricity Tariff (GET) of solar power generation installation. The GET value is used to offset the purchased electricity and make declaration of market-based scope 2 emission.

Scope 3: In the Scope 3 GHG inventory, ISF has identified emission source categories that are relevant and applicable to the organization. Among these, only five categories emission are significant to operations and have been calculated in the GHG emission inventory. There are no changes to the inclusion or exclusion of emission categories from the previous reporting period.

Inclusion categories of Scope 3 emission sources:

Scope 3 - Inclusion Categories	Description
Category 1: Purchased goods and services	Material and calculated
Category 2: Capital goods	Not material
Category 3: Fuel and energy related activities	Material and calculated
Category 4: Upstream transportation and distribution	Material and calculated
Category 5: Waste generated in operation	Material and calculated
Category 6: Business travel	Not material
Category 7: Employee commuting	Not material
Category 9: Downstream transportation and distribution	Material and calculated
Category 12: End-of-life treatment of sold products	Not material
Category 13: Downstream leased asset	Not material

Exclusion categories of Scope 3 emission sources:

CONTROLUNION

Scope 3 - Exclusion Categories	Justification
Category 8: Upstream leased assets	Not relevant as ISF does not operate own upstream leased assets for which it has operational control
Category 10: Processing of sold products	Excluded due to diverse application and customer structure
Category 11: Use of sold products	Excluded due to diverse application and customer structure
Category 14: Franschises	Not relevant to ISF's nature of business
Category 15: Investment	Not relevant to ISF's nature of business

Materiality

Identification of issues in the report that are relevant and significant to the organization's stakeholders, the presence of and the extent to which these material issues are disclosed in the report.

This verification of GHG inventory covers material topics related to ISF-owned facilities, specifically the refinery operations in Port Klang and Dengkil in Malaysia. It does not include the China-based sales office and Italy-based refinery.

ISF is committed to transparently monitoring, reporting, and communicating its GHG emissions to all stakeholders. This commitment is demonstrated through its GHG Inventory, established and implemented according to recognized GHG Protocol methodology. The verification assessment confirmed no significant omissions, misrepresentations, or errors in ISF's GHG emission calculations for reporting period of April 2024 to March 2025.

ISF's GHG data inventory is primarily sourced from the Finance team's documentation, including weighbridge tickets, invoices, purchase orders, and contracts. The Operations team conducts cross-checks using actual consumption data for natural gas, diesel, electricity, raw materials, waste (via weighbridge tickets), and chemical usage. Should discrepancies occur, Finance data is deemed authoritative, reflecting ISF's policy that purchased or sold items are fully utilized upon acquisition. All identified data discrepancies were minimal, accounting for less than 1% of the total reported emissions.

The assessment also confirmed that no intangible issues affected the accuracy of the GHG emissions calculations. All non-conformities identified during the on-site assessment were addressed and closed by ISF, and the GHG inventory calculation was revised accordingly. This verification process observed well-managed documentation, easy access to requested information, and full compliance with regulations indirectly related to ISF's GHG emission calculations and declarations for the reporting period.

Responsiveness

Acting on stakeholder issues and provision of feedback through decisions, actions, performance and communication.

ISF identifies key stakeholders by their influence and relevance, maintaining transparency by keeping them informed on sustainability through various engagement initiatives. ISF also clearly defines its GHG emission sources, including these stakeholders within its operational boundary.

Committed to reducing GHG emissions, ISF collaborates with suppliers and stakeholders on various reduction initiatives. To uphold ethical standards, ISF includes stakeholders in its Ethical Policy, Anti-Bribery and Corruption Policy, Whistleblowing Policy, and Grievance Procedure.

Other engagement initiatives include:

i. Quarterly sustainability progress snapshots on ISF's Sustainability Dashboard.
ii. RSPO Annual Communication of Progress.
iii. EcoVadis sustainability rating assessments, evaluating a company's integration of sustainability principles.
iv. ISF's Annual Sustainability Report.
v. CDP questionnaires on forests and climate.
vi. An online grievance procedure.

Impact

Monitoring, measurement and providing accountability for how the actions of the organization affect the economy, the environment, society, stakeholders or the organization itself.

Based on an independent verification of ISF's data inventory, quantification, methodologies, and procedures, the GHG emission calculations for April 2024 to March 2025 (within the declared gate-to-gate operational boundary) are materially accurate

CONTROLUNION

and fairly represent ISF's final GHG emissions. This assessment adhered to GHG Protocol methodology requirements and guidance.

The on-site assessment, conducted on May 28-29, 2025, confirmed no new facilities significantly impacting the GHG inventory compared to the previous year. All facilities and operations declared for April 2024 to March 2025 remain consistent with prior year operations. ISF has maintained business-as-usual operations since 2022, retaining the same scope, boundaries, and emission sources.

Therefore, for the reporting period of April 2024 to March 2025, the verification assessment assures the total GHG emission inventory declared by ISF for both its Dengkil and Port Klang operational sites, as follows:

GHG Emission Scope	Verified Activity Data (April 2024 – March 2025)	GHG Emission (tonnesCO2 eq)		Total GHG Emission (ISF Dengkil + ISF Port Klang)
		ISF Dengkil	ISF Port Klang	
Scope 1	Natural Gas	44,367.03	48,346.95	92,713.97
Scope 2	Electricity (Location-based)	17,514.24	47,192.72	64,706.96
	Electricity (Market-based)	1,102.72	4,309.43	5,412.15
TOTAL – Location-based (Scope 1 and Scope 2)		**61,881.27**	**95,539.67**	**157,420.94**
TOTAL – Market-based (Scope 1 and Scope 2)		**45,469.75**	**52,656.38**	**98,126.13**
Scope 3	Category 1: Purchased goods and services	588,435.44	128,737.79	717,173.23
	Category 3: Fuel and energy related activities	25,986.09	59,210.95	85,197.04
	Category 4: Upstream transportation and distribution	16,870.01	5,563.55	22,433.56
	Category 5: Waste generated in operation	5,748.84	1,293.33	7,042.17
	Category 9: Downstream transportation and distribution	42,218.91	4,521.77	46,740.68
TOTAL (Scope 3)		**679,259.30**	**199,327.38**	**878,586.68**

ISF's GHG emission inventory for the reporting period of April 2023 to March 2024 has been verified as materially correct, with a total GHG emission declared of **1,036,007.61 tonneCO2eq for location-based** and **976,712.79 tonneCO2eq for market-based** emissions.

CONTROLUNION

Level of Assurance

The level of Assurance is used to determine the depth of detail that an assurance provider uses to identify if there are material errors, omissions, or misstatements. The level of assurance for this report is moderate.

Methodology

- **Review of Documentation:** Control Union reviewed internal and external documentation evidence submitted by ISF through desk reviews and on-site assessments at ISF Dengkil and ISF Port Klang.
- **On-Site Verification**: Control Union conducted on-site assessments at ISF's refining facilities in Dengkil and Port Klang, verifying related documents and data inventory information. This included cross-checking the GHG emission calculation file, data inventory, and ensuring the inclusion and exclusion of emission categories as per the requirements of the GHG Protocol.
- **Interviews for Accuracy**: Verification was also performed through interviews with relevant staff, personnel, and persons in charge during the site visits to ensure the accuracy of the data inventory information.
- **GHG Emission Calculation**: The equation formula for GHG emissions calculation follows the GHG Protocol methodology, which is:

GHG Emission Output = Activity Data of Emission Source **x** Emission Factor

Independence and Quality Control

Control Union Certifications is accredited according to ISO 17021-1:2015/ISO 17065:2012 covering our global scope and operations. This includes the need to maintain a comprehensive system of quality control including documented policies and procedures on compliance to ethical and legal requirements as well as objectivity throughout our operations. It is affirmed that Control Union and the auditors are free from bias and conflict of interests with the Organization. The auditors performing the data check were selected appropriately based on our internal qualifications, training, and experience. It is also reviewed by management to ensure that the applied approach and assurance are strictly followed and operated transparently.

Conclusions

Based on our moderate process, nothing has come to our attention that causes us to believe that the scope (subject matter) as detailed above and presented in the report is not presented fairly in accordance with the criteria.

CONTROLUNION

Hence, our work confirms that the information included in the GHG emission calculation, data inventory, facilities assessment, and related verification documentation for the GHG Protocol inventory of Intercontinental Specialty Fats Sdn Bhd is reliable, objective, and presented in a clear and understandable manner.

Zulkarnain Ishak
Manager Sustainability Assurance
24th July, 2025

AA1000
Licensed Report
000-779/V3-3IEO5

Glossary

3-monochloropropane diol (3-MCPD) – A chemical compound found in some processed foods and vegetable oils, mainly in palm oil.

Carbon dioxide equivalents (CO_2e) – A standard measure of global warming potential expressed in metric tonnes and used to evaluate and compare the impact of releasing or avoiding the release of different greenhouse gases.

CDP – Formerly the Carbon Disclosure Project, a non-profit organisation that operates a global disclosure system allowing companies and governments to report their environmental performance.

Crude palm kernel oil (CPKO) – An edible plant oil derived from the kernel of the oil palm.

Crude palm oil (CPO) – An edible plant oil extracted from the pulp of the oil palm fruit.

Enterprise Risk Management (ERM) – An integrated approach to managing risk across an organisation and its extended networks.

Fresh fruit bunch (FFB) – The raw material for palm oil mills, harvested from oil palms.

GHG Protocol – A globally recognised standard framework used by companies to measure and report their GHG emissions.

Global Reporting Initiative (GRI) – A multi-stakeholder standard for sustainability reporting that guides and determines report content and indicators.

Glycidyl ester (GE) – A heat-induced processing contaminants that most commonly occurred in refined vegetable oils.

Greenhouse gas (GHG) – Atmospheric gas that absorbs and emits radiation within the thermal infrared range. The primary GHGs in the Earth's atmosphere are water vapour, carbon dioxide, methane, nitrous oxide, and ozone.

International Financial Reporting Standards (IFRS) S1 and S2 – Developed by the International Sustainability Standards Board (ISSB) under the IFRS Foundation, IFRS S1 and S2 were introduced in 2023 to provide a global baseline for sustainability-related disclosures, covering general sustainability-related risks and opportunities (S1) and climate-related disclosures (S2).

International Standards Organization (ISO) – An independent, non-governmental organisation that develops voluntary, consensus-based international standards. ISO certification helps organisations demonstrate that they meet customer and stakeholder needs.

International Sustainability & Carbon Certification (ISCC) – a globally recognised standard for sustainable biomass and bioenergy production that applies to companies selling products in European markets.

Malaysian Sustainable Palm Oil (MSPO) – Nationally mandated certification system for oil palm plantations, independent and organised smallholders, and palm oil processing plants.

Mass balance (MB) – An RSPO supply chain model that allows mixing RSPO-certified and conventional palm oil at any stage in the supply chain, as long as companies' total quantities of both types are managed.

Nature-based solutions – A concept pioneered by the International Union for Conservation of Nature (IUCN) that promotes the use of nature and ecosystem services to address significant challenges, including climate change, disaster risk reduction, food and water security, biodiversity loss, and human health, in the pursuit of sustainable development.

No Deforestation, No Peat and No Exploitation (NDPE) – Commitments to NDPE are often seen in reference to agricultural commodity production and are most common in relation to palm oil production.

NDPE Implementation Reporting Framework (NDPE IRF) – A reporting tool that provides a shared and consistent view of progress towards NDPE commitments across the full supply base of companies throughout the supply chain.

Roundtable on Sustainable Palm Oil (RSPO) – A globally recognised sustainable palm oil certification scheme.

Segregated and Identity Preserved (SG/IP) – An RSPO supply chain model that ensures RSPO-certified palm oil and its derivatives delivered to the end-user originate only from RSPO-certified sources.

Spent bleaching earth – Solid waste generated during the pre-treatment phase of the refining process, specifically from degumming and bleaching CPO.

Task Force on Climate-Related Financial Disclosure (TCFD) – TCFD was created in 2015 by the Financial Stability Board (FSB) to develop consistent climate-related financial risk disclosures for use by companies, banks, and investors in providing information to stakeholders.

Traceability – The ability to chronologically interrelate uniquely identifiable entities in a verifiable way. Traceability in palm oil helps establish a link between producers of sustainable products and end users of these products.

Universal Mill List (UML) – A global database of palm oil mill locations, compiled from data provided by processors, traders, consumer goods manufacturers, and the RSPO.

Unsafe act – A hazardous physical condition or circumstance, such as poor lighting, slippery floors, or faulty machines, that can lead to an accident.

Unsafe condition – A violation of an accepted safety procedures, including negligent behaviour, that can lead to an accident.

United Nations Sustainable Development Goals (SDGs) – Also known as Global Goals, the SDGs were adopted by all United Nations member states in 2015 as part of a universal call to action to end poverty, protect the planet, and ensure that all humanity enjoys peace and prosperity by 2030.

ISF

Contact

Lot 1, Lebuh Sultan Hishamuddin 2,
Kawasan 20, Bandar Sultan Suleiman,
42000 Pelabuhan Klang,
Selangor Darul Ehsan,
Malaysia

T: +603-3176 3050
E: sustainability@isfpk.com.my

isfsb.com