Anglo Eastern Plantations Plc Carbon and Energy Data 2023

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Provided by: Matthew Owen, Moema Guerra & Milly Bracher
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accenture

Carbon reporting

SECR compliant directors' statement

Anglo-Eastern Plantations Plc (AEP) recognises that our global operations have an environmental impact and we are committed to monitoring and reducing our emissions year-on-year. We are also aware of our reporting obligations under The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. As such, we continue to report on our energy and carbon performance and are committed to transparent communication about our environmental impact to our stakeholders.

2023 performance summary

AEP's total carbon emissions have increased by 15% in 2023 from 2022. This is primarily due to an 11% increase in outgrower land clearance and 6% increase in direct land clearance activities. As an agricultural business, our carbon footprint is closely linked to our land management and planting practices.

The increase in emissions can be partly explained by a decrease of carbon dioxide sequestered across our estates, falling by -6% in 2023. This decrease in sequestration is partly due to the closure/sale of four estates, (RAA, ELAP Utara, ELAP Selatan, KKST). Therefore, our operational emissions per hectare planted area have increased by 10% in 2023.

Our overall operational emissions have decreased by -5% in 2023, driven by a decrease in Fertiliser Application, Electricity consumption and Palm Oil Mill effluent (POME) Treatment. POME Treatment emissions have decreased by -8%. This reduction is a result of more effluent being produced in the area due to high rainfall in Tasik area in Q1, reducing the need for treatment. Emissions from use of fertilizer decreased by -6%, likely caused by delay in application due to weather, logistics and other site issues. Electricity consumption decreased by -8%, partly due to national grid disruptions throughout the year, and we have seen a corresponding increase in fuel consumption of 9% due to use of generators. The total Fresh Fruit Branches (FFB) produced in 2023 also increased by 5%.

There is small variance in our overall transport emissions. Onsite transport has increased by 5% due to additional vehicles in operation during 2023, but in contrast emissions generated from 3rd party vehicles has reduced by -9%.

Energy and carbon action

In the period covered by the report AEP has undertaken the following emissions and energy reduction initiatives:

- Connection to the national grid and utilisation of electricity generated from biogas engines across a number of estates to reduce the power generated from the diesel generators.

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We have reviewed our past carbon footprint performance and conducted an exercise to establish specific emissions reduction targets for the business. We are aware of upcoming changes in best practice guidance, both in the form of the GHG Protocol Land Sector and Removals guidance and across wider target setting guidance. We will review our approach once this guidance has been finalised and released over the course of 2024.

Anglo Eastern Plantations commits to a reduction in absolute scope 1 and 2 emissions by 20.5% by 2030 from a 2019 baseline. This target does not include the impact of sequestration on site, as activity on this is limited to the age profile of our crop.

In 2023, our scope 1 and 2 emissions (excluding sequestration) are 4% higher than in 2019. We have identified the key areas we need to take action as a business to achieve this target, including the conversion of our remaining mills to biogas plants from anaerobic lagoons, limiting our land clearance levels, implementing a no new peat policy and investigating our peat management processes, particularly regarding management of drainage depths.

We commit to reporting progress towards this target each year and revisiting its appropriateness and ambition on a regular basis to maintain its value to our business and stakeholders.

2023 results

Methodology

The methodology used to calculate the GHG emissions is in accordance with the requirements of the following standards:

- World Resources Institute (WRI) Greenhouse Gas (GHG) Protocol (revised version)
- Defra's Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting requirements (March 2019).

Following an operational control approach to defining our organisational boundary, our calculated GHG emissions from business activities fall within the reporting period of 1st January 2023 to 31st December 2023 and use the reporting period of January 2022 to December 2022 for comparison.

Note on agricultural emissions

Emissions from agricultural cultivation form the most significant part of our carbon footprint. As such we have assessed these emissions in line with the methodology development by the Roundtable for Sustainable Palm Oil (RSPO). Version 4 of the RSPO's PalmGHG application has been used to source relevant emission factors and provide a sense check of calculations.

We include emissions from agricultural cultivation on our own estates within our direct scope 1 and estimate these agricultural emissions from any outgrower crops processed in our mills, included within our scope 3. This is consistent with previous years reporting and is aligned to the WRI reporting principles of completeness and relevance, whereby scope 1 are the direct

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emissions sources that we own and control. As mentioned above, we will review our approach upon the release of the new GHG Protocol guidance, which is now expected in 2024.

Emissions from land clearance are reported only for the reporting year in which the land clearance activity took place. No amortisation has been applied, whereby the emissions would be allocated equally over a number of years based on the changing land use during that time. We have chosen not to apply amortisation as there is a lack of industry-acknowledge guidance on this topic at present. We review industry guidance each year and update our methodology as appropriate. There has been no further guidance throughout 2023 as the GHG Protocol final revised standards and guidance are now expected to be released in 2024. Therefore, the approach taken this year is in line with our previous years reporting.

Terminology

Our emissions and energy use for 2023 is presented in Table 1. The following terminology is used.
CPO – Crude Palm Oil
FFB – Fresh Fruit Bunches
POME – Palm Oil Mill Effluent

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Emissions and energy use

	Emissions Source	Global Emissions tCO2e		Variance	UK* Emissions tCO2e		Variance
		2022	2023		2022	2023	
Scope 1	Fuels	18,565	20,201	9%	0	0	0%
	Plantation vehicles	9,209	9,688	5%	0	0	0%
	Fertiliser use	25,425	23,961	-6%	0	0	0%
	Sequestration	-476,707	-447,716	-6%	0	0	0%
	Land clearance	424,476	450,333	6%	0	0	0%
	Peat soil cultivation	490,314	490,311	0%	0	0	0%
	POME Treatment	135,034	124,786	-8%	0	0	0%
Total Scope 1		**626,316**	**671,564**	**7%**	**0**	**0**	**0%**
Total Scope 2	**Electricity**	**2,947**	**2,715**	**-8%**	**0**	**0**	**0%**
Total Scope 1 & 2		**629,263**	**674,254**	**7%**	**0**	**0**	**0%**
Scope 3	Electricity transmission and distribution	262	227	-13%	0	0	0%
	3rd party vehicles	7,168	6,505	-9%	0	0	0%
	Outgrower land clearance	391,705	435,042	11%	0	0	0%
	Outgrower peat soil cultivation	57,311	59,997	5%	0	0	0%
	Outgrower sequestration	-439,904	-432,514	-2%	0	0	0%
Total Scope 3		**16,542**	**69,257**	**319%**	**0**	**0**	**0%**
Total (Location Based)		**645,805**	**743,511**	**15%**	**0**	**0**	**0%**
Total Energy Usage (kWh)[1]		**1,520,437,938**	**1,434,182,664**	**-6%**	**0**	**0**	**0%**
Intensity ratio	tCO_2e per hectare of planted area	9.06	11.42	26%	0	0	0%
Intensity ratio	tCO_2e per tonne CPO production	1.42	1.68	18%	0	0	0%
Intensity ratio	tCO_2e per tonne FFB production	0.55	0.67	21%	0	0	0%

Table 1 *– Energy and carbon disclosures for reporting year.*[1] * Note Anglo Eastern Plantations Plc is a UK registered company. However, the business does not have any physical presence within the UK, hence the 0% contribution of UK emissions. It is shown in the table for transparency.

[1] The analysis of GHG emissions is partially based on the country-specific CO_2 emission factors developed by the International Energy Agency, © OECD/IEA 2022 but the resulting analysis of GHG emissions has been prepared by Accenture for Anglo-Eastern Plantations Plc and does not necessarily reflect the views of the International Energy Agency

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Appendix

AEP are required to report to the UK Streamlined Energy and Carbon Reporting (SECR) regulations. To provide comparison with our reporting for 2019 and earlier the data is also provided in a similar format below.

Emissions source	**Results (tCO_2e)**					
	2022		**2023**		**Variance**	
POME Treatment	135,034		124,786		-8%	
Fertiliser application	25,425		23,961		-6%	
Fuel use	18,565		20,201		9%	
Diesel	*5,339*		*5,252*		*-2%*	
Biomass	*13,226*		*14,742*		*11%*	
Electricity consumption	2,947		2,715		-8%	
Electricity T&D	262		227		-13%	
Company owned vehicles	9,209		9,688		5%	
Third party vehicles	7,168		6,505		-9%	
Total operational emissions	**198,610**		**188,082**		**-5%**	
	Own crop	**Outgrower**	**Own crop**	**Outgrower**	**Own crop**	**Outgrower**
Land clearance	424,476	391,705	450,333	435,042	6%	11%
Carbon sequestered	-476,707	-439,904	-447,716	-432,514	-6%	-2%
Peat soil cultivation	490,314	57,311	490,311	59,997	0%	5%
Total land use emissions	**447,195**		**555,453**		**24%**	
Overall emissions	**645,805**		**743,535**		**15%**	

Table 2 - 2023 vs 2022 emissions comparison

The normaliser reported within the main report is calculated using total CO_2e emissions. In previous years the normaliser has been calculated on operational emissions only. This reduces the influence of the fluctuations in agricultural emissions. As such, the operational normalisers are also reported below. The operational planted area intensity has increased (+10%) as planted area has decreased despite there also being a decrease in operational emissions (-5%).

	2022	**2023**	**Variance**
Per hectare Planted Area	2.78	3.05	10%
Per tonne CPO production	0.44	0.45	3%
Per tonne FFB production	0.17	0.18	5%

Table 3: 2023 vs 2022 Operational emissions intensity (tCO_2e)

	2022	**2023**	**Variance**
CPO production (tonnes)	455,619	442,984	-3%
FFB production (tonnes)	1,170,697	1,117,949	-5%

Table 4: 2023 vs 2022 production (tonnes)

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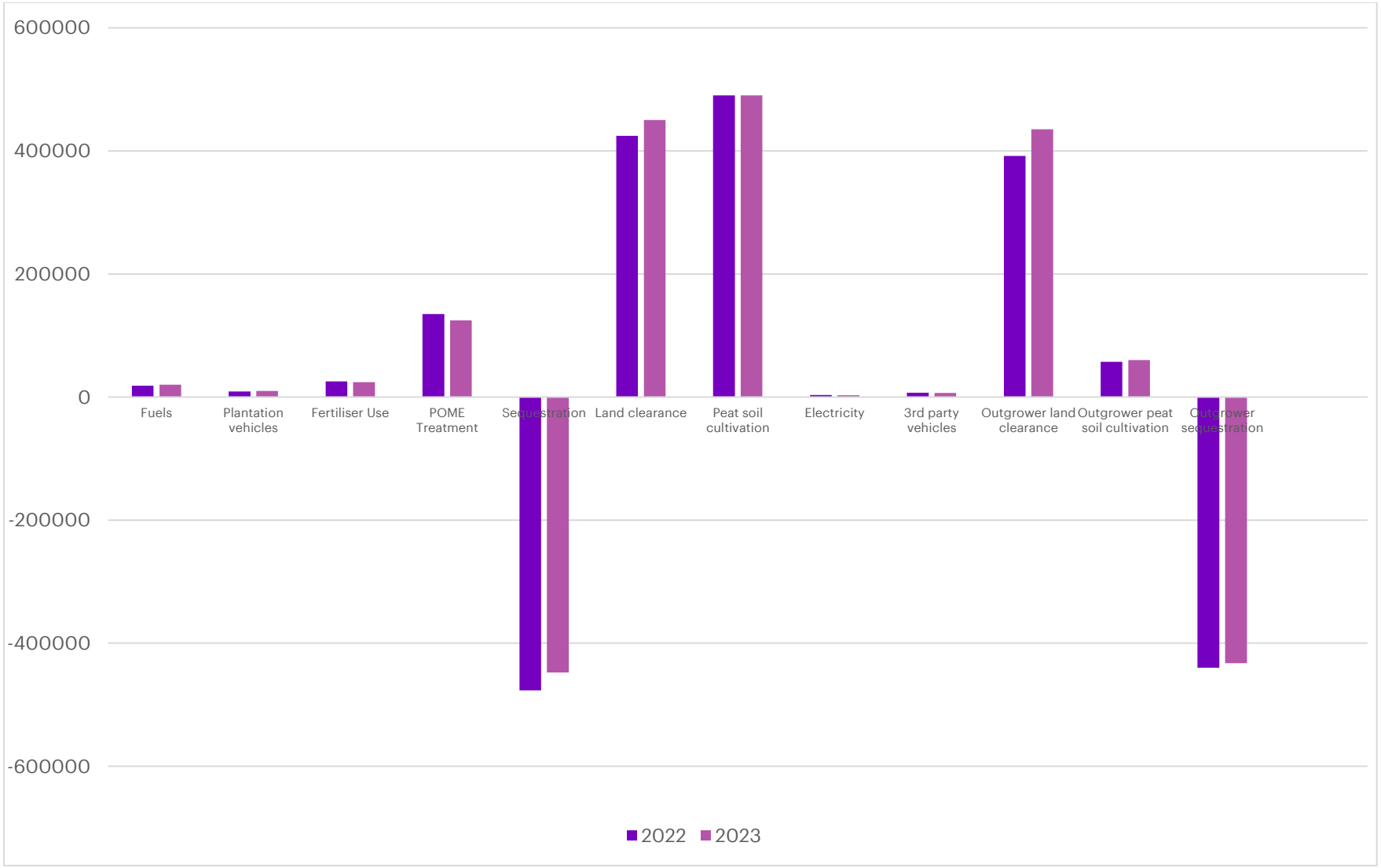

Figure 1: Comparison of 2023 and 2022 GHG emissions (tCO_2e)

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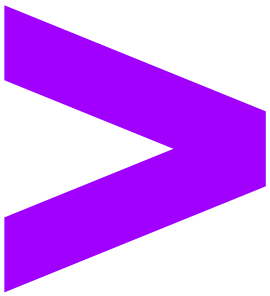

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