

# HIGHLIGHTS ON DIGITALISATION AS AN ENABLING TOOL FOR SUSTAINABILITY

IOI'S BROAD STRATEGY TOWARDS DIGITALISATION AS A TOOL FOR SUSTAINABILITY, BASED ON STRONG LEADERSHIP AND ALIGNMENT ACROSS ALL LEVELS OF THE ORGANISATION, ENSURES THAT DIGITALISATION IS EMBEDDED INTO ALL OUR OPERATIONS AND BUSINESSES. THE RESULTANT ENHANCED DAILY PROCESSES DUE TO OPTIMISED RESOURCE UTILISATION HELP INCREASE OUR EFFICIENCY AND ACCURACY. THIS CAN ULTIMATELY HELP IOI STREAMLINE ITS DECISION-MAKING PROCESSES DUE TO EFFICIENT INFORMATION SHARING, FASTER AND MORE ACCURATE ANALYSES TOGETHER WITH BETTER IDENTIFICATION OF PATTERNS OR TRENDS.

## IOI ESG DIGITALISATION PLATFORM LAUNCHED IN 2023

The IOI ESG Platform centralises sustainability data and provides real-time tracking and analysis and is integrated with the SAP platform for transparency, improved accuracy and auditability.

The Platform also helps IOI to meet the requirements of various frameworks and standards such as the ISSB, GRI, etc., via the disclosure director. In addition, as part of IOI's smart digitalisation strategy, the platform also helps IOI to chart, monitor and manage our decarbonization pathway.

For more details, refer to our website.

### Sustainability Data Management Platform

#### IOI ESDE launched in 2020

The Environment Sustainability Data Entry ("ESDE") system serves as an internal central database that enables effective monitoring of all sustainability-related KPIs for the IOI oleochemical operations.

For more details, refer to our website.

#### SAP ERP SYSTEM LAUNCHED FOR PLANTATION OPERATIONS IN 2018

The implementation of the SAP Enterprise Resource Planning ("ERP") system enables the plantation operations to integrate and streamline core processes, undertake real-time data consolidation, improve transparency, and enhance coordination between departments. It also lays the foundation for more digital transformation, including advanced analytics and AI for long-term sustainability and business excellence.

For more details, refer to our website.

## E-PMS LAUNCHED IN 2018

The Electronic Plantation Management System ("e-PMS") streamlines plantation operations by digitising data collection, tracking, and transaction processes across web and mobile platforms.

For more details, refer to our website.

## ELAB INTEGRATION WITH ELOG SHEET SYSTEM ROLLED OUT IN 2025

The eLab system was integrated with the eLog sheet platform, providing operators with real-time lab results to enable faster decisions and improve operational efficiency at IOI refinery.

## ATG REVERSE ENGINEERING SYSTEM FOR OPERATIONAL EFFICIENCY AND COST OPTIMISATION UPGRADED IN 2025

The E&H Autogauging ("ATG") system was upgraded through reverse engineering, leveraging existing sensors for real-time alerts and QC integration to enhance reliability, reduce costs, and support sustainable operations at IOI refinery.

## IBE SMART COOLING TOWER ENHANCEMENT – INTEGRATED IN 2025

The AI-driven Decision-making cooling tower system was developed to adapt to fluctuating demand, optimise performance, and continuously improve through machine learning at IOI refinery.

For more details, refer to page 55.

## RPA & PDM SYSTEM - ROLLED OUT IN 2025

Robotic Process Automation ("RPA") streamlines operations with real-time monitoring and automation, while Predictive Maintenance ("PdM") ensures timely machinery repairs.

For more details, refer to our website.

## RPO-OM SYSTEM - DEVELOPED IN 2022

The Realtime Production Organiser Operation Management ("RPO-OM") and Energy Management systems are being developed to monitor and optimise energy use, boosting efficiency through digitalisation and automation at the Prai oleochemical plant.

For more details, refer to our website.

**IOI CARES LAUNCHED IN 2024**

The digital health platform helps provide personalised coaching on mental health, nutrition, fitness, and overall wellness to support employee well-being at IOI.

For more details, refer to page 83.

**HR SYSTEM IS BEING DEVELOPED IN 2024**

IOI's all-in-one digital HR system streamlines, amongst others, employee management, recruitment, benefits, leave, etc., resulting in reduced paper use, supporting transparency, and managing strategic talent operations.

**IOI MESRA APPLICATION INTRODUCED IN 2022**

Initially introduced for the plantation operations, the automated grievance app, IOI Mesra, enables anonymous reporting and effective resolution. Final plans are in place to expand to all operations. See grievance analysis on page 80.

**Social Wellbeing****IOI GROW LAUNCHED IN 2020**

This digital learning platform offers interactive programs on onboarding, development, compliance, and anti-corruption to enhance employee skills and growth.

For more details, refer to page 83.

**ONLINE ASSESSMENT USING PRE-ALERT GRIEVANCE SYSTEM INTRODUCED IN 2022**

An independent online assessment using the Pre-alert Grievance System helps plantation management monitor worker well-being, identify gaps, and improve labour practices.

For more details, refer to our website.

**COMMUNICATION TOWERS IN RURAL ESTATES - STARTED BEING BUILT IN 2024**

To strengthen rural connectivity, IOI built 81 communication towers, especially at remote areas in Sabah, enabling digitalisation and AI adoption to boost efficiency and productivity in plantations.

For more details, refer to page 6.

**MERCHANTRADE E-WALLET LAUNCHED IN 2020**

The Merchantrade e-wallet is a digital payment system for plantation workers that ensures secure, timely salary payments, reduces errors, and promotes financial inclusion for workers, including those in remote areas.

For more details, refer to our website.

**VISUAL MESA EMS INTRODUCED IN 2022**

At IOI Oleochemical operations, the Visual Modelling and Energy System Analysis ("MESA") Energy Management System ("EMS") monitor energy flow and consumption to enhance efficiency and reduce carbon emissions and costs.

For more details, refer to our website.

**Environmental Monitoring****KCP DUST COLLECTOR FIRE PREVENTION ENHANCEMENT INSTALLED IN 2025**

IOI installed six Resistance Temperature Detector ("RTD") temperature sensors on our Kernel Crusher Plant ("KCP") A and B ducting to detect high temperatures, automatically stopping the blower, and sending real-time alerts via Telegram to enhance safety.

**CARBON SEQUESTRATION MONITORING - BEGAN IN 2024**

IOI engaged a third party to assess and monitor carbon sequestration across its conservation areas. Using satellite intelligence, the initiative provides accurate data to guide reforestation, evaluate additionality, align with carbon accounting standards, and support IOI's Net Zero and climate mitigation goals.

For more details, refer to page 54.