



LINGUI GROUP OF TIMBER COMPANIES

SUSTAINABILITY REPORT 2024

*From Forest to Future:
Protect, Trace, Engage*

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BASIS OF THIS REPORT

Lingui Developments Sdn Bhd (Lingui Group of Timber Companies or Lingui) is proud to present its fifth standalone Sustainability Report (Report), covering the year 2024.

As a leading timber company, sustainable forest management is core to our business operations to ensure long-term growth and value creation. We recognise and value our forests, as they provide clean air and water, wildlife habitat and renewable energy capacity.

The sustainability of our business depends on responsible forest management that secures a continuous supply of wood. In line with our goal of growing responsibly, we support the Sarawak government's policy to transition from natural forests to industrial tree plantations (ITP). Since 2024, we have ceased logging in natural forests and now rely entirely on ITP for our wood supply to ensure responsible resource use and environmental stewardship.

This Report highlights our sustainability goals, initiatives and challenges. It communicates our efforts in integrating sustainable practices into our operations, generating long-term economic, environmental and social value for our stakeholders, including the communities surrounding us.

Since our first Sustainability Report in 2020, we have steadily improved how we manage our environmental, social and governance (ESG) impacts. We strive to gradually align with global frameworks and meet stakeholder and regulatory expectations. Going forward, we will continue to improve our reporting practices and disclosures by benchmarking international reporting standards and adopting best practices.

REPORTING PERIOD AND CYCLE

This Report covers Lingui's ESG activities from 1 January to 31 December 2024, unless noted otherwise. The data in this report is aligned with our financial year from 1 July 2023 to 30 June 2024, with historical figures provided where available. Our Sustainability Report is published annually.

REPORTING SCOPE AND BOUNDARY

Unless stated otherwise, this Report covers Lingui's timber operations in Malaysia, including both upstream and downstream activities. The entities included in this Report are:

- Samling Plywood (Bintulu) Sdn Bhd
- Samling Plywood (Miri) Sdn Bhd
- Samling Plywood (Lawas) Sdn Bhd
- Ravenscourt Sdn Bhd
- Syarikat Samling Timber Sdn Bhd
- Samling Reforestation Bintulu Sdn Bhd
- TreeOne MegaPellet Sdn Bhd
- Samling Flooring Products Sdn Bhd
- Samling Housing Products Sdn Bhd

GUIDELINES AND STANDARDS

This Report has been prepared with reference to the Global Reporting Initiative (GRI) Universal Standards 2021. Selected indicators and disclosures are also aligned with the United Nations Sustainable Development Goals (UN SDGs).

FEEDBACK

Stakeholders are welcome to share any questions, comments or feedback about this Report by contacting the Head of Sustainability through enquiry@samling.com.

ABOUT US

Established in 1967, Lingui Group of Timber Companies has grown from its roots in Sarawak, Malaysia into a leading producer of environmentally friendly forest resources and wood-based products. Over the decades, we have expanded our presence across multiple regions globally and currently have a workforce of 3,922 in Malaysia.

Lingui is a private limited company and headquartered in Miri, Sarawak, Malaysia. Since our establishment, our exports have reached key markets including China, Japan, India, South Korea and North America. Our operations are guided by sustainable forest management principles and since 2024, we have fully transitioned from natural forests to ITP to ensure long-term resource availability. Our foundation is built on the values of People, Planet, Places and Productivity.

For more information about Lingui, please visit www.samling.com

VISION STATEMENT

Our Vision

Lingui believes that sustainable businesses can only be built through a long-term commitment to communities and the environment. Our vision encompasses an integrated approach to achieving business development through responsible environmental management. We are committed to responsible sourcing, protecting natural resources plus nurturing people and communities.

Our Mission

We aim to be inclusive through the adoption of open and transparent collaboration with communities. Guided by the United Nations Sustainable Development Goals (UN SDGs), Lingui will strive to empower the people and communities we work with, while preserving an environment in which we all can thrive.

MISSION STATEMENT



Adopt a proactive approach that is based on collaboration, transparency, trust and open communication with stakeholders



Develop competitive and responsibly managed resources that meet or exceed regulatory standards



Satisfy customer requirements with quality products and expand the customer base in domestic and international markets



Improve profit performance and Economic Value Add (EVA)



Partner with groups and agencies to raise industry standards

LEADERSHIP STATEMENTS

MESSAGE FROM OUR CHIEF OPERATING OFFICER

Dear Stakeholders,

The evolving global landscape presents growing challenges for industries, as business operations and supply chains are increasingly disrupted by geopolitical tensions, tariff hikes and climate change. These challenges are further compounded by megatrends such as resource scarcity, urbanisation, technological disruption and demographic change.

Since our establishment in 1967, the Lingui Group of Timber Companies has remained agile, enabling the business to expand into various regions globally. Sustainable practices, especially sustainable forest management principles, have been central to our long-term growth and we remain resolute in advancing sustainability within the timber industry.

Guided by the values of People, Planet, Places and Productivity, we are integrating sustainability across our operations to address our environmental, social and governance (ESG) impact and uphold sustainable forest management. This is supported by strong sustainability governance and four key sustainability pillars (Care for People and Communities, Protect Natural Resources, Aim for Sustainability and Continuous Improvement, and Adopt Sustainable Practices), ensuring that our growth is responsible and resilient.

In support of the Sarawak government's push towards a low-carbon economy and a sustainable future, I am pleased to report that we stopped sourcing wood from natural forests in 2024. Our full transition to industrial tree plantations (ITP) allows us to prioritise forest restoration. By switching to renewable wood source, we are helping to safeguard natural resources for future generations while creating long-term value for both our business and stakeholders. As a result, our ITP timber sales volume increased from 211,000 m³ in 2023 to 325,000 m³ in 2024, contributing to a higher total revenue of MYR 302 million, up from MYR 255 million in 2023.

We are also integrating the Malaysian Timber Certification Scheme (MTCS) across our operations, further reinforcing our commitment to sustainable forest management. Today, 86.8% of the forest land we manage is MTCS certified.

Our continued focus on sustainability has led to a notable improvement in our SPOTT score, a significant global ESG benchmark for high-impact sectors such as agriculture and timber. Lingui's SPOTT score rose to 62.7% in 2024, up from 50.5% in 2020, the year we first undertook the transparency assessment by the Zoological Society of London.



Moving forward, we will accelerate our sustainability journey through strengthened ESG monitoring, data-driven decision-making and responsible procurement practices. This includes consistently tracking our performance, addressing key gaps and setting practical yet ambitious targets to ensure measurable progress.

YAP FUI FOOK
Chief Operating Officer

To translate these commitments into action, we will implement the Samling ITP ESG Roadmap 2026-2030 with clear deliverables by the next financial year, solidifying our efforts to complying with the European Union Deforestation Regulation (EUDR). This roadmap is closely aligned with the Sarawak Sustainability Blueprint 2030, a strategic framework driving transformative progress towards an inclusive, green economy. Complementing these efforts, Lingui will scale up renewable energy production to advance the circular economy and pioneer sustainable bio-energy solutions for Sarawak. Together, these actions reflect our long-term vision to lead in responsible forestry, shaping a more sustainable future for the region.

LEADERSHIP STATEMENTS

MESSAGE FROM OUR HEAD OF SUSTAINABILITY AND COMMUNICATIONS

Dear Stakeholders,

The timber industry is facing increasing pressure to balance productivity with sustainability amid growing scrutiny over deforestation, biodiversity loss and responsible sourcing. These industry-specific shifts demand not only operational change but a fundamental rethinking of how forestry can contribute to long-term environmental and economic resilience.

At Lingui, we view these evolving expectations as an opportunity to lead with integrity and purpose. With over five decades of experience in timber, we are advancing our sustainability journey and contributing to Sarawak's transformation towards a green economy. Our complete transition to renewable wood sourcing in 2024 ensures that our business is both future-fit and environmentally responsible.



I am pleased to report that, despite the many challenges faced in 2024, our dedication to sustainable forest management continued to shape our ESG impact and guide our long-term purpose.

MELISSA YEOH

Head of Sustainability and Communications

SAFEGUARDING OUR FOREST RESOURCES

As a steward of forest resources, we recognise our vital role in protecting biodiversity and preserving natural ecosystems. Our close connection to forest landscape and local communities underscores our responsibility to manage these areas with care and accountability. Guided by comprehensive Environmental Management Plans, we integrate sustainable practices across our planted forests, ensuring that conservation, ecological balance and responsible resource use remain central to our operations.

In line with this, we comply with the Malaysian Timber Certification Scheme's Malaysian Criteria and Indicators for Sustainable Forest Management (MTCS MC&I SFM), including the identification of areas with High Conservation Value (HCV). These identified HCVs are designated as Special Management Zones within our ITP areas in Lana, Paong, Segan, Kuala Baram and Marudi.

As of June 2024, more than 787,035 hectares of forest lands have been certified under the MTCS/PEFC Sustainable Forest Management (SFM) System. This accounts for 86.8% of the total 906,855 hectares covered by our Forest Management Unit (FMU) and Forest Plantation Management Unit (FPMU), reflecting our continued progress towards responsible forest management.

To further uphold these standards, we conduct Environmental Compliance Audits (ECA), develop Environmental Management Plan for each new ITP and undergo annual surveillance audits under the MTCS. In addition, we monitor biodiversity through the use of camera traps and incidental wildlife sightings to inform and guide conservation actions on the ground.

DELIVERING SOCIAL IMPACT

Building internal capacity is central to advancing our sustainability goals. With a workforce of 3,922 employees across Malaysia, we are committed to upskilling our people to keep pace with evolving industry and regulatory expectations. In 2024, we conducted targeted ESG and sustainability training to strengthen employee competencies and embed responsible practices across our daily operations. We also maintained a strong focus on occupational health and safety, achieving zero fatalities through rigorous measures and operational oversight.

Beyond our workforce, the proximity of our operations to native communities enables us to foster meaningful engagement. Our trained, native-speaking Community Liaison Officers play a key role in addressing community concerns through the Community Engagement and Awareness Programme (CEAP), reinforcing our commitment to social responsibility and inclusive progress.

DRIVING GOOD GOVERNANCE

Strong governance is the foundation of responsible business. Our operations are guided by robust policies that embed ethics, integrity and accountability across all levels of the organisation. In 2024, we reinforced our zero-tolerance stance on bribery and corruption by delivering targeted anti-corruption training as part of our broader ESG capacity building. All employees, including Senior Management, were informed through our internal system of our anti-corruption policies and procedures, ensuring shared accountability. These efforts contributed to our achievement of zero confirmed incidents or non-compliance related to bribery and corruption, a testament to the strength of our governance framework and culture of ethical conduct.

MOVING FORWARD

Looking ahead, we are committed to reshaping our sustainability journey through innovation, technology and continuous improvement. We aim to bridge future gaps by enhancing our reporting practices, beginning with a reassessment of our material sustainability matters to ensure continued relevance in a rapidly evolving landscape. As part of our ambition to strengthen transparency and accountability, we will continue aligning our disclosures with global reporting standards, with the aspiration to adopt the Task Force on Climate-related Financial Disclosures (TCFD) in the near future. Through these efforts, we are laying the groundwork for a more transparent, accountable and future-ready organisation.

OUR KEY ACHIEVEMENTS

SUSTAINABILITY HIGHLIGHTS

ENVIRONMENT

ZERO natural forest harvesting in 2024

787,035ha forest certified under the Malaysian Timber Certification Scheme (MTCS), covering **86.8%** of Lingui's managed forest land

23 IUCN Red List species recorded in 2024 through camera trap monitoring at Forest Plantation Management Units (FPMUs)

SOCIAL

ZERO tolerance for forced, bonded and child labour

ZERO fatalities for three consecutive years since 2022

Reduced reportable work-related incidents

20 (FY2024) **21** (FY2023)

GOVERNANCE

ZERO confirmed incidents of bribery and corruption

ZERO recalls issued for products and services for health and safety reasons

Improved SPOTT score

62.7% (FY2024)
60.4% (FY2023) 58.3% (FY2022)

MILESTONES AND CERTIFICATIONS

Samling Flooring Products Sdn Bhd obtained the **Floor Score Certificate for Indoor Air Quality** from SCS Global Services and the **CARB & EPA** certificate from Certification Services International.



Samling Plywood Bintulu Sdn Bhd obtained the **CARB-EPA (NAF) certification** for its plywood.



MEMBERSHIPS AND ASSOCIATIONS

Lingui participates actively in the timber industry and contributes to reforestation.

Samling Timber companies is the Vice Chairman and Permanent Council Member of Sarawak Timber Association.



Samling Housing Products is a Member of Federation of Malaysia Manufacturers.



Samling Reforestation Bintulu is a Member of Borneo Forestry Cooperative.



DRIVING SUSTAINABILITY WITHIN OUR BUSINESS

SUSTAINABILITY COMMITMENT

Managing our forest sustainably is core to our operations. We remain committed to minimising and mitigating environmental impact, preserving our natural ecosystems to support wildlife habitats and flora diversity. Beyond that, we strive to build sustainable communities by protecting cultural value and supporting the local communities where we operate.

Our sustainability efforts will be further driven by the Samling ITP ESG Roadmap (2026 – 2030), which will soon be fully established. Covering all divisions of our operations, the roadmap consists of specific goals and measurable targets under the environment, social and governance pillars, complete with action plan and clear timeline.



Maintenance of biodiversity to support wildlife habitat and flora diversity



Sustained yield of all forest products



Preservation of social benefits and cultural values



Management of environmental integrity

PRINCIPLES AND VALUES

We are guided by four key pillars of sustainability to ensure we grow responsibly.



Care for the People and Communities

Caring for people and communities and fostering harmonious relationships with stakeholders are essential for success and sustainability. This approach guides us towards a prosperous future



Protect the Natural Resources

Preserving natural resources is a top priority for us and we integrate ecosystem conservation into every aspect of our operations



Aim for Sustainability and Continuous Improvement

Striving for sustainability and continuous improvement is at the core of our long-term objectives and practices. We are committed to fostering growth and delivering value to our stakeholders, partners, employees, local communities and the environment



Adopt Sustainable Practices

Our aim is to strike a balance between maximising corporate value and upholding the highest standards of sustainability. We believe it is possible to achieve this equilibrium by finding a common ground where all our goals can be met

SUSTAINABILITY GOVERNANCE

Lingui’s sustainability governance is led by the Steering Committee (EXCO), which oversees all matters related to sustainability.

The EXCO consists of the Chief Executive Officer (CEO), Chief Financial Officer (CFO), Chief Operating Officer (COO), Head of Reforestation, Head of Resource Management, Head of Carbon and Head of Downstream and Marketing. As the committee that drives sustainability in Lingui, it leads decision-making on economic, environmental and social matters, ensuring that all activities remain aligned with Lingui’s objectives and vision.







The EXCO oversees Business Units, Support and Enabling Teams and Special Projects.

It reviews operational matters on a monthly and quarterly basis to ensure decisions remain aligned with the Group’s strategic direction. Inputs from stakeholder engagement, which includes meetings, dialogues and site visits, are used to assess the effectiveness of current practices and identify areas for operational or strategic improvement. Based on these insights, the EXCO refines strategies, addresses concerns and implements necessary actions.

The responsibility for managing impacts is assigned to the Heads of Departments, who oversee execution through their respective teams. Information is channelled from ground employees to supervisors and Business Unit Heads before it is escalated to the CEO for further review. The relevant data is compiled by Sustainability and Communications, which is responsible for preparing Lingui’s sustainability reports for the EXCO’s review and approval.



STRENGTHENING OUR STAKEHOLDER RELATIONSHIPS




















STAKEHOLDER GROUP	MODE OF ENGAGEMENT	FOCUS AREA	VALUE CREATION
 LOCAL COMMUNITIES	<ul style="list-style-type: none"> Casual dialogue Participation in community activities Community meetings 	<ul style="list-style-type: none"> Strengthening local ties Managing disputes fairly Improving livelihoods through ongoing programmes 	Maintaining consistent engagement to respond to community needs and promoting mutual understanding
 BUYERS	<ul style="list-style-type: none"> Email and hotline support Site visits In-person meetings Calls and follow-ups Annual performance reviews 	<ul style="list-style-type: none"> Ensuring supply chain traceability Demonstrating sustainability progress Showing leadership commitment Aligning with ethical policies 	Cultivating long-term partnerships by delivering reliable products and operating with integrity
 EMPLOYEES	<ul style="list-style-type: none"> Formal evaluations One-to-one discussions Training and development 	<ul style="list-style-type: none"> Prioritising workplace safety Addressing internal grievances 	Promoting a supportive work culture through continuous dialogue and clear escalation channels
 NGOS/MEDIA	<ul style="list-style-type: none"> Exploring collaboration opportunities 	<ul style="list-style-type: none"> Demonstrating responsible practices Providing timely and accurate disclosures 	Strengthening credibility by adopting transparent approaches and participating in joint efforts
 BANKS	<ul style="list-style-type: none"> Face-to-face discussions Site-level inspections Periodic reporting 	<ul style="list-style-type: none"> Upholding sustainability commitments Reinforcing governance practices Improving operational transparency Supporting community and labour rights 	Building confidence through providing consistent updates and establishing clear governance structures
 SUPPLIERS	<ul style="list-style-type: none"> Direct communication 	<ul style="list-style-type: none"> Meeting delivery timelines Providing accurate documentation Validating product quality and compliance 	Establishing trust through good business practices by providing quotations/invoices, meeting delivery schedules and maintaining certificates/ test data
 GOVERNMENT & REGULATORS	<ul style="list-style-type: none"> Regular meetings Compliance inspections Timely submissions Independent audits 	<ul style="list-style-type: none"> Meeting regulatory requirements Strengthening governance standards 	Ensuring full compliance through structured reporting and ongoing oversight mechanisms












UNDERSTANDING OUR MATERIAL MATTERS

Materiality assessments are integral to our sustainability journey, as they enable us to identify opportunities and mitigate risks. Assessing our material matters periodically helps us to determine and prioritise the sustainability issues that are most significant to our business and stakeholders.

In 2024, we reviewed our sustainability material matters internally and found that all the existing material matters remain relevant. Going forward, we will conduct a full-scale review of our materiality assessment to ensure we remain relevant and aligned with industry peers as well as global reporting standards, such as the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations.

The following table outlines our goals and priority areas, which we have aligned with the relevant UN Sustainable Development Goals (UN SDGs) and GRI topic standards.

GRI STANDARDS	UN SDG	GOAL	PRIORITY
 ENVIRONMENT			
301 – Materials		Maximise use of raw materials and reduce wastage	Turning wood waste from the plantations into pellets
302 – Energy	 	Reduce the use of fossil fuel and replace with renewable sources	Installing solar lighting in camp offices to reduce diesel consumption
303 – Water and Effluents	 	Reduce water consumption by harvesting rainwater	Implementing rainwater use, protecting ecosystems through catchment area conservation and monitoring water quality regularly
304 – Biodiversity	 	Maintain and enhance the habitats of any rare, threatened and endangered (RTE) species, where possible	Conducting wildlife monitoring in High Conservation Value (HCV) areas by installing camera traps and documenting wildlife sightings
305 – Emissions	 	Reduce greenhouse gas (GHG) emissions to mitigate and adapt to climate change	Switching to solar energy to reduce fossil fuel use, managing chemical waste through proper disposal systems and adopting nature-based solutions
306 – Waste	 	Implement good waste management	Segregating, labelling and storing chemical and scheduled waste from mills, camps and plantations as well as ensuring proper disposal through licenced contractors
 SOCIAL			
401 – Employment	 	Respect, support and uphold human rights for all employees, as expressed in the Universal Declaration for Human Rights, and resolve grievances using a transparent process	Ensuring proper working conditions with legal hours, offering accommodation (mills and camp staff) and free medical care and preventing discrimination, violence and harassment
403 – Occupational Health and Safety	 	Ensure a safe work environment for all workers, contractors and third parties within company premises	Aiming for zero-fatality across all camps, sites, mills and offices by complying with safety laws, reporting major accidents to the Department of Occupational Safety and Health (DOSH) and holding regular health and safety awareness programmes
404 – Training and Education	 	Provide continuous training and education to employees for skills development and career growth	Offering ongoing skills development and training, particularly to employees in the technical sector

GRI STANDARDS	UN SDG	GOAL	PRIORITY
405 – Diversity and Equal Opportunity	 	Embrace diversity and inclusion by providing equal opportunities to all employees	Practising equal opportunity and inclusivity across all operations
409 – Forced or Compulsory Labour	 	Adhere to human rights and adopt a zero-tolerance approach for forced or compulsory labour	Ensuring all employees receive fair wages in compliance with the country's national minimum wage requirements
413 – Local Communities	 	Ensure open and transparent communication with local communities	Carrying out continuous community engagement, building goodwill agreements before entering local communities' areas, conducting Social Impact Assessments and raising awareness about Lingui's conflict resolution process
 GOVERNANCE			
2-27 – Compliance with laws and regulations		Comply with all relevant laws and regulations while providing transparent and timely disclosures about the company and its operations	Implementing Best Environmental Management Practices, reviewing policies regularly and enhancing transparency and traceability through strict regulatory compliance
205 – Anti-corruption		Upholding integrity in all business dealings by preventing bribery, corruption and unethical conduct	Ensuring full compliance with Lingui's Anti-Bribery and Anti-Corruption (ABAC) policy, reporting of unethical practices and prohibiting gifts or kickbacks that may influence decision-making
417 – Marketing and Labelling	 	Ensure all product labelling and disclosures are accurate, truthful and reliable	Maintaining a sustainable production and supply chain while ensuring all raw materials are sustainably sourced

CREATING SHARED VALUE THROUGH OUR MATERIAL MATTERS

GOOD GOVERNANCE

Good governance is fundamental to the long-term growth of Lingui. It enhances transparency and traceability across our operations, reinforcing stakeholder confidence in our ethical and responsible business conduct. By upholding high governance standards, we strengthen our brand and reputation, reduce regulatory and financial risk. It also allows us to foster trust with investors, financial institutions and partners, ultimately supporting business growth and increasing enterprise value.

Internally, effective governance cultivates a culture of integrity and accountability, contributing to employee self-esteem, lower turnover and greater operational continuity. It also safeguards employee rights, promotes ethical conduct and supports a respectful and inclusive work environment.

For local communities, strong governance ensures the presence of clear and accessible grievance mechanisms, enabling concerns to be addressed promptly and fairly and reinforcing our commitment to social responsibility.

Refer to Community Engagement on pages 35-37 for information on our engagement with local communities.

We conduct our business in accordance with policies that uphold the highest standards of good governance within Lingui. All our employees, contractors and business partners are required to comply with local laws, regulations and our internal policies and frameworks. To this end, we are pleased to report that there were zero non-compliance incidents in 2024.

Our good governance practices are guided by:

- Anti-Bribery and Anti-Corruption Policy
- Anti-Harassment and Anti-Discrimination Policy
- Gifts and Entertainment Policy
- Health and Safety Policy
- Human Rights Policy
- Responsible Forest Management Policy
- Whistleblower Policy

For more information, refer to www.samling.com/policies

In 2024, Lingui's SPOTT score increased to 62.7% from 60.4% in 2023.

YEAR	SPOTT SCORE (%)
2024	62.7
2023	60.4
2022	58.3
2021	56.9
2020	50.5

SPOTT ASSESSMENT

Our commitment to upholding good governance has led to an improvement in our Sustainability Policy Transparency Toolkit (SPOTT) score, an assessment platform developed by the Zoological Society of London. Evaluating and ranking companies in the forestry, palm oil and other commodity sectors on the public disclosure of their environmental, social and governance (ESG) policies and practices, SPOTT aims to promote transparency and encourage sustainable production.

REINFORCING GOOD GOVERNANCE AND COMPLIANCE

To emphasise good governance and compliance, we have established an executive committee (EXCO) to monitor and ensure SOP compliance by employees, suppliers, business partners and even local communities. We also conducted training and participated in workshops on compliance and governance, including ESG training which focused on anti-bribery and anti-corruption.

Going forward, we will review our SOPs and policies to ensure they remain relevant and effective. We will also conduct additional training to raise awareness on the importance of compliance across all functions. Furthermore, internal audits will be conducted regularly, with the findings reported to the executive committee for further action. In cases of non-compliance, remedial or corrective measures will be taken promptly.

ECONOMIC PERFORMANCE

Economic performance is key to our financial stability, competitiveness and ability to attract investors. Sustained business growth enables us to contribute to the nation's economy through tax payments, job creation and opportunities for local suppliers and vendors.

In 2024, our total timber sales volume rose to 432,000 m³ from 358,000 m³ in 2023, while revenue reached MYR 232 million. Wood product sales also increased to MYR 252 million from MYR 180 million. Export revenue grew from MYR 255 million to MYR 302 million. This increase was driven by higher volumes of ITP logs, which rose from 211,000 m³ to 325,000 m³. We stopped natural forest harvesting in 2024 and the conventional logs sold in 2024 were from the previous year, with royalty payments ending in December 2023.

TIMBER AND WOOD PRODUCT SALES OVERVIEW

	TIMBER SALES 2023		WOOD PRODUCT SALES 2023	TIMBER SALES 2024		WOOD PRODUCT SALES 2024
	'000 m ³	MYR '000	MYR '000	'000 m ³	MYR '000	MYR '000
EXPORT	70	166,000	89,000	58	123,000	179,000
LOCAL	288	97,000	91,000	374	109,000	73,000
OTHERS	N/A	N/A	N/A	N/A	N/A	N/A
TOTAL	358	263,000	180,000	432	232,000	252,000

YEAR	CONVENTIONAL LOGS		PLYWOOD		ITP LOGS	
	2023	2024	2023	2024	2023	2024
SALES VOLUME (m³)	86,000	50,000	61,000	57,000	211,000	325,000

TIMBER EXPORT REVENUE

	2023	2024
Sarawak Timber Export Revenue	MYR 3.1 billion	MYR 2.84 billion
Lingui Timber Export Revenue	MYR 255 million	MYR 302 million

Going forward, we plan to restructure our business and explore new investment opportunities to strengthen performance and growth. We will also implement due diligence and risk assessment measures to ensure the team can respond effectively to any operational or business disruptions.

RESPONSIBLE BUSINESS PRACTICES

Responsible business practices reflect our commitment to ethical business conduct. Growing our business responsibly does not only build stakeholder trust and attract investors but also safeguards our reputation and brand. It will also lead to us being a more attractive employer, enabling us to retain talent and attract individuals who value responsible and ethical standards.

We remain guided by our set of policies, as reported in Good Governance on page 12, to ensure responsible business practices are enforced across our business operations and activities.



In 2024, we organised and implemented the following initiatives:

- We conducted an ESG training for 34 employees from various business units to strengthen their understanding of sustainability principles and align day-to-day operations with responsible business practices
- Our Community Liaison Officers (CLOs) received Community Engagement and Awareness Programme (CEAP) training to enhance their ability to engage with local communities, ensuring communication remains respectful, inclusive and aligned with community expectations
- In 2024, our operational units continued to carry out compliance audits and monitoring activities to meet legal obligations and uphold ethical standards across all functions. This included:
 - Conducting annual Environmental Compliance Audit (ECA), comprising one external and one internal audit
 - Conducting two Environmental Monitoring Reports (EMR) before transitioning to ECA in July 2024
 - Preparing Environmental Management Plan (EMP) for each new industrial tree plantation (ITP) harvesting cycle, typically every five years
 - Conducting annual surveillance audits under the Malaysian Timber Certification Scheme (MTCS), which include one external audit and one internal audit. This encompasses both the Natural Forest & License for Planted Forest, as well as for the downstream mill's PEFC Chain of Custody certification
 - Conducting internal safety audits across all sites and locations
- Our HR department conducted 96 training sessions and courses to help employees enhance their competencies and remain adaptable to changing job demands and regulatory requirements.



OUR PERFORMANCE IN FY2024

WE ASSESSED THE HEALTH AND SAFETY IMPACTS OF OUR PRODUCTS AND SERVICES. IN THIS REGARD:

100% SIGNIFICANT PRODUCT & SERVICE CATEGORIES

WERE ASSESSED ON THE CHEMICAL CONTENT & FORMALDEHYDE USING AN INHOUSE TEST

ZERO

RECALLS ISSUED FOR OUR PRODUCTS AND SERVICES FOR HEALTH AND SAFETY REASONS

INCIDENCES OF NON-COMPLIANCE WITH REGULATIONS AND/ OR VOLUNTARY CODES CONCERNING THE HEALTH AND SAFETY IMPACTS OF OUR PRODUCTS AND SERVICES

Note: This disclosure refers exclusively to Samling Housing Products.

WE RECORDED ZERO:

INCIDENTS OF NON-COMPLIANCE WITH REGULATIONS AND/OR VOLUNTARY CODES CONCERNING:

PRODUCTS AND SERVICE INFORMATION AND LABELLING

MARKETING AND COMMUNICATIONS, INCLUDING ADVERTISING, PROMOTION AND SPONSORSHIP

SUBSTANTIATED COMPLAINTS CONCERNING BREACHES OF CUSTOMER PRIVACY AND LOSSES OF CUSTOMER DATA

Going forward, we will begin providing awareness sessions for all employees, contractors and business partners to promote transparent and responsible business conduct. We will also strengthen regular engagement with stakeholders to build trust and reduce the risk of conflict. In addition, internal monitoring and reporting will be carried out to improve our operations.

ANTI-CORRUPTION

Combatting bribery and corruption is vital to protecting the stability of our business. If left unchecked, corruption can erode stakeholder trust, damage our reputation and expose the organisation to legal and financial risks. It undermines fair competition, disrupts operational integrity and compromises long-term value creation.

To mitigate these risks, we adopt a zero-tolerance stance on bribery and corruption supported by internal controls, whistleblowing channels, employee training and regular audits to ensure compliance with anti-corruption laws and ethical standards. Our zero-tolerance policies consist of the Anti-Bribery and Anti-Corruption Policy, Gift and Entertainment Policy, Responsible Forest Management Policy and Whistleblower Policy, which are part of larger Group policies reported in Good Governance on page 12.

For more information on our policies, refer to www.samling.com/policies

Read about our **whistleblowing procedures in Human Rights and Labour Practices** on page 33.

In 2024, we conducted an anti-corruption training, which focused on reinforcing ethical conduct, promote transparency and strengthen alignment with our commitment to responsible and accountable business practices. The session was part of our ESG training as reported in Responsible Business Practices on page 14.

OUR PERFORMANCE IN FY2024

COMMUNICATED OUR
ANTI-CORRUPTION POLICIES
AND PROCEDURES TO

100%
SENIOR
MANAGEMENT

100%
EMPLOYEES

WE RECORDED **ZERO:**

CONFIRMED INCIDENTS OF BRIBERY AND CORRUPTION

CONFIRMED INCIDENTS WHERE CONTRACTS WITH BUSINESS PARTNERS WERE
TERMINATED OR NOT RENEWED DUE TO VIOLATIONS RELATED TO CORRUPTION

PUBLIC LEGAL CASES REGARDING CORRUPTION BROUGHT AGAINST
LINGUI/LINGUI'S EMPLOYEES

Going forward, we will strengthen, review and update our current anti-corruption policy, which was last revised in 2020, to ensure it remains effective and relevant. We will conduct and implement internal audits to identify and eliminate any loopholes or risks that could lead to corruption. We will also conduct regular training and awareness sessions for all our employees and business partners to reinforce understanding of the consequences of engaging in corrupt practices. In addition, we will review and revise our Whistleblower policy to ensure that reports are directed to an independent and appropriate contact instead of the current arrangement with the Human Resource Department.

BIODIVERSITY

As a leader in the timber industry, we have a unique opportunity to contribute to the preservation of our ecosystems and natural forests. Our direct access to forest areas and engagement with the local communities emphasises our responsibility and capacity to safeguard biodiversity.

We recognise that our forests are vital ecosystems that go beyond timber production—they are home to diverse species and contribute significantly to ecological balance. Our biodiversity management is guided by Environmental Management Plans (EMPs) implemented across all Licences for Planted Forests (LPFs). These EMPs include soil protection, the establishment of river buffer zones, responsible chemical use and a strict zero-burn policy.

All sites are managed with reference to national and international biodiversity frameworks, including the:

- Wildlife Conservation Policy
- National Biodiversity Policy
- National Policy on Biological Diversity
- Natural Resources and Environment Ordinance
- Wildlife Protection Ordinance
- Guidelines for Fauna Conservation and Ecosystem Management/ Guidelines ERT Species
- Convention on Wetlands of International Importance Especially as Waterfowl Habitat 1971
- Convention on International Trade in Endangered Species of Wild Fauna and Flora 1973
- United Nations Convention on Biological Diversity

SPECIAL MANAGEMENT ZONES (SMZS)

We operate several sites located in or adjacent to areas of high biodiversity value within the Miri and Bintulu regions. Our primary operations in these areas involve tree planting and harvesting.

These are the areas monitored under the Malaysian Timber Certification Scheme's Malaysian Criteria and Indicators for Sustainable Forest Management (MTCS MC&I SFM) Principle 9. The total certified area across our operational sites includes:

LANA

9,393
hectares

PAONG

24,834
hectares

SEGAN

10,332
hectares

KUALA BARAM

3,000
hectares

MARUDI

19,941
hectares

FOREST CONSERVATION REGENERATION AND PROTECTED AREA MANAGEMENT

Since 2024, we have stopped logging in natural forests to prioritise forest restoration. All protected zones within our ITP sites are continuously monitored and safeguarded. Newly identified protected areas in the future will be formally recorded and demarcated to ensure sustained conservation action. We are also committed to following the MTCS MC&I SFM – Free, Prior and Informed Consent (FPIC) principles in our conservation initiatives while recognising and protecting the customary land rights of Indigenous Peoples and local communities, who are key stewards of biodiversity-rich landscapes.

To ensure compliance, we employ various national standards and methodologies to assess our biodiversity impacts and restoration outcomes, including:

- Environmental Impact Assessment Guidelines for Forest Harvesting (National Resources and Environment Board – NREB)
- MTCS MC&I SFM Principle 9: Maintenance of High Conservation Value Areas
- Social Impact Assessment Guidelines (Peninsular Malaysia)

Within our ITP areas, we have demarcated specific zones as protected areas that serve as habitats for various flora and fauna species. These zones are clearly marked on the ground and reflected in our ITP maps.

Refer to the public summary of our LPFs at www.samling.com/sarawak-its-certification for more details, including the identification, monitoring and protection of designated protected areas within ITP sites.

BIODIVERSITY MONITORING

We conducted biodiversity monitoring in 2024 through camera trapping and incidental wildlife sightings within our operational areas. Aimed at tracking species diversity and informing conservation actions, the exercise identified a total of 23 species classified under the International Union for Conservation of Nature (IUCN) Red List as follows:



WILDLIFE MONITORING - CAMERA TRAPPING

We continue our wildlife monitoring efforts through the installation of camera traps across our Forest Plantation Management Units (FPMUs). This helps us document species presence and understand wildlife movement patterns over time.

The following tables disclose the species captured by our cameras within Marudi, Paong, Kuala Baram, Lana and Segan FPMUs.

WILDLIFE CONSERVATION STATUS CATEGORIES

Wildlife are categorised into the following conservation statuses, taken from internationally-recognised resources and state legislations.

Sarawak WLPO 1998

- TP: Totally Protected Species (fine RM25,000 and 2 years jail)
- P: Protected Species, include all CITES 1 species (fine RM10,000 and Imprisonment 1 year)

IUCN Red List of Threatened Species (as at January 2025)

- CR: Critically Endangered
- EN: Endangered
- VU: Vulnerable
- LC: Least Concern
- NT: Near Threatened
- DD: Data Deficient
- NE: Not Evaluated

CITES Appendices (as at January 2025)

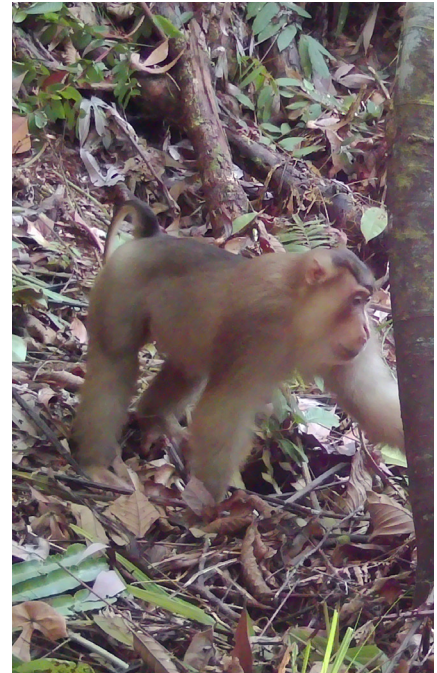
- I: Appendix I Listing (Most Endangered among CITES-listed animals and plants; threatened with extinction)
- II: Appendix II Listing (Not threatened species but whose trade must be controlled in order to avoid use that is incompatible with their survival)
- NL: Not listed in any Appendices

MARUDI FPMU

Summary Record of Wildlife Species Captured by Camera Trap

COMMON NAME	SCIENTIFIC NAME	CONSERVATION STATUS		
		WLPO 1998	IUCN STATUS	CITES
Pig-tailed Macaque (<i>Berok</i>)	<i>Macaca nemestrina</i>	P	EN	App. II
Long-tailed Macaque (<i>Kera</i>)	<i>Macaca fascicularis</i>	P	EN	App. II
Bornean Porcupine (<i>Landak</i>)	<i>Thecurus crassispinis</i>	P	LC	-
Long-tailed Porcupine (<i>Landak</i>)	<i>Trichys fasciculata</i>	P	LC	-
Prevost's Squirrel (<i>Tupai Asia Tiga Warna</i>)	<i>Callosciurus prevostii</i>	-	LC	-
Horse-tailed Squirrel (<i>Tupai ekor kuda</i>)	<i>Sundasciurus hippurus</i>	-	LC	-
Plantain Squirrel (<i>Tupai Pinang</i>)	<i>Callosciurus notatus</i>	-	LC	-
Sun Bear (<i>Jugam/Beruang Madu</i>)	<i>Helarctos malayanus</i>	P	VU	App. I
Bearded Pig (<i>Babui/Babi Hutan</i>)	<i>Sus barbatus</i>	-	VU	-
Sunda Pangolin (<i>Tenggiling</i>)	<i>Manis javanica</i>	P	CR	App. I
Barking Deer (<i>Kijang</i>)	<i>Muntiacus muntjak</i>	-	LC	-
Forest Rat (<i>Tikus Hutan</i>)	Family <i>Muridae</i>	-	-	-

12 wildlife species captured by 2 cameras within 45 days



PAONG FPMU

Summary Record of Wildlife Species Captured by Camera Trap

COMMON NAME	SCIENTIFIC NAME	CONSERVATION STATUS		
		WLPO 1998	IUCN STATUS	CITES
Malay Civet (<i>Tangalung</i>)	<i>Viverra zibetha</i>	P	LC	App. II
Sun Bear (<i>Jugam/Beruang Madu</i>)	<i>Helarctos malayanus</i>	P	VU	App. I
Pig-tailed Macaque (<i>Berok</i>)	<i>Macaca nemestrina</i>	P	EN	App. II
Long-tailed Macaque (<i>Kera</i>)	<i>Macaca fascicularis</i>	P	EN	App. II
Mousedeer (<i>Pelanduk/Kancil</i>)	<i>Tragulus sp.</i>	-	LC	-
Sambar Deer (<i>Payau/Rusa</i>)	<i>Cervus unicolor</i>	-	VU	-
Barking Deer (<i>Kijang</i>)	<i>Muntiacus muntjak</i>	-	NT	-
Short-tailed Mongoose	<i>Urva brachyurus</i>	P	NT	-
Bornean Crested Fireback	<i>Lophura ignita</i>	P	VU	-

9 wildlife species captured by 1 camera within 136 days



KUALA BARAM FPMU

Summary Record of Wildlife Species Captured by Camera Trap

COMMON NAME	SCIENTIFIC NAME	CONSERVATION STATUS		
		WLPO 1998	IUCN STATUS	CITES
Long-tailed Macaque (<i>Kera</i>)	<i>Macaca fascicularis</i>	P	EN	App. II
Plantain Squirrel (<i>Tupai Pinang</i>)	<i>Callosciurus notatus</i>	-	LC	-
Forest Rat (<i>Tikus Hutan</i>)	Family Muridae	-	LC	-

3 wildlife species captured
by 1 camera within 12 days



LANA FPMU

Summary Record of Wildlife Species Captured by Camera Trap

COMMON NAME	SCIENTIFIC NAME	CONSERVATION STATUS		
		WLPO 1998	IUCN STATUS	CITES
Short-tailed Mongoose	<i>Urva brachyurus</i>	P	NT	-
Sambar Deer (<i>Payau/Rusa</i>)	<i>Cervus unicolor</i>	-	VU	-
Sun Bear (<i>Jugam/Beruang Madu</i>)	<i>Helarctos malayanus</i>	P	VU	App. I

3 wildlife species captured
by 1 camera within 28 days



SEGAN FPMU

Summary Record of Wildlife Species Captured by Camera Trap

COMMON NAME	SCIENTIFIC NAME	CONSERVATION STATUS		
		WLPO 1998	IUCN STATUS	CITES
Barking Deer (<i>Kijang</i>)	<i>Muntiacus Muntjak</i>	-	NT	-
Batih (in Iban)	Family Cercopithecoidea	-	-	-

2 wildlife species captured
by 1 camera within 30 days



View our Wildlife Monitoring Report at www.samling.com/reports/

INCIDENTAL WILDLIFE SIGHTING

In 2024, our incidental wildlife sighting efforts across five FPMUs recorded a diverse range of species, highlighting the ecological value of our managed forest landscapes. Through regular observations, we documented various birds, mammals, reptiles and insects, reinforcing the importance of our ongoing commitment to biodiversity conservation.

The following summaries present the species sighted within Lana, Segan, Marudi, Paong and Kuala Baram FPMUs:

LANA FPMU

25 wildlife species sighted

8 MAMMALS

13 BIRDS

4 REPTILES

LOCAL/COMMON NAME	SCIENTIFIC NAME	CONSERVATION STATUS		
		WLPO 1998	IUCN STATUS	CITES
MAMMALS				
All Mice/Rat (<i>Tikus</i>)	Family <i>Muridae</i>	-	-	-
All Otters (<i>Memerang</i>)	Family <i>Viverridae</i>	P	-	-
Civet (<i>Musang</i>)	Family <i>Viverridae</i>	P	-	-
Long-Tailed Macaque (<i>Kera</i>)	<i>Macaca fascicularis</i>	P	EN	App. II
Pig-Tailed Macaque (<i>Beruk</i>)	<i>Macaca nemestrina</i>	P	EN	App. II
Plantain Squirrel (<i>Tupai Pinang</i>)	<i>Callosciurus notatus</i>	-	LC	-
Sambar Deer (<i>Payau/Rusa</i>)	<i>Cervus unicolor</i>	-	VU	-
Sunda Pangolin (<i>Tenggiling</i>)	<i>Manis javanica</i>	P	CR	App. I
BIRDS				
All Eagle (<i>Helang/Menaul</i>)	Family <i>Accipitridae</i>	-	-	-
All Egret (<i>Burung Bangau</i>)	Family <i>Ardeidae</i>	P	-	-
All Owl (<i>Burung Hantu</i>)	Family <i>Strigidae</i>	P	-	-
Forest Raven (<i>Gagak</i>)	<i>Corvus tasmanicus</i>	-	LC	-
Asian Black Hornbill (Kekalau/ Rengak)	<i>Anthracoceros malayanus</i>	TP	VU	App. II
Pigeon (<i>Burung Pergam</i>)	Family <i>Columbidae</i>	-	-	-
Hill Myna (<i>Burung Tiong</i>)	<i>Gracula religiosa</i>	P	LC	App. II
Munia (<i>Pipit</i>)	<i>Lonchura</i> spp.	-	-	-
Oriental Magpie-Robin (<i>Murai</i>)	<i>Copsychus saularis</i>	-	-	-
Rhinoceros Hornbill (<i>Kenyalang</i>)	<i>Buceros rhinoceros</i>	TP	LC	App. II
White Rumped Shama	<i>Copsychus malabaricus</i>	P	LC	App. II
Woodpecker (<i>Burung Belatuk</i>)	Family <i>Picidae</i>	P	-	-
Greater Coucal (<i>But But</i>)	<i>Centropus sinensis</i>	-	LC	-
REPTILES				
Chameleons (<i>Sesumpah</i>)	Family <i>Chamaeleonidae</i>	-	-	-
Monitor Lizard (<i>Biawak</i>)	<i>Varanus salvator</i>	P	LC	App. II
Cobra (<i>Ular Tedung</i>)	<i>Naja naja</i>	P	LC	App. II
All Python (<i>Ular Sawa</i>)	<i>Python</i> sp.	P	-	-

SEGAN FPMU

21 wildlife species sighted

10
MAMMALS

7 BIRDS

3 REPTILES

1 INSECT

LOCAL/COMMON NAME	SCIENTIFIC NAME	CONSERVATION STATUS		
		WLPO 1998	IUCN STATUS	CITES
MAMMALS				
Barking Deer (<i>Kijang</i>)	<i>Muntiacus muntjak</i>	-	LC	-
Sunda Pangolin (<i>Tenggiling</i>)	<i>Manis javanica</i>	P	CR	App. I
Bearded Pig (<i>Babui/Babi Hutan</i>)	<i>Sus barbatus</i>	-	VU	-
Flat-Headed Cat (<i>Jelu Mayau/ Kucing Hutan</i>)	<i>Felis planiceps</i>	TP	EN	App. I
Long-Tailed Macaque (<i>Kera</i>)	<i>Macaca fascicularis</i>	P	EN	App. II
Malayan Porcupine (<i>Landak</i>)	<i>Hystrix brachyura</i>	P	LC	-
Mousedeer (<i>Pelanduk/Kancil</i>)	<i>Tragulus napu</i>	-	LC	-
Plantain Squirrel (<i>Tupai Pinang</i>)	<i>Callosciurus notatus</i>	-	LC	-
Sambar Deer (<i>Payau/Rusa</i>)	<i>Cervus unicolor</i>	-	VU	-
Sun Bear (<i>Jugam/Beruang Madu</i>)	<i>Helarctos malayanus</i>	P	VU	App. I
BIRDS				
Asian Glossy Starling (<i>Meperling Mata Merah</i>)	<i>Aplonis panayensis</i>	-	LC	-
Stork-Billed Kingfisher	<i>Pelargopsis capensis</i>	P	LC	-
White-Breasted Waterhen (<i>Burung Wak-Wak</i>)	<i>Amaurornis phoenicurus</i>	-	LC	-
Asian Black Hornbill (<i>Kekalau/ Rengak</i>)	<i>Anthracoceros malayanus</i>	TP	-	-
Greater Coucal (<i>Bubut</i>)	<i>Centropus sinensis</i>	-	LC	-
Little Egret (<i>Bangau</i>)	<i>Egretta garzetta</i>	-	LC	-
Rhinoceros Hornbill (<i>Kenyaling</i>)	<i>Buceros rhinoceros</i>	TP	VU	App. II
REPTILES				
Malayan Water Monitor Lizard (<i>Biawak</i>)	<i>Varanus salvator</i>	P	LC	-
Saltwater Crocodile (<i>Buaya Air Masin</i>)	<i>Crocodylus porosus</i>	-	LC	App. I/II
Python (<i>Ular Sawa</i>)	<i>Python curtus breitensteini</i>	P	LC	-
INSECT				
Rajah Brooke's Birdwing	<i>Trogonoptera brookiana</i>	P	LC	App. II

MARUDI FPMU
16 wildlife species sighted

6 MAMMALS

7 BIRDS

2 REPTILES

1 INSECT

LOCAL/COMMON NAME	SCIENTIFIC NAME	CONSERVATION STATUS		
		WLPO 1998	IUCN STATUS	CITES
MAMMALS				
Civet (<i>Musang</i>)	Family <i>Viverridae</i>	P	-	-
Bornean Clouded Leopard	<i>Neofelis diardi borneensis</i>	TP	EN	App. I
Barking Deer (<i>Kijang</i>)	<i>Muntiacus</i> sp.	-	NT	-
Pig-Tailed Macaque (<i>Beruk</i>)	<i>Macaca nemestrina</i>	P	EN	App. II
Plantain Squirrel (<i>Tupai Pinang</i>)	<i>Callosciurus notatus</i>	-	LC	-
Sambar Deer (<i>Payau/Rusa</i>)	<i>Cervus unicolor</i>	-	VU	-
BIRDS				
Asian Black Hornbill (Kekalau/ Rengak)	<i>Anthracoceros malayanus</i>	TP	-	-
Great Argus (<i>Ruai</i>)	<i>Argusianus argus</i>	TP	-	App. II
Common Hill Myna (<i>Burung Tiong</i>)	<i>Gracula religiosa</i>	P	LC	App. II
Crow	Family <i>Corvidae</i>	-	-	-
All Eagle (<i>Helang/Menaul</i>)	Family <i>Accipitriformes</i>	-	-	-
White-Rumped Shama (<i>Murai Rimba</i>)	<i>Copsychus malabaricus</i>	P	LC	App. II
Rhinoceros Hornbill (<i>Kenyalang</i>)	<i>Rhinoceros buceros</i>	TP	VU	App. II
REPTILES				
Monitor Lizard (<i>Biawak</i>)	<i>Varanus salvator</i>	P	LC	-
Borneon Keeled Green Pit Viper	<i>Trapidolaemus subannulatus</i>	-	LC	-
INSECT				
Rajah Brooke's Birdwing	<i>Trogonoptera brookiana</i>	P	LC	App. II

PAONG FPMU
9 wildlife species sighted

4 MAMMALS

4 BIRDS

1 REPTILE

LOCAL/COMMON NAME	SCIENTIFIC NAME	CONSERVATION STATUS		
		WLPO 1998	IUCN STATUS	CITES
MAMMALS				
Barking Deer (<i>Kijang</i>)	<i>Muntiacus muntjak</i>	-	NT	-
Long-Tailed Macaque (<i>Kera</i>)	<i>Macaca fascicularis</i>	P	EN	App. II
Hose's Langur (<i>Berangad</i>)	<i>Presbytis cristata</i>	TP	VU	App. II
Sambar Deer (<i>Payau/Rusa</i>)	<i>Cervus unicolor</i>	-	VU	-
BIRDS				
All Eagle (<i>Helang/Menaul</i>)	Family <i>Accipitridae</i>	-	-	-
All Swiftlets (<i>Lelayang</i>)	Family <i>Apodidae</i>	P	-	-
Rhinoceros Hornbill (<i>Kenyalang</i>)	<i>Buceros rhinoceros</i>	TP	VU	App. II
Slender-Billed Crow (<i>Gagak</i>)	<i>Corvus enca</i>	-	LC	-
REPTILE				
Common Cobra (<i>Ular Tedung</i>)	<i>Naja naja</i>	P	-	-

KUALA BARAM FPMU

8 wildlife species sighted

2 MAMMALS

5 BIRDS

1 REPTILE

LOCAL/COMMON NAME	SCIENTIFIC NAME	CONSERVATION STATUS		
		WLPO 1998	IUCN STATUS	CITES
MAMMALS				
All Mice/Rat (<i>Tikus</i>)	Family <i>Muridae</i>	-	-	-
Plantain Squirrel (<i>Tupai Pinang</i>)	<i>Callosciurus notatus</i>	-	LC	-
BIRDS				
All Eagle (<i>Helang/Menaul</i>)	Family <i>Accipitridae</i>	-	-	-
All Egret (<i>Burung Bangau</i>)	Family <i>Ardeidae</i>	-	-	-
Munia (<i>Pipit</i>)	<i>Lonchura</i> spp.	-	-	-
White-Breasted Waterhen (<i>Burung Wak-Wak</i>)	<i>Amaurornis phoenicurus</i>	-	LC	-
Spotted Dove	<i>Spilopelia chinensis</i>	-	LC	-
REPTILE				
Monitor Lizard (<i>Biawak</i>)	<i>Varanus salvator</i>	P	LC	-

View our Wildlife Monitoring Report at www.samling.com/reports/

In the future, we aim to strengthen biodiversity protection across our operations by implementing regular reviews, audits and monitoring of our environmental governance and practices to ensure compliance and reduce ecological risks. To assess and safeguard the biodiversity of flora and fauna within our operational areas, we plan to conduct quarterly or annual Social Impact Assessments (SIA) and HCV assessments.

Additionally, we aim to raise environmental awareness by embedding biodiversity education into school and community programmes. These efforts will be supported by continuous monitoring of operational impacts and the establishment of a clear grievance mechanism for communities to report biodiversity-related concerns or violations.

GHG EMISSIONS

While climate change is a natural phenomenon, its effects have been accelerated and intensified by global warming caused by human activity. Fossil fuel combustion is the main cause of greenhouse gas (GHG) emissions, which are increasing the world's temperature. Climate change impacts such as severe floods and wildfires have affected livelihoods and all industries.

Recognising the urgent need for climate action, we have taken various measures to reduce our carbon emissions and adapt to climate change. This includes shifting from natural forest to ITP, tracking our GHG emissions, adopting renewable energy and identifying climate risks.

MONITORING OUR EMISSIONS

Lingui has been monitoring its GHG emissions from its timber operations since 2022 by using the operational control boundary approach. This is guided by the GHG Protocol Corporate Accounting and Reporting Standard, the 2006 IPCC Guidelines for National Greenhouse Gas Inventories and the 2019 Refinement.

In 2024, the GHG emissions for ITP-related activities more than doubled compared to 2022 levels while GHG emissions for natural forest dropped to 3 tCO₂eq due to our complete shift from natural forest to ITP.

We will continue to refine the tracking of our GHG emissions and identify further opportunities to manage our carbon footprint more effectively. Our total GHG emissions comprising Scopes 1 and 2 for the years 2022 to 2024 are presented in the table below:

YEAR	INDUSTRIAL TREE PLANTING (ITP)	NATURAL FOREST	LOGISTICS/ TRANSPORTATION OF MATERIALS	MANUFACTURING	OFFICE/ OTHERS	TOTAL SCOPE 1 AND 2
2024	18,330	3	8,196	15,446	467	42,442
2023	13,248	5,127	9,568	15,560	558	44,062
2022	7,865	9,929	5,975	15,229	618	39,616
+/-	5,082 ¹	-5,124 ²	-1,373 ³	-115 ⁴	-91 ⁵	-1,620 ⁶

Notes:

¹ Increased emissions due to more ITP harvesting and planting activities to grow ITP renewal source

² Decreased emissions due to reduction in Natural Forest harvesting activities to zero in 2024

³ Optimised woodflow transportation activities, achieving sustained reduction in emissions

⁴ Decreased emissions due to increased wood pellet production and reduction in other downstream activity

⁵ Decreased emissions from reducing energy consumption

⁶ Net decrease in emissions compared with 2023, due to improved rationalisation exercise in operational activities

CLIMATE CHANGE ADAPTATION

We conducted our climate risk assessment in 2021, guided by the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), which was established in 2015. This allowed us to identify and evaluate climate-related risks and opportunities.

A key finding of the assessment is that climate change is expected to have limited direct impact on our natural forest operations, primarily due to the anticipated cessation of large-scale harvesting. Moreover, the flexibility of short-rotation ITP offers a practical advantage, enabling us to respond more effectively to rising temperatures and potential intensification of storm events.

Moving forward, we plan to undertake a preliminary internal desktop analysis in 2026 as an initial step towards informing our future climate risk assessments.

The full report can be accessed at

www.samling.com/wp-content/uploads/2024/11/Climate-Risks-Assessment.pdf

ENERGY

Improving energy efficiency in our operations is vital to lowering our carbon footprint. Not only will it reduce our operational cost, but it will also enable us to contribute to Malaysia's 2050 net-zero emissions goal.

At Lingui, we rely on both renewable and non-renewable energy to run our operations. Our energy management is guided by the Group's Responsible Forest Management Policy, and our internal Environmental Policy and Climate Change Policy. As part of our climate action, we have begun tracking and recording our energy consumption to monitor our GHG emissions.

Going forward, we will continue to explore diverse energy sources across our operations as we seek to reduce dependency on fossil fuel in the long term.

Non-Renewable Fossil Fuel	Renewable Solar	Electricity	Steam
Lingui's fleet of heavy equipment, vessels and vehicles used in raw material harvesting and transportation activities consists of largely internal combustion engine (ICE) powered machinery.	Lingui is continuously converting the night lighting of its upstream operation camps to a solar configuration, to reduce the use of ICE gensets.	Lingui's downstream manufacturing plants in Sarawak are operating from the state's power grid operated by Sarawak Energy Berhad (SEB) which has low emissions.	Manufacturing plants' steam is largely generated by water from rainwater harvesting ponds and solid wood fuel from wood residue and waste resulting from the manufacturing process.

WATER AND EFFLUENTS

Water is a key resource for us, particularly in our mills and upstream operations. We uphold responsible water consumption and effluent management to ensure regulatory compliance and protect our reputation. These efforts also help mitigate negative environmental and social impacts, such as water pollution, which can affect the health of local communities and strain our stakeholder relationships.

At the panel product mills, we use a combination of public water supply and harvested rainwater to produce steam for boilers, while we rely on harvested rainwater for use in our camps and LPFs.



In forest areas, our teams rely mainly on rainwater and river sources for daily activities. We conduct awareness sessions to encourage responsible water use among employees. These efforts are guided by our Waste Management Policy and by our internal Environmental Policy.

To ensure responsible effluent management, we appoint licenced contractors to properly dispose of waste materials and discharge. We also conduct water monitoring in compliance with the Environmental Quality Act (EQA) 1974. This regular monitoring helps us detect changes early and prevent environmental harm.

Looking ahead, we aim to strengthen the management of water and effluents by establishing a dedicated committee and audit team to monitor systems, check for leakages and ensure continuous oversight. We plan to carry our regular audits and inspections and report with findings to management to enable timely mitigation of any irregularities. In addition, we are working to establish an emergency response team to promptly address any hazardous leakages, ensuring swift and effective action in critical situations.

MATERIALS

SOURCING OUR MATERIALS SUSTAINABLY

We remain committed to sourcing our ITP logs from the Programme for the Endorsement of Forest Certification—Forest Management (PEFC-FM), PEFC Chain of Custody (PEFC-CS) and other verified legal sources. We have fully transitioned to using ITP logs, in line with our decision to cease the use of natural forest logs.

For more information on our Product Certificates and other relevant certifications, please refer to www.samling.com/certifications/

WASTE

Efficient waste management is crucial in ensuring our licence to operate. Waste that is poorly disposed of would not only lead to regulatory non-compliance and poor reputation but also financial loss due to penalties. It would also cause land and water pollution, affect the health and safety of local communities, as well as impact their daily lives and even livelihoods.

MANAGING WASTE RESPONSIBLY

At Lingui, we are committed to responsible waste management across our operations, guided by our Waste Management Policy, which captures our Waste Management Plan for both scheduled and non-scheduled waste. Our approach follows the best practicable environmental option, prioritising reduction, reuse and recycling over disposal.



We ensure full compliance with federal and state environmental laws, including the proper handling of scheduled waste in accordance with the Environmental Quality Act 1974. All employees and contractors are expected to adhere to our Waste Management Policy. Each forest plantation area implements a structured waste management chain with clearly defined roles and responsibilities to ensure effective execution. Scheduled waste is disposed of by licenced contractors, in compliance with regulatory requirements.

Moving forward, we aim to improve waste management across our value chain by 2026.

BIOMASS GENERATION FROM WOOD BY-PRODUCTS

Samling produces a range of main outputs, including solid lumber, engineered wood and wood panels. By-products such as sawdust and wood chips are channelled downstream to manufacture fibreboard, particleboard and biomass fuel.

To minimise waste and enhance circularity, we are always looking out for new markets for these by-products. This approach allows us to maximise resource efficiency by making full use of each log and repurposing leftover materials, reducing landfill waste and creating added value from our raw inputs.

Supporting our waste reduction strategy, our subsidiary, TreeOne MegaPellet Sdn Bhd (TOMP), converts wood chip materials from sustainably managed planted forests into wood pellets. These pellets are used as industrial biomass fuel for coal-fired power plants.

Our wood pellets are high in calorific value, low in ash content, free from contaminants and environmentally friendly. Each batch is inspected by our quality control team and the products are certified under the Programme for the Endorsement of Forest Certification (PEFC) Chain of Custody.

On 3 March 2023, TOMP received the prestigious Sustainable Biomass Partnership (SBP) certification from Control Union. This recognition affirms TOMP's commitment to sustainable biomass production and reinforces our broader environmental stewardship goals.

Read about our journey into the biomass industry at www.samling.com/blog/

ENVIRONMENTAL COMPLIANCE

As a responsible corporate citizen, we uphold environmental compliance in all our activities and across our value chain. It ensures adherence to environmental regulations and sustainable land use practices, which are critical for maintaining our operating licences, avoiding legal and financial penalties and preserving access to forest resources. Moreover, demonstrating environmental responsibility helps build stakeholder confidence, strengthen community relationships, and align our practices with national and global sustainability standards.

PESTICIDE USE IN PLANTATION FOREST MANAGEMENT

Our Licences for Planted Forests (LPFs), certified under the MTCS ST 1002:2021 (MC&I SFM), adopt a responsible and environmentally conscious approach to pest management. In line with Criterion 6.6 under Principle 6 (Environmental Impact), LPFs are required to prioritise non-chemical pest control methods wherever possible and avoid the use of harmful pesticides.

The policy strictly prohibits the use of WHO Type 1A and 1B pesticides, chlorinated hydrocarbons, persistent pesticides that bioaccumulate in the food chain and those banned under international agreements. Where pesticide use is necessary, our LPF managers ensure proper training, provide protective equipment and follow approved procedures for safe storage and disposal to minimise health and environmental risks.

LINGUI'S PROGRESS IN SUSTAINABLE FOREST MANAGEMENT THROUGH CERTIFICATION

As of June 2024, a total of 787,035 hectares of forest areas have been certified under the MTCS/PEFC Sustainable Forest Management (SFM) system. This represents 86.8% of the Group's total managed forest area of 906,855 hectares across Forest Management Unit (FMUs) and Forest Plantation Management Unit (FPMUs).

The certified areas include:

719,535 HECTARES
NATURAL FOREST
ACROSS SIX (6) CERTIFIED FMUS

67,500 HECTARES
PLANTED FOREST
ACROSS FIVE (5) CERTIFIED FPMUS

THESE CERTIFICATIONS
REMAIN VALID
UNTIL 2030

STATUS OF NATURAL FOREST CERTIFICATION AS OF JUNE 2024

FOREST MANAGEMENT UNIT (FMU)—NATURAL FOREST	REGISTERED SIZE FOR CERTIFICATION AREAS (HECTARES)	STATUS OF CERTIFICATION	ORIGINAL DATE OF CERTIFICATION	EXPIRY OF CERTIFICATE
Ulu Trusan FMU	92,279	Certified to SIRIM MTCS/PEFC SFM	19 December 2019	18 December 2028
Gerelai FMU	148,305	Certified to SIRIM MTCS/PEFC SFM	12 April 2020	11 April 2025
Bah Sama FMU	35,379	Certified to CU MTCS/PEFC SFM	29 May 2023	28 May 2028
Ravenscourt FMU	117,784	Certified to SIRIM MTCS/PEFC SFM	4 June 2018	3 June 2026
Layun FMU	142,790	Certified to SIRIM MTCS/PEFC SFM	2 February 2024	1 February 2029
Tama Abu FMU	182,998	Certified to CU MTCS/PEFC SFM	5 April 2024	4 April 2029
Total Certified FMU	719,535			

STATUS OF PLANTED FOREST CERTIFICATION AS OF JUNE 2024

FOREST PLANTATION MANAGEMENT UNIT (FPMU)—PLANTED FOREST	REGISTERED SIZE FOR CERTIFICATION AREAS (HECTARES)	STATUS OF CERTIFICATION	ORIGINAL DATE OF CERTIFICATION	EXPIRY OF CERTIFICATE
Kuala Baram FPMU	3,000	Certified to SIRIM MTCS/PEFC SFM	27 December 2022	26 December 2027
Marudi FPMU	19,941	Certified to SIRIM MTCS/PEFC SFM	15 January 2019	14 January 2029
Segan FPMU	10,332	Certified to SIRIM MTCS/PEFC SFM	18 July 2014	17 July 2030
Lana FPMU	9,393	Certified to SIRIM MTCS/PEFC SFM	12 May 2017	11 May 2030
Paong FPMU	24,834	Certified to SIRIM MTCS/PEFC SFM	8 March 2024	7 May 2029
Total Certified FPMU	67,500			

For more information on our other certifications, including Forest Management, Chain of Custody, Product Certificates and ISO Certificates, please refer to www.samling.com/certifications/

OCCUPATIONAL HEALTH AND SAFETY

Maintaining a strong OSH performance is crucial for ensuring compliance with the relevant laws and requirements of the Malaysian Timber Certification Scheme's Malaysian Criteria & Indicators for Sustainable Forest Management (MTCS MC&I SFM).

Upholding high OSH standards fosters a more conducive workplace environment. Assuring employees that our safety practices meet stringent legal requirements also reinforces our commitment to prioritising their well-being. Investors and external stakeholders who increasingly value ESG considerations also take OSH performance into serious consideration, as it is a key indicator of a company's overall sustainability performance. Additionally, ensuring employees are protected from workplace injuries and illnesses reflects a broader commitment to safeguarding human rights.

Poor OSH performance and compliance could impact the reputation of Lingui and its leadership, leading to greater scrutiny by non-governmental organisations and public backlash. The impact of this negative attention could also affect Lingui's relationships with its suppliers, customers and investors.

We manage OSH by complying with the Occupational Safety and Health (Amendment) Act 2022. Guided by our Health and Safety Policy, we affirm our commitment to minimising health and safety risks through the establishment of safe systems of work in planning and executing all our operational activities. The policy is available on our website at www.samling.com/policies/.

HEALTH AND SAFETY MANAGEMENT SYSTEM

We have an OSH management system (OSHMS) that complies with the Occupational Safety and Health (Amendment) Act 2022 and is guided by our Health and Safety Policy.

The OSHMS applies to all employees and workers of our worksite and premises, covering all work activities. It does not cover parties we have no influence over.

In 2024, the following employees were covered by our OSHMS:

Number and Percentage of Employees Covered by the OSHMS

	EMPLOYEES	
	NUMBER	PERCENTAGE
Covered by an OSHMS	3,213	100.0%
Covered by an OSHMS that has been internally audited	3,922	100.0%
Covered by an OSHMS that has been audited or certified by an external party	708	18.05%*

* Refers to our five MTCS FPMUs

The OSHMS is based on our OSH programme framework, which encompasses the following:

Safety and Health Committee

- Provision of workers representation, consultation and participation in contributing and evaluating the effectiveness of health and safety efforts in the workplace
- Appointed either every one or two years, it also serves as a legal platform for employer-employee communications on OSH requirements and improvements

Major Activities Hazard & Risk Control (HIRARC)

- Provision of risk and hazard rating for operational activities and the relevant mitigations to implement safe work practices

Chemical Health Risk Assessment (CHRA)

- Provision of chemical register, risk rating on activities and usage and mitigations to ensure safe chemical handling and exposure

Noise Risk Assessment (NRA – 2019 Reg)

- Provision of risk exposure and mitigation controls

Certification of Fitness (CF for boiler, lifting Eq and PV)

- Provision of annual inspection and validation to ensure maintenance for safe use

Forest Trained Workmen Rules 2015

- Provision of trained and competent forestry workers for safe execution of high-risk forestry activities

Scheduled Waste Handling/Management/Disposal

- Provision of scheduled waste management to ensure disposal of waste according to regulations

Toolbox/Briefing at Work on Safety

- Provision of safety awareness and implementation of current alert to improve safety awareness and practices

OSH Inspection and Audit

- Provision of monitoring and review plan for continuous improvement in OSH management

Incident Reporting and Investigation

- Provision of root cause review and analysis and improvement in prevention action plan

PPE at Work with Standard Matrix Tied to Job/Function

- Management of required PPE mandatory in each line of activities

OSH Training and First Aider/Emergency Response Plan

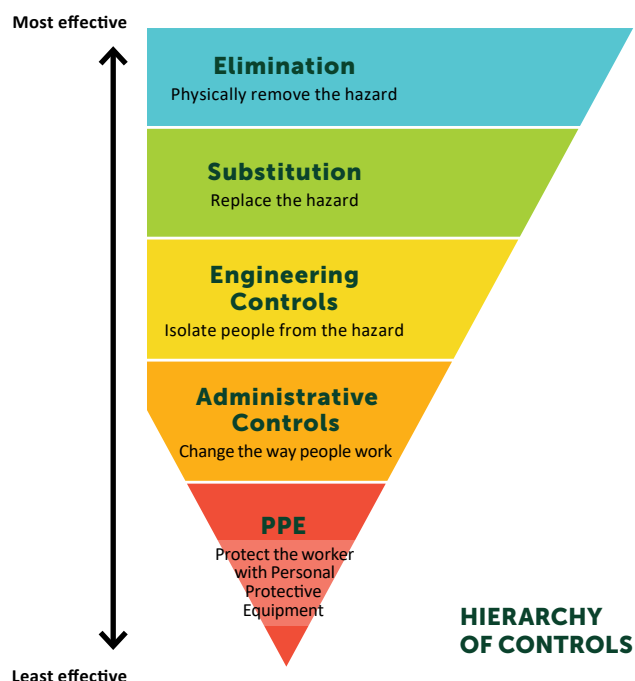
- Enhancement on OSH competency to handle hazards, incidents prevention and continuous improvement in OSH management

Our workplace safety and health is led by an OSH department at the corporate headquarters. The department ensures an OSH management plan for each operating business segment, including guidance to ensure compliance with the plan. These plans are reviewed and refined through the Plan-Do-Check-Act (PDCA) concept, supported by audits and inspections by the OSH department to identify gaps.

HAZARD IDENTIFICATION AND MANAGEMENT

We practise hazard identification, risk assessment and risk controls (HIRARC) to manage potential risks. During hazard identification, the operating unit's management team perform an initial inspection and review of the work environment and operational core activities. The process involves outlining key activities and their associated hazards to identify the measures required to mitigate risks of incidents occurring.

We apply the hierarchy of controls, aiming to eliminate hazards through avoidance, substitution of processes and implementation of engineering controls to protect workers. The implementation of administrative controls such as standard operating procedures and safe work practices is enforced prior to the provision of personal protective equipment.



Our upstream operations are monitored through an annual safety and health implementation plan programme. This includes specific training, awareness programmes and refresher training, in addition to audits and inspections.

As each of our downstream operational unit has distinct functions and processes, they are overseen by their respective occupational safety coordination team and supported by our Group-level OSH department teams. Findings by the OSH department's audits and inspections are provided to the respective safety and health committees to enable rectification and enhancements of workplace safety practices and processes.

We also raise awareness on hazard identification and mitigation efforts through toolbox talks that are designed to guide workers on complying with safe work practices and our standard operating procedures. These are complemented by educational campaigns held by safety and health committees and training programmes.

When an incident occurs, we conduct investigations to identify possible root causes and establish the necessary action plans to prevent similar occurrences. Our investigation methodology is explained further under **Incident Investigation**.

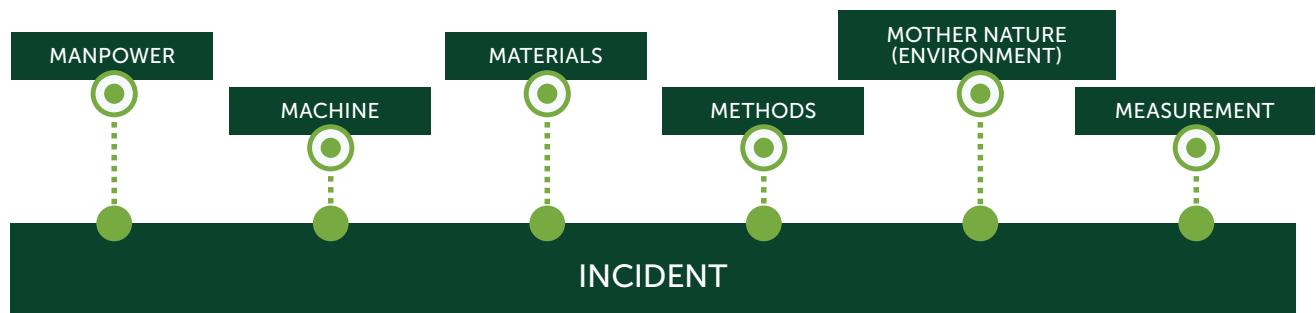
WORKER SAFETY AND HAZARD REPORTING PROTOCOL

Our OSH Policy affirms the right of workers to remove themselves from imminent hazards and dangers, enabling them to return to work only after the hazards have been mitigated, without fear of retaliation. Hazards, unsafe actions and risky conditions may be reported through a QR code and suggestion boxes, with all reporting protected by Section 26A of the Occupational Safety and Health (Amendment) Act 2022. The reports will be assessed by the safety and health committees and referred to the Group's OSH department if necessary.

INCIDENT INVESTIGATION

Incident investigations are performed by a team comprising the safety and health committee members, led by a competent safety and health officer. The investigations aim to determine the root causes of the incidents and enhance mitigation measures to prevent future occurrences. We apply the 6M method of investigations to systematically explore all contributory conditions, analyse root causes and other behavioural issues that could lead to an incident. Our investigations typically find that unsafe actions and unsafe conditions are the causes behind most incidents, with mitigation actions usually involving improved standard operating procedures and practices. Lessons learned are shared with workers to further raise awareness and prevent recurrences.

6M METHOD: TYPES OF CONTRIBUTORY CONDITIONS TO AN INCIDENT



HEALTH SERVICES

We ensure workers have access to health services that identify potential chronic illnesses such as hypertension, obesity and diabetes. Pre-employment health checks are conducted, with workers requiring clearance by doctors before starting work.

Health checks such as monitoring blood pressure, blood sugar and cholesterol levels are conducted to ensure that workers with higher health risk receive early medical treatment. We also encourage employees to monitor their weight and body mass index (BMI). In addition, we raise awareness on the importance of keeping clean at our worksites and workers' residences to prevent vector-borne diseases such as dengue.

To ensure the confidentiality of workers' medical information, we keep their records within their personnel file inside locked cabinets that are accessible only by authorised HR personnel.

WORKER ENGAGEMENT

Our employees and workers are welcome to participate in the development, implementation and evaluation of our OSHMS at various levels. This includes representing their fellow workers in the safety and health committees and giving their feedback during routine toolbox talks and pre-job briefings.

We comply with the relevant regulations, which require every operating unit with more than 40 personnel to establish an OSH committee. Comprising management and employee representatives, the committee is supported by either a competent safety and health officer or a trained OSH coordinator and led by the unit's head.

The committee is responsible for conducting regular workplace inspections, reviewing findings and issues of non-compliance with our OSHMS, investigating accidents and implementing programmes to enhance OSH compliance at the workplace.

Our OSH committee is required to meet at least once every three months to ensure alignment with the Group's OSH management plan. Among the topics covered in the meeting are:

- Current safety, health and welfare issues at the workplace
- Review of latest workplace audit findings
- HSE statistics, including near-miss incidents
- Updates on safety and health information

SAFETY AND HEALTH TRAINING

We equip our workers with the necessary skills and knowledge to perform their duties safely and enhance overall workplace safety. Periodic training programmes for workers include:

YEARLY

- Basic fire extinguisher training
- Fire emergency response training/awareness
- Forest fire awareness/training
- Forest fire equipment training
- Emergency response training (work-related and spillage)
- Chemical handling and PPE awareness
- Noise exposure and PPE awareness
- Scheduled waste training
- HSE training for OSH coordinators, safety and health committee members and heads of departments
- Trained operators under trained workmen rules (Forest Ordinance)



EVERY TWO MONTHS

- Safety awareness/campaign

MONTHLY

- Safety and health induction/refresher

WEEKLY

- Toolbox talk/safety briefing

WHEN REQUIRED

- Trained first aider training

PROMOTION OF WORKER HEALTH

We provide employees with time off during working hours to access medical services, particularly at worksites located near healthcare facilities. Malaysian workers are entitled to free services provided by the public healthcare system, while Lingui covers medical costs for foreign workers. Worksites that are in remote areas are equipped with clinics manned by qualified medical assistants who can provide basic health care.

WORK-RELATED INJURIES AND ILLNESSES

We have maintained zero cases of fatalities and high-consequence work-related injuries from 2022 to 2024. Our reporting adheres to the Department of Occupational Safety and Health's (DOSH) Report for Occupational Accident/ Dangerous Occurrence (JKKP 6).

To reduce the exposure to noise risk at the workplace, we have conducted Noise Risk Assessment using competent assessors to determine the risk and exposure level for each work activity. Such risk and exposure are managed accordingly, with continual baseline monitoring and tracking. Recommendations from the assessors are also being implemented to further minimise workers' exposure to the risk.

Our safety performance was calculated based on 1,000,000 hours worked.

Work-related injuries	2022		2023		2024	
	No.	Rate	No.	Rate	No.	Rate
All employees						
Fatalities as a result of work-related injury	0	0	0	0	0	0
Reportable work-related injuries	20	1.74	21	1.63	20	1.63
The number of hours worked	11,504,967		12,911,593		12,252,898	

Going forward, we will intensify our efforts to strengthen management commitment and participation in embedding OSH principles and practices more deeply across the Group. We aim to achieve this through increasing awareness campaigns, implementing incentives tied to our OSH performance and applying consequence management to ensure we can better anticipate risks, mitigate hazards and respond more effectively.

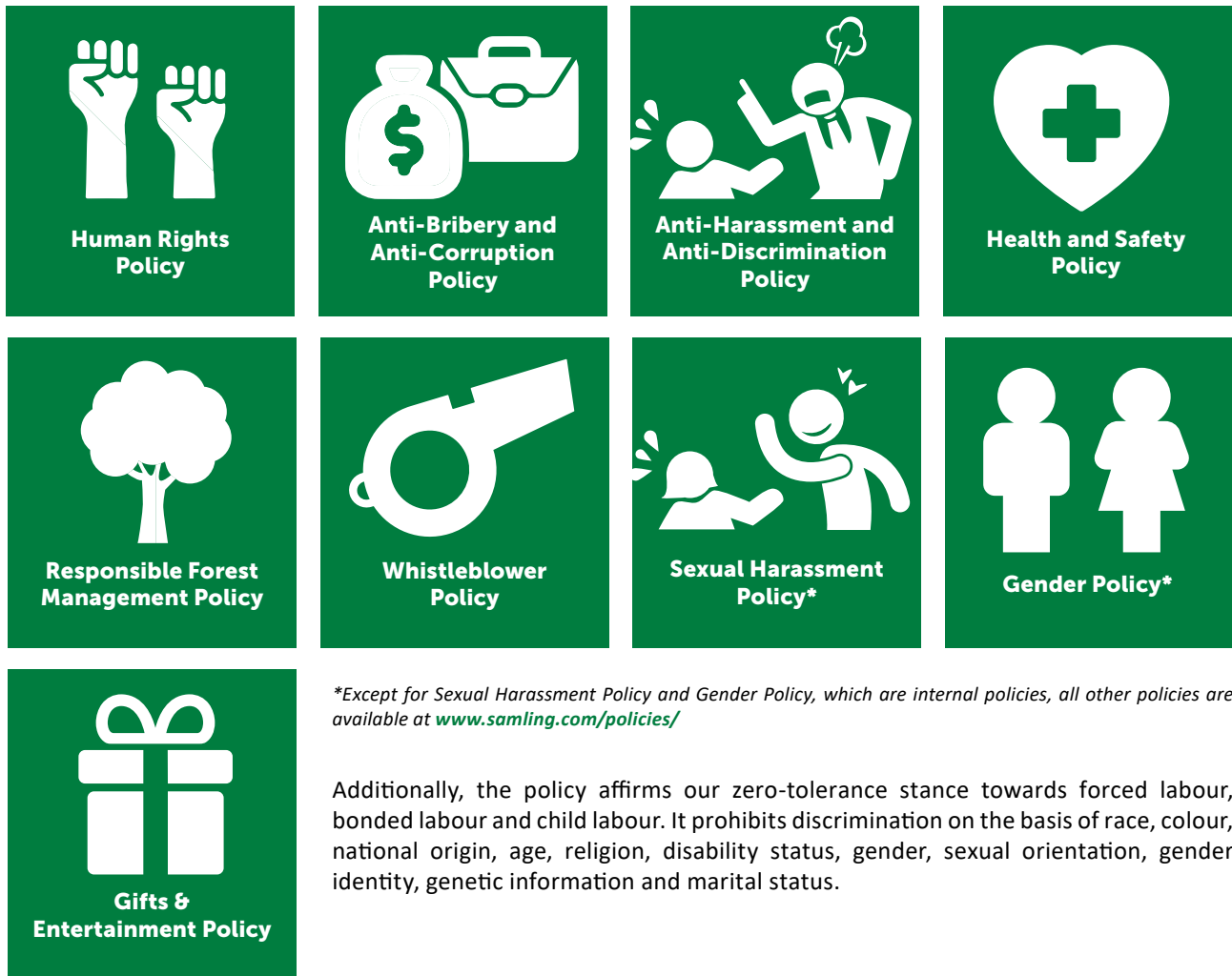
HUMAN RIGHTS AND LABOUR PRACTICES

Upholding human rights and labour practices are vital to ensuring a safe and conducive work environment. This will not only enable us to comply with the relevant laws and regulations but also build trust and strong relationships with our employees and workers, who are the backbone of our business. Additionally, it will strengthen our reputation as a responsible corporate citizen and position us as an employer of choice.

Furthermore, fostering good working relationships with investors, banks and regulators, alongside achieving higher ESG scores, is crucial for securing the financial capital necessary to support the organisation's growth and resilience.

Given the labour-intensive nature of our operations, we are inherently exposed to labour and human rights risks. To address these risks, we have established policies, procedures and guidelines to safeguard the rights of our employees and workers. Our efforts are mainly guided by our Human Rights Policy and reinforced by other relevant internal frameworks.

Our Human Rights Policy outlines our commitment to respecting, supporting and upholding fundamental human rights, in line with the United Nations Universal Declaration of Human Rights. The human rights policy applies to all directors, employees, temporary workers such as interns and third parties including suppliers and business partners.



WHISTLEBLOWING

To ensure human and labour rights across our operations, we have established multiple platforms for stakeholders to report concerns related to human rights violations, unfair labour practices or misconduct. Our Whistleblower Policy protects the anonymity of whistleblowers, ensuring that all complaints and grievances can be filed without fear of retaliation. In 2024, there were zero cases of human rights violations reported. We will review the policy in 2025.

Stakeholders may file complaints via:

Email	Address
whistleblower@samling.com.my	P. O. Box 12053 50766 Kuala Lumpur

EMPLOYEE DIVERSITY

In 2024, our workforce comprised 3,922 employees across Malaysia. Due to the laborious tasks of our operations, the majority of our workforce comprises male employees. In addition to our full-time employees, we also recruited 42 interns, who gained work experience in Lingui for at least three months. Despite our male-dominant workforce, our Human Resources department strives to instil diversity, equality and inclusivity across the organisation by ensuring that all individuals have equal access to career growth opportunity.

Diversity of Employees by Gender, Age Group and Ethnicity According to Employee Category

	Gender		Age Group			Ethnicity			
	Male	Female	<30 years	30-50 years	>51 years	Chinese	Malay	Indian	Others
2022									
Non-Executive	3,600	924	1,344	2,355	825	159	192	5	4,168
Executive	101	79	16	115	49	75	11	2	92
Manager and above	107	36	1	60	82	96	4	1	42
Directors	8	1	0	0	9	8	0	0	1
2023									
Non-Executive	2,996	926	1,411	1,924	587	126	185	5	3,606
Executive	108	79	25	112	50	68	11	2	106
Manager and above	109	32	1	58	82	90	5	1	45
Directors	9	1	0	0	10	8	0	0	2
2024									
Non-Executive	2,785	791	1,363	1,739	474	117	150	4	3,305
Executive	111	85	30	118	48	62	12	2	120
Manager and above	109	33	1	62	79	86	6	1	49
Directors	7	1	0	0	8	6	0	0	2

Diversity of Employees by Employment Category and Gender

Full-time Employees by Gender	2022	2023	2024
Female	1,040	1,038	910
Male	3,816	3,222	3,012
Total	4,856	4,260	3,922

EMPLOYMENT BENEFITS AND MINIMUM WAGE

We comply with the local statutory minimum wage where we operate. Beyond paying our employees with wages, we offer benefits that support their healthcare and well-being. Our full-time employees are provided with life insurance, health care, disability and invalidity coverage and parental leave. These are in addition to our contribution to the Employees' Provident Fund (EPF) and the Social Security Organisation (SOCSO) in Malaysia.

We plan to develop and implement regular training and awareness programmes to help employees understand their human rights. We will also enhance our Community Engagement and Awareness Programme (CEAP) to help employees and the local communities we work with to better understand Lingui's objectives and the benefits that communities can derive from collaborating with us.

In addition, we seek to improve our grievance mechanism, aiming to address and resolve all grievances in a timely and amicable manner. We will also be internally auditing our HR practices to identify areas of improvement.

COMMUNITY ENGAGEMENT

At Lingui, we regularly engage with our local communities to build trust and mitigate or minimise conflicts, avoiding disruptions to our upstream activities and downtime. It also positions us as a socially responsible company, which can boost investor confidence.

As we primarily operate in Miri, Kuala Baram, Marudi, Baram, Belaga, Bintulu and Lawas in Sarawak, we foster relationships with a wide range of native communities, namely the Penan, Iban, Kenyah, Berawan, Sekapan, Kelabit, Kayan, Saban, Punan, Tanjong and Lun Bawang.



We communicate and work closely with the communities through our Community Liaison Officers (CLOs), who are well-versed in the native languages. Each forest management unit (FMU) and forest plantation management unit (FPMU) has a dedicated CLO, who engages with the local communities regularly to gather feedback, listen to their needs and identify their grievances. The CLOs keep the communities updated with responses from Lingui to resolve any issues that can impact their lives or disrupt our operations.

In addition to CLOs, local communities can also report any grievances by completing a grievance form and submitting it to either the site office or their CLOs. Alternatively, they may lodge reports online at www.samling.com/complaint-request-form-en. All grievance reports are addressed and their progress tracked.

Number of Villages and Native Communities Within and Adjacent to the Forest Plantation Management Unit (FPMU) Areas in 2024

FPMU	Number of Villages Within the Operation Area	Native Community	Number of Villages Adjacent to Operation Area	Native Community
Paong	0	-	2	Kenyah
Kuala Baram	0	-	6	Iban
Marudi	10	Iban, Berawan, Kayan	15	Iban, Berawan
Segan	10	Iban	13	Iban
Lana	0	-	4	Punan

Number of Villages and Native Communities Within and Adjacent to Forest Management Unit (FMU) Areas in 2024

Region	FMU/Camp	Number of Villages Within the Operation Area	Native Community	Number of Villages Adjacent to Operation Area	Native Community	Total
Baram	Gerelai	8	Kenyah	16	Kenyah	24
	Tama Abu	11	Saban, Penan, Kenyah, Kelabit	2	Kelabit	13
	Layun	17	Penan, Kelabit	10	Penan, Kayan	27
Baram (Sg Patah)	Bah Sama	12	Punan, Iban, Tanjong, Kayan, Sihan,	12	Punan, Kenyah, Sekapan, Kayan, Beketan	24
Bintulu	Ravenscourt	14	Lun Bawang	4	Lun Bawang	18
Lawas	Ulu Trusan	9	Lun Bawang	12	Lun Bawang	21
Sub-Total		71	Sub-Total	56	Sub-Total	127

We are committed to upholding the rights of Indigenous Peoples and local communities through the application of MTCS MC&I's FPIC principles, especially in conservation areas. We recognise customary land rights and local knowledge as essential in our stewardship of biodiversity-rich landscapes.

Prior to commencing any operations, we ensure that MTCS MC&I's FPIC is obtained by holding open dialogue with the communities where we operate. The dialogue sessions, held in a combination of Bahasa Malaysia and the native language of each respective community, are supported by our CLOs and conducted according to our established procedures. This allows us to receive and address complaints and requests from the local communities, as well as resolve conflicts.

We enter into goodwill agreements with each village before we start operations in the area. We respect their land rights and avoid encroaching into native customary rights (NCR) land, perform social impact assessments and respect high conservation value (HCV) areas, burial and cultural sites.

ITP ENGAGEMENT PROCESS



SUPPORTING LOCAL EMPLOYMENT

We strive to empower local communities to improve their livelihoods by offering them job opportunities, including leadership positions. Currently, our operations have eight Orang Ulu managers, representing 0.45% of the managers within the organisation. This also supports SDG 1: No Poverty and SDG 8: Decent Work and Economic Growth.

INVESTING IN COMMUNITIES

To forge strong relationships with local communities, we maintain essential infrastructure that contributes to their socio-economic development and well-being. In 2024, we provided in-kind contribution by supporting a church construction and repairing damaged roads to improve accessibility to towns and schools.

We will continue to improve our framework and processes by adopting the Know Your Community approach and regularly engaging in meaningful dialogue with the local communities. Through dialogue, we aim to strengthen bonds, ensuring both sides communicate with honesty and transparency. We will continue to improve our grievance mechanisms to provide remedies and feedback more promptly.

GOING FORWARD

As a leading timber company in Malaysia, Lingui will remain focused on advancing its sustainability agenda through actions align with both regulatory expectations and Sarawak's sustainable development goals.

To support this, we will expand data collection across downstream operations to strengthen oversight and traceability, in line with new requirements, such as the European Union Deforestation Regulation (EUDR). Additionally, sustainable procurement practices will be adopted through closer engagement with supply chain partners.

Our sustainability efforts will be continuously improved by the Samling ITP ESG Roadmap 2026-2030, which will be implemented by 2026 with clear deliverables and targets. This roadmap is aligned with the Sarawak Sustainability Blueprint 2030. In line with the state's transition to a green economy, we also plan to scale up renewable energy production, promote circular economy practices and develop sustainable bio-energy initiatives that support broader development priorities.

GRI CONTENT INDEX

STATEMENT OF USE

Lingui Developments Sdn Bhd has reported the information cited in this GRI content index for the period 1 January to 31 December 2024 with reference to the GRI Standards.

GRI 1 USED

GRI 1: Foundation 2021

Disclosure	Description	Page	Remarks/ Omissions
GRI 2: General Disclosures 2021			
2-1	Organisational details	1-2	
2-2	Entities included in the organisation's sustainability reporting	1	
2-3	Reporting period, frequency and contact point	1	
2-4	Restatements of information	-	
2-5	External assurance	-	This Report has not been externally assured.
Activities and workers			
2-6	Activities, value chain and other business relationships	1-2	
2-7	Employees	34	
2-8	Workers who are not employees	-	No data has been collected.
Governance			
2-9	Governance structure and composition	8	
2-10	Nomination and selection of the highest governance body	-	Not disclosed due to confidentiality constraints.
2-11	Chair of the highest governance body	8	EXCO
2-12	Role of the highest governance body in overseeing the management of impacts	8	
2-13	Delegation of responsibility for managing impacts	8	
2-14	Role of the highest governance in sustainability reporting	8	
2-15	Conflicts of interest	-	Not disclosed due to confidentiality constraints.
2-16	Communication of critical concerns	35	
2-17	Collective knowledge of the highest governance body	-	Not disclosed due to confidentiality constraints.
2-18	Evaluation of the performance of the highest governance body	-	Not disclosed due to confidentiality constraints.
2-19	Remuneration policies	-	Not disclosed due to confidentiality constraints.
2-20	Process to determine remuneration	-	Not disclosed due to confidentiality constraints.
2-21	Annual total compensation ratio	-	Not disclosed due to confidentiality constraints.
Strategy, policies and practices			
2-22	Statement on sustainable development strategy	3-5	
2-23	Policy commitments	12, 16, 23, 34	
2-24	Embedding policy commitments	12, 15, 24, 28	
2-25	Processes to remediate negative impacts	35-37	
2-26	Mechanisms for seeking advice and raising concerns	33, 35	
2-27	Compliance with laws and regulations	6, 12, 15, 16	
2-28	Membership associations	6	
Stakeholder engagement			
2-29	Approach to stakeholder engagement	9	
2-30	Collective bargaining agreements	-	No data has been collected.

Disclosure	Description	Page	Remarks/ Omissions
GRI 3: Material Topics 2021			
3-1	Process to determine material topics	10	
3-2	List of material topics	10-11	
Standard Disclosures			
GOOD GOVERNANCE			
GRI 3: Material Topics 2021			
3-3	Management approach	12-13	
ECONOMIC PERFORMANCE			
GRI 3: Material Topics 2021			
3-3	Management approach	13	
RESPONSIBLE BUSINESS PRACTICES			
GRI 3: Material Topics 2021			
3-3	Management approach	14-15	
GRI 417: Marketing and Labeling 2016			
417-2	Incidents of non-compliance concerning product and service information and labeling	15	
417-3	Incidents of non-compliance concerning marketing communications	15	
GRI 418: Customer Privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	15	
ANTI-CORRUPTION			
GRI 3: Material Topics 2021			
3-3	Management approach	15-16	
GRI 205: Anti-corruption 2016			
205-2	Communication and training about anti-corruption policies and procedures	16	
205-3	Confirmed incidents of corruption and action taken	16	
BIODIVERSITY			
GRI 3: Material Topics 2021			
3-3	Management approach	16	
GRI 304: Biodiversity 2016			
304-1	Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas	16-17	
304-2	Significant impacts of activities, products and services on biodiversity	16-17	
304-3	Habitats protected or restored	16-17	
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	17-23	
GHG EMISSIONS			
GRI 3: Material Topics 2021			
3-3	Management approach	23-24	
GRI 305: Emissions 2016			
305-1	Direct (Scope 1) GHG emissions	-	At present, our disclosure presents only the combined total for Scope 1 and 2 emissions. We are working towards disclosing the data separately to improve our transparency in the future
305-2	Energy indirect (Scope 2) GHG emissions	-	
ENERGY			
GRI 3: Material Topics 2021			
3-3	Management approach	24-25	
WATER AND EFFLUENTS			
GRI 3: Material Topics 2021			
3-3	Management approach	25	
GRI 303: Water and Effluents 2018			
303-1	Interactions with water as a shared resource	25	
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