permata GROUP

Measuring What Matters:

Impact, Progress, and What's Next



2025

SUSTAINABILITY REPORT

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About this report

We are pleased to present Permata Group's fifth Sustainability Report. This report outlines our company's sustainability performance, progress and challenges for the 2025 calendar year.





Scope of the report

[2-2]

We publish our sustainability report annually. This edition presents our sustainability performance data from the period from January 1 to December 31, 2025, covering all Permata Group upstream, midstream and downstream operations in Indonesia which includes 21,000 Ha of planted area, 6 mills, 6 refineries, 5 kernel crushing plants, 3 biodiesel plants, 3 oleochemical plants, and 1 specialty fat plant. The scope for disclosure covers our employees and contracted workers directly remunerated by Permata Group.

Reporting framework

To ensure this report is aligned with internationally recognized standards and delivers consistent and comparable information to our stakeholders, this report is prepared in accordance with the Global Reporting Initiative (GRI) Standards, covering GRI 2: General Disclosure and GRI 13 : Agriculture, Aquaculture and Fishing Sectors 2022. Our GRI content index can be found on page 110.

The report is also guided by international and sector-wide frameworks, including the Roundtable on Sustainable Palm Oil (RSPO), the Zoological Society of London's Sustainability Policy Transparency Toolkit (ZSL SPOTT), and alignment with the United Nations Sustainable Development Goals (SDGs).

Reporting period and scope

[2-3]

The information contained in this report covers our operations from 01 January 2025 to 31 December 2025. Where applicable, data from previous years have been included for comparison. In addition to this report, sustainability-related information is also available on our website which is regularly updated.

External assurance

[2-5]

This report has not been externally assured. The data were compiled by the responsible operating units and reviewed internally before publication. Certifications and third-party verifications referred to in this report, such as the NDPE IRF verification by Control Union, apply only to their stated scopes and do not constitute assurance of this report as a whole. We will consider external assurance for future reports.

Feedback contact

[2-3]

We value opinions from our stakeholders to help us improve our approach and this report. For any questions or comments regarding this sustainability report, please send your feedback to:

Permata Group
Jl. Iskandar Muda No. 107
Medan, 20154
T: +62-61-4577-777
E: Sustainability@permatagroup.com

Message from the President Director

Dear Stakeholders,

Our ambition is to build a business that customers can rely on, employees can be proud of, and communities can trust. For Permata Group, this means remaining competitive while caring for our people, protecting the environment and taking responsibility for how we operate.

This report presents our sustainability performance in 2025, including our progress and the areas where we need to improve. Changing regulations, uncertain markets and climate pressures continued to challenge our business. These conditions reinforced the importance of sound operations, reliable information and strong relationships.

I am deeply saddened that one person lost their life in our operations in 2025. I extend my sincere condolences to their family and loved ones. We also recorded two serious injuries during the year. These incidents require careful investigation, effective corrective action and follow-through by management. Our responsibility is to make safety effective in everyday work, so that everyone can return home safely.

During the year, we maintained 100% traceability to mill. Traceability to plantation was 94%, down from 97% in 2024 as we onboarded new suppliers. Further work is needed to close information gaps and improve plantation-level mapping. Our No Deforestation, No Peat and No Exploitation policy continues to guide our sourcing requirements and engagement with suppliers.

We recognize that suppliers, particularly independent smallholders, face practical challenges in meeting these requirements. Progress depends on helping them improve their records and farming practices and address identified risks. We must work with them patiently and consistently while maintaining clear standards.

In our operations, we continued using palm biomass and methane capture to support renewable energy generation. Renewable sources supplied 36.7% of our energy consumption, and we exported approximately 4.9 million kWh of renewable electricity to the national grid. PT Pelita Agung Agrindustri also received recognition at the ASEAN Renewable Energy Project Awards 2025. I thank the teams and partners whose work contributed to this achievement.

However, our renewable energy share fell from 42.6% in 2024, and our operational greenhouse gas emissions increased. Our emissions intensity is also above our 2020 baseline. We must turn our investments and operating improvements into measurable results that put us back on track.

We also continued managing our conservation areas and supporting communities through education, health and local economic programs. Our CSR expenditure exceeded IDR 4 billion in 2025. The value of this work depends on whether it responds to local needs and produces benefits that last.

Looking ahead, three priorities will guide our efforts.

First, safer workplaces and respect for people
We will strengthen hazard identification, supervision and the completion of corrective actions. Listening to employees, addressing concerns fairly and developing their skills must remain part of daily management.

Second, responsible sourcing that includes smallholders
We will improve traceability information, strengthen supplier checks and support suppliers in addressing gaps, with the aim of full traceability to plantation by the end of 2026. Better plantation mapping and reliable records will also help us meet changing customer and regulatory requirements.

Third, more efficient operations with lower environmental impact
Our targets are to reduce Scope 1 and 2 greenhouse gas emissions intensity by 10% and water use intensity by 20% by 2030, compared with 2020. Our plans must connect these targets with practical actions, clear responsibilities and measurable results.

The Board and management are accountable for this work. We will review progress, address setbacks and improve the information we report. Where results fall short, we must acknowledge them and explain what needs to change.

I thank our employees, customers, suppliers, communities and other partners for their work, trust and honest feedback. We still have much to improve. I believe that steady effort, responsible decisions and openness about our performance will help Permata build a stronger business and a sustainable future that benefits the communities we work with.

Sincerely,

Husin

President Director



About Permata Group

Permata Group is a leading fully integrated palm oil corporation, founded in 1984, with a strong commitment to sustainability and long-term success. With its core business in the palm oil plantation, Permata Group has evolved into a fully integrated operation that spans the entire palm oil value chain. From upstream plantations to midstream and downstream Industries.

We produce and market a wide range of high-quality palm oil products including crude palm oil (CPO), cooking oil, specialty fats for baking, oleochemicals for personal care and industrial products and biodiesel. The products are produced following strict quality and manufacturing standards and have obtained certifications such as ISO 9001, ISO 22000, HACCP, GMP and FSSC 22000.

Today, Permata Group is one of the top 10 palm oil processors and traders in the country. Our success is attributed to our long-term establishment in the industry, utilization of state-of-the-art technology for our factories, high economies of scale, and the integrated nature of our operations, allowing us to produce high-quality and cost-efficient products that we pass on to our consumers, suppliers, and community through value-added activities.

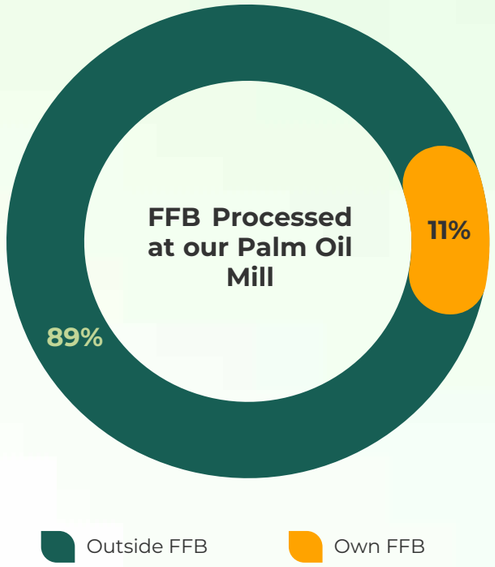
High quality cooking oil manufactured by Permata Group



Permata Group is a fully integrated company spanning the entire palm oil value chain

[102-3, 102-4, 102-7]

Our workforce of 5,964 employees across Indonesia support our business including our headquarters in Medan as well as our upstream and downstream operations across the Indonesian provinces of North Sumatra and Riau. Our estates cover 21,000 Ha of planted area which in 2025 produces around 230,000 tonnes of FFB. This number is expected to go up as our replanting process moves toward completion and the newly replanted palms mature and begin producing. We also source fruit from various third-party suppliers including larger plantation companies as well as independent smallholders.



ABOUT THIS REPORT | MESSAGE FROM DIRECTOR | ABOUT PERMATA GROUP | OUR APPROACH TO SUSTAINABILITY | OUR MATERIAL TOPICS | OUR SUSTAINABILITY PROGRESS | PROTECTING OUR ENVIRONMENT | OUR PEOPLE AND COMMUNITIES | RESPONSIBLE BUSINESS AND SOURCING | GRI CONTENT INDEX

Aside from our plantations, Permata Group owns and operates a diverse range of processing and manufacturing facilities.

- **6** Palm Oil Mills
- **6** Refineries
- **5** Kernel Crushing Plants
- **1** Speciality Fat Plant
- **3** Biodiesel Plants
- **3** Oleochemical Plants

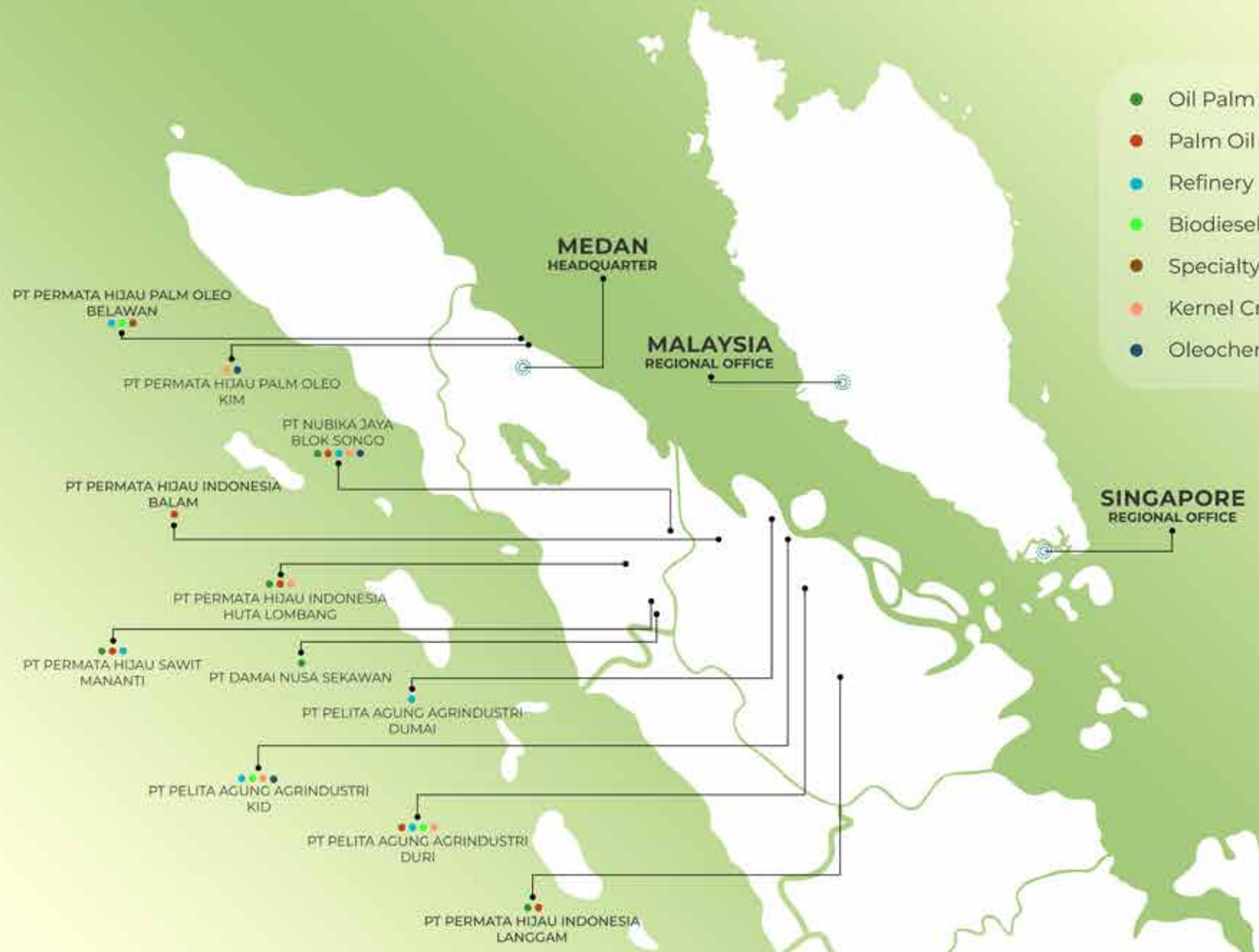
These operations are supported by our head office in Medan and representative offices in Jakarta, Kuala Lumpur and Singapore.



Dumai Port where we ship our products to our customers

Our operations are additionally supported by 206 third-party supplier mills from whom we purchase palm oil and kernels. Our total crude palm oil production in 2025 was around 382,000 tonnes.





- Oil Palm Estate
- Palm Oil Mill
- Refinery
- Biodiesel
- Specialty Fat
- Kernel Crushing Plant
- Oleochemical

SUBSIDIARY	LOCATION
PT Permata Hijau Palm Oleo Belawan	North Sumatera
PT Permata Hijau Palm Oleo KIM	North Sumatera
PT Nubika Jaya Blok Songo	North Sumatera
PT Permata Hijau Indonesia Hutalombang	North Sumatera
PT Damai Nusa Sekawan	North Sumatera
PT Permata Hijau Sawit Mananti	North Sumatera
PT Permata Hijau Indonesia Balam	Riau
PT Pelita Agung Agrindustri Dumai	Riau
PT Pelita Agung Agrindustri KID	Riau
PT Pelita Agung Agrindustri Duri	Riau
PT Permata Hijau Indonesia Langgam	Riau

Permata Group is guided by Our Vision to build a sustainable future that benefits the communities.

To achieve this vision, we are driven by the following set of core values:

TEAMWORK
great things can be achieved by working as a team.

INTEGRITY
acting with honest and honour by adhering to the highest ethical standards.

PROFESSIONALISM
knowing how to do it, when to do it and doing it right.

COMMUNICATION
listening and responding with a positive attitude.

EXCELLENCE
giving our utmost efforts in everything we do.

Our Approach to Sustainability

[103-1]

Sustainability is at the heart of our business at Permata Group. We are driven by our vision which is to build a sustainable future that benefits communities. Anchored in our core values of Teamwork, Integrity, Professionalism, Communication, and Excellence, we firmly believe that business growth should align with the well-being of people and the planet. We continuously strive to integrate sustainability into every facet of our operations.

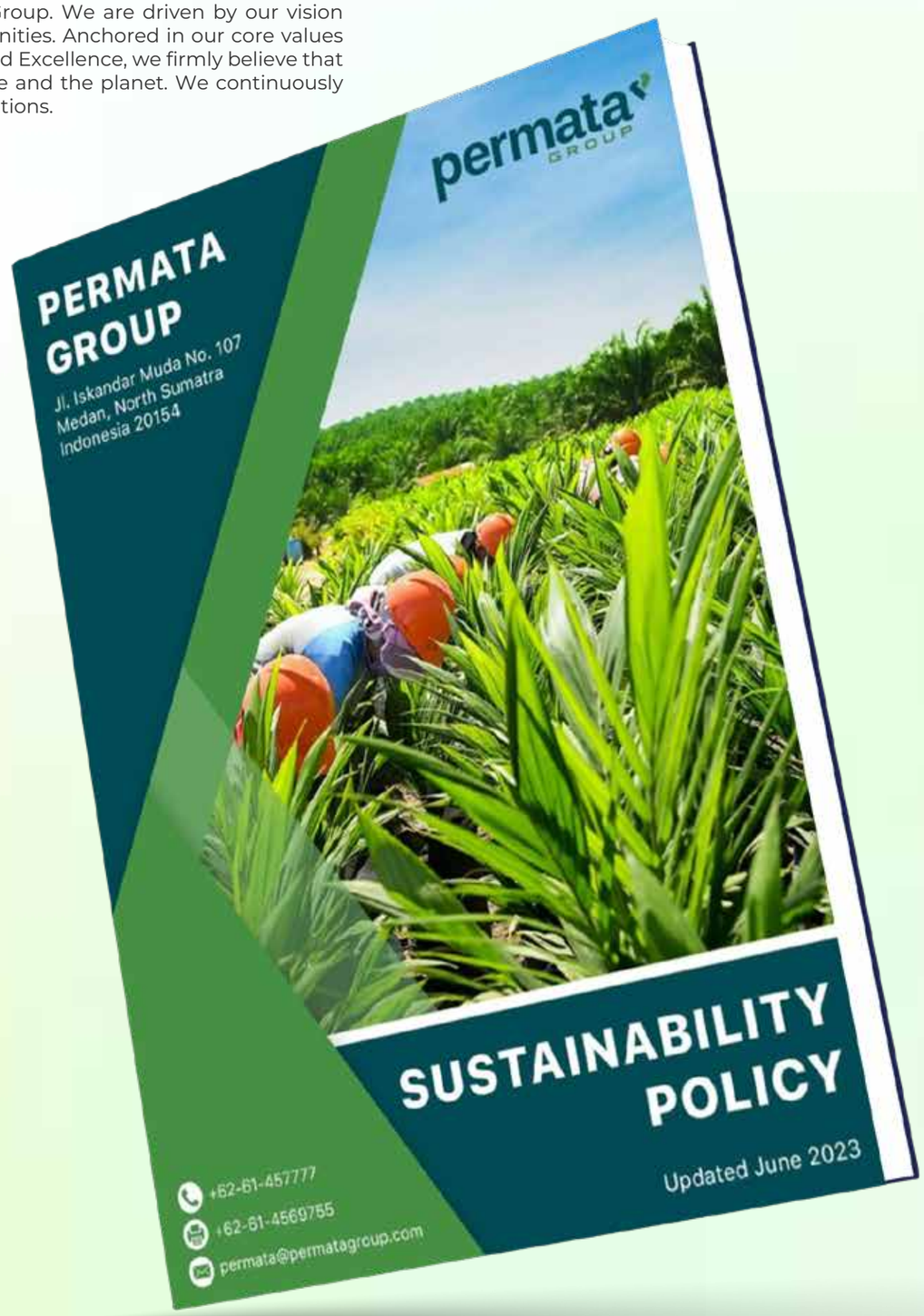
Our sustainability - related policies

[103-2]

Our sustainability-related policies reflect our commitment to ensuring that our operations protect and support both the environment and the communities where we operate. We require all our suppliers and third parties using our processing facilities to comply with these policies, as outlined in our Supplier Code. These documents are available on our website and are actively communicated to our employees and suppliers. Employee engagement is facilitated through annual training and retraining programs, while supplier engagement set through sustainability workshops, annual questionnaires, and the onboarding process for new suppliers. More details on our supplier engagement efforts can be found on page 101.

Please find our sustainability-related policies on our website

Refer to our website for more information on sustainability policy



Our sustainability-related policies are built on four key pillars:

Protecting the Environment

Protecting the environment is a collective responsibility, essential for securing the future of our planet. We are committed to safeguarding the environment around our operations by adhering to strict practices, including a ban on burning and deforestation, conserving High Conservation Value (HCV) areas and High Carbon Stock (HCS) forests, protecting peatlands, adopting agronomic best practices, improving yields, and reducing emissions. A summary of our environmental management can be found on page 34.

Empowering Our People and Communities

We are committed to respecting the human rights for everyone we work and interact with, as well as those affected by our operations. This includes our employees, smallholders, and the indigenous and local communities in the areas where we operate. A summary of our workplace standards and community engagement can be found on page 74.

Ethics and Responsible Business

We are committed to conducting our business ethically, in full compliance with national and local laws and regulations. We have a zero-tolerance policy toward any form of corruption or bribery. A summary of our code of conduct can be found on page 95.

Excellence through Verification, Certification and Rating

We commit to producing safe, high-quality products by adhering to standards such as ISO 9001, ISO 14001, GMP, HACCP, and other relevant certifications. In addition, we actively support sustainability certifications like RSPO and ISPO, and we are continuing our efforts to certify all of our business units and ensure full traceability across our supply chain. Additionally, we participate in national and international sustainability ratings, such as PROPER, Ecovadis, SPOTT, and CDP, which help us measure our environmental and social impact, improve transparency, and demonstrate our commitment to responsible practices. Furthermore, we engage in industry associations to further strengthen our sustainability commitment and collaborate with others to drive positive change. A summary of our certifications, ratings, and membership associations can be found on page 98.

Monitoring and grievance system

[103-2, 103-3]

To ensure the effective implementation of our Sustainability Policies across operations and the supply chain, we have established a monitoring and grievance system. This system allows us to detect any actual or potential policy violations, which can be used by stakeholders to report any infringements that may have been overlooked by our monitoring efforts.

Monitoring

We utilize Global Forest Watch Pro Global Land Analysis and Discovery (GFW Pro GLAD) forest alert system to provide early warnings of potential deforestation within our supply base. The GLAD alert system uses NASA Landsat imagery to automatically flag areas where the forest canopy has been disturbed. By analyzing the most recent images and comparing them to historical data, the system can detect suspected conversions. It provides weekly updates, but the disturbances may have occurred well before detection, as the time lag between an event and its identification can range from three days to several months, depending on cloud cover in the monitored area.

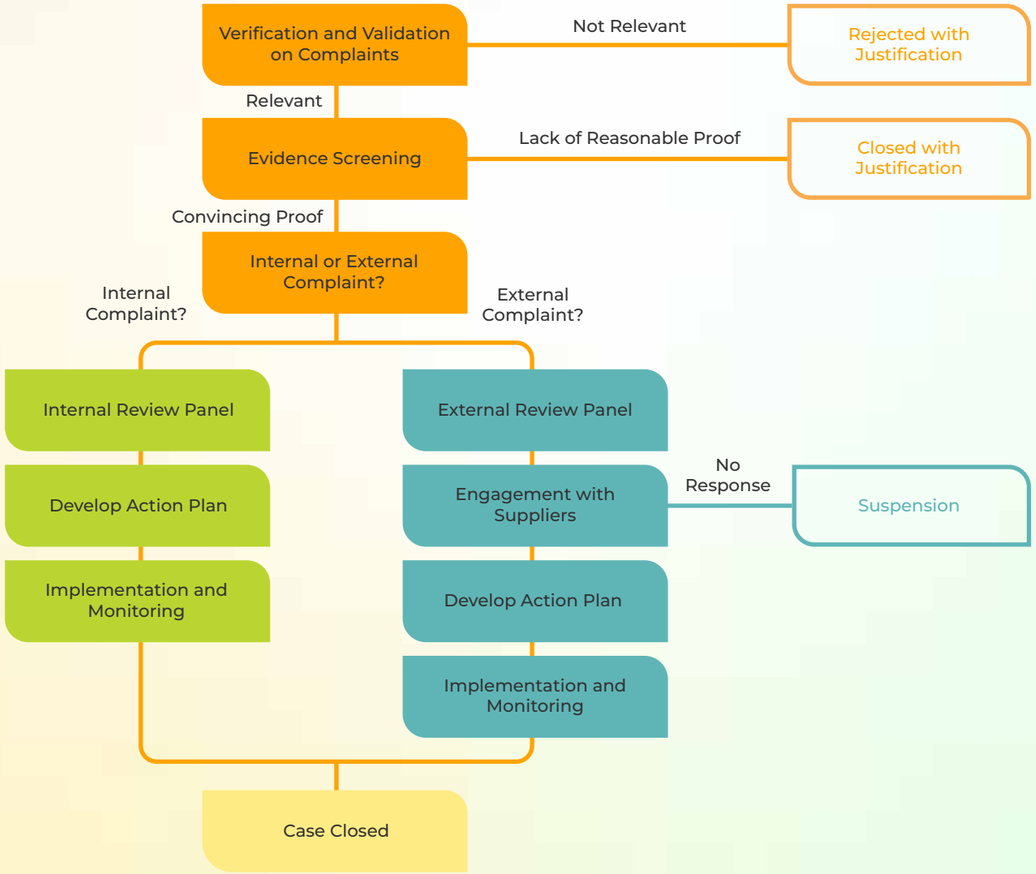
Another challenge is the system's coarse resolution, which results from the vast monitoring area (the GFW default is a 50 km radius around each palm oil mill). In our case, this monitoring area covers nearly half of the island of Sumatra. As a result, we receive a large number of alerts and face challenges in distinguishing actual deforestation events within our supply base from unrelated noise.



We are actively working to refine our monitoring area by enhancing our traceability efforts down to the plantation level. By tracing the source of our fruits from the village level to the individual plantation level, we aim to reduce the monitoring area and effectively respond to relevant alerts. In addition, we monitor potential fire hazards by subscribing to GFW's fire alerts and overlaying hotspots data from VIIRS and NOAA satellites with our supply base area.

Complaint and Grievance

We communicate with our stakeholders to identify and address concerns to ensure sustainable business practices. We encourage both internal and external stakeholders to submit any grievances or complaints through our grievance and complaint system. These grievances and complaints are then processed according to the following flowchart:



Any complaint and grievance can be delivered through the following channels:

grievance@permatagroup.com

+62-61-4577777

+62-61-4569755

Grievance and Complaint Team
Jl. Iskandar Muda No.107 Medan,
20154 Indonesia

A list of our grievances and complaints list is available on our website:
https://permatagroup.com/sustainability/grievance-cases

Refer to our website for more information on the list of our grievances and complaints

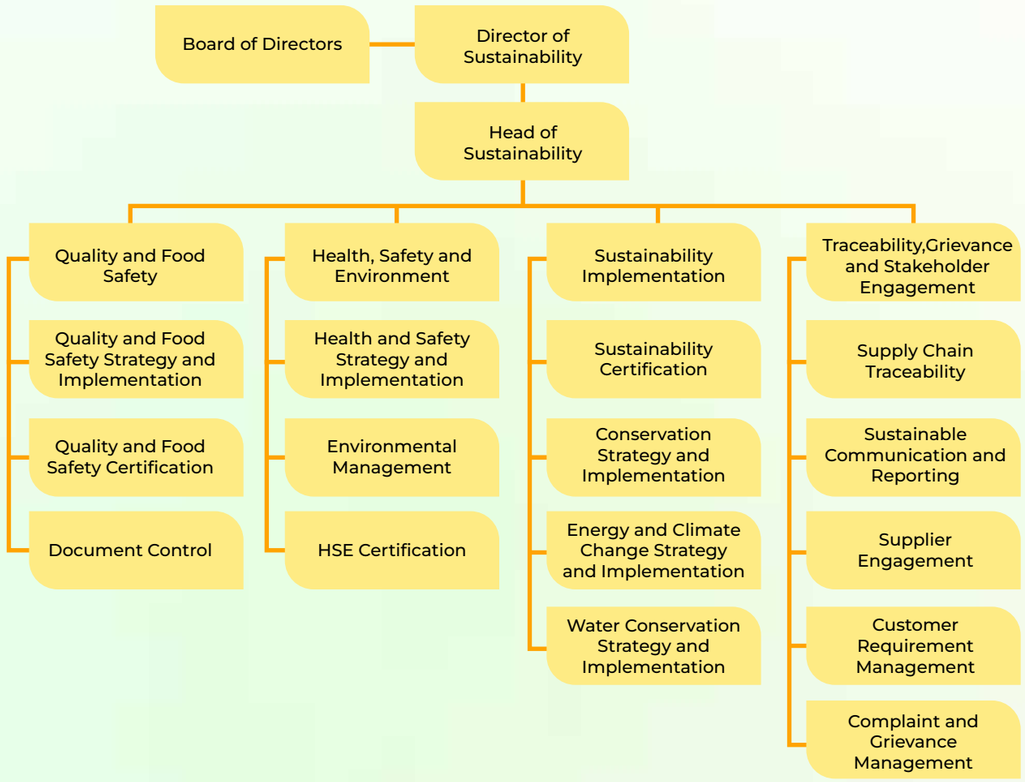
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Our Sustainability Governance

[103-3, 102-18, 102-19, 102-20, 102-26, 102-32]

An effective corporate governance is a key to successfully integrating and managing sustainability within a company. It plays a crucial role in implementing sustainability strategies, managing target setting and reporting, strengthening stakeholder relationships, and ensuring accountability across the organization. We have established a sustainability governance to manage, oversee, and ensure accountability for all our sustainability initiatives.

Below is our sustainability governance:



The Sustainability Department is monitored by the Board of Directors and led by the Director of Sustainability, who also serves as a Board member. The Director provides updates on sustainability matters at the Board's weekly meetings.

The daily operations of the department are managed by the Head of Sustainability, who leads four specialized teams, each with specific responsibilities:

1. Quality and Food Safety Team : Ensures that our products meet quality standards and are safe for consumption and use.

2. Health, Safety, and Environment Team: Focuses on maintaining a safe and healthy workplace for employees and ensures compliance with government regulations.

3. Sustainability Implementation Team: Promotes sustainability across our operations, driving initiatives such as energy efficiency, greenhouse gas reduction, and water conservation beyond legal, environmental and social requirements.

4. Traceability, Grievance, and Stakeholder Engagement Team: Works to strengthen relationships with stakeholders, promoting sustainability and transparency, while addressing grievances and resolving conflicts that may arise.

From **Commitments** to a **Sustainable Future**

The Sustainable Development Goals (SDGs) guide our actions towards a more inclusive, resilient, and sustainable world. Focusing on creating a long-term value for people, communities, and the environment aligned with the global agenda and the 2030 Agenda for Sustainable Development.

Why are SDGs important?

They serve as a shared framework to end poverty, protect the planet, and ensure prosperity for all.

Global Commitment

The 2030 Agenda was adopted by 193 countries, including Indonesia to achieve 17 Sustainable Development Goals (SDGs).



What does SDGs focus on?

ECONOMIC
Inclusive growth and sustainable productivity.



SOCIAL
Empowerment well-being, and quality of life.

ENVIRONMENT
Planet protection and responsible resource management.





At Permata Group, we are proud to support the Sustainable Development Goals (SDGs) set by the United Nations (UN) in 2015. These goals represent a global effort to create a more sustainable and inclusive world by 2030, addressing issues such as poverty, hunger, AIDS, and gender discrimination.

We commit to advancing the SDGs through concrete actions, which are highlighted in this report along with the initiatives supporting them.

Our Materiality Assessment

(GRI 3-2)

This materiality assessment is conducted annually to inform and update our understanding of sustainability issues that are most relevant to both our stakeholders and our business. Our material topics reflect current sustainability challenges and incorporate feedback gathered from stakeholders in the previous year's assessment. Through this process, we continue to demonstrate our commitment and resilience in meeting evolving stakeholder expectations.

Our Material Topics

	Topic	Description
Environment	**NDPE**	NDPE stands for No Deforestation, No Peat, No Exploitation which is our commitment to protect the environment and people
	Fire Prevention and Management	Working with smallholders and local communities to prevent and manage fires
	Climate Change	The long-term shifts in temperatures and weather patterns which lead to the rising sea levels, extreme weather events, and disruptions to ecosystems and livelihoods.
	Effluent and Waste Management	Minimizing our water consumption and ensuring the proper treatment and disposal of effluent
	Biodiversity Impact	The effect of human activities or natural processes on the variety and variability of flora and fauna within an ecosystem, often leading to species loss, habitat destruction, or ecosystem degradation.
	GHG Emission	The release of greenhouse gases (such as carbon dioxide, methane, and nitrous oxide) into the atmosphere, primarily caused by human activities.
	Energy Consumption	The amount of energy used to run our facilities.
	Water Efficiency	The reduction of water use by optimizing usage through technology, conservation practices, and sustainable management
	Integrated Pest Management	A combination of natural and chemicals to manage pests effectively while minimizing risks to human health and the environment.
Environment	**Labour Relations and Fair Labour Practices**	The systems, policies, and interactions between employers, employees, and unions that ensure equitable treatment, safe working conditions, fair wages, and the right to collective bargaining
	Employees' Health, Safety, and Well-being	Policies, practices, and environments designed to protect physical and mental health of our workers.
	Career Management, Recruitment, Training, and Development	Strategies to attract, retain, and upskill employees
	Freedom of Association	The right of workers to join or form trade unions and engage in collective bargaining without discrimination
	Gender Equality	The equal rights, responsibilities, and opportunities for all genders by eliminating discrimination, bias, and systemic barriers in social, economic, and political spheres
Society	**Supporting Human Right**	Promoting fair and favourable working conditions including preventing forced, bonded or child labour and promoting freedom of association
	Community Development	Social responsibility to help people work together to improve their welfare
Ethics, Governance, and Strategy	**EUDR Compliance**	Following the EU Deforestation Regulation to prove that our products are sustainable
	Business Ethics and Transparency	Operating with honesty, fairness, and openness
	Sustainability Policy	Formal and written commitment to environmental, social, and economic responsibility
	Compliance with Laws and Regulations	Adhering to all applicable local, national, and/or international rules
	Grievance Mechanism & Resolution	A structured process that allows employees, customers, or communities to report concerns or complaint
	Risk Management	The processes of identifying, assessing, and mitigating potential threats to ensure sustainability

	Topic	Description
Supply Chain	**Traceability till Plantations**	Tracking a product's origin all the way back to the specific farms or plantations where its raw materials were grown
	Suppliers' Engagement – NDPE	Collaborating with suppliers to ensure compliance with NDPE
	Responsible Sourcing Policy	A policy to ethically and sustainably procure materials
	Responsible Procurement Practices	Sourcing goods and/or services in a way that prioritizes environmental sustainability and ethical labor conditions
Product and Service	**Product Quality and Safety**	Ensuring that products meet defined standards of performance, reliability, and safety
	Certification and Rating	Independent certifications and ratings to validate a company's sustainability

We conduct an annual materiality assessment to identify, prioritize, and address the most significant ESG (Environmental, Social, and Governance) issues affecting our business and stakeholders. This structured three-step process ensures our sustainability strategy remains relevant, actionable, and aligned with global standards and stakeholder expectations.

Identification of Material Topics

Analyze emerging sustainability trends

Incorporate insights from the previous year's assessment

Identification of Material Topics

Develop targeted questionnaires for internal teams and external partners

Designing and distributing the survey and collecting feedbacks

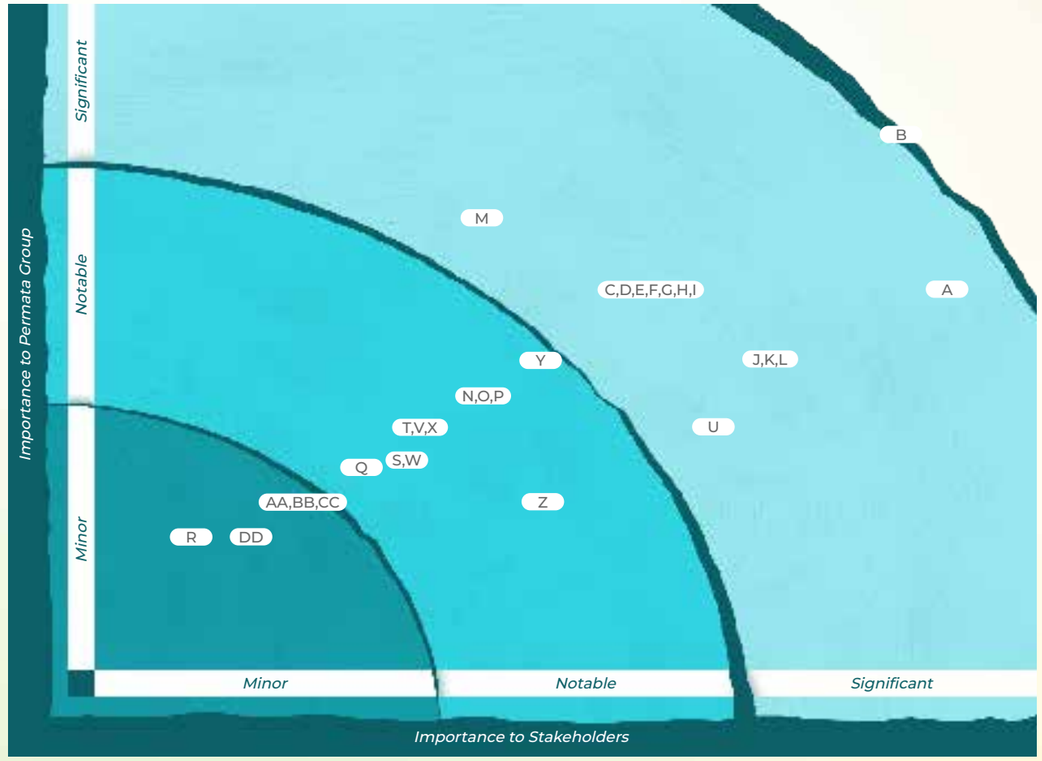
Identification of Material Topics

Assess topics based on their impact on both our business and stakeholders

Rank each topic based on the level of impact it has on our business operations and on our stakeholders

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Materiality Matrix



ENVIRONMENT

A	NDPE
B	FIRE PREVENTION AND MANAGEMENT
C	CLIMATE CHANGE
D	EFFLUENT & WASTE MANAGEMENT
E	BIODIVERSITY IMPACT
F	GHG EMISSION
G	ENERGY CONSUMPTION
H	WATER EFFICIENCY
I	INTEGRATED PEST MANAGEMENT

SUPPLY CHAIN

Y	TRACEABILITY TO PLANTATIONS
Z	SUPPLIERS' ENGAGEMENT - NDPE
AA	RESPONSIBLE SOURCING POLICY
BB	RESPONSIBLE PROCUREMENT PRACTICES

PRODUCT AND SERVICE

CC	PRODUCT QUALITY AND SAFETY
DD	CERTIFICATION AND RATING

WORKER

J	LABOUR'S RIGHT
K	LABOUR RELATIONS AND FAIR LABOUR PRACTICES
L	EMPLOYEES' HEALTH, SAFETY, AND WELL-BEING
M	CAREER MANAGEMENT, RECRUITMENT, TRAINING, AND DEVELOPMENT
N	FREEDOM OF ASSOCIATION
O	GENDER EQUALITY
P	TALENT ATTRACTION AND RETENTION

ETHICS, GOVERNANCE AND STRATEGY

S	EUDR COMPLIANCE
T	BUSINESS ETHICS AND TRANSPARENCY
U	SUSTAINABILITY POLICY
V	COMPLIANCE WITH LAWS AND REGULATIONS
W	GRIEVANCE MECHANISM & RESOLUTION
X	RISK MANAGEMENT

SOCIETY

Q	SUPPORTING HUMAN RIGHT
R	COMMUNITY DEVELOPMENT

OUR SUSTAINABILITY PROGRESS

Sustainability milestones

[103-2]

2006
- Became a member of RSPO

2008
- Commissioned our first methane capture facility

2010
- Equipped all our palm mills with methane capture facilities

2014
- Obtained our first RSPO SCCS certification

2015
- Published our Sustainability and NDPE policy
- Obtained our first ISCC certification

2018
- Achieved 100% traceability to mills

2019
- Calculated our Scope 1 and Scope 2 GHG Emissions for the first time

2020
- Upgraded our Sustainability and NDPE policy
- Launched our Sustainability Dashboard
- Conducted our first supplier workshop

2021
- Obtained our first RSPO P&C certification
- Obtained our first PROPER Hijau Award
- Conducted our first online supplier workshop
- Implemented a visiting program for high-risk suppliers

2022
- Published our first sustainability report
- Obtained our first ISPO certification

2023
- Obtained our first Subroto Awards
- Significant advancements in our traceability and Suppliers' NDPE commitment
- Calculated our first scope 3 GHG emissions

2024
- Two Zero Accident Awards
- Four Subroto Awards across Two Categories, Including Two First-Place Winner
- Conducted Our First NDPE IRF Verification

2025
- **Obtained** the ASEAN Energy Award
- **Two** Silver Awards at The Indonesia Corporate Sustainability Award (ICS Award) 2025
- **Joined** the Aceh Sustainable Palm Oil Working Group
- **Five** Subroto Awards across Two Categories, including one First-Place Winner



2025 Highlights Certifications and Awards

ASEAN Energy Award

Demonstrating excellence in climate action and energy transition, we were honored with the ASEAN Energy Award. Our subsidiary, PT Pelita Agung Agrindustri, was named the winner of the Combined Heat and Power (CHP) Category. This recognition highlights our continuous efforts and commitment to renewable energy, emissions reduction, and Indonesia's broader energy transition.

The Indonesia Corporate Sustainability Award (ICS Award) 2025

The Indonesia Corporate Sustainability Award (ICS Award) 2025, organized by Olahkarsa, is a prestigious national platform honoring industry leaders who place sustainability and ESG excellence at the heart of their business strategies. Out of 277 applicants nationwide, the award recognizes organizations demonstrating innovative practices and tangible impacts across environmental, social, and governance pillars.

At this event, Permata Group achieved remarkable recognition through two of its operating units, winning Silver awards in their respective categories. PT Pelita Agung Agrindustri (Duri) awarded Silver in Renewable Energy & Transition Excellence, while PT Permata Hijau Indonesia earned Silver in Energy Efficiency Excellence. This milestone underscores Permata Group's ongoing commitment to reduce carbon footprint, increase energy efficiency, and build a more sustainable operation for the long run.

Subroto Awards

Our dedication in the bioenergy industry best practices was celebrated with five Subroto Awards across two distinct categories, led by a prestigious first-place finish. Bestowed by the Ministry of Energy and Mineral Resources, these awards reflect our performance in advancing the energy and mineral resources sector in Indonesia.

NDPE & Traceability for Suppliers

NDPE Progresses

100% of our suppliers committed to NDPE

80% of our suppliers attended our supplier workshops since 2020

95% our suppliers completed our self-assesment tool

90% of our supply volume achieved 'delivering' status under the NDPE Implementation Reporting Framework (NDPE IRF) v5.8. Following our transition to the updated NDPE IRF v6.0 standard, **80%** of the volume is currently assessed as delivering against NDPE commitments.

Energy Conservation & Combating Climate Change Actions

Over **4.9 million** kWh of surplus electricity exported to the national grid

Nearly **37%** of our energy consumption comes from renewable source

Our continuous reporting for scope 3 GHG emissions to enhance our sustainability efforts

Scope 1	**1,109,045.77 tCO_2e**
Scope 2	**30,791.98 tCO_2e**
Scope 3	**5,723,296.90 tCO_2e**

Water, Waste and Chemical Use

18.2% reduction
in hazardous waste intensity in 2025 compared to previous year, on progress to 2030 target of 10%

17.8% reduction
in water use intensity in 2025 compared to 2020 baseline, on progress to 2030 target of 20%

9.9% decrease
in chemical use intensity in 2025 compared to the previous year

Traceability Progresses

100% Traceability to Mill since year 2018

94% Traceability to Plantation

Community Welfare & Biodiversity

Enabled access to education for **889 students** through scholarship support

180 children received free circumcision services

1,976 nutritional food packages distributed

Planted **1,250 mangrove** and fruit-bearing trees to enhance biodiversity

1,400 nearby homes received free fogging services

20 Tonnes of elephant feed to maintain biodiversity and benefit local farmers

Over **USD 256,000** has been distributed to communities through CSR initiatives

Scorecard and Rating

One **Bronze** medal in Ecovadis

ASD/SPI final score: 80.20% in **"A"** category

A- in CDP Forest, **B-** in CDP Climate Change, B in CDP Water Security

72.5% in Forest 500 (rank 4 of 500)

74.7% in SPOTT Assessment (Rank 32/100)

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Topic	2025 Commitments and Target	2025 Progress	Future Commitments and Targets
Climate change	• Reduce our GHG emission intensity (scope 1 + 2) by 10% by 2030 from a 2020 baseline • Maintain the methane capture system installed in our mills • Continue to explore opportunities for GHG reductions • Continue to pursue environmental protection certifications and award	• Biogenic emissions accounted for 656,425 tCO_2e (approximately 58% of total scope 1 & 2 GHG emissions) • Avoided 164,000 ton CO2eq of methane emission from the biogas plant • Received ASEAN Energy Award in Combined Heat and Power Category • Maintained our RSPO P&C and ISPO certifications	• Reduce our GHG emission intensity by 10% by 2030 from a 2020 baseline • Maintain RSPO, ISPO and other environmental certification • Maintain and expand our Proper Hijau award
Conservation of HCV areas and HCS forests	• Continue conserving HCV areas and HCS forests by: - Continuing our commitment to NDPE - Continuing to implement best management practices on existing plantations on peat - Continuing to train and socialize our suppliers on our sustainability policy - Continuing to socialize villagers on HCV areas and HCS forests and imploring them not to encroach	• No encroachment reported in our monitored HCV area • Timely engagement with suppliers with suspected deforestation • Conducted HCV and HCS conservation training and/or refreshment for employees	• Continue with the monitoring and conservation of HCV areas and HCS forests
Fire and haze prevention	• No use of fire for planting or pest/disease control • Continue implementing our integrated fire monitoring and response system	• Established a hotspot early warning system to complement GLAD Deforestation Alerts • Continued to socialize villagers on fire prevention and management • Continued and expanded our Fire Free Village Program • Continued to socialize zero burning to suppliers	• Zero fire occurred in our concession • Expand our fire monitoring and response system outside of our concessions and operational units.

Topic	2025 Commitments and Target	2025 Progress	Future Commitments and Targets
Pest management and fertilizer use	• Continue reducing the use of synthetic pesticides and fertilizers • Phasing out paraquat and WHO 1A and 1B pesticides as well as those listed in the Stockholm and Rotterdam Conventions across all operations	• Maintain the integrated pest management system (IPM) in our plantation • Maintained zero use of paraquat and WHO 1A and 1B pesticides as well as those listed in the Stockholm and Rotterdam Conventions • Reduce chemical intensity by 10% compared to 2024	• Fully phase out paraquat and WHO 1A and 1B pesticides as well as those listed in the Stockholm and Rotterdam Conventions • Reduce our chemical use intensity by 10% by 2030 from a 2020 baseline
Waste management	• Continue to innovate our waste management systems	• 100% of hazardous waste was handled as per the government regulation by licensed transporter	• Continue to innovate our waste management systems • Maintain and expand our Proper Hijau award
Water and effluents management	• Continue ensuring effluent complies with quality limits set by the relevant authorities	• Full compliance to government regulation on effluent • Progressing water use intensity reduction of 17.75% compared to 2020 baseline	• Expand our current water reduction initiatives • Reduce our water use intensity by 20% by 2030 from a 2020 baseline • Maintain and expand our Proper Hijau award
Community and smallholder livelihoods	• Starting the implementation of a more effective and targeted CSR program by shifting our CSR program from charity based program to community development programs	• Assisted 170,000 beneficiaries with USD 256,000 in aid through our CSR programme	• Develop an effective CSR program with emphasis on community development • Develop a smallholder engagement and education program to improve yield and sustainability of smallholder
Human rights	• Ensure our operations and suppliers are in full compliance with labour laws • Conduct stakeholder consultation and discuss human rights • Conduct supplier workshop and discuss human rights protection	• Zero substantiated complaint about human rights in our operations • Conducted stakeholder consultation and included human rights discussion •Conducted supplier workshop and included human rights topics	• Continue ensuring our operations and suppliers are in full compliance with labour laws • Continue to conduct stakeholder consultation and supplier workshop and always include human rights topics

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Topic	2025 Commitments and Target	2025 Progress	Future Commitments and Targets
Employee health, safety and wellbeing	• Continue creating a safe and healthy working environment • Achieve SMK3 Gold flag rating for all of our operations	• Achieved gold flag (highest level) rating in SMK3 (Indonesian health and workplace safety) certification for 100% of our operations	• Continue creating a safe and healthy working environment • Maintain SMK3 Gold flag rating for all of our operations
Human capital development	• Continue providing training and opportunities for continuous development	• 3,725 employees trained and retrained	• Continue providing training and opportunities for continuous development
Corporate governance and ethics	• Continuous socialization and retraining of our employee on the code of ethics	• Continuous socialization and retraining of our employee on the code of ethics	• Continuous socialization and retraining of our employee on the code of ethics
Product quality and safety	• Zero incidents of non compliance with regulations related to the health and safety of our products • No complaint from customer on our product quality and safety	• Zero incidents of non compliance with regulations related to the health and safety of our products. • No complaints from customer on our product quality and safety	• Maintain zero incidence of non compliance with regulations and zero complaint from customer
Supply chain traceability	• Maintain 100% traceability to mills • Continue to increase % of fruit traceable to mill and plantation • Continue working with suppliers to refine the use of GFW to detect deforestation and fire • Continue engaging with suppliers on traceability • Continue verifying our NDPE IRF profile to ensure ongoing compliance and transparency	• Achieved 100% traceability to mills and 94% traceability to plantation • Conducted our on-site supplier workshop with Olam Agri • Implemented a regular visiting program for high-risk suppliers • Under the NDPE Implementation Reporting Framework (NDPE IRF) v5.8, over 90% of our supply volume achieved 'delivering' status. Following our transition to the updated NDPE IRF v6.0 standard, 80% of the volume is currently assessed as delivering against NDPE commitments.	• Maintain 100% traceability to mills • Continue increasing % of fruit traceable to plantation and achieve 100% traceability to plantation by 2026 • Improve and refine the detection of deforestation and fire in supplier plantations using GFW and other monitoring system • Continue verifying our NDPE IRF profile

PROTECTING OUR ENVIRONMENT

At Permata Group, we believe that our long-term success is closely linked to the health of the environment that provides the resources we process and supports the well-being of our people. As a leading Palm Oil company, we recognize that our operations have a significant impact on the environment. Therefore, environmental protection is a core pillar of our sustainability strategy, guiding our efforts to minimize environmental impacts, promote responsible resource management, and create sustainable value for future generations.

1. Protecting High Conservation Area and Biodiversity

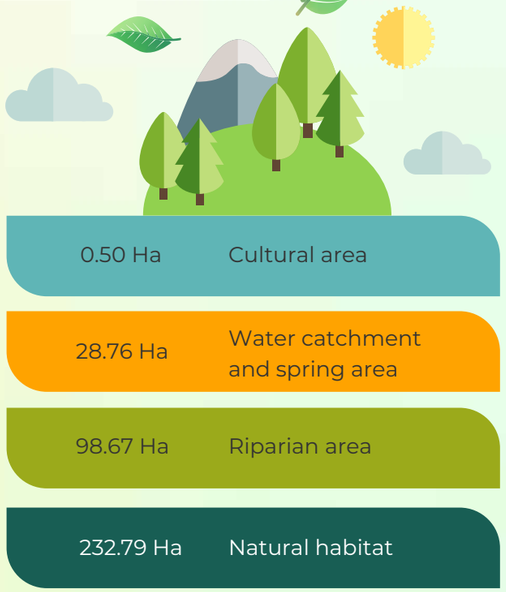
[GRI 3-3, 101-2, 101-5, 101-7]

Permata Group remains committed to protecting and maintaining High Conservation Value (HCV) areas within its operational concessions while preserving the ecological integrity and biodiversity of these landscapes. To ensure robust identification and management of HCV areas, we engaged accredited HCVRN ALS assessors to conduct comprehensive HCV assessments across our concession areas.

The assessments identified 360.72 hectares of HCV areas, representing approximately 1.5% of our total concession area, located across our estates in Riau and North Sumatra. These HCV areas primarily comprise riparian buffer zones, water catchment areas, natural habitats, and sites of cultural significance.

HCV areas by type:





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IUCN Rating

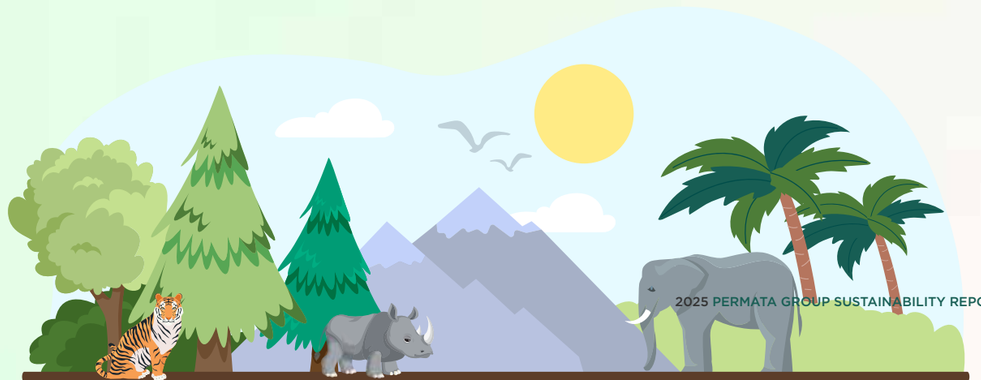
	Least Concern	Near Threatened	Vulnerable	Endangered	Critically Endangered
Total Number of Plant Species	58	1	2	3	1
Total Number of Animal Species	70	2	9	3	1

Through on going conservation and monitoring efforts, we strive to safeguard these important ecosystems and maintain the environmental and social values they provide to surrounding communities and future generations.Managing and monitoring our HCV areas are being done responsibly, with the aim of protecting and, where possible, enhancing their natural functions and biodiversity. This includes strict measures to prevent hunting of protected fauna within our concessions and ensuring that riparian ecosystems remain free from any planting or replanting activities. For riparian zones that have already been planted, we will cease all manuring and spraying, leave them undisturbed, and allow natural regeneration to restore their native state.



To ensure effective protection, designated personnel conduct regular monitoring and patrols to prevent unauthorized access and activities within HCV areas. Clear signage and boundary markers are maintained to strengthen awareness and protection of these conservation zones. We also engage local communities through regular stakeholder consultations to promote understanding of the ecological importance of HCV areas and encourage their active participation in conservation efforts. In parallel, our employees and workers receive ongoing training on biodiversity conservation and best practices for the protection of HCV areas.

We expect our suppliers to share this same level of commitment. Through our sustainability assessment, suppliers are requested to disclose their HCV management practices, provide information on their No Deforestation, No Peat, and No Exploitation (NDPE) commitments, and report on the implementation of their sustainability policies. Suppliers are also encouraged to share initiatives that contribute to environmental protection, climate change mitigation, biodiversity conservation, and the well-being of local communities.



Beyond managing HCV areas, we assess biodiversity-related risks and opportunities across our operations and supply chain to ensure that our biodiversity commitments remain effective, relevant, and strategically aligned with long-term business sustainability. Our assessment framework focuses on three key dimensions:

Physical Risks and Opportunities

How biodiversity loss or enhancement may affect the resilience, continuity, and efficiency of our operations and supply chains.

Regulatory Risks and Opportunities

How evolving environmental regulations and biodiversity-related policies could shape compliance requirements, while also creating opportunities for leadership in sustainable practices.

Reputational Risks and Opportunities

How our approach to biodiversity conservation influences stakeholder trust, brand value, and market positioning, particularly in sustainability-conscious markets.

We evaluate these risks and opportunities over the medium term (2–10 years) and long term (10–30 years), considering both their likelihood and potential impact. The following section outlines our biodiversity assessments for 2025:

Biodiversity-related risks

Category	Risk	Description	Time Horizons	Mitigation Measures
Physical Risk	Damage from Ecosystem Change (Pest & Disease)	Biodiversity loss—such as land degradation, deforestation, and the removal of natural vegetation—can destabilize ecosystems, increasing vulnerability to pest outbreaks and disease spread	Medium Term	We ensure that all new developments are preceded by HCV and HCS assessments using the HCSA toolkit and conducted by assessors accredited by HCVRN and HCSA. Through this assessment, we ensure that ecologically significant areas with high conservation value and biodiversity are preserved and protected from development. The protected areas are clearly demarcated with signage, regularly patrolled, and monitored in coordination with local authorities. Within our supply chain, we require suppliers to comply with our Supplier Code of Conduct, which prohibits new plantation development in HCV and HCS areas after 31 December 2015. In addition, we use Global Forest Watch Pro to monitor supplier compliance with NDPE commitments.
	Damage from Ecosystem Change	Conversion of natural land cover can diminish vegetation's natural role in mitigating floods or landslides, thereby increasing the risk of disasters	Medium Term	We implement land-use planning that integrates natural buffers, such as riparian zones and forested slopes, to reduce disaster risks. Reforestation and enrichment planting are carried out in degraded areas to restore natural disaster-prevention functions. Disaster risk assessments are conducted as part of new development planning, and suppliers are required to apply similar preventive measures through NDPE compliance.

Category	Risk	Description	Time Horizons	Mitigation Measures
Regulatory Risk	Sanction and Fines	Failure to protect or enhance biodiversity can result in fines, sanctions, or operational suspensions, reinforcing the need for sustainable practices.	Medium to Long Term	We maintain compliance with national and international certifications, including RSPO (covering HCV and HCS requirements) and ISPO (ensuring operations are outside legally protected areas). We also encourage suppliers to pursue ISPO certification as proof of their sustainability commitment. To strengthen awareness, we conduct training and workshops for employees and suppliers on protected areas and NDPE practices.

Category	Risk	Description	Time Horizons	Mitigation Measures
Reputational Risk	Loss of Client's Trust and Market Share	Clients may shift to competitors if they lose confidence in our biodiversity management, directly affecting market position and reputation.	Medium Term	We strengthen client trust through transparent sustainability reporting aligned with global frameworks (e.g., NDPE, RSPO, etc). Independent third-party audits and verifications are conducted to demonstrate accountability and credibility. We also engage clients and stakeholders in regular dialogues and consultations to share progress, address concerns, and highlight our biodiversity conservation initiatives.

	Decrease of Brand Value	Encroachment on biodiversity can directly or indirectly damage a brand, leading to decreased sales potential.	Medium Term	We enhance brand resilience by publishing transparent sustainability disclosures aligned with NDPE frameworks. Independent audits and third-party verifications are carried out to strengthen credibility. We also engage in proactive communications campaigns to highlight our conservation initiatives and demonstrate accountability to stakeholders.
	Conflicts with Communities	The decline or loss of biodiversity function in an area may lead to conflicts with communities that depend on it for food and their livelihoods.	Medium to Long Term	We actively engage local communities in participatory land-use planning to balance conservation and livelihood needs. Alternative livelihood programs (e.g., agroforestry, sustainable farming, and eco-tourism) are promoted to reduce pressure on biodiversity areas. Grievance mechanisms are maintained to ensure dialogue, transparency, and conflict resolution with affected communities.

Biodiversity-related opportunities

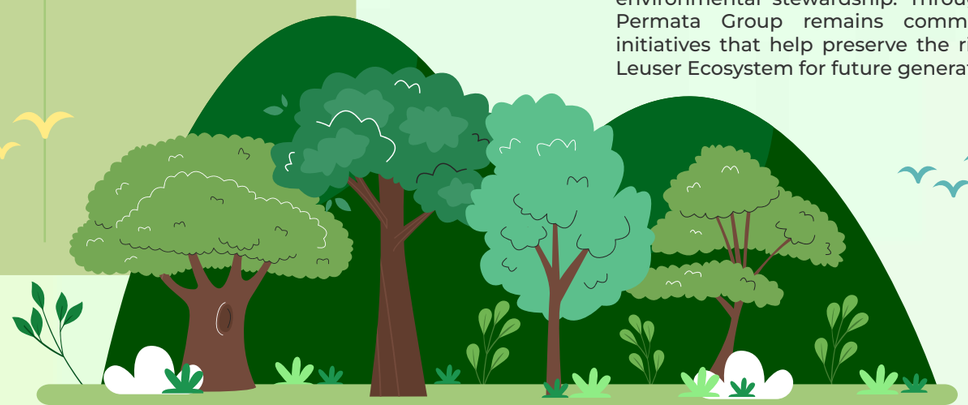
Category	Opportunity	Description	Time Horizon	Measures to Realize Opportunity
Physical Opportunity	Resilience to Climate Change	Healthy ecosystems act as natural buffers against floods, droughts, and temperature extremes. Companies that conserve biodiversity improve plantation resilience and ensure long-term productivity in the face of climate risks.	Medium to Long Term	Implement No Deforestation, No Peat and No Exploitation (NDPE) principles in operation and sourcing. Identify and protect High Conservation Value (HCV) and High Carbon Stock (HCS) area within the concession.
	Improved Pest and Disease Control and Increased Crop Resiliency	Biodiverse landscapes naturally regulate pests, maintain soil fertility, and improve water availability. This reduces dependence on	Medium to Long Term	Identify and protect High Conservation Value (HCV) and High Carbon Stock (HCS) area within the concession. Implement integrated Pest Management by utilizing pests' natural predators such as barn owl.

		chemical fertilizers and pesticides, lowering operational costs while improving crop resilience and yields over time.	Medium Term	Promote soil enrichment through organic matter recycling and cover cropping.

Category	Opportunity	Description	Time Horizons	Mitigation Measures
Regulatory Opportunity	Regulatory compliance and policy alignment	Governments and international bodies are strengthening regulations around deforestation, HCV, and HCS protection. Companies that preserve biodiversity can stay ahead of compliance requirements, avoid penalties, and build cooperative relationships with regulators opening doors for joint programs and incentives.	Medium Term	Implement No Deforestation, No Peat and No Exploitation (NDPE) principles in operation and sourcing and Adopt NDPE and HCV/HCS monitoring systems. Strengthen traceability in the supply chain. Engage in multi-stakeholder platforms to align with government and international policy requirements.

Category	Opportunity	Description	Time Horizons	Mitigation Measures
Reputational Opportunity	Strengthened Market Position and Access to Premium Buyer	Global demand for deforestation-free and biodiversity-conscious palm oil is growing. By protecting biodiversity, companies can secure access to premium markets in Europe, North America, and other regions where sustainability standards (e.g., EUDR, RSPO) are mandatory. This creates opportunities for	Medium Term	Obtain and maintain sustainability certifications (RSPO, ISCC, NDPE compliance). Announce and implement No Deforestation, No Peat and No Exploitation (NDPE) principles in operation and sourcing. Disclose biodiversity and NDPE performance transparently such as through NDPE IRF. Publish verifiable ESG disclosures aligned with global standards through global reporting platform (e.g. CDP, Ecovadis, SPOTT etc)

	higher product valuation and long-term buyer relationships.		Strengthen buyer engagement through sustainability reporting and joint initiatives.
Access to Green Finance and Incentive	The financial sectors and investors are increasingly prioritizing companies with strong biodiversity and climate commitments. Preserving biodiversity enhances eligibility for green bonds, sustainability-linked loans, and other ESG-driven financing instruments, reducing cost of capital and expanding funding opportunities.	Short to Medium Term	Obtain and maintain sustainability certifications (RSPO, ISCC, NDPE compliance). Announce and implement No Deforestation, No Peat and No Exploitation (NDPE) principles in operation and sourcing. Disclose biodiversity and NDPE performance transparently such as through NDPE IRF. Publish verifiable ESG disclosures aligned with global standards through global reporting platform (e.g. CDP, Ecovadis, SPOTT etc) Partner with financial institutions to access sustainability-linked financing.
Community Trust and License to Operate	Many local communities depend on forests and biodiversity for food, water, and livelihoods. By conserving biodiversity, companies can build trust, reduce conflict risks, and foster partnerships with communities. This strengthens long-term operational stability and social acceptance.	Short to Medium Term	Develop community-based biodiversity monitoring and conservation programs. Share benefits from biodiversity protection (e.g., eco-tourism, non-timber forest products). Maintain transparent grievance mechanisms and participatory decision-making processes with local stakeholders.



Natural Ecosystem Conservation and Rehabilitation

In addition to protecting and monitoring High Conservation Value (HCV) areas within our concessions, we actively support the conservation and rehabilitation of natural ecosystems beyond our operational boundaries. Through collaborative initiatives and landscape-level partnerships, we contribute to the restoration of degraded areas and the protection of critical biodiversity landscapes, reinforcing our commitment to environmental stewardship and sustainable development.

The Leuser Ecosystem is one of the world's most important biodiversity landscapes and the place on Earth where Sumatran orangutans, elephants, rhinos, and tigers coexist in the wild. Beyond its ecological significance, the ecosystem supports local livelihoods, regulates water resources, and plays a vital role in climate resilience across Aceh and North Sumatra. Protecting this landscape requires a collective effort that balances environmental conservation with sustainable economic development.



Recognizing this responsibility, Permata Group joined other leading palm oil companies, global brands, and sustainability partners in supporting the Aceh Sustainable Palm Oil Working Group (ASPOWG). The initiative was established to advance the Aceh Sustainable Palm Oil Roadmap, a government-led framework that promotes deforestation-free and smallholder-inclusive palm oil production while strengthening forest conservation efforts across the province.

Through this collaborative platform, stakeholders are working toward shared goals that include preventing deforestation, restoring degraded landscapes, improving smallholder productivity, strengthening supply chain transparency, and supporting the rights and livelihoods of local communities. The initiative reflects a growing recognition that long-term business success depends on healthy ecosystems and resilient communities.

For Permata Group, participation in this initiative aligns with our commitment to responsible sourcing and biodiversity conservation. We believe that protecting critical landscapes such as the Leuser Ecosystem requires action beyond individual operations. By supporting landscape-level collaboration, we contribute to broader efforts aimed at safeguarding forests, protecting wildlife habitats, and creating sustainable economic opportunities for communities that depend on the palm oil sector.

The launch of ASPOWG represents an important milestone in Aceh's journey toward sustainable development. As market expectations for deforestation-free commodities continue to grow, collaboration between government, businesses, civil society organizations, and local communities will be essential to ensuring that economic progress goes hand in hand with environmental stewardship. Through our participation, Permata Group remains committed to supporting initiatives that help preserve the rich biodiversity of the Leuser Ecosystem for future generations.

Roots of Resilience: Mangrove Planting with DAAI TV

As part of our commitment to ecosystem conservation and climate resilience, Permata Group participated in a mangrove planting initiative at Sei Tuan Indah Beach, Deli Serdang, North Sumatra. Conducted in collaboration with DAAI TV, Growth Asia, Infiniti Logistics, Samudera Raya Berjaya, and Tzu Chi volunteers, the activity resulted in the planting of 1,000 mangrove seedlings to support the rehabilitation of coastal ecosystems.

Mangroves play a critical role in protecting coastal environments. Their root systems help reduce shoreline erosion, improve coastal stability, and provide habitats for a diverse range of marine species. In addition, mangrove forests are recognized for their ability to capture and store significant amounts of carbon, making them an important nature-based solution for climate change mitigation.





The initiative reflects our belief that environmental stewardship is most effective when supported by collaboration among businesses, communities, and civil society organizations. By working together with our partners and volunteers, we contributed to the restoration of a coastal ecosystem that delivers long-term environmental and social benefits.

Beyond the immediate planting activity, the initiative also served as an opportunity to raise awareness of the importance of protecting and rehabilitating natural ecosystems. Such efforts are essential to maintaining biodiversity, strengthening ecosystem resilience, and supporting the livelihoods of communities that depend on healthy coastal environments.

Through programs such as this, Permata Group continues to advance its commitment to conserving and rehabilitating natural ecosystems. We believe that investing in nature today helps build more resilient landscapes and communities for future generations.

Peatland Management

Peatlands are carbon-rich ecosystems that store vast amounts of carbon, making them one of the world's most important natural carbon sinks and a critical component of global climate regulation. Beyond their role in climate mitigation, peatlands support rich biodiversity and provide essential habitats for numerous plant and animal species, including many that are rare, threatened, or endangered.

Unsustainable peatland management can result in serious environmental and social consequences, including greenhouse gas emissions, biodiversity loss, land subsidence, flooding, and increased fire risk. These impacts can undermine ecosystem resilience and affect the livelihoods and well-being of communities that depend on healthy peatland landscapes.

Permata Group is committed to protecting and managing peatlands responsibly. In line with our No Deforestation, No Peat, and No Exploitation (NDPE) commitments, we prohibit any new development on peatlands. For existing plantations located on peat soils, we implement the RSPO Best Management Practices (BMP) for peatland management, ensuring that these areas are managed sustainably while minimizing environmental impacts and safeguarding their long-term ecological functions.

In line with our commitments, we have taken concrete steps such as:

1. **Peat Assessments**
We conduct **Peat Drainability Assessments** for all peat areas prior to replanting, as required by the RSPO. To date, we have carried out **seven soil and peat assessments** (combined with our HCV assessments) and **one drainability assessment** in our estates. The results confirmed that our existing plantations on peat are suitable for replanting, allowing us to manage them responsibly.

2. **Water Management**
Installation of water level gauges, piezometers, water gates, and weirs to maintain the water table at between 50-70 from ground level, in line with Indonesian government regulations. Proper water management reduces carbon emissions, minimizes fire risk, and slows peat subsidence.

3. **Monitoring and Subsidence Control**
Deployment of peat subsidence poles across our concessions to measure land subsidence rates and guide adaptive management strategies.

4. **Fire Prevention and Emergency Response**
Establishing fire prevention patrols, creating fire breaks, and training local firefighting teams to reduce the risk of peatland fires.

5. **Biodiversity Protection**
Identifying and conserving High Conservation Value (HCV) and High Carbon Stock (HCS) areas within peatland landscapes to preserve habitats and enhance ecological connectivity.

6. **Community Engagement**
Partnering with local communities to promote sustainable livelihoods, raise awareness on peatland conservation, and ensure that best practices benefit people as well as the planet.

Through these actions, Permata Group strengthens its commitment to protecting peatlands as irreplaceable ecosystems helping to secure biodiversity, support communities, and play an active role in global climate change mitigation.



Subsidence Pole is installed to measure the subsidence rate of the peat



Piezometer / AWLS (Automatic Water Level System / Recorder) is installed to measure and ensure that the water level is maintained at the recommended level

Preventing Deforestation

Preventing deforestation has always been a key focus of Permata Group's sustainability strategy. Healthy forests play a critical role in maintaining biodiversity, regulating water cycles, and protecting communities from environmental risks. In recent years, flooding events in various parts of North Sumatra, Aceh & Riau have highlighted the importance of preserving forest ecosystems and watershed functions, underscoring the need for collective efforts to prevent further forest loss and land degradation.

As part of our commitment to responsible sustainable business and our No Deforestation, No Peat, and No Exploitation (NDPE) policy, Permata Group continues to strengthen its efforts to prevent deforestation across both our operations and supply chain.

Within our operations, we utilize advanced monitoring tools, including Global Forest Watch (GFW) Pro, alongside regular field patrols to safeguard designated conservation areas identified through High Conservation Value (HCV) and High Carbon Stock (HCS) assessments. This proactive approach enables the early detection of potential land-use changes, allowing timely investigation and response to minimize the risk of deforestation and protect critical ecosystems.

Recognizing that conservation efforts are most effective when supported by local stakeholders, we also engage surrounding communities through awareness and education programs. These initiatives aim to enhance understanding of the ecological importance of conservation areas and encourage the protection of these landscapes from encroachment and other activities that may threaten their integrity.

Our commitment to deforestation-free practices extends beyond our own operations to our supply chain. Using GFW Pro, we monitor suppliers for potential deforestation risks based on the level of traceability information available. For suppliers with limited traceability to plantation data, monitoring is conducted within a 50-kilometer radius of their mills. For suppliers with supply shed information, monitoring focuses on their respective supply sheds, while suppliers that provide plantation polygon data are monitored at the polygon level.

By continuously improving the traceability of our Fresh Fruit Bunch (FFB) supply base and adopting a risk-based monitoring approach, we are working closely with suppliers to strengthen transparency, identify potential risks, and support the implementation of deforestation-free practices throughout our supply chain.

To strengthen accountability and transparency, we maintain grievance mechanisms that enable stakeholders to report concerns related to deforestation, land clearing, or other potential violations of our sustainability commitments within our operations and supply chain. Reports can be submitted through our established grievance channels and are reviewed in accordance with our grievance management procedures. Where credible concerns are identified, we conduct investigations and engage relevant parties to ensure appropriate corrective actions are taken and monitored through to resolution.

In 2025, we confirmed no deforestation within our own concessions. However, as part of our sustainability policy, any deforestation that is discovered after 2016 that does not comply with the High Carbon Stock Approach (HCSA) will be remediated or compensated with the RSPO Remediation and Compensation Procedure (RACP). We expect all our suppliers to implement the same strategy.

Fire Management and Prevention

Driven by our commitment to environmental protection and community safety, Permata Group implements a strict zero-burning policy across all plantation operations. The use of fire for land clearing, new planting, replanting, and pest control is strictly prohibited throughout our operations. All land preparation activities are carried out in accordance with applicable regulations using mechanical methods, including heavy equipment, as well as manual techniques.

By eliminating the use of fire in our operational activities, we minimize the risk of uncontrolled fires, protect surrounding ecosystems, and safeguard the health and safety of local communities.Our fire prevention approach combines responsible land management practices with well-prepared emergency response teams to ensure early detection, rapid response, and effective fire prevention measures.

As part of our efforts to strengthen community participation in fire prevention, we continued the implementation of our Fire Free Village Programme (FFVP), a community-based initiative aimed at reducing fire risks and enhancing local fire preparedness. In 2025, a total of eight villages participated in our Fire Free Village Programme. Through close collaboration with local communities, all participating villages successfully recorded zero fire incidents throughout the year. This achievement demonstrates the effectiveness of community engagement and collective action in preventing fires and protecting surrounding landscapes.



We also regularly conduct fire risk assessments across our operation to identify vulnerable areas and potential fire hazards. The findings enable us to adopt a risk-based approach to fire prevention, prioritize mitigation measures, and allocate resources effectively to areas of greatest concern.

To support these efforts, fire protection equipment and systems, including portable fire extinguishers (APAR), hydrants, smoke detectors, and fire alarm systems, are installed in designated operational areas and facilities. Regular inspections and maintenance are carried out to ensure that these systems remain fully functional and capable of supporting a rapid response during emergencies.

We developed and implemented an integrated fire monitoring and response system that includes the following:

Fire awareness and prevention training

To strengthen fire prevention and emergency preparedness, Permata Group conducts regular awareness programs, training sessions, and emergency response simulations involving employees as well as surrounding communities. The implementation of regular emergency response drills and fire simulations, enabling employees to practice evacuation procedures, emergency communication, and firefighting response in realistic scenarios. These exercises help strengthen preparedness, improve coordination among response teams, and ensure that established procedures can be effectively implemented during actual emergencies.

The training also conducted in collaboration with relevant stakeholders, including Manggala Agni and local Fire and Rescue Services (Dinas Pemadam Kebakaran) , combines classroom training with practical emergency drills. The training covers fire prevention measures, proper equipment handling, emergency communication, and incident response procedures.

A robust early warning system

Permata Group has established a robust Early Warning System (EWS) to proactively identify and mitigate fire risks across our operations and supply chain. Our monitoring approach combines satellite-based technology, field surveillance, and fire risk assessments to enable the early detection of potential fire incidents and support timely response measures.

We utilize Global Forest Watch (GFW) GLAD alerts, as well as VIIRS and NOAA satellite data, to monitor potential fire hotspots and land-use changes within our plantations and those of our suppliers. In addition, we monitor Fire Danger Rating (FDR) conditions to assess the level of fire risk based on weather conditions, vegetation dryness, and environmental factors. This information enables us to strengthen preparedness measures, increase monitoring activities during high-risk periods, and allocate resources to vulnerable areas.



Complementing our satellite-based monitoring, fire watch towers are strategically located across our plantations to enhance visibility and facilitate the early detection of smoke or fire incidents. Regular ground patrols conducted by dedicated personnel further support our monitoring efforts by identifying potential hazards and verifying field conditions.



When a potential fire incident is detected through satellite alerts, fire watch towers, patrol activities, or elevated Fire Danger Rating conditions, our emergency response teams are immediately mobilized. These trained and equipped firefighting teams respond rapidly to contain and extinguish fires, minimizing the risk of fire spread and reducing potential impacts on the environment, surrounding communities, and operational areas.



A well trained and well-equipped firefighting team

Every site operated by Permata Group has dedicated firefighting teams. These teams are the first line to combat fire incidents and play an important role in maintaining a high level of preparedness across all operational sites.

To ensure competency and readiness, firefighting personnel regularly participate in training programs, emergency drills, and simulation exercises. In addition, members of the firefighting teams have undergone firefighting training Certificates Class A, B, C, and D, and have also undergone specialized forest and land fire training conducted by Manggala Agni to strengthen their technical capabilities and ensure compliance with applicable standards and best practices.

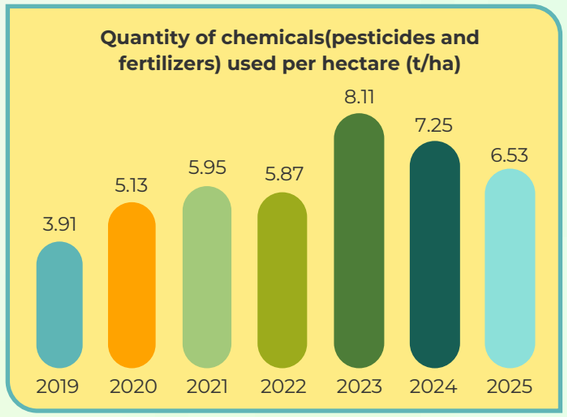
To further enhance fire monitoring and surveillance capabilities, drones are deployed to support aerial monitoring activities. Drone technology enables the early identification of potential fire hotspots, improves situational awareness, and assists firefighting teams in assessing conditions and determining appropriate response actions, particularly in areas that may be difficult to access.



2. Pest Management and Fertilizer Use

[GRI 13.6.1]

The use of fertilizers and pesticides is an integral part of plantation management. However, we recognize that their use may pose environmental and social risks if not properly managed. Potential impacts include surface water contamination through runoff, groundwater contamination through soil infiltration, as well as health risks for workers involved in handling these substances.



We are committed to minimizing these impacts by continuously reducing our reliance on synthetic fertilizers and pesticides. Soil and leaf analyses are conducted regularly to ensure that fertilizer application is precise, targeted, and based on actual crop needs, thereby avoiding excessive or inefficient use. We also phased out chemicals with the most significant environmental and health risks, including paraquat, WHO Class 1A and 1B pesticides, as well as substances listed under the Stockholm and Rotterdam Conventions.

In managing pest populations, we prioritize Integrated Pest Management (IPM) approaches that reduce dependence on chemical pesticides. These include the use of biological control methods such as barn owls to control the rodent population, predator host plants (such as turnera subulata) to control caterpillar and mite infestations, and legume cover crops (such as mucuna bracteata) to compete with undesirable weeds in our plantations as well as provide supplemental nitrogen.







We also applies a circular approach in managing waste from palm oil processing by converting it into beneficial resources for plantation operations. Palm Oil Mill Effluent (POME) generated from our mills is utilized as organic fertilizer and for irrigation through a controlled land application system, supporting soil fertility while reducing environmental discharge.

3. Water and Effluent Management

[GRI 3-3, 303-1, 303-2, 303-4, 303-5]

Water Management

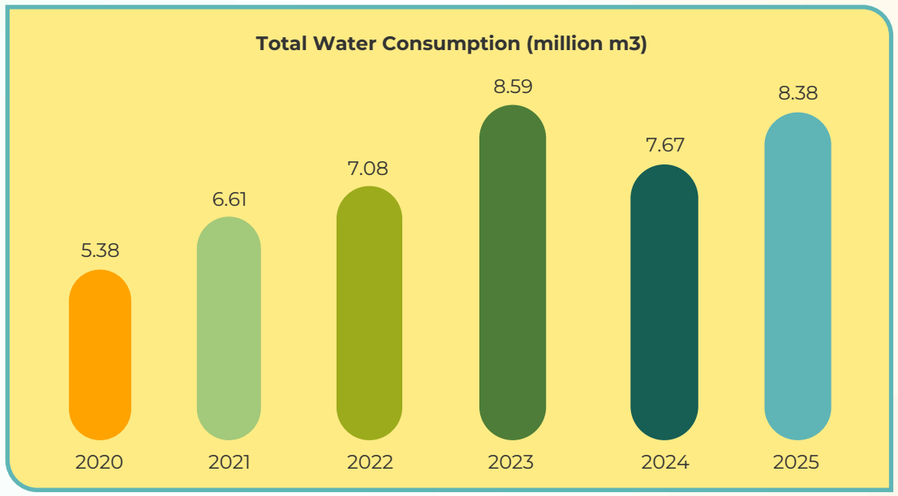
Water is a finite and essential resource that must be managed responsibly to support long-term sustainability. Inefficient water use can contribute to the depletion of local water sources, disrupt surrounding ecosystems, and create potential risks for nearby communities. In addition, inadequate effluent management may lead to contamination of water bodies, soil, and air, which can also pose health and safety risks for workers. As such, effective water and wastewater management is a key priority in our operations.

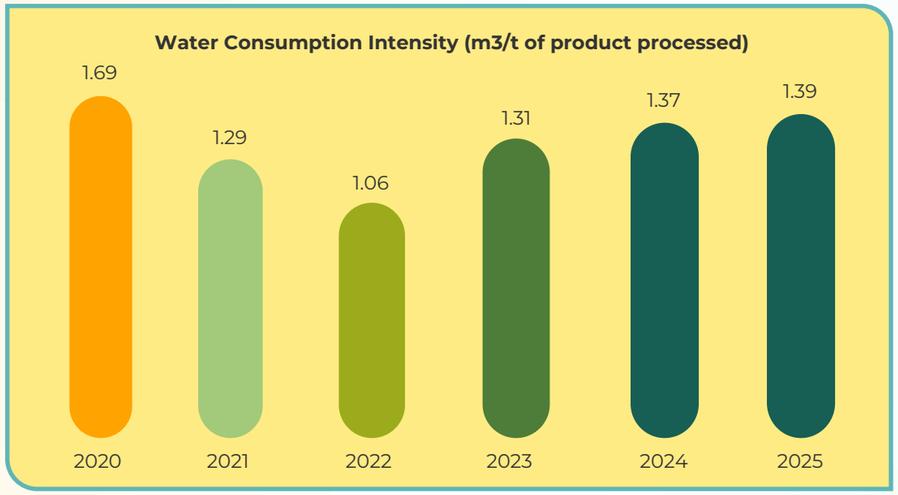
To address these challenges, Permata Group has constructed and operates Wastewater Treatment Plants (WWTP) across its facilities to ensure that wastewater is properly treated before discharge or reuse. A key component of our water management strategy is the recycling of treated water from the WWTP, which is reused. This initiative helps reduce freshwater withdrawal while improving overall water efficiency across our operations.

In addition to WWTP implementation, we continue to apply water conservation measures such as rainwater harvesting systems installed on mill rooftops and employee housing areas. These systems contribute additional water supply and help reduce dependency on external water sources.

Further water-saving initiatives include the use of palm fibers instead of water for cleaning oil spill incidents in mills, as well as the reuse of reject water from reverse osmosis (RO) systems for cleaning activities. Collectively, these measures contribute to significant reductions in water consumption across our operations.

Moving forward, we remain committed to continuously improving water efficiency and innovation in water management. We have also set a target to reduce water consumption intensity by 20% by 2030 compared to a 2020 baseline.





In 2025, our total **water consumption and water intensity increases** as a result of the inefficiency caused by the reduced production in some of our units. Permata Group remains committed to responsible water consumption. We will continue to invest in technologies and implement best practices aimed at reducing water usage across our operations.

Water efficiency and quality are important aspects of our sustainability management. We have therefore conducted a water risk and opportunity analysis to identify key areas where we can streamline our water consumption and where we can implement strategies to mitigate potential risks. By focusing on innovative practices and technologies, we aim to enhance our water efficiency and contribute to the best management and agricultural practices across our operations.

Our water risk and opportunity analysis covers three main categories:

Physical Water Risks / Opportunities

This refers to tangible issues related to water availability and quality, which directly affect operations and our supply chains.

Regulatory Risks / Opportunities

Potential impacts on our operational costs and legal compliance resulting from laws, regulations, and policies concerning water use, discharge, and conservation.

Reputational Risks / Opportunities

Risks / opportunities that can influence our business image depend on how we manage water resources.

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Below is our analysis of water risks and opportunities based on the 2025 data performances:

Water-related risks

Category	Risk	Description	Time Horizons	Measures
Physical Risk	Water Pollution	Pollution incidents from nitrate due to manuring, and oil leakage, or effluent from palm oil mills that carry substances over the allowable limit, can damage water quality and damage the aquatic ecosystem in water bodies.	Medium Term	We are fully compliant with the government regulation regarding the discharge of wastewater into natural water bodies. For our palm oil mills, we installed open lagoon as well as methane capture plant. For our refineries we have installed wastewater treatment plant. While in plantations, we optimize the Integrated Pest Management (IPM) and land application to reduce dependency on chemicals to prevent pollution to water bodies. All of the treated wastewater discharged by us have met national standard. We also require our suppliers to be fully compliant with the government regulation.
	Water stress	Water deficiency leads to low yields in oil palms because these plants require adequate water for growth. Extended periods of drought are linked to reduced productivity.	Medium Term	To deal with water availability, we installed rainwater collection drains on the roofs of our plants and employees' homes to supplement our water withdrawal. In a single plant, collected rainwater can provide up to 2% of total water usage. Other initiatives to reduce water withdrawal and consumption include using palm fibres instead of water to clean up accidental oil spills in our plants and reusing reject water from our reverse osmosis water treatment system to wash and clean our plants which can save us up to 10% of our water consumption. We also construct small water holes around our plantation and water catchment areas following government regulation to collect the rain water to use during dry season.
	Disaster	Floods and droughts related to water availability can damage company assets, reducing yield, slowing the harvesting in estates and processing in mills.	Medium Term	
	Unsuccessful peat management	Water management significantly correlates	Medium Term	In our existing peat areas within the concession, we adhere to RSPO Best Management Practices

		with peat management. While the water is deficient, there will be peat subsidence, which is irreversible, causing an inability for peatland to store water. While over water, causing floods that deny production activities		(BMP). This involves installing water weirs and gates in our canals to maintain optimal water levels between 50-70 cm from ground level.

Category	Risk	Description	Time Horizons	Measures
Regulatory Risk	Sanction and Fines	Failure to manage water may result in sanctions and fines, with the likelihood of operational stoppage, making it imperative for organizations to prioritize sustainable practices.	Medium to Long Term	We obtain certifications nationally and globally that support our continuous improvement plan to reduce water use and promote water recycling, RSPO certification with compliance to water efficiency program, and ISPO certification that mandates us to conserve water source and water quality, as well as adhering to government standard of water discharge parameter. We also encourage our suppliers to obtain ISPO certification to measure their commitment to sustainability.

Category	Risk	Description	Time Horizons	Measures
Reputational Risk	Water rights conflict	Polluting or consuming water in a shared area can cause conflicts with communities that depend on our capacity to deliver sufficient and high-quality water.	Medium to Long Term	Permata Group is committed to preventing water rights conflict with local communities by responsibly managing and protecting High Conservation Value (HCV) areas within our concessions. We have engaged HCVRN ALS-licensed assessors to conduct comprehensive HCV assessments across all our concession areas. The majority of these areas are riparian zones and water catchment areas, which play a critical role in safeguarding water resources for both ecosystems and surrounding communities.
	Shifting Client's Interest	Shifting clients' preferences to competitors because of trust issues associated with water	Medium to Long Term	

		management or conflict related to communities' water rights can significantly influence a company's image. To regain consumer confidence, a company must prioritize transparency and actively engage in sustainable practices that demonstrate commitment to environmental stewardship.		By maintaining these natural buffers and hydrological functions, we aim to ensure fair and sustainable access to water, reduce the risk of water rights conflicts.

Water-related opportunities

Category		Description	Time Horizons
Physical Opportunities	Disaster Prevention	Due to our endeavors in water efficiency, our operations can provide sufficient water during the dry season and balance excess water during the rainy season, which may mitigate the likelihood of disaster. We will continue to seek out and innovate new opportunity for further water efficiency.	Medium Term
	GAP & GMP	We adhere to Good Management Practices (GMP) and Good Agricultural Practices (GAP), ensuring significant opportunities to improve product quality and ensuring regulatory compliance, facilitating access to premium markets and certifications. We indulge in RSPO best management practice for water management on peatland, This involves installing water weirs and gates in our canals to maintain optimal water levels between 50-70 cm from ground level. Beyond plantations, we reduce water withdrawal and consumption such by replacing water with palm fibres to clean up accidental oil spills in our plants, and reusing reject water from our reverse osmosis water treatment system to wash and clean our plants which can save us up to 10% of our water consumption.	Medium Term

Category		Description	Time Horizons
Regulatory Opportunities	Compliance to Law and Regulation	We comply with applicable laws and regulations in carrying out our sustainability practices across our operations. As part of this commitment, we monitor our POME (Palm Oil	Medium to Long Term

		Mill Effluent) discharges into water bodies and report them periodically to the relevant authorities. Some of our units are equipped with automatic monitoring systems integrated with the Ministry of Environment (KLH) through IoT-based technology, enabling real-time data transmission. In 2025, all POME discharges remained within the allowable limits.	

Category		Description	Time Horizons
Reputational Opportunities	Social acceptance	Effective and efficient water management performed by Permata Group and stakeholders may gain support from local communities that source water in the same location. Local communities often have a deep-rooted connection to their environment, making their involvement crucial for sustainable practices. By fostering a sense of ownership and responsibility toward biodiversity, these communities can become powerful advocates for conservation efforts.	Medium to Long Term
	Market acceptance	We are certain that our product is more acceptable because it highlights good practice in water management. This recognition enhances consumer trust and encourages more environmentally conscious purchasing decisions. As a result, we can attract a broader customer base that values sustainability and ethical practices.	Medium to Long Term
	Awards and Certifications	We obtain certification and participate in ratings to ensure we remain aligned with our sustainable commitments. We aim to improve our practices continuously and ensure transparency in our operations. By engaging with industry standards and benchmarks, we can effectively measure our progress and hold ourselves accountable to our sustainability goals. This certification and rating requirement often includes our commitments to sustainable practices, such as reducing water consumption and promoting water recycling. By doing this, we are able to earn awards and meet certification requirements. Our units obtain certifications and awards that are relevant to water management, Ecovadis, CDP, ISPO, and RSPO.	Medium to Long Term

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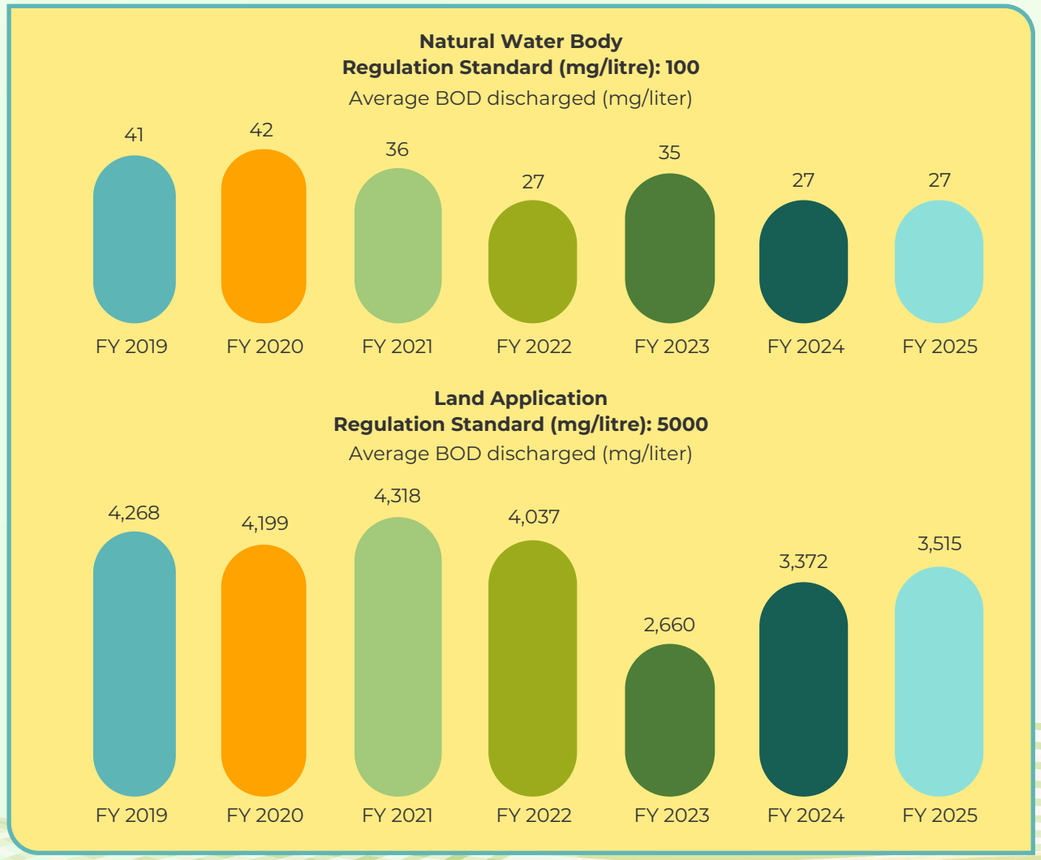
Effluent Management

We ensures that all treated effluent discharged from our operations complies with applicable regulatory quality standards. To achieve this, we operate wastewater treatment plants (WWTP) across our palm oil mills, refineries, and downstream facilities. These systems combine chemical and biological treatment processes to manage both Palm Oil Mill Effluent (POME) and Palm Oil Refinery Effluent (PORE) in a controlled and responsible manner.

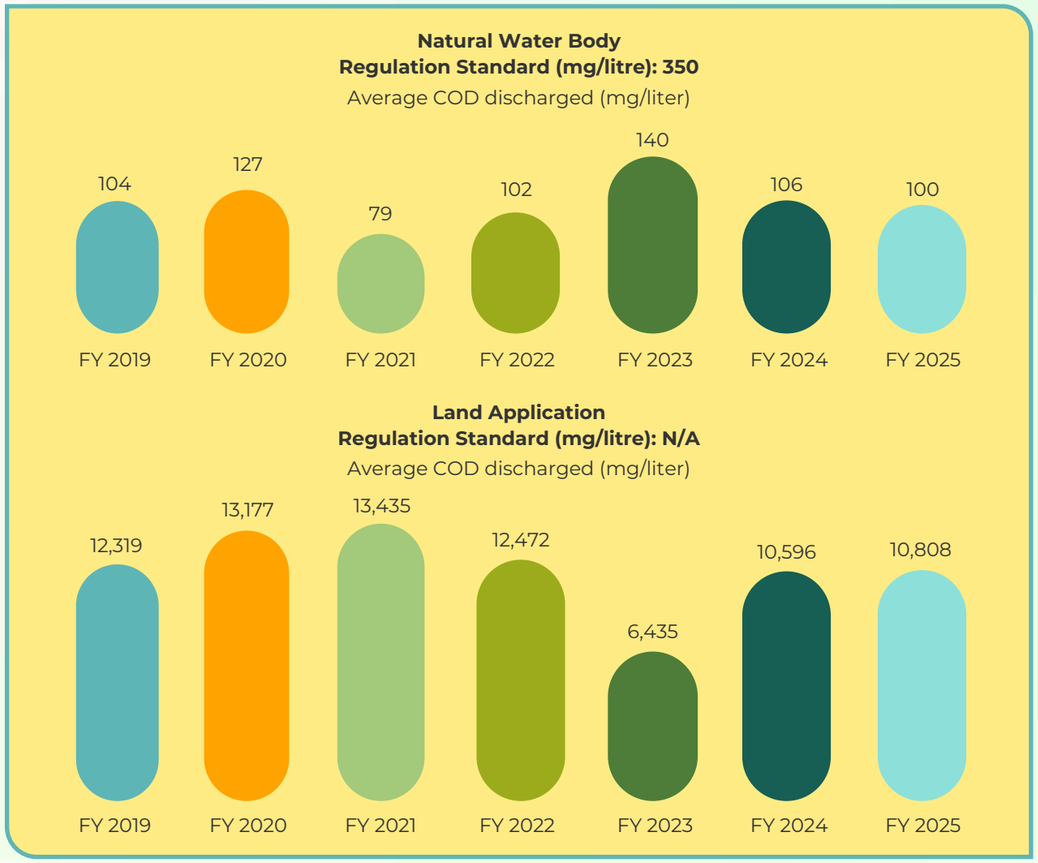
At our palm oil mills, wastewater treatment systems are supported by additional environmental control measures, including methane capture facilities. These systems help reduce greenhouse gas emissions while also minimizing odor impacts associated with effluent storage and treatment. In some mills, belt press systems have also been installed to separate solid fractions from effluent, thereby reducing organic load. The separated solids are further utilized as organic fertilizer in our plantations, supporting a circular approach to resource management.

Wherever possible, treated effluent is reused through our land application system, where POME is applied as organic fertilizer and for irrigation in plantations. During dry seasons or El Niño periods, this system also helps support water availability and mitigate water stress in plantation areas. These practices are complemented by our Integrated Pest Management (IPM) approach, which promotes natural and organic pest control methods and further reduces reliance on synthetic inputs.
For refineries and downstream operations, we operate chemical-based wastewater treatment systems that utilize flocculants and coagulants to remove organic pollutants from wastewater. These processes effectively reduce Chemical Oxygen Demand (COD) and Biological Oxygen Demand (BOD) levels to ensure full compliance with government regulatory standards prior to discharge.

BOD of effluent by discharge destination



COD of effluent by discharge destination



4. Waste Management

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

Effective waste management is an essential component of Permata Group's commitment to sustainable palm oil production. We implement a comprehensive waste management approach designed to minimize environmental impacts while supporting the principles of a circular economy across our operations.

Guided by the principles of reduce, reuse, and recycle (3Rs), we continuously seek opportunities to optimize resource efficiency and reduce waste generation across all operational activities. Organic waste from our operations, such as plantation and mill by-products, are prioritized for beneficial reuse wherever possible, supporting nutrient recycling and reducing reliance on external inputs. Inorganic and non-recyclable wastes are managed in accordance with applicable regulatory requirements.

In line with our commitment to regulatory compliance and responsible business practices, all waste generated from our operations is managed, treated, and disposed of in accordance with applicable Indonesian environmental regulations. We recognize that proper waste management is critical to preventing environmental pollution, safeguarding ecosystems, and ensuring the long-term sustainability of our operations.

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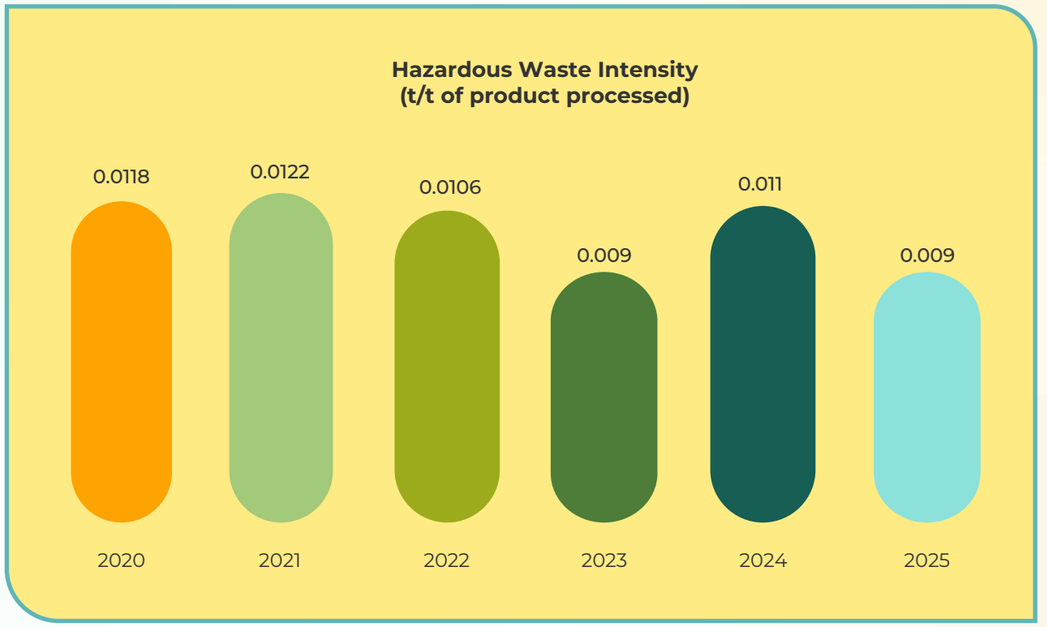
Hazardous Waste

Permata Group is committed to the responsible management of hazardous waste as part of our broader commitment to environmental protection and the well-being of our people and surrounding communities. We implement strict procedures to identify, segregate, handle, and manage hazardous waste across all our operations. In line with applicable regulations and international best practices, hazardous waste is stored in properly designed and fully equipped temporary storage facilities at our operational sites, and is subsequently transported and treated by certified third-party contractors to ensure safe and compliant disposal.

Quantity of hazardous waste produced by our operations

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Spent bleaching earth (SBE) (t)	19,038	32,342	35,970	27,600	24,343	30,188
Fly ash and bottom ash (FABA) (t)	15,742	26,585	28,725	25,293	25,244	23,026
Chemical container (t)	65	122	138	141	225	65
Other hazardous waste (t)	2,961	3,578	5,620	2,539	3,959	1,299
Total (t)	37,806	62,627	70,453	55,573	53,771	54,578

Hazardous Waste Intensity (t/t of product processed)



In our estate operations, the main source of hazardous waste is empty pesticide and fertilizer containers. To address this, we promote more controlled and efficient chemical usage through Integrated Pest Management (IPM) and science-based manuring programs. By prioritizing natural and organic approaches for pest and nutrient management, we have reduced dependency on synthetic chemicals, thereby lowering the generation of hazardous packaging waste.

We also apply strict controls on chemical usage, including the prohibition of WHO Class Ia and Ib pesticides, as well as substances listed under the Stockholm and Rotterdam Conventions. This approach reflects our commitment to minimizing environmental and occupational health risks associated with highly hazardous chemicals and aligning our practices with international sustainability standards.

In our refinery operations, the main sources of hazardous waste are Fly Ash and Bottom Ash (FABA) from coal-fired boilers, as well as Spent Bleaching Earth (SBE). To reduce these impacts, we are actively transitioning from coal to renewable biomass energy sources, particularly palm kernel shells (PKS). As of today, four out of six of our refineries have fully phased out coal and now operate entirely on PKS, significantly reducing the generation of FABA.



Coal Substituted and FABA avoided by our operations

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Coal Substituted (t)	343,304	353,505	332,780	400,816	285,954	289,415
FABA Avoided (t)	17,165	17,675	16,639	20,041	14,298	14,471

Non Hazardous Waste

In managing non-hazardous waste from our plantations and mills, we prioritize sustainable practices and recycling efforts. Two significant components of this waste are empty fruit bunches (EFB) and palm kernel shells (PKS), both of which are predominantly reused and recycled.

1

Empty Fruit Bunches (EFB)

- Reused as Mulch and Organic Fertilizer: EFB is repurposed as mulch and organic fertilizer, contributing to soil enrichment and plant health.
- Pressing and Shredding for Boiler Power: EFB can be pressed and shredded into fibers, serving as a renewable and sustainable source of energy to power boilers in our mills.

2

Palm Kernel Shells (PKS):

Reused as inputs in powerplants and export: PKS is used to generate heat and steam in our boilers. Excess PKS are exported to sister refineries to power their boilers replacing coal and contributing to cleaner energy generation.

3

Mesocarp Fibre

Reused as inputs in powerplants: Mesocarp fibres are the main biomass used in our mills' boilers because it has higher energy content, contains lower moisture and does not need pretreatment such as pressing and shredding.

General and domestic waste even though produced in much lesser quantities than EFB and PKS still represented a sizable component of non-hazardous waste. To manage this waste, we implemented a waste segregation system to distinguish between organic and non-organic waste within our waste streams. This separation allows us to manage waste more effectively and implement tailored disposal methods.

4

Organic Waste

Landfill Disposal: While not ideal, organic waste is predominantly sent to landfills. Efforts to explore alternatives or promote composting may further enhance sustainability in this aspect.

5

Non-Organic Waste

Recycling at Third-Party Facilities: Non-organic waste is directed to third-party recycling facilities, emphasizing our commitment to responsible waste management and contributing to circular economy practices.

Quantity of non-hazardous waste generated and disposal method

Waste Type	Disposal Method	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
EFB (t)	Reused as organic fertilizer or fuel	298,567	339,581	365,607	420,216	421,332	457,017
PKS (t)	Reused as fuel and for sales	111,672	115,416	112,775	136,651	137,805	153,321
Mesocarp fibre (t)	Reused as fuel	186,048	197,348	202,688	244,636	243,988	258,477
Inorganic general waste (t)	Sent to landfill, municipal waste processor or recycled by third party	12,472	11,070	10,218	12,949	11,447	16,482
Organic general waste (t)	Sent to landfill or municipal waste processor	17,555	15,155	14,123	19,400	16,737	10,984
Total		626,314	678,570	705,411	833,852	831,309	896,281

5. Energy Management

[GRI 3-3, 302-1, 302-3]

Energy efficiency and responsible energy use are key components of Permata Group's commitment to sustainable operations and climate change mitigation. We continuously strive to optimize energy consumption across our plantations, mills, refineries, and downstream facilities while increasing the share of renewable and cleaner energy sources in our operations.

Our energy management approach focuses on improving operational efficiency and reducing reliance on fossil fuels. Across our plantation and milling operations, we implement best operational practices, preventive maintenance, and process optimization to minimize energy consumption without compromising productivity and performance.

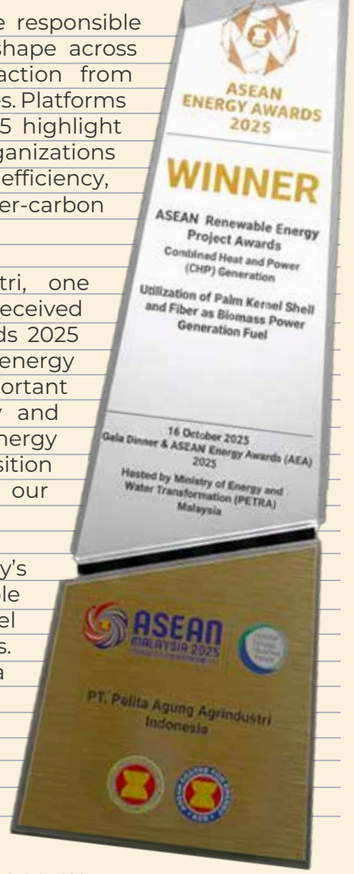
A key element of our energy transition strategy is the increased utilization of biomass-based renewable energy. Mesocarp fiber, empty fruit bunches and palm kernel shells, a by-product of our operations, are used as a cleaner alternative to coal in our boilers. Through this initiative, we are able to reduce greenhouse gas emissions while improving the circularity of our production system by turning waste into energy.

Powering the Clean Energy in Southeast Asia

The transition toward cleaner and more responsible energy systems is increasingly taking shape across Southeast Asia, driven by collective action from governments, industries, and communities. Platforms such as the ASEAN Energy Awards 2025 highlight these shared efforts, recognizing organizations that are actively contributing to energy efficiency, renewable energy adoption, and a lower-carbon future.

In 2025, PT Pelita Agung Agrindustri, one of Permata Group's subsidiaries, received recognition at the ASEAN Energy Awards 2025 for its efforts in implementing renewable energy initiatives. The award represents an important milestone in our sustainability journey and reflects our commitment to improving energy efficiency and accelerating the transition toward cleaner energy sources within our operations.

The recognition was driven by the company's efforts to optimize the use of renewable biomass energy, particularly palm kernel shells (PKS), as an alternative to fossil fuels. By utilizing operational by-products as a source of energy, the company not only reduces dependence on conventional fuels but also promotes a more circular and resource-efficient production system.



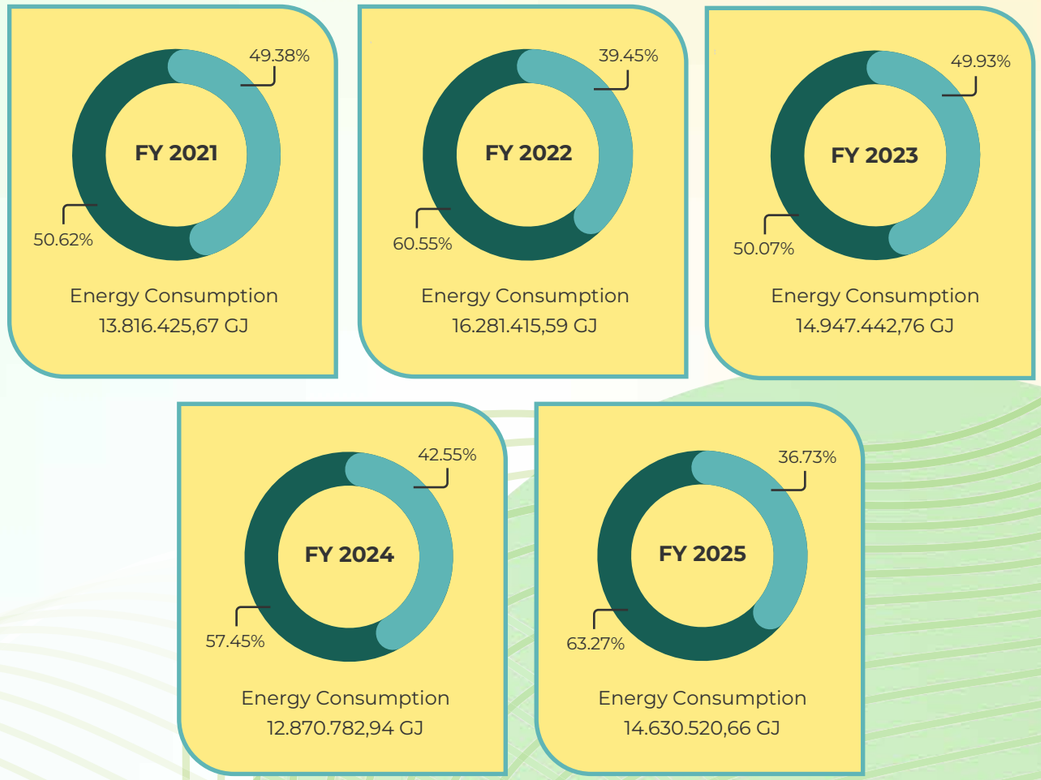
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For the people working at our facilities, this achievement is the result of years of operational improvements, careful energy management, and continuous innovation. From improving boiler efficiency and optimizing energy consumption to implementing cleaner technologies, these efforts demonstrate how small but consistent improvements can contribute to meaningful environmental outcomes.

While receiving regional recognition is a significant achievement, it also serves as motivation to continue advancing our energy transition journey. Permata Group remains committed to expanding renewable energy utilization, improving energy efficiency, and exploring new technologies that support lower-carbon operations.

We also continuously explore opportunities to improve energy efficiency through technology upgrades, equipment optimization, and improved process control systems. Energy consumption is regularly monitored and evaluated across all operations to identify efficiency gaps and support data-driven decision-making. This process is strengthened by the presence of licensed energy managers and certified energy auditors at each operational site, who conduct regular energy reviews and provide recommendations to improve energy performance and operational efficiency.

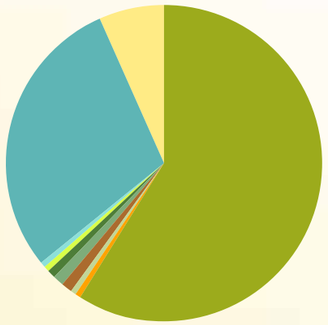
Energy Consumption



Energy Consumption

	2021	2022	2023	2024	2025
Fossil Energy (GJ)	6,993,785.43	9,858,752.90	7,484,728.16	7,394,340.74	9,256,479.96
Renewable Energy (GJ)	6,822,640.23	6,422,662.69	7,462,714.60	5,476,442.20	5,374,040.70
Total Energy (GJ)	13,816,425.67	16,281,415.59	14,947,442.76	12,870,782.94	14,630,520.66
Renewable Energy (%)	49.38	39.45	49.93	42.55	36.73

Energy Consumption 2025



- Coal (60.12%) 8,795,531.46 GJ
- EFB & Fiber (29.85%) 4,367,802.75 GJ
- Diesel (0.32%) 47,147.94 GJ
- Residual Oil (1.13%) 165,748.12 GJ
- Shell (6.52%) 954,432.75 GJ
- Biodiesel (0.35%) 51,805.22 GJ
- Gasoline (0.001%) 183.37 GJ
- Electricity (0.97%) 141,223.10 GJ
- Diesel for Transport (0.72%) 105,465.99 GJ
- Gasoline for Transport (0.01%) 1,179.99 GJ

In addition to promoting the use of renewable energy in our operations, we also exported surplus renewable electricity to the national grid.

Renewable Electricity Export (kWh)

2020	2021	2022	2023	2024	2025
2,276,847	5,329,828	5,434,985	3,775,532	4,323,874	4,896,567

6. Climate Change

[GRI 3-3, 305-1, 305-2, 305-3, 305-4, 305-5]

Climate change presents one of the most significant challenges facing the palm oil sector. Changes in rainfall patterns, prolonged droughts, rising temperatures, and the increasing frequency of extreme weather events can affect plantation productivity, operational resilience, biodiversity, and the well-being of surrounding communities.

As a palm oil company that relies heavily on natural resources and ecosystem services, Permata Group recognizes both the physical and transition risks associated with climate change. We therefore integrate climate considerations into our operational practices, environmental management, and long-term business strategy.

Our climate approach focuses on three key priorities: strengthening resilience to physical climate risks, measuring and managing greenhouse gas (GHG) emissions, and implementing initiatives that support the transition toward lower-carbon operations.

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Managing Physical Climate Risks

Climate-related events such as prolonged dry seasons, excessive rainfall, flooding, and rising temperatures can significantly affect agricultural productivity and operational continuity. In recent years, extreme weather conditions associated with climate variability, including El Niño and La Niña events, have increasingly influenced water availability, fire risks, and plantation productivity.

To strengthen resilience against these risks, Permata Group implements various adaptation measures across its operations. Fire prevention programs, early warning systems, water management initiatives, and peatland management practices help reduce the potential impacts of drought and increased fire risk during dry periods.

Water conservation initiatives, including rainwater harvesting, wastewater recycling, and land application systems, support water availability during periods of reduced rainfall. Meanwhile, drainage management, riparian conservation, and flood mitigation measures help protect operational areas during periods of excessive rainfall.

Replanting programs also contribute to climate resilience by replacing aging palms with higher-performing planting materials that are better suited to changing environmental conditions. In addition, regular climate risk assessments are conducted to identify vulnerable areas and support risk-based decision-making.

By integrating climate adaptation measures into our operations, we aim to strengthen the resilience of our plantations, mills, employees, and surrounding communities against the impacts of climate change.

Permata Group has carried out a company-wide risk management system to identify and assess various risks and opportunities, including those associated with climate change. Our Board of Directors is in charge of the Group's risk management, with the Director of Sustainability, who also serves on the board, raising climate and sustainability issues for discussion in the weekly meeting. Considering the growing risks posed by climate change, the Director is responsible for identifying and evaluating these risks and opportunities before reporting them to the Board.

The sustainability team collaborates with both internal and external stakeholders, which include suppliers, customers, government bodies, industry groups such as the RSPO, traders, and plantation managers, to make certain a thorough understanding of the company's risks and opportunities.

Climate-related Physical Risks

Category	Risk	Description	Time Horizons	Measures
Acute Physical	Flood	Extreme Weather Condition, such as droughts and floods negatively affects the productivity of our palm plantation which translates to reduction in revenue.	Medium-Long Term	Our short-term strategy focuses on storing rainy-season floodwater for use during dry periods, while long-term efforts involve replanting with drought- and flood-resistant palm varieties. To support our greenhouse gas (GHG) reduction program, we track emissions, optimize biomass as renewable fuel, and install methane capture systems to help stabilize climate patterns. Our goal is a 10% reduction in GHG intensity by 2030, based on 2020 baseline.
	Drought			
	Fire	Climate-related fire risks due to longer drought can pose a significant threat to palm		

		oil production by increasing the likelihood of wildfires that can devastate plantations, degrade soil, and result in economic losses		To prevent fires, we provide tailored fire awareness training in collaboration with Manggala Agni and Dinas Pemadam Kebakaran, equipping our workforce to effectively mitigate risks. We monitor potential fires in our Permata plantation and those of our suppliers using the Global Forest Watch's GLAD alert system, VIIRS, and NOAA, enabling prompt detection and rapid response to hotspots. Recognizing the risk from surrounding villages, we also implemented the Fire Free Village Program (FFVP) in 2023.
Chronic Physical	Changes in climate pattern	Long term changes in climate pattern caused by global warming can have an adverse effect on our operation. More extreme weather such as longer drought period alternating with flooding will reduce oil palm production and will have knock on effect on the downstream industries in terms of price instability and supply security	Long Term	We have implemented several measures to mitigate the impact of pest and disease outbreaks in our plantations. We practice Integrated Pest Management by optimizing the presence of barn owls and utilizing host plants such as Turnera subulata, which supports beneficial predators. This approach helps reduce reliance on chemical pesticides, thereby decreasing climate-related risks. Additionally, we prioritize hygiene in our oil palm maintenance through regular pruning and sanitation practices. We also conduct periodic assessments of pests and diseases to anticipate and prevent potential outbreaks.
	Pest & Disease Outbreak	Pest and disease outbreaks can significantly hinder palm fruit and palm oil production by damaging palm trees, reducing fruit quality, and increasing production costs due to the need for pesticides and fungicides. Severe infestations can lead to notable yield losses, affecting the overall supply of palm oil. This decline in		

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		quantity and quality can negatively impact profit margins for mills and refineries, as they may face higher costs for superior fruit or lower market prices due to an oversupply of inferior products.		

Climate-related Transition Risks

Category	Risk	Description	Time Horizons	Measures
Regulatory	Update on Regulation	Climate-related regulation is emerging as a crucial risk factor that we need to stay updated on. For instance, The EUDR requires operators placing palm oil on the EU market to show it is deforestation-free (no deforestation after 31 Dec 2020) and legally produced, with plot geolocation. This shift necessitates that palm oil companies provide deforestation-free products and maintain traceability throughout their supply chains. Non-compliance with the EUDR could result in significant revenue losses.	Medium to Long Term	We are preparing for compliance with EUDR regulations by assessing our suppliers regarding key requirements such as no deforestation and legal land ownership. This process begins with mapping polygons and will culminate in a comprehensive report in the future.
Market	Changes in palm oil purchasing behavior	Climate change is progressively influencing consumer preferences and behaviors, particularly as awareness of environmental issues rises. A growing number of consumers are now more aware of the	Medium to Long Term	We are committed to serving our customers at the highest level. Our focus is on producing safe, high-quality products through best manufacturing practices, continuous improvement initiatives, and strict compliance with global standards. To meet the high market demand, we strive for qualified and certified products, obtaining various certifications such as

		impact of their purchases, resulting in an increased demand for sustainable and ethically sourced products. Companies that do not meet this demand risk losing market share and experiencing reduced profits.		RSPO, ISPO, ISO 22000, ISO 9001:2015, ISO 14001:2015, GMP+FC2020, BPOM, and others
Management Practice	GMP & GAP	The competition for Good Manufacturing Practices (GMP) and Good Agricultural Practices (GAP) in the context of climate change poses various risks for companies in agriculture and food production. Companies that neglect to invest in these practices may encounter higher operational costs due to reduced yields, pest outbreaks, or crop failures intensified by changing climatic conditions. This neglect can also result in a loss of market share, leading to diminished customer trust and negatively impacting sales.	Medium to Long Term	We apply Good Management Practices (GMP) and Good Agricultural Practices (GAP) throughout our operations. In our plantations, we optimize integrated pest management to minimize the use of chemical pesticides and herbicides, while upholding rigorous sanitation and manuring practices that enhance yields. In our mid-stream and down-stream operations, we perform regular checks on our processing machines to ensure compliance with applicable standards. Furthermore, we offer continuous training for our employees to improve their performance and support them in meeting production targets effectively. We are also committed to seeking opportunities to boost our yields while minimizing our environmental impact.
Peatland Operation		Climate-related peatland operations can pose significant risks to both the environment and the businesses engaged in these practices. Poor management of peatlands can lead to increased greenhouse gas (GHG) emissions and heightened	Medium to Long Term	In our existing peat areas within the concession, we adhere to RSPO Best Management Practices (BMP). This involves installing water weirs and gates in our canals to maintain optimal water levels between 50-70 cm from ground level

		fire hazards. These issues contribute to climate change and may incur high costs for fire management, damage the company's reputation, and result in regulatory scrutiny and potential penalties.		

Climate-related Transition Opportunities

Category	Opportunity	Description	Time Horizon
Management Practice	GMP & GAP	Good Management Practices (GMP) and Good Agricultural Practices (GAP) at Permata Group provide significant opportunities by enhancing product quality and ensuring regulatory compliance, facilitating access to premium markets and certifications. Furthermore, these practices improve operational efficiency, reduce waste, and increase yields, leading to higher profit margins.	Medium to Long Term
Technology & Management Practice	GHG emission reduction program	We recognize the opportunity to enhance and launch new programs aimed at reducing GHG emissions following the installation of methane capture systems. We will continue to seek out and innovate new opportunity for further emission reductions.	Medium to Long Term
Technology	Boost the utilization of renewable energy	In 2025, our operations consumed 14.63 million GJ of energy. Of this total, 5.37 million GJ came from renewable sources, accounting for 36.73% of our overall energy use. In addition to promoting the use of renewable energy within our operations, we also exported surplus renewable electricity to the national grid. We are committed to further increasing our renewable energy consumption in the future.	Medium to Long Term
	Drought- and Flood-Resistant Palm Varieties	We are actively cultivating diverse seed varieties across our estates, in response to global warming impacts, we are exploring opportunities to procure climate-resilient palm varieties in future.	Long Term

Combating Climate Change

Permata Group recognizes its responsibility to contribute to global efforts to mitigate climate change. We continuously seek opportunities to reduce greenhouse gas emissions while improving operational efficiency and increasing the use of renewable energy throughout our operations. Our mitigation efforts focus on improving energy efficiency, reducing fossil fuel consumption, utilizing renewable energy sources, managing methane emissions, and promoting sustainable agricultural practices.

Driving Change: Electrifying Mobility for a Lower-Carbon Future

Transportation and operational equipment play an important role in supporting the mobility and productivity of our operations across Sumatra. As part of our commitment to reducing greenhouse gas emissions and improving energy efficiency, Permata Group has begun transitioning toward cleaner and lower-carbon mobility solutions.

One of these initiatives is the introduction of electric vehicles (EVs) at the Head Office to support business travel across Sumatra Island. By replacing conventional vehicles with electric alternatives, the company aims to reduce fuel consumption and emissions associated with operational travel while promoting cleaner transportation solutions within the organization.



The transition is also taking place within operational facilities. Diesel-powered wheel loaders and forklifts are gradually being replaced with electric equipment, allowing operations to move toward cleaner and more energy-efficient alternatives. Beyond reducing diesel consumption, these electric vehicles help lower noise levels and improve working conditions in operational areas.

Although the transition to electric mobility is still progressing, it represents an important step in Permata Group's broader climate strategy. Each electric vehicle introduced into our operations contributes to reducing emissions and demonstrates how practical operational changes can support long-term climate goals.



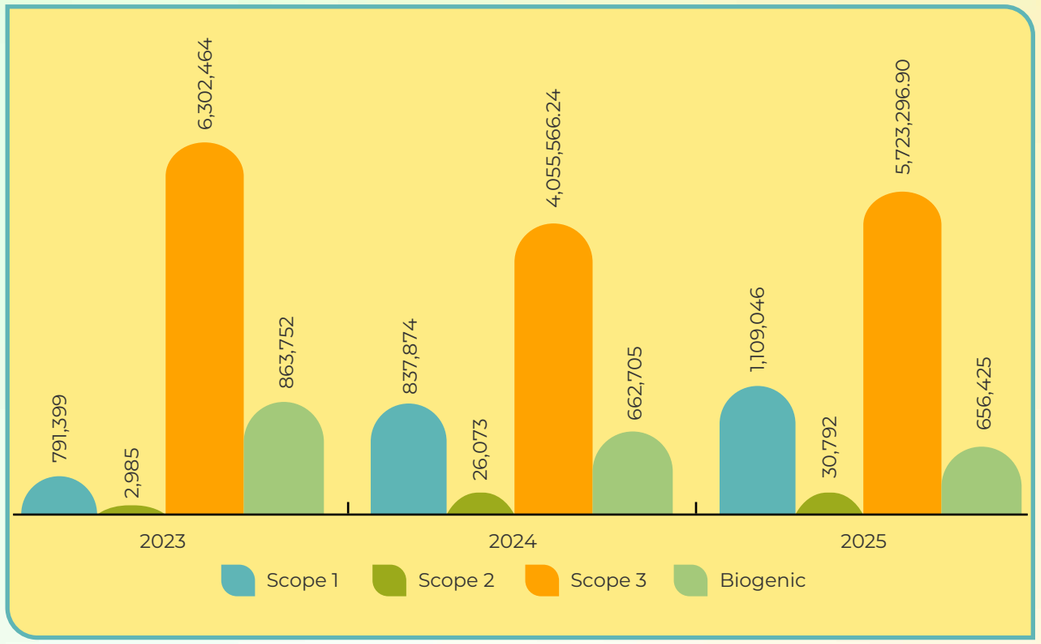
Quantifying our GHG emissions

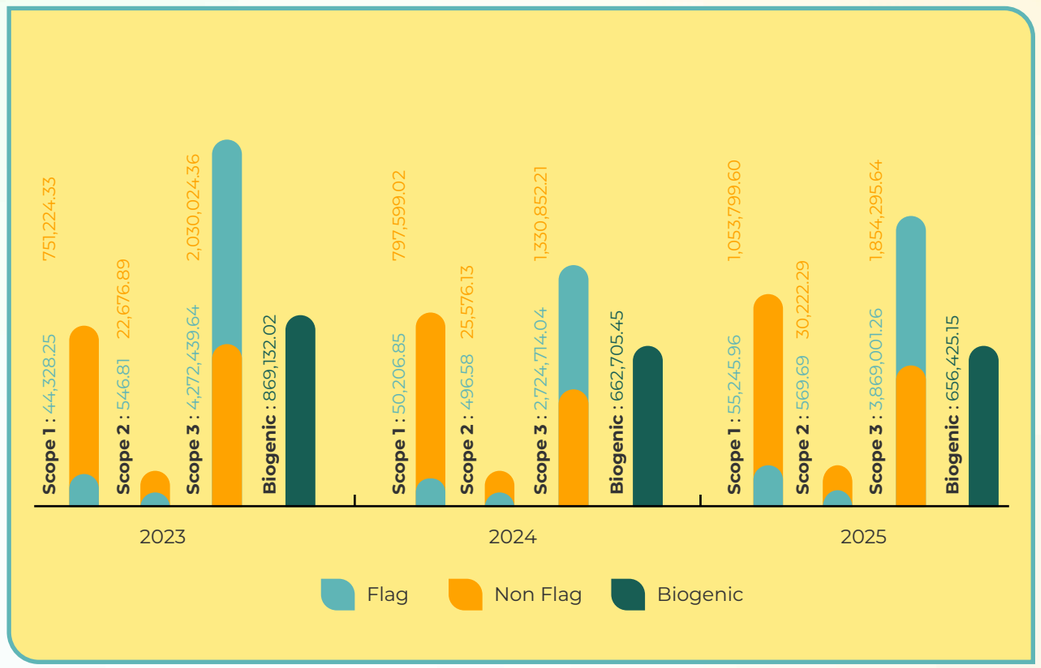
Measuring greenhouse gas emissions is essential for understanding our climate impacts and identifying opportunities for improvement. Permata Group quantifies its greenhouse gas emissions to support informed decision-making and to track progress toward our emission reduction objectives.

Our emissions inventory covers key operational sources, including fuel consumption, electricity use, palm oil mill effluent (POME), fertilizer application, transportation activities, and other operational processes. Emissions are calculated using internationally recognized methodologies and applicable emission factors such as The GHG Protocol Standard and the RSPO PalmGHG calculator.

Regular monitoring and evaluation of emissions data enable us to identify emission hotspots, prioritize reduction initiatives, and support climate-related reporting and disclosure. This information also strengthens our ability to develop long-term decarbonization strategies and improve operational efficiency.

As our climate management approach continues to evolve, we remain committed to improving the quality, accuracy, and coverage of our greenhouse gas inventory.





Carbon emission intensity of our operations calculated using the GHG Protocol Standard

FY 2020 (tCO2e/t)	FY 2021 (tCO2e/t)	FY 2022 (tCO2e/t)	FY 2023 (tCO2e/t)	FY 2024 (tCO2e/t)	FY 2025 (tCO2e/t)
0.15	0.13	0.12	0.13	0.17	0.20

In 2025, our total Scope 1 and 2 GHG emissions were 1,139,837.75 tCO2e, a 30% increase compared to 2024 value. Intensity wise, our carbon emission intensity value in 2025 is 0.20 tCO2e/t.

Our carbon footprint would have been much higher if not for our use of biomass in our power plants. Our biogenic emissions (emissions produced by the combustion of biomass which is recycled back by the palm trees and is not included in our carbon footprint calculations above) in 2025 is 656,425 tCO2e (approximately 58% of total scope 1 & 2 GHG emissions).

We also use RSPO PalmGHG to evaluate the GHG emissions of our RSPO certified palm oil mills. PalmGHG is a life-cycle greenhouse gas emission calculator which includes indirect emissions from our suppliers such as emission from fertilizer production and transport, fuel production and transport and others. PalmGHG also accounts for emissions from land use change although Permata Group has no emissions from land use change in 2025 as we have not cleared any new land for oil palm cultivation since the early 2000s (before the RSPO cut off date of November 2005).

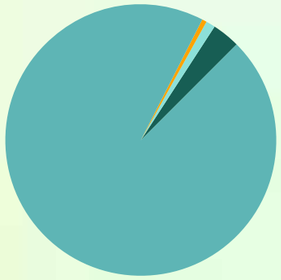
Carbon emission intensity of our RSPO certified palm oil mills calculated using PalmGHG

	FY 2025
tCO2e per tonne of crude palm oil (CPO)	4.87
tCO2e per tonne of palm kernel (PK)	4.87

Scope 3 emissions are indirect emissions that occur outside a company's direct operational control. These emissions often originate from activities within the company's value chain, such as those of its suppliers. As in many industries, Scope 3 emissions typically contribute the largest portion of a company's total emissions.

For Permata Group, the primary source of Scope 3 emissions is the purchase of goods and services, predominantly crude palm oil (CPO), palm kernel (PK), and crude palm kernel oil (CPKO). These products account for a substantial 95.06% of our total Scope 3 emissions, while other categories contribute less than 5%

Scope 3 GHG Emissions by Category 2025 (% of Total)



Total 5,723,296.90 tC02e

Category 1 (95.06%)
Category 4 (0.98%)
Category 3 (3.32%)
Others (0.64%)

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Reducing Our GHG Emissions

Permata Group implements various initiatives to reduce greenhouse gas emissions across its operations. One of the most significant measures is the transition from fossil fuels to renewable biomass energy, particularly through the use of palm kernel shells (PKS) as boiler fuel in several of our facilities. This transition has reduced reliance on coal and lowered emissions associated with energy generation.

Methane capture facilities installed at selected palm oil mills also contribute to emission reductions by preventing methane release from palm oil mill effluent treatment systems. In addition, the utilization of treated POME for land application supports nutrient recycling while reducing environmental impacts.

Energy efficiency initiatives, including process optimization, equipment upgrades, preventive maintenance, and regular energy reviews conducted by certified energy managers and energy auditors, further contribute to reducing energy consumption and associated emissions.

The gradual adoption of electric vehicles for business travel and the electrification of operational equipment such as wheel loaders and forklifts also support our transition toward lower-carbon operations.

Beyond operational improvements, our conservation efforts, including the protection of High Conservation Value (HCV) areas, peatland management, and the prevention of deforestation, contribute to maintaining important carbon stocks and supporting climate resilience.

Through continuous improvement, technological innovation, and responsible environmental management, Permata Group remains committed to reducing its climate impacts while supporting a more sustainable and resilient future.



While we will continue to seek out and innovate opportunities for emission reductions, we recognize that our current initiatives already cover the most obvious and impactful opportunities, such as methane capture. Future reduction activities may be limited in their impact. As such, we have set a modest target of reducing our carbon intensity by 10% by 2030 compared to a 2020 baseline. We selected a more recent baseline to ensure that we are focused on driving future improvement. This target applies to Scope 1 and 2 GHG emissions for all our operations upstream and downstream. As we progress, we will review this target on regular basis to ensure that it remains appropriate to drive towards achieving net-zero emission.

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7. Yield and Extraction Improvement



Improving productivity and resource efficiency is a key element of Permata Group's commitment to sustainable palm oil production. We continuously strive to enhance yields and optimize extraction rates across our plantation and milling operations, ensuring that natural resources are utilized efficiently while minimizing environmental impacts.

At the plantation level, we apply precision agriculture techniques, including soil and leaf analysis, to support data-driven fertilizer application and optimize plant nutrition. Integrated Pest Management (IPM) is also implemented across our plantations to maintain crop health while reducing reliance on chemical inputs. In addition, we utilize science-based harvesting practices to ensure that only optimally ripened fruit is processed, thereby improving oil recovery rates in our mills.

Replanting is a key component of our long-term productivity strategy. To sustain and increase yield without expanding land use, we progressively replace older and less productive palms with high-quality seedlings sourced from certified and reputable suppliers.

This is particularly important as a significant portion of our plantations consist of aging palms planted in the 1990s and early 2000s. Through our replanting program, we aim to restore plantation productivity, improve overall yields, and enhance long-term operational sustainability.

In our milling operations, we focus on continuous improvement of extraction efficiency through process optimization, regular maintenance, and the application of best operational practices. These efforts help reduce oil losses and ensure consistent performance across all mills. Data monitoring and performance evaluation are used to identify improvement opportunities and support operational decision-making.

Beyond operational improvements, our productivity strategy is also guided by environmental and social considerations. We prioritize biodiversity conservation and responsible land management to ensure that productivity gains are achieved without contributing to deforestation or ecosystem degradation. We also engage with local communities to align our practices with local needs and promote shared benefits from our operations.

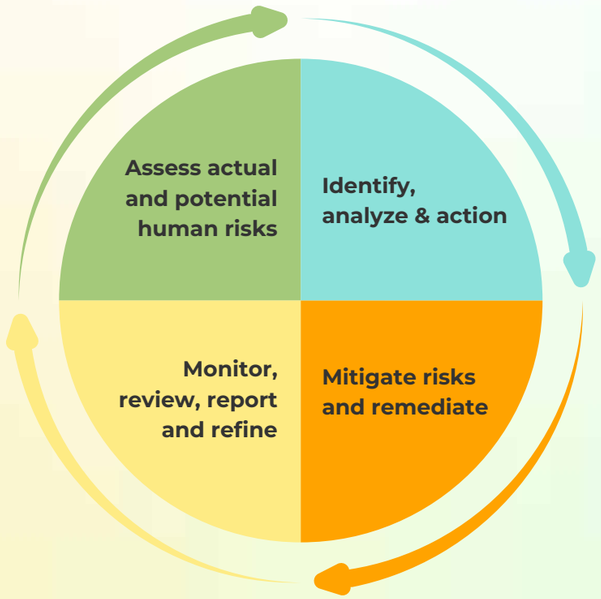
Through these integrated efforts—combining agronomic best practices, replanting, process optimization, and continuous improvement—Permata Group aims to enhance productivity in a manner that is economically viable, environmentally responsible, and socially inclusive.

OUR PEOPLE AND COMMUNITIES: THE DRIVING FORCE OF SUSTAINABILITY

At Permata Group, we believe that sustainable growth can only be achieved when people and communities grow together with the business. Guided by our vision to build a sustainable future that benefits communities, we remain committed to respecting human rights, providing a safe and inclusive workplace, supporting employee development, and contributing positively to the wellbeing of surrounding communities.

Human Rights Due Diligence
[GRI 2-23, 2-24]

As a responsible palm oil producer, Permata Group recognizes that respecting and upholding human rights is fundamental for our operation. In 2025, we further strengthened our governance and sustainability commitments by developing and implementing a robust, cross-functional Human Rights Due Diligence (HRDD) framework.



Our HRDD framework is aligned with the requirements of the RSPO Principles and Criteria (P&C) 2024 and the United Nations Guiding Principles on Business and Human Rights (UNGPs). The framework is designed to systematically identify, prevent, mitigate, and address actual and potential human rights impacts arising from our operations and across our value chain.

Where adverse human rights impacts are identified, Permata Group is committed to providing transparent, accessible, and legitimate remediation mechanisms through our established operational grievance channels.

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1. Our People

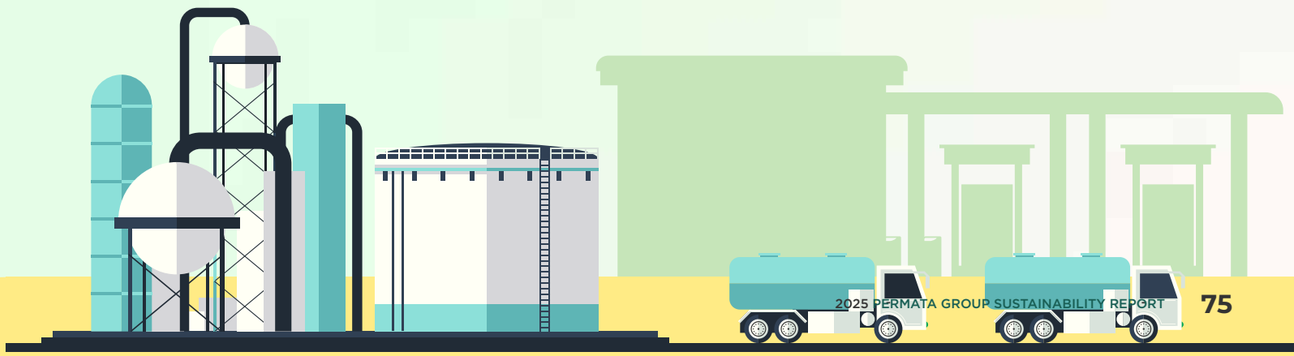
[GRI 3-3, 401-1, 404-1, 404-2, 404-3, 405-1]

Our human capital is our most vital asset; nurturing their talents from entry-level positions to executive roles is central to our corporate mission. By continuously investing in advanced professional development, we empower our employees to carry out their responsibilities in a deeply socially and environmentally conscious manner.

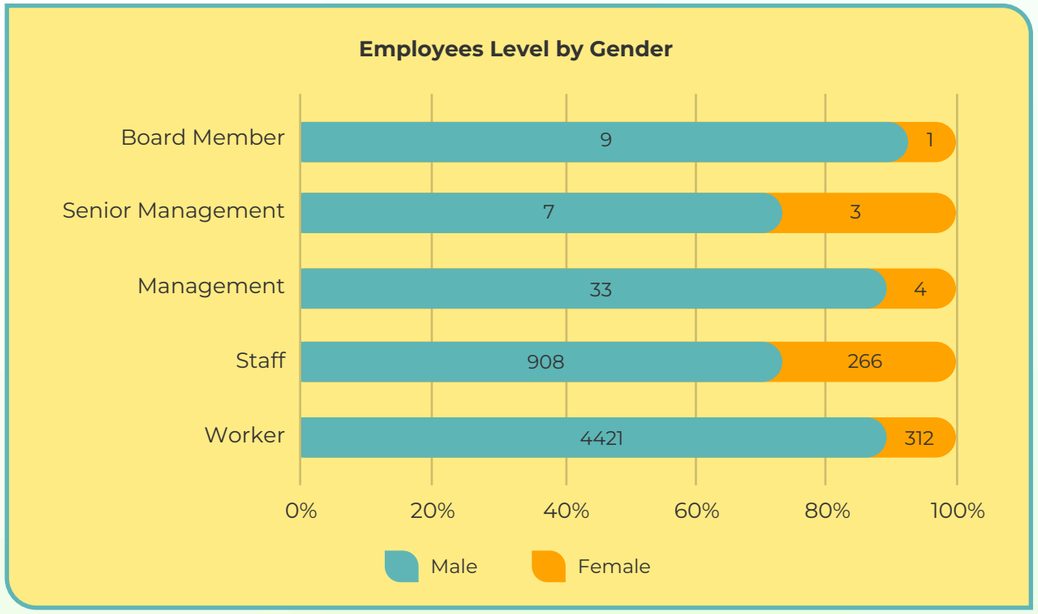
Our workforce spans a diverse range of operational and professional functions across Indonesia. Employees are engaged in plantation management, milling operations, downstream processing, logistics, administration, quality management, engineering, sustainability, and corporate support functions.
As of 31 December 2025, our workforce comprises approximately 5,964 individuals, including 5,350 permanent employees and 614 temporary workers. We deploy our personnel across our offices, plantations, processing, and manufacturing divisions.

The pie graph below illustrates the number of workforce based on contract type





The majority of our workforce is at worker level (79.36%), 19.68% at staff level, 0.62% at management level, 0.17% at senior management level and 0.17% are sitting at the Board level.
The bar graph below depicts the number of workforce based on gender and title.



The majority of our workforce is male, representing 90.17% of our total employees.

We also outsource part time workers for certain seasonal tasks in our plantations, like manuring and spraying. Due to the nature of our plantations which are generally small-scale in size and scattered across our estate, manuring and spraying are not full year activities and precludes the maintenance of permanent employees. While we have looked into converting our part time workers to full-time by reducing the overall number of workers and extending their work hours, this is challenged by the timeframe needed to achieve optimum impact from manuring and spraying and by the unwillingness of our part time workers to increase the number and the length of their workday. Most of our part time workers are local villagers with their own farms and gardens for whom part time work at our estates is a source of supplementary income.



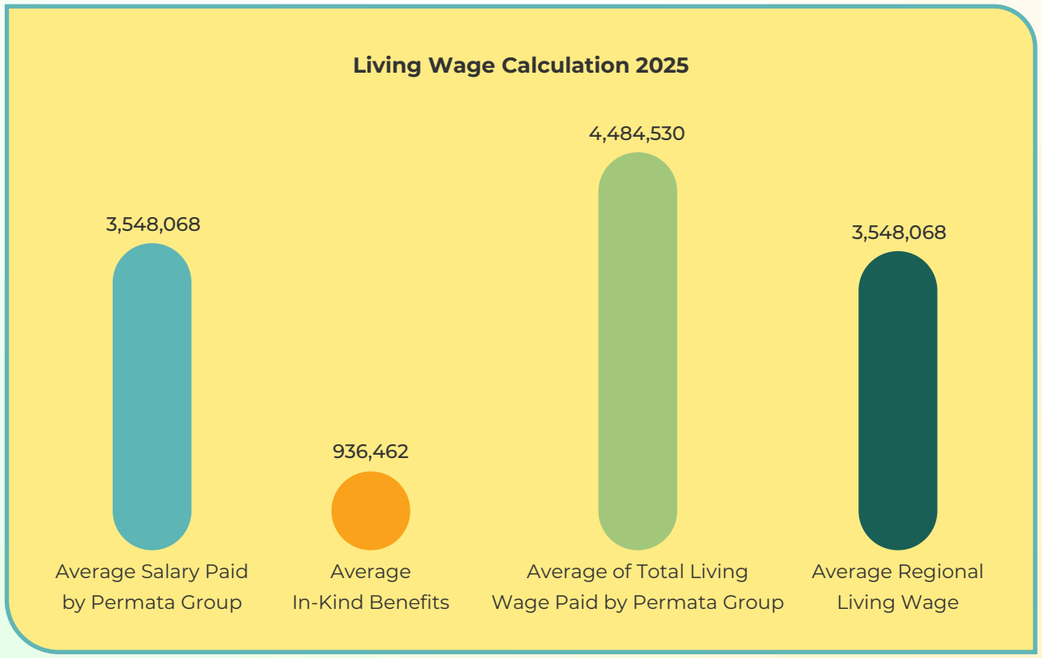
Our employee turnover is 988 people, which represents 16.57% of our total employees.

Fair and Decent Wages

At Permata Group, we truly believe that paying our people fairly and providing good benefits is at the heart of our success. Wages are regularly reviewed and adjusted to remain consistent with updated regulatory requirements and relevant collective agreements.

Going beyond that, we also strive to provide a Living Wage that matches the guidelines set by the Roundtable on Sustainable Palm Oil (RSPO). This means we support our workers and their families not just with their regular paychecks, but also by providing essential everyday needs such as safe housing, electricity and running water. They also have access to sports & recreational facilities, places of worship, medical and educational facilities.

The bar graph below represents the values of DLW calculations across our operational units.



- 19 partner clinics (in addition to government-mandated BPJS Kesehatan)
- 2,631 workers covered by private medical insurance
- 32 worship centers
- 21 childcare centers
- 39 sports and recreation facilities
- 23 school bus services for children's commutes

Competitive and fair compensation is vital to attracting and retaining top talent. Providing good pay and benefits ensures our workforce remains inspired and committed to our long-term sustainability goals. For employees in our production units, this includes free housing with electricity and water, as well as access to sports, worship, medical, and educational facilities. We also provide free transport for their children's schooling. Our head office employees receive gym memberships, subsidized meals, and medical insurance. Employees are also eligible for an annual bonus based on individual performance.

Seeking Excellence through Training and Development

Developing our people is essential to maintaining operational excellence and ensuring long-term business sustainability. We invest in employee capability development through structured training, technical development programs, leadership initiatives, and continuous learning opportunities.

Training programs were delivered through a combination of classroom sessions, practical field exercises, internal workshops, certification programs, and external professional training.

Training type
Throughout 2025, training programs were conducted across operational and corporate functions, covering areas such as:

1. Hard Skill Development

We provide targeted programs to strengthen employees' technical capabilities and ensure safe and efficient operations. Key initiatives include:

Occupational Safety and Fire Training
Covering fire prevention, firefighting techniques, and emergency response procedures to safeguard people and assets.

First Aid and Emergency Preparedness
Preparing employees to respond effectively to accidents and medical emergencies in the workplace.

Technical and Operational Training
Delivering specialized instruction on machinery operation, equipment maintenance, quality control, and environmental management practices to uphold operational excellence.

Certification Training
ISO 9001:2015, ISO 14001:2015, RSPO SCCS, RSPO P&C, ISPO, Halal Assurance System, Food & Safety System Certification, SMK3, Energy Auditor, Boiler Operator License, Welder License, Lift & Transport Operator, Electrical Technician license, Hazardous waste management and OHS expert certification.



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2. Soft Skill Development

To complement technical expertise, we invest in programs that build character, leadership, and professional behavior. Training initiatives include:

Leadership and Team Management
Developing the capacity of current and future leaders to guide teams effectively and inspire performance.

Problem-Solving and Critical Thinking
Strengthening employees' analytical abilities to address operational challenges and drive continuous improvement.

Ethics and Integrity Training
Reinforcing the importance of ethical conduct, compliance with company values, and professionalism in all business practices.



3. Entry-Level and Onboarding Programs

New employees are supported through structured programs to ensure a smooth integration into the organization. These include:

Orientation and Induction
Introducing new hires to the company's vision, values, culture, and operating standards.

Specialized Entry-Level Courses
Providing role-specific technical knowledge, with a focus on plantation operations, mill processes, sustainability practices, and quality requirements.

4. External Learning and Knowledge Sharing

We recognize the importance of exposing employees to broader industry knowledge and best practices. To this end, we actively support participation in:

National and International Seminars
Facilitating knowledge exchange and professional development through industry platforms.

RSPO Roundtable and Sustainability Conferences
Enabling employees to engage with global stakeholders and align with international sustainability standards.

In 2025, Permata Group invested over **$107,500** in training and development with around **3,725 employees (62.46% of total employees)** have received trainings with average training per employee of **8.66 hours.**

Talent Attraction and Retention

At Permata Group, we recognize that attracting, developing, and retaining talented employees is essential to sustaining our operational excellence and long-term growth. We are committed to placing the right people in the right roles by aligning individual competencies with business needs, while continuously supporting employee development through training, mentorship, and career advancement opportunities.

To foster long-term employee engagement and retention, we provide competitive remuneration, comprehensive employee benefits, and opportunities for professional growth, enabling our people to build meaningful and sustainable careers within the organization.

Talent Attraction

We actively seek out and recruit top talent through a multi-pronged approach. Our efforts start with scholarship programs for academically talented students, especially in communities near our operations. Upon graduation, these individuals are given priority in our recruitment process. We also offer internships to students from Indonesian universities, providing them with hands-on experience while allowing us to assess potential future employees. Additionally, we conduct regular recruitment drives at universities and high schools to identify the best candidates.



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Talent Retention

Retaining top talents requires a strong focus on employee engagement, which is a key of success for our business. Beyond competitive salaries and performance bonuses, we implement a comprehensive strategy that includes:

1

Trainings and Developments
We invest in our human capital by empowering HR teams at headquarters and in our subsidiaries to identify and develop top talent. Through comprehensive training and development programs, we equip employees with the necessary skills and knowledge to perform their roles effectively.

2

Annual performance evaluations
We conduct annual performance reviews using our ESS Permata Group Digital Platform, accessible to all employees. These evaluations assess each employee's performance over the past year. To ensure their objectivity and fairness, we gather feedback from three perspectives: self-assessment, input from their superior, and evaluations from colleagues they interact with.

3

Opportunities for Career Advancements
We are committed to retaining top talent to support our sustainability and growth. To achieve this, we conduct dedicated promotion panels for each candidate. We offer three annual promotion periods in January, May, and September to ensure flexibility in recognizing and rewarding performance.

4

Employee Engagement Survey (EES)
We prioritize a supportive and productive workplace, essential for employee well-being. Valuing their input in our decision-making, we conduct annual company-wide surveys that encourage employees to provide feedback and assess management performance and various workplace aspects. All survey results are transparently summarized and communicated to our entire workforce.

5

Promoting from within
We value our workers' dedication and fully support their internal career growth. We prioritize existing employees for open positions before considering external candidates, aiming to promote from within whenever possible, considering their experience and commitment. External hires are sought only when internal candidates lack specific qualifications or specialized skills are required. This approach ensures our employees have primary access to advancement, while allowing us to recruit external talent for specific needs, ultimately supporting both employee development and our ongoing success.

6

In kind benefits
Beyond competitive wages, we provide our employees with comprehensive in-kind benefits. For those in production units, this includes free housing with running water and electricity, along with access to medical and educational services, sports facilities, and places of worship. Head office employees receive free private medical insurance, subsidized lunches, and gym memberships, promoting work-life balance and engagement.

2. Respecting Workers' Rights

[GRI 3-3, 407-1, 408-1, 409-1]

Respect for human rights and labour rights forms a fundamental part of Permata Group's sustainability commitment. We uphold internationally recognized principles and standards, including the Universal Declaration of Human Rights (UDHR) and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work. These principles guide our approach to responsible palm oil production and support our commitment to maintaining ethical, fair, and inclusive business practices across our operations.

Elimination of Forced and Child Labor
Permata Group maintains a strict zero-tolerance policy against forced and child labor across all its operations and supply chains, as outlined in our human rights policy. We mandate all candidates be at least 18 years old, with thorough age verification during hiring. For safety, we also educate workers against bringing spouses or children to the workplace. Furthermore, we inform suppliers of this policy during workshops and engagements to ensure their adherence to our commitment.

Freedom of Association and Collective Bargaining
Permata Group respects employees' rights to freedom of association and collective bargaining in accordance with applicable Indonesian laws and regulations. Employees are free to join labour unions and participate in worker representation mechanisms. Our commitment extends to providing essential resources, such as meeting rooms, to facilitate their activities. We maintain open communication with employee representatives and labour unions through bipartite discussions. These engagements help strengthen workplace harmony and provide channels for employees to raise concerns and provide feedback.

Harassment, Abuse and Discrimination

At Permata Group, we do not tolerate harassment, abuse, or discrimination of any kind. To protect our team, employees who see or experience this type of behavior can report it through three different channels: our labor union, whistleblowing system, or gender committee.

Our Labor Union helps manage daily worker relationships, our Whistleblowing System gives everyone a way to make anonymous complaints, and our Gender Committee addresses gender-specific concerns and harassment claims. These systems are designed to ensure confidentiality, protect individuals from retaliation, and reinforce our commitment to maintaining a safe, respectful, and inclusive working environment for all employees.

Gender Equality and Inclusion
Permata Group is committed to fostering a workplace that promotes gender equality, inclusion, and equal opportunity for all employees. To support this commitment, Gender Committees have been established across our operational units. These committees play an active role in promoting gender equality, facilitating employee engagement programmes, and addressing concerns related to gender-based harassment and discrimination.

When reports or complaints are received, investigations are conducted in accordance with established procedures, while support and appropriate follow-up actions are provided to affected individuals.

Recommendations for corrective actions and preventive measures are also communicated to management to strengthen workplace protection mechanisms and promote a respectful working environment.

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We also remain committed to protecting women's reproductive rights and supporting employee wellbeing. Female employees are entitled to maternity leave in accordance with applicable regulations, while childcare facilities are provided at several operational sites to support working parents. In addition, maternity rooms / leave are made available to support breastfeeding employees.

To further safeguard employee health and safety, special work arrangements are implemented for pregnant and breastfeeding employees working in potentially hazardous environments, including areas involving chemical exposure. Where necessary, employees are reassigned to safer roles during pregnancy and breastfeeding periods to help ensure the wellbeing of both mother and child.





These initiatives reflect Permata Group's ongoing commitment to creating a safe, inclusive, and supportive workplace where all employees are treated with dignity and respect, regardless of gender, ethnicity, race, religion, or background. We continue to review and strengthen our policies and practices to ensure they remain responsive to the evolving needs of our workforce and contribute to a more inclusive and supportive work environment.

10%
of our workforce are women

11%
of our management positions are held by women

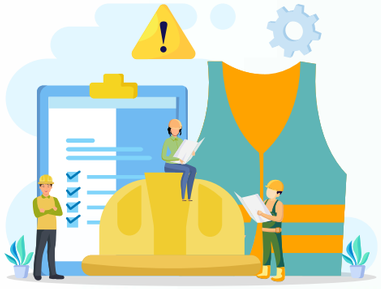
10%
of our Board position are filled by women

30%
of our senior management are women

3. Employee Health, Safety and Wellbeing

[GRI 3-3, 401-1, 404-1, 404-2, 404-3, 405-1]

The health, safety, and wellbeing of our employees and workers remain among our highest priorities. We are committed to maintaining a safe and healthy working environment across all operations by implementing occupational health and safety management systems, conducting regular training, and promoting a strong safety culture.



Our Health, Safety and Environment (HSE) team oversees implementation of occupational safety programs across plantations, mills, refineries, and downstream facilities. Safety procedures are continuously reviewed and strengthened to align with operational risks and regulatory requirements.We also foster a proactive safety culture through progressive training and awareness programs, ensuring our employees are prepared to work safely.

Occupational Health and Safety Management System

We committed to provide a safe and healthy working environment across all operational areas. To support this commitment, Occupational Health, Safety, and Environment (OHSE) Committees have been established at each operational unit. Led by the site management team, these committees consist of employee representatives, management personnel, and certified occupational health and safety experts (Ahli K3). The committees oversee the implementation of workplace health and safety programmes, incident response and investigation, safety monitoring, and the preparation of periodic reports for management review.



As part of our commitment to strengthening occupational health and safety standards, we regularly participate in the SMK3 certification program issued by the Indonesian Ministry of Manpower. The SMK3 assessment evaluates company performance against eight key principles and 166 assessment criteria across three certification levels: beginner (64 criteria), intermediate (122 criteria), and advanced (166 criteria).

In 2025, all operational units across Permata Group successfully achieved the SMK3 Gold Flag certification, the highest level of recognition under Indonesia's occupational health and safety management system. This achievement reflects our strong commitment to workplace safety, continuous improvement, regulatory compliance, and the promotion of a proactive safety culture throughout our operations.

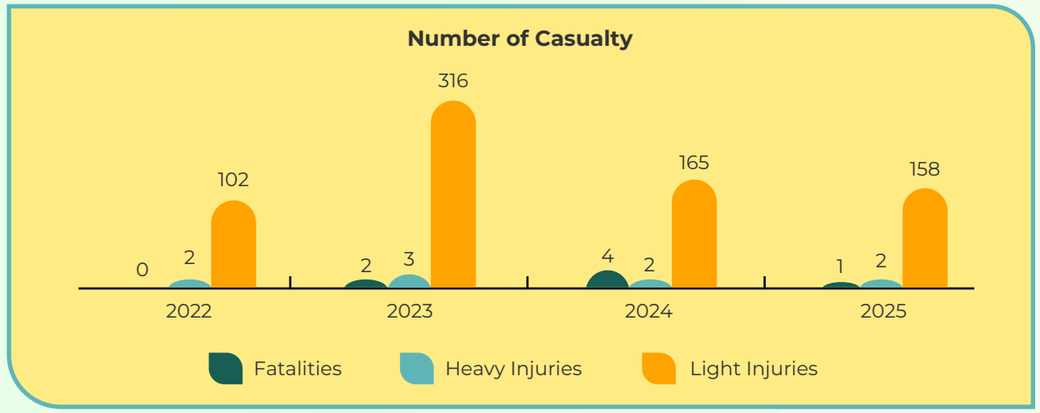
Hazard Identification and Risk Assessment

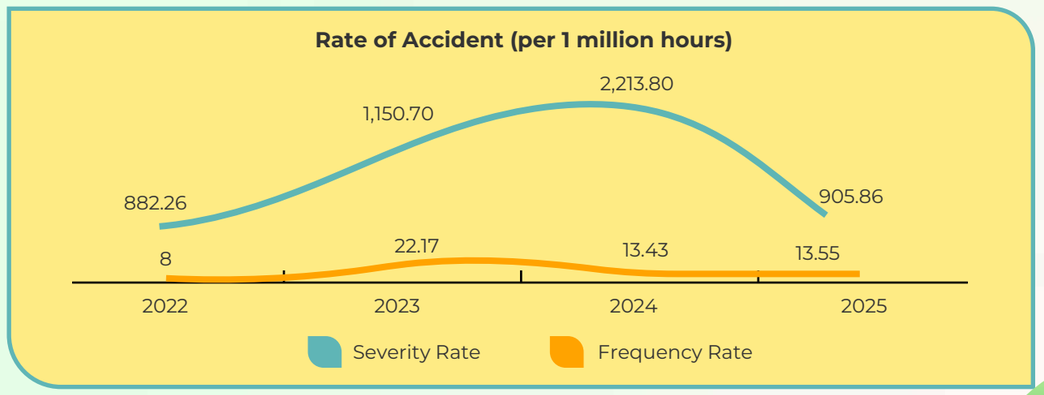
To keep our workplaces safe and healthy, we carefully study all of our production processes to spot potential dangers before they cause harm. Hazard Identification and Risk Assessments (HIRA) are conducted across all production processes. These assessments are carried out collaboratively by the OHSE Committees and operational teams to identify potential workplace hazards and establish appropriate mitigation measures. HIRA reviews are conducted annually, as well as following workplace incidents or the introduction of new equipment, technologies, or operational procedures.

Employees are also encouraged to report unsafe conditions, contributing to the continuous improvement of workplace safety practices and HIRA evaluations. When workplace incidents occur, investigations are conducted by the Occupational Health and Safety (OHS) team to identify root causes and gather relevant evidence. Based on the findings, corrective and preventive actions are recommended to reduce the risk of recurrence and strengthen the implementation of HIRA across operations.

We deeply regret to report that in 2025, one fatality, two serious injuries, and 158 minor injuries occurred across our operations. We are treating these incidents with the utmost seriousness—learning from what went wrong and constantly improving our daily safety practices. Our absolute commitment remains unchanged: to build a workplace where every single team member returns home safely at the end of the day.

Permata Group remains committed to learning from every incident. By conducting thorough investigations, taking corrective actions, and constantly improving our safety management systems, we are working tirelessly to protect our workforce and prevent similar occurrences in the future.





Health and Safety Culture

Safety policies, procedures, and protocols are regularly reviewed and updated to identify areas for improvement and strengthen preventive measures across operations. This is done to ensure the effectiveness of our occupational health and safety practices. Corrective actions, capacity-building programmes, and continuous improvement initiatives are implemented to further reinforce a strong culture of safety and operational excellence.

Comprehensive health and safety training programmes are provided regularly for employees and workers, including training on firefighting, first aid, and emergency response preparedness. These programmes are aimed at strengthening workforce awareness, competencies, and preparedness in managing workplace risks and emergency situations.

Prior to the work in potentially hazardous areas, including activities involving working at heights or electrical exposure, mandatory safety briefings and work permit procedures are implemented. Safety officer is assigned to accompany and monitor workers performing these tasks to help ensure compliance with established safety procedures and minimize operational risks.

To further strengthen workplace safety culture, selected safety officers are enrolled in the Ahli K3 certification programme to enhance occupational safety expertise within operational units. Safety signs and awareness banners are installed across work areas, while appropriate Personal Protective Equipment (PPE) is provided to employees according to operational risks. Routine monitoring and inspections are also conducted by safety officers to support compliance with company safety standards and procedures.

As part of our proactive risk management approach, regular inspections of fire extinguishers and emergency response equipment are conducted to ensure operational readiness. The implementation of workplace safety measures, including the proper and consistent use of PPE, is also routinely evaluated to strengthen preventive controls and support rapid response capabilities in the event of workplace emergencies.





Access to Healthcare

To ensure the health and well-being of our workforce, we provide comprehensive health insurance for all permanent employees. This includes their participation in the government-mandated BPJS Kesehatan program, supplemented by additional coverage through private insurance for selected workers. To provide prompt medical care, we ensure primary healthcare facilities are located within one hour of our plantations, mills, and plants, with ambulances on standby for any emergency.



We provide regular health checks for all current and potential employees. Standard blood and urine tests are performed for general staff, while additional tests—including thorax/spirometry tests, hearing assessments, and cholinesterase tests to identify pesticide poisoning—are administered to workers exposed to chemicals, dust, or high levels of noise. We collaborate with qualified third-party lab personnel to conduct these checks. In addition, we support community health by contributing to Integrated Healthcare Centers (Posyandu) that serve local communities to including pregnant women and children.

Healthier Lifestyle

At Permata Group, employee wellbeing is promoted through various health awareness and workplace wellness initiatives. Efforts to encourage healthier lifestyles include educational campaigns on smoking cessation, implementation of smoke-free workplace policies, and awareness programmes aimed at reducing smoking-related health risks across operational areas.

To further support employee health during working hours, hydration awareness initiatives are also promoted through educational reminders and workplace campaigns. In addition, various sports and recreational facilities, including badminton, volleyball, and table tennis facilities, are provided to encourage physical activity and support a healthier and more active lifestyle among employees.

We also recognize that mental and emotional wellbeing are essential components of a productive and supportive workplace. Accordingly, efforts continue to be made to foster a positive working environment through open communication, collaboration, mutual respect, and employee engagement initiatives. Through these efforts, employees are encouraged to feel valued, connected, and supported in contributing positively to the organization.





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Future Leaders Bootcamp

The three-day programme in Sibolangit was designed to strengthen employee capacity, leadership competencies, and cross-functional collaboration. Through interactive discussions, team-based activities, and practical learning sessions, participants were encouraged to strengthen teamwork, enhance cross-functional collaboration, and develop a more adaptive and growth-oriented mindset in supporting Permata Group's operational and sustainability objectives.



Emotional Quality Management

This training programme aimed at strengthening self-awareness and emotional management capabilities among leaders. The programme was designed to support more effective communication, foster positive working relationships, and enhance collaboration within teams.



Through the training, participants were encouraged to develop emotional intelligence competencies that can support objective decision-making and improve team coordination in dynamic working environments. By strengthening these capabilities, the programme seeks to prepare leaders to navigate the challenges of increasingly collaborative workplaces while promoting a more supportive and harmonious organizational culture.

4. Community and Smallholder Livelihood

[GRI 3-3, 13.14.1 , 13.14.4]

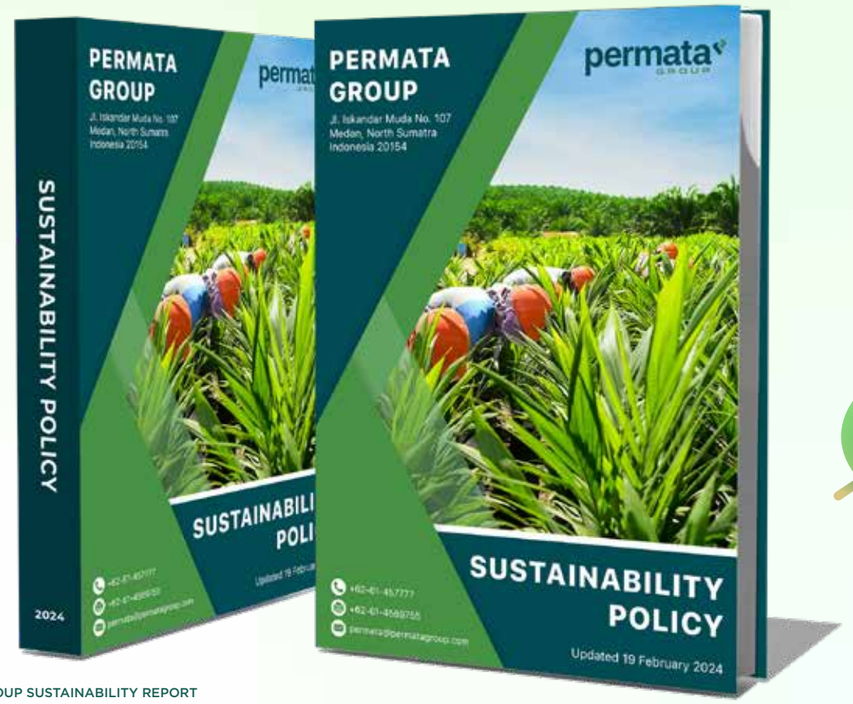
Building a sustainable future that benefits the communities is the core vision behind everything we do at Permata Group. Guided by this vision, we are committed to empowering smallholder livelihoods and strengthening community wellbeing. For us, a thriving community is our greatest partner in caring for nature and preserving valuable resources for the generations to come.

Through responsible business practices, ethical principles, and continuous stakeholder engagement, we actively collaborate with local communities, governments, and other stakeholders to promote inclusive growth and create long-term positive impacts for society.

Respecting the Human Rights of Indigenous People and Local Communities

Aligned with the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) and ILO Convention No. 169, Permata Group's Sustainability Policy reflects our commitment to respecting and protecting the rights of local communities, particularly Indigenous Peoples. We recognize and respect their rights to land, natural resources, cultural heritage, and traditional practices, and we strive to ensure that all engagements are conducted transparently and responsibly.

Our commitment to the principles of Free, Prior, and Informed Consent (FPIC) ensures that communities have the right to provide or withhold consent for activities affecting lands over which they hold legal, communal, or customary rights. Through ongoing engagement and consultation processes, we seek to ensure that community perspectives are considered in decision-making processes and that community wellbeing remains an integral part of our sustainability commitments.



Social Impact Assessment

Social Impact Assessments (SIA) are conducted across our operations to identify, understand, and manage the social impacts of our activities on surrounding communities, while also supporting compliance with RSPO requirements. These assessments are also updated regularly to help identify potential social and cultural impacts, evaluate community concerns, and provide recommendations aimed at preventing and mitigating potential conflicts.



SIAs are carried out for both existing operations and new developments, with the findings used to support stakeholder engagement approaches and guide the implementation of Corporate Social Responsibility (CSR) programmes. Through these assessments, Permata Group seeks to minimize adverse impacts, strengthen positive contributions to local communities, and ensure that community considerations are integrated into operational planning and decision-making processes.

Community Engagement

Our approach to community engagement is guided by proactive and continuous two-way communication with stakeholders. Local communities and relevant institutions are regularly encouraged to share feedback, raise concerns, and provide input regarding our operations and sustainability initiatives. This engagement process also serves as a platform to communicate our Sustainability Policy commitments, including responsible land management practices, the prohibition of open burning, and the protection of High Conservation Value (HCV) areas.

Feedback and input received from stakeholders are considered important in helping us strengthen our Corporate Social Responsibility (CSR) programmes, improve stakeholder relationships, and proactively address potential concerns before they escalate into conflicts.

To support effective stakeholder engagement, dedicated personnel have been assigned at each operational unit to maintain direct communication with local communities, government authorities, and non-governmental organizations (NGOs). These engagement efforts help ensure that community perspectives are understood and considered, while also supporting the development of programmes and initiatives that are aligned with local needs and priorities.



Conflict Resolution

We have developed a complaint and grievance mechanism for our stakeholders to address any concerns they may encounter. All non-compliance issues, including land disputes, are covered by this system. Through various channels, like email, phone, mail, or in-person at our offices, stakeholders can file complaints and grievances. Please visit our website to learn more about our grievance and complaint mechanism.
More information on our complaint and grievance system can be found on our website.

Investing in Community

Permata Group is committed to minimizing the environmental impacts of its operations while creating long-term positive contributions for the communities surrounding our operational areas. Beyond contributing to local economic growth through employment opportunities and business activities, we also implement various Corporate Social Responsibility (CSR) programmes aimed at supporting community wellbeing and sustainable development.

Our CSR initiatives are guided by four key pillars:

Permata Cerdas

This pillar focuses on initiatives that promote education, skill development, and knowledge-sharing within communities. We engage in activities such as providing scholarships and supporting educational institutions. By investing in education and knowledge, we contribute to the intellectual growth and development of individuals, empowering them to contribute effectively to society.

47 schools and 889 students have received the benefits of our CSR program that focuses on education

Permata Sehat

This pillar emphasizes promoting health and well-being among individuals and communities. We often engage in healthcare-related initiatives, such as organizing medical camps, providing access to healthcare services, promoting healthy lifestyle choices, and supporting initiatives that address health-related challenges. By contributing to better health outcomes, we play a role in improving the overall quality of life for people.

180 children have undergone free circumcisions and **1,976 packages** of nutritional foods are delivered to participants. We also provide free fogging services to **1,400 homes** located near our unit of operations.

Permata Hijau

This pillar centers on sustainability and environmental stewardship. We focus on reducing our environmental footprint by adopting eco-friendly practices, conserving resources, and supporting initiatives related to environmental conservation and protection. This includes initiatives like tree planting, waste reduction, energy efficiency projects, and supporting conservation efforts to preserve natural habitats and biodiversity.

1,250 trees are planted for land rehabilitation purposes. Supported **15 elephants** at the Barumun Nagari Wildlife Sanctuary.

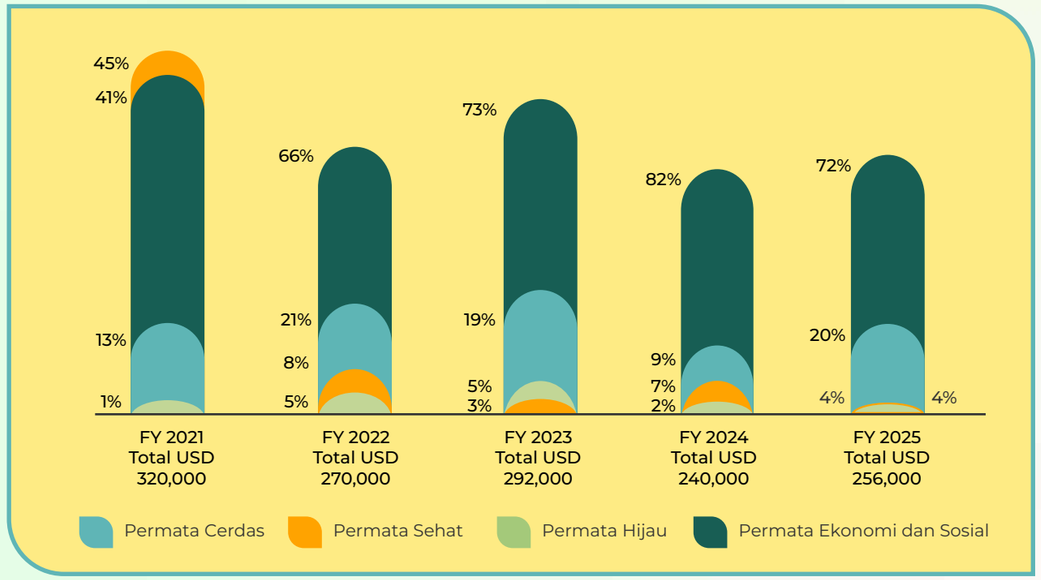
Permata Ekonomi dan Sosial

This pillar involves activities that contribute to local economic development and empowerment. This include supporting local businesses, creating job opportunities, and providing training or resources that enhance people's economic prospects. By fostering economic growth and stability, we contribute to the overall well-being and prosperity of the communities where we operate.

155,684 liters of Subsidized Minyak Goreng and **9,249 packages** of staple food have been distributed. A total of **710 units** of construction materials are distributed to support the construction efforts.

These **four pillars** collectively represent a well-rounded approach to corporate social responsibility, encompassing various aspects of societal and environmental well-being.

Spending allocation by program (%)



Strengthening Social Responsibility for Sustainable Growth

As part of Permata Group's commitment to strengthening responsible business practices, an ISO 26000-based CSR training programme was conducted for the Public Relations (Humas), CSR, and Sustainability teams during 2025. The programme aimed to enhance participants' understanding of social responsibility principles and support the strategic implementation of CSR initiatives across the company's operations.

Throughout the training, participants explored the evolution of CSR from charity and philanthropy toward sustainable community development, while also strengthening their understanding of the People, Planet, and Profit approach. The importance of stakeholder analysis and effective community engagement was also discussed to support the development of more impactful CSR programmes.



The training further introduced ISO 26000 as an internationally recognized guidance standard for social responsibility. Key principles such as accountability, transparency, ethical behaviour, respect for human rights, and legal compliance were discussed alongside the seven core subjects of ISO 26000, including labour practices, environmental responsibility, fair operating practices, and community involvement.

Case studies and discussions on Social Return on Investment (SROI) were also conducted to strengthen participants' understanding of CSR impact measurement and programme effectiveness. Through this initiative, Permata Group continues to strengthen the capabilities of its teams in implementing more strategic, inclusive, and sustainable community development programmes.

RESPONSIBLE BUSINESS AND SOURCING

1. Corporate Governance and Ethics

[GRI 3-3, 205-1, 205-2, 205-3]

At Permata Group, strong corporate governance and ethical conduct form the fundamental bedrock of our sustainable growth. We are dedicated to applying internationally recognized governance standards while fully complying with all national & local laws / regulations across our entire operations. Our comprehensive governance framework emphasizes clear accountability, strict transparency, and informed decision-making at every organizational tier. By embedding these core ethical considerations directly into our corporate decision-making and performance evaluations, we successfully align our commercial progress with positive, lasting societal and environmental outcomes.

Strategic oversight of our corporate direction, risk management, and sustainability commitments is driven directly by our Board of Directors. The Board ensures that environmental, social, and governance (ESG) priorities are fully integrated into our core business strategy rather than treated as separate initiatives. We establish clear, top-down accountability by embedding these ethical considerations into our corporate decision-making, risk assessments, and executive performance reviews. This strong leadership framework ensures that our commercial progress aligns with our values, allowing us to balance business growth with lasting benefits for society and the ecosystems where we operate.

Code of conduct

To translate top-level oversight into daily behavior on the ground, we strictly enforce our corporate Code of Conduct, which serves as a practical operational guide for all Permata Group employees. We firmly believe that our shared corporate values form the foundation of our long-term business success. Every decision we make and action we take across our operations is guided by our primary **TIPCE** values: Teamwork, Integrity, Professionalism, Communication, and Excellence.

T	I	P	C	E
Teamwork	**Integrity**	**Professionalism**	**Communication**	**Excellence**
Essential to our success. We believe that when we work together, we can achieve anything. We foster a culture of collaboration and support, where everyone feels valued and respected	The core of everything we do. We are honest and transparent in our dealings with customers, employees, and partners. We always strive to do the right thing, even when it is difficult.	Reflected in our commitment to our customers and our work. We are knowledgeable, efficient, and reliable. We take pride in our work and always strive to deliver the highest quality products and services.	Key to our success. We communicate openly and honestly with each other and with our customers. We listen carefully to feedback and use it to improve our products and services.	Our goal in everything we do. We are constantly striving to improve and innovate. We are committed to providing our customers with the best possible experience.

Our TIPCE values are more than just words on a wall. They are lived and breathed by our employees every day. They are the reason why we are successful and why our customers trust us. We expect all employees to maintain the highest ethical standards and comply with all applicable rules. To ensure everyone remains fully aware of and compliant with these principles, the Code of Conduct is integrated into the mandatory onboarding process for all new hires, reinforced through regular training, and made easily accessible to all personnel via our internal communication platform.

Anti-corruption and Anti-bribery

In alignment with our unwavering commitment to operational integrity, Permata Group maintains a strict zero-tolerance policy against any form of corruption or bribery. We firmly believe that sustainable business growth can only be achieved through fair, transparent, and ethical market practices. Our explicit Ethics Policy, alongside the Code of Conduct, provides our entire workforce with specific, concrete guidelines and legal responsibilities to proactively detect, prevent, and eliminate these unethical practices within our supply chains and operational units. We ensure that all employees, regardless of their rank or position, understand that compliance with our anti-corruption directives is non-negotiable. Any violations or breaches of these policies are treated with the utmost seriousness and will result in swift, appropriate disciplinary action, up to and including termination of employment and legal recourse where applicable. This strict enforcement demonstrates our unwavering commitment to ethical business conduct across all operational areas.

To further embed this culture of accountability, Permata Group promotes absolute transparency by offering secure communication channels for all stakeholders. Customers, suppliers, employees, and community members are encouraged to report any concerns or suspected financial violations without fear of retaliation, allowing us to maintain clean, reliable, and trustworthy operations.

Whistleblowing

To support our ethical standards and provide a safe space for accountability, Permata Group has established a dedicated whistleblowing channel and grievance mechanism. Accessible directly on our corporate website, this centralized platform is open to both internal employees and external partners. It allows for the completely anonymous reporting of any legitimate concerns, grievances, or suspected violations related to our daily operations, our third-party suppliers, or direct breaches of our Code of Conduct.

We consider the maintenance of an ethical workplace to be a shared responsibility; therefore, all Permata Group employees are required to report any compliance concerns or unethical behavior they witness. To ensure the integrity of this system, we strictly guarantee absolute protection from retaliation, harassment, or negative consequences for anyone who steps forward to make a good-faith report.

To guarantee a fair and objective review process, our Human Resources Department and the Board of Directors directly oversee, investigate, and address all reported violations. By continuously monitoring compliance, investigating grievances thoroughly, and updating our frameworks, we drastically reduce business risks while solidifying stakeholder trust. Through these combined governance mechanisms, we ensure that Permata Group remains a trusted, transparent, and responsible leader within the sustainable palm oil industry.

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Data Privacy and Cybersecurity

We rely on technology every day to run our business, which means protecting the information shared with us is incredibly important. For Permata Group, data security is simply a matter of doing business the right way. We maintain a strict data privacy and cybersecurity framework designed to safeguard sensitive information, mitigate digital risks, and ensure full regulatory compliance.

Our data governance model is built on transparency, strict retention boundaries, data accuracy, and absolute accountability in personal data processing. To uphold these principles, we enforce rigorous technical and administrative safeguards that prevent unauthorized access, disclosure, alteration, loss, or misuse of corporate and personal information.

Key pillars of our data security strategy include:

Dedicated Client Data Privacy
A structured framework specifically established to govern, manage, and protect the personal data of our customers, vendors, and business partners. Where applicable, these administrative safeguards are legally reinforced through formal Non-Disclosure Agreements (NDAs).

Proactive Cyber Risk Management
Continuous enhancement of our cybersecurity infrastructure to counter emerging digital threats and adapt to evolving regulatory landscapes.

Cybersecurity and Information Handling Socialization
Regular awareness sessions designed to educate employees on data privacy expectations, secure information handling, and operational best practices.

Phishing and IT Security Reminders
Ongoing email campaigns disseminated by our IT department to maintain high organizational vigilance against phishing attempts, improper data sharing, and potential cyberattacks.

2. Consumer and Customer

Protecting Consumer Health

[GRI 3-3, 416-1, 416-2]

Our commitment to sustainability is fundamentally driven by our responsibility to the individuals, industries, and global communities that trust our products. As an integrated palm oil player spanning cultivation, processing, refining, and manufacturing, we serve a vital role in global supply chains. Our diverse product portfolio—comprising crude palm oil, premium cooking oils, specialty baking fats, oleochemicals for industrial and personal care use, and biodiesel—reaches both domestic Indonesian and key international export markets, including China, India, and Europe. We recognize that maintaining market leadership requires balancing high operational volumes with strict adherence to rigorous health, safety, and sustainable certification standards.

To achieve this, we adopt Best Manufacturing Practices (BMP), continuous improvement initiatives, and strict compliance with global food safety frameworks. Our operations are certified under internationally recognized standards, including:

- ISO 9001 (Quality Management)
- ISO 22000 (Food Safety Management)
- Good Manufacturing Practices (GMP)
- Hazard Analysis and Critical Control Points (HACCP)
- Food Safety System Certification (FSSC 22000)

These certifications provide independent assurance that our products are safe, high-quality, and responsibly produced. By embedding robust quality management and food safety systems into our operations, Permata Group strengthens consumer trust, supports global food security, and reinforces our commitment to responsible and sustainable production.

Our commitment to responsible production is demonstrated through our active memberships in key industry associations. Our participation in prominent global platforms, such as the Roundtable on Sustainable Palm Oil (RSPO) and the Palm Oil Collaboration Group (POCG), underscores our dedication to ethical manufacturing. These vital partnerships enable us to adopt best international practices, driving continuous improvements that directly benefit our customers. By collaborating with these organizations, we ensure our products are safe, premium-quality, and sourced with total transparency, building long-term trust and ensuring that our operations support a healthier, more sustainable future.

Membership Associations

- Palm Oil Collaboration Group (POCG)
- Asosiasi Produsen Biofuel Indonesia (APROBI)
- Roundtable on Sustainable Palm Oil (RSPO)
- Asosiasi Produsen Oleochemical Indonesia (APOLIN)
- Gabungan Pengusaha Kelapa Sawit Indonesia (GAPKI)

Certification	Facilities
ISO 9001	3 Estate, 4 Mill, 5 KCP, 5 Refineries & 1 Biodiesel Plant
ISO 14001	3 Estate, 4 Mill, 5 KCP, 5 Refineries & 1 Biodiesel Plant
ISO 22000	2 Refineries
FSSC 22000	2 Refineries & 2 Oleochemical Plant
GMP+	5 KCP & Trading Department
HACCP	3 Refineries & 2 Oleochemical Plant
HALAL INDONESIA	4 Mill, 5 KCP, 6 Refineries & 2 Oleochemical Plant
Kosher	4 Mill, 5 KCP, 6 Refineries & 2 Oleochemical Plant
BADAN POM	6 Refineries

Certification	Facilities
SNI	2 Refineries
RSPO CERTIFIED	5 KCP, 5 Refineries & 3 Oleochemical Plant
RSPO CERTIFIED	3 Estate & 3 Mill
ISPO Indonesian Sustainable Palm Oil	3 Estate & 3 Mill

We are pleased to announce that in 2025, there were no reported incidents of regulatory non-compliance or customer complaints concerning the health and safety of our products. We remain committed to maintaining this high standard going forward.

Sustainable Palm Oil Certification and Scorecard

At Permata Group, we are dedicated to aligning our operations with international sustainability standards. To meet the rising demand for certified products, we proactively pursue and maintain key certifications, including the Roundtable on Sustainable Palm Oil (RSPO) and the Indonesian Sustainable Palm Oil (ISPO). These certifications reflect our commitment to responsible palm oil production, environmental stewardship, and meeting international market requirements.

Furthermore, we participate in sustainability assessments such as SPOTT, Forest 500, CDP, and EcoVadis to evaluate our performance and identify areas for improvement. This comprehensive approach allows us to stay ahead of industry trends and continually enhance our sustainability efforts. A detailed overview of our certifications and memberships is available on pages 98-99. The result of our scorecards is available on page 30.

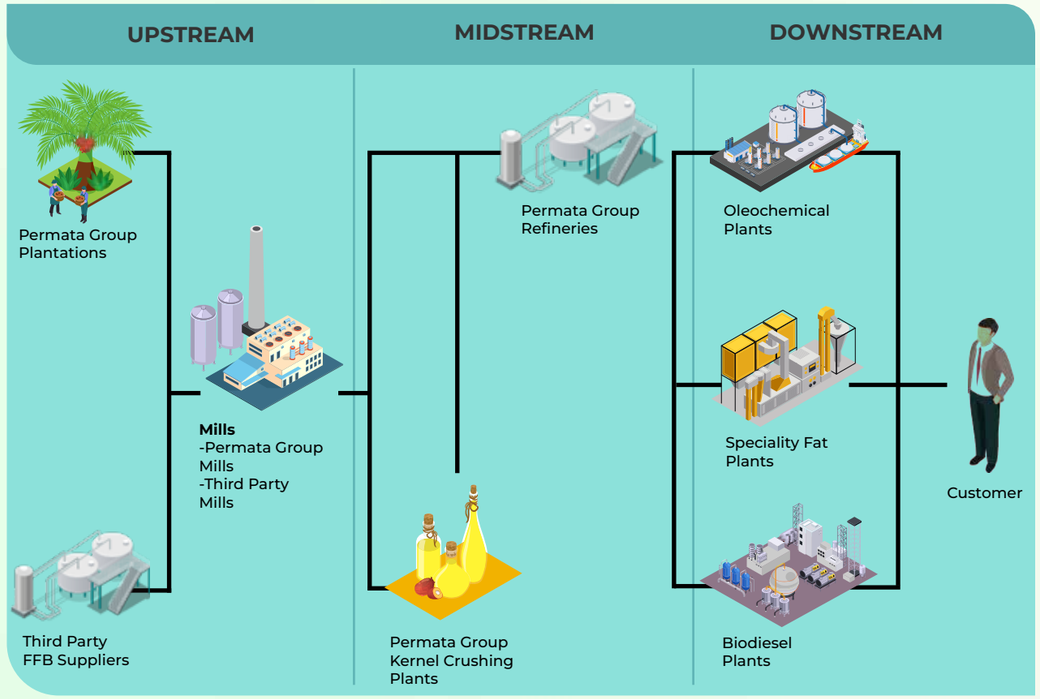


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3. Sustainable Supply Chain

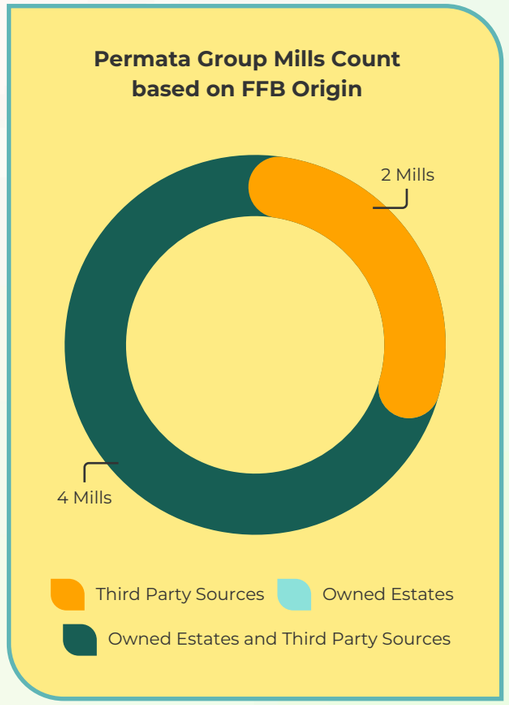
[GRI 3-3, 308-1, 308-2, 13.23.2, 13.23.4]

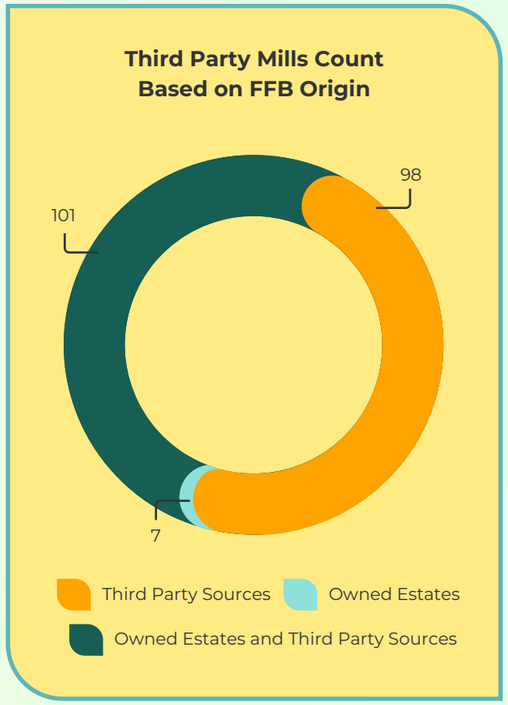
Creating a responsible and resilient supply chain depends on close collaboration with our suppliers and stakeholders. At Permata Group, we actively engage with our supply network to reinforce core sustainability principles, specifically focusing on traceability, no deforestation, peatland protection, and human rights. We support our suppliers' sustainability journeys by providing targeted technical assistance, capability-building initiatives, and practical workshops designed to streamline compliance and elevate operational practices. Accountability is maintained through rigorous monitoring tools, including regular supplier evaluations, comprehensive traceability mapping, and transparent grievance mechanisms. Furthermore, we collaborate with industry-wide platforms, certification bodies, and local communities to spark systemic progress across the broader palm oil sector, ensuring long-term value for society, the environment, and our market partners.

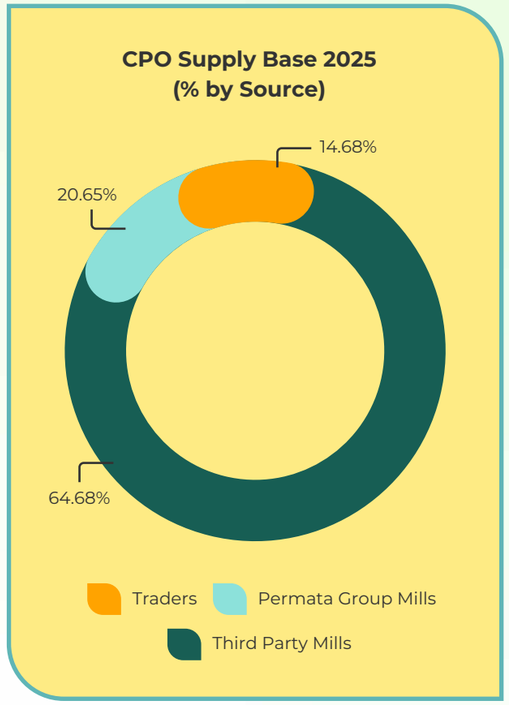


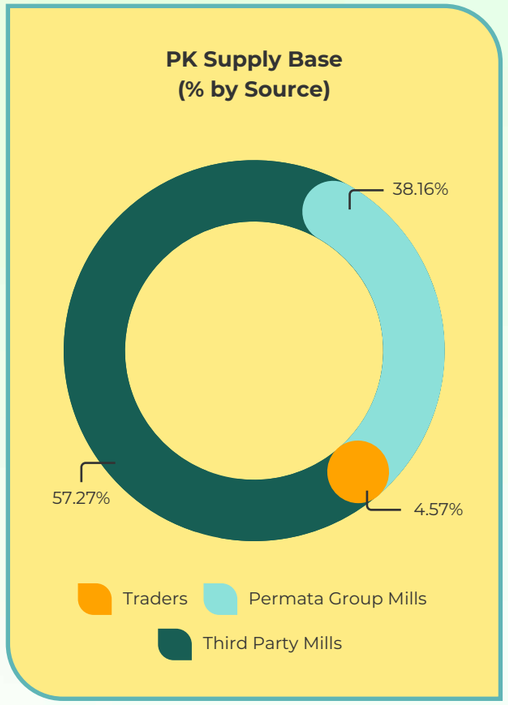
As an integrated palm oil company, we source a wide range of materials, including palm fruit, crude palm oil, palm kernels, and supporting inputs like fertilizers, pesticides, fuel, and chemicals. We process Fresh Fruit Bunches (FFBs) from both our own plantations and third-party suppliers. These suppliers include independent smallholders, outgrowers, farmer cooperatives, and plantation companies. The palm oil and kernels produced at our mills, along with those we purchase, are processed at our downstream facilities to create our final products.

In 2025, we source crude palm oil and kernels from 206 palm suppliers , primarily located in North Sumatra, Aceh, and Riau. We also source from suppliers located at Jambi, West Sumatra, South Sumatra, West Kalimantan, and Central Kalimantan.









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Supply Chain Traceability

Traceability is fundamental to our responsible sourcing, and we are committed to mapping our raw materials completely from mills back to the plantations. Total supply chain visibility ensures our products are produced responsibly and ethically. Although mapping this network is a complex process involving many smallholders and middle agents, we have successfully met these challenges using digital traceability tools, active supplier engagement, and targeted technical training. Through these proactive measures, we have streamlined our data verification, strengthened supply chain accountability, and are now very close to achieving 100% Traceability to Plantation (TTP).

Traceability to Mill

To ensure 100% traceability to mills, we require our suppliers to provide critical information, including the mill's name, address, and GPS coordinates. This supplier information is publicly available on our traceability dashboard. On this platform, stakeholders can view our traceability profile and access suppliers' data, such as their name, parent company, address, GPS coordinates, and a unique identifier called UML ID. The UML ID was developed by a consortium that includes the World Resources Institute, Rainforest Alliance, Proforest, and Daemeter. We have been fully traceable to the mill level since 2018 and successfully maintained this status in 2025.

Traceability to Plantation

Traceability to plantations is more challenging than to mills due to the vast and diverse sources of Fresh Fruit Bunches (FFBs). A single mill's supply chain may include large plantations, smaller farms, and numerous smallholders—many of whom work on land as small as 0.5 hectares and who sell their crop through middlemen. It is worth noting that smallholders are responsible for 40% of Indonesia's palm fruit production.

Given this complexity, along with limited time and resources, we have adopted a three-tiered, risk-based approach to plantation traceability.

Tier one: Not traceable to plantation
This tier describes mills without any traceability information and is thus considered not traceable to plantation.

Tier two: Traceable to plantation (risk based approach)
This tier describes non high-risk mills that have mapped out their supplying agents/ intermediaries network and have collected supply sheds information from their network.

To be considered tier two traceable, the supplying mills must have collected the following information from their suppliers:

Criteria	Plantation Companies	Independent Growers / Smallholders / Cooperatives	Agents / Middlemen
Name of Farmer/ Plantation / Owner / Agent / Dealer	✓	✓	✓

Address of the plantation – at minimum the village name or subdistrict should be provided	✓	✓	NA
Address of the agent and/ or middlemen facility – at minimum the village name or subdistrict should be provided	NA	NA	✓
Supply shed – at minimum the village name or subdistrict should be provided	NA	NA	✓
GPS coordinates of the plantation	✓	- (OPTIONAL)	- (OPTIONAL)
Size of the plantation	✓	- (OPTIONAL)	- (OPTIONAL)
Volume of FFB supplied to the Mill	✓	✓	✓

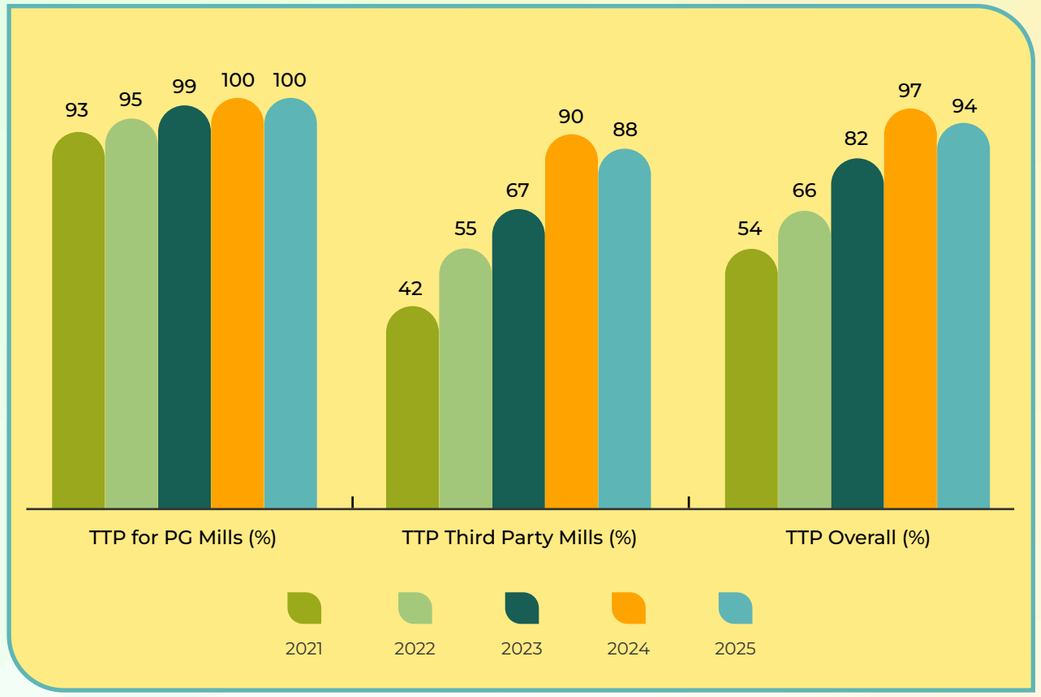
Tier three: Traceable to plantation (polygon)
This tier describes mills that have mapped out their supplying agents/intermediaries network and have collected individual plantations information (GPS coordinate or polygon) from their suppliers.

To be considered tier three traceable, the supplying mills must have collected the following information from their suppliers:

Criteria	Plantation Companies	Independent Growers / Smallholders / Cooperatives	Agents/ Middlemen
Name of Farmer/ Plantation / Owner / Agent / Dealer	✓	✓	✓
Address of the plantation	✓	✓	NA
Address of the agent and/or middlemen facility	NA	NA	✓
GPS coordinates or polygons of the plantation	✓	✓	✓
Size of the plantation	✓	✓	✓
Volume of FFB supplied to the Mill	✓	✓	✓

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In our risk-based approach, independent outgrowers, smallholders, agents, and middlemen are only required to disclose the area or village where they grow or source their fruits. If suppliers source from villages that overlap with protected areas, such as national parks or wildlife reserves, they are considered high-risk suppliers and prioritized for more detailed traceability studies. As of December 2025, we achieved 94% Traceability to Plantation (TTP). Although our traceability fell short of 100% due to onboarding new suppliers, we remain committed to achieving full traceability across our supply chain.



Supplier risk assessment and engagement
We are committed to developing a traceable and transparent supply chain, which is essential for ensuring accountability to our stakeholders. We also work closely with our suppliers through capacity-building initiatives, helping them meet our standards and creating a more inclusive supply chain. To assess and mitigate the risks of deforestation, peatland degradation, and exploitation (NDPE), we use satellite monitoring tools like Global Forest Watch Pro (GFW Pro) and Nusantara Atlas, hold workshops for our suppliers, distribute questionnaires, conduct site visits, and monitor news for relevant developments.

Our assessment process includes reviewing internal procedures and systems at palm oil mills, conducting on-site visits to mill locations, and verifying a sample of Fresh Fruit Bunch (FFB) suppliers. During these visits, our team also provides technical training on a range of topics. These include using smartphone applications for farm mapping, implementing Standard Operating Procedures (SOPs) for traceability and grievance mechanisms, and understanding environmental management, NDPE, and social compliance. We also provide training on digital deforestation monitoring systems.

Through these activities, Permata Group helps our mill partners improve their understanding and capacity in applying sustainability principles. This approach strengthens operational governance, facilitates preparedness for ISPO certification, and aligns our suppliers' business practices with both national and international sustainability standards.

Forging Stronger Links: Permata Group and Olam Agri Unite to Drive Sustainable Supply Chains

True sustainability in the palm oil sector relies entirely on the strength and accountability of an entire network of partners. Driven by this belief, Permata Group partnered with Olam Agri to host a Supplier Workshop at the Aryaduta Convention Hall in Medan. The intensive session brought together 117 participants from 65 supplier companies across our supply chain, all focused on a singular goal: accelerating the transition toward a fully transparent, deforestation-free palm oil market.

The workshop provided suppliers with the advanced technical skills and frameworks required to meet shifting global market expectations. Guided by expert facilitators from Proforest, the event opened with remarks from Mr. Toto Chandra (Director of Sustainability, Permata Group) and Ms. Regina Destia Leki (Manager of Sustainability, Olam Agri), who both emphasized the shared responsibility of balancing productivity with ethical execution. This vision was expanded during a joint presentation by Mr. Henry Cai (Head of Sustainability, Permata Group) and Ms. Regina, mapping out the companies' unified supply chain strategies.



The core technical focus was the introduction of the newly updated NDPE IRF (No Deforestation, No Peat, No Exploitation Implementation Reporting Framework) Version 6.0. Led by Proforest's Ms. Metia Lembasi, the session detailed the critical transition to Version 6.0 and its link to Deforestation and Conversion-Free (DCF) principles. The training also clarified international protocols for Traceability to Plantation (TTP), equipping our suppliers to provide global buyers with verifiable, data-backed proof of responsible sourcing.

The event concluded with a hands-on working session led by Proforest's Ms. Intan Ningsih, where suppliers practiced navigating the exact form-filling guidelines of NDPE IRF 6.0, with a special focus on tracking volumes from independent smallholders. By building supplier capabilities, promoting open dialogue, and deploying practical digital tools, Permata Group and Olam Agri are successfully transforming global compliance into local progress—ensuring a resilient, transparent, and thriving palm oil industry.

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Bridging Commitments and Action: The Permata Group and Earthworm Foundation Collaboration

Rather than enforcing rigid compliance from afar, the collaboration focuses on active, empathetic engagement directly within the supplier communities. The initiative addresses the distinct operational challenges faced by mid-tier suppliers and smallholders in Riau, where data scarcity and complex land boundaries often stall sustainability progress. Through a series of localized workshops and intensive field consultations supported by Earthworm's regional experts, Permata Group has provided its suppliers with hands-on training in polygon mapping, conservation management, and real-time satellite monitoring platforms.

A core pillar of this shared field program is the proactive protection of Riau's remaining natural forests and sensitive peatland ecosystems. Earthworm Foundation's deeply rooted landscape approach helps suppliers identify High Conservation Value (HCV) areas within or bordering their concessions, providing them with clear strategies to prevent accidental encroachment or degradation. Additionally, the training places equal emphasis on the "Exploitation" facet of NDPE, guiding supplier companies on how to improve fair labor practices, safeguard workers' rights, and foster strong, collaborative relationships with neighboring rural communities.

By investing heavily in supplier capacity alongside the Earthworm Foundation, Permata Group is moving beyond traditional supply chain auditing toward genuine, long-term empowerment. This collaborative landscape initiative proves that when local suppliers are given the proper technical skills and continuous organizational support, they stop seeing sustainability as a commercial barrier and begin embracing it as a path to operational resilience. Through this joint effort, Permata Group and Earthworm Foundation are successfully safeguarding Riau's rich biodiversity while building a transparent, ethical, and thriving environment for generations to come.

Nusantara Atlas

The Nusantara Atlas is a specialized online mapping platform designed to provide transparent, real-time insights into land use change in Indonesia and other parts of Equatorial Asia. By integrating data from multiple satellite systems (like Planet/NICFI, Sentinel-2, and Landsat) with local information such as company concession boundaries, the platform allows anyone—from journalists and researchers to local communities—to easily track and verify deforestation, plantation expansion, and peatland degradation.

This unique combination of high-resolution satellite imagery and localized context makes the Nusantara Atlas an indispensable tool for promoting accountability, exposing unsustainable practices, and supporting informed decision-making to protect the region's vital forests and ecosystems.

NDPE IRF Verification

As part of our deep commitment to sustainability, Permata Group continues to take significant strides by actively participating in the **NDPE IRF (No Deforestation, No Peat, No Exploitation Implementation Reporting Framework).** This globally recognized tool allows us to accurately measure, demonstrate, and advance our NDPE promises across our entire palm oil supply chain.

Building on our momentum, 2025 marks the second consecutive year that Permata Group has successfully completed its independent NDPE IRF verification, conducted by third-party auditor Control Union (CU). This year's rigorous evaluation stands as clear evidence of our transparency and our ongoing drive to improve accountability. In our 2025 verification profile, we achieved excellent results in driving sustainable practices, with our performance categories breaking down as follows:

NDP IRF Profile PK (No Deforestation and No New Expansion on Peat)



Unknown	2%
Known	-
Awareness	-
Commitment and Starting Action	6%
Progressing	9%
Total Delivering	83%

NDP IRF Profile CPO (No Deforestation and No New Expansion on Peat)



Unknown	0%
Known	-
Awareness	1%
Commitment and Starting Action	6%
Progressing	13%
Total Delivering	80%

A major highlight of this cycle was our successful integration to NDPE IRF Version 6.0, which introduces rigorous links to Deforestation and Conversion-Free (DCF) principles. Managing this transition presented considerable operational challenges, particularly in aligning a diverse supplier network—including numerous intermediaries and smallholders—with enhanced Traceability to Plantation (TTP) metrics.



Promoting Smallholder Inclusiveness

Smallholders are crucial to the Permata Group's supply chain, providing over 85% of the fresh fruit processed at our palm oil mills. The majority of this supply originates from independent smallholders. We are dedicated to building a sustainable and inclusive supply chain that benefits both smallholders and corporate plantations.

Our commitment to smallholder sustainability is demonstrated through continuous educational and engagement programs. These initiatives focus on crucial topics such as High Conservation Value (HCV) preservation, zero-burning practices, no-deforestation commitments, chemical health and safety, and traceability. We provide guidance and resources through stakeholder consultations and field visits to promote responsible practices.

We support smallholders by providing boiler ash and decanter solids upon request for use as organic fertilizers, which helps reduce their dependence on mineral alternatives. We also assist those with aging plantations in accessing government replanting funds. Additionally, our Corporate Social Responsibility (CSR) program provides high-quality palm seedlings to select smallholders to support replanting and rehabilitation efforts.

Moving forward, we plan to enhance smallholder engagement by collaborating more closely with our suppliers. Our goal is to integrate smallholders more deeply into our supply chain and facilitate the exchange of knowledge on Best Management Practices (BMPs).

GRI CONTENT INDEX

Statement of Use	Permata Group has reported in accordance with the GRI Standards for the period of 01 January – 31 December 2025
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard	GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022

GRI STANDARD	GRI DISCLOSURE NUMBER	DISCLOSURE TITLE	PAGE REFERENCE
General Disclosures			
GRI 2 : General Disclosures 2021	2-1	Organizational details	9-15
	2-2	Entities included in the organization's sustainability reporting	14-15
	2-3	Reporting period, frequency and contact point	5
	2-5	External assurance	5
	2-6	Activities, value chain and other business relationships	12-13
	2-7	Employees	12,15
	2-8	Worker who are not employees	75
	2-9	Governance structure and composition	21
	2-10	Nomination and selection of the highest governance body	Confidential
	2-11	Chair of the highest governance body	21
	2-12	Role of the highest governance body in overseeing the management of impacts	21
	2-13	Delegation of responsibility for managing impacts	21
	2-14	Role of the highest governance body in sustainability reporting	21
	2-16	Communication of critical concerns	20
GRI 2 : General Disclosures 2021	2-22	Statement on sustainable development strategy	6-7
	2-23	Policy commitments	16
	2-25	Processes to remediate negative impacts	20
	2-26	Mechanisms for seeking advice and raising concerns	20
	2-27	Compliance with laws and regulations	17
	2-28	Membership associations	98
	2-29	Approach to stakeholder engagement	74
Material Topic			
GRI 3 : Material Topics 2021	3-2	List of material topics	24-27
Protecting High Conservation Area and Biodiversity			
GRI 3: Material Topics 2021	3-3	Management of material topics	34
GRI 101: Biodiversity 2024	101-2	Management of Biodiversity Impact	34-47
	101-5	Locations with Biodiversity Impact	34
	101-7	Change to the state of Biodiversity	36-42
Fire Management and Prevention			
GRI 3 : Material Topics 2021	3-3	Management of material topics	45-47
Pest Management and Fertilizer Use			
GRI 3 : Material Topics 2021	3-3	Management of material topics	48
GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022	13.6.1	Describe the pest management plan of the organization, including the rationale for the selection and application of pesticides and any other practices of pest control.	48

GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022	13.6.1	Describe actions taken to prevent, mitigate and/or remediate negative impacts associated with the use of extremely and highly hazardous pesticides. Describe the actions, initiatives, or plans to switch to less hazardous pesticides and actions taken to optimize pest control practices. Describe the training provided to workers on pest management and the application of pesticides	48
Water and Effluent Management			
GRI 3: Material Topics 2021	3-3	Management of material topics	49-56
GRI 303: Water and Effluent 2018	303-1	Interactions with water as a shared resource	49-56
	303-2	Management of water discharge related impacts	49-56
	303-5	Water consumption	49-56
Waste Management			
GRI 3: Material Topics 2021	3-3	Management of material topics	56-59
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	56-59
	306-2	Management of significant waste-related impacts	56-59
	306-3	Waste generated	56-59
	306-4	Waste diverted from disposal	56-59
	306-5	Waste directed to disposal	56-59



Energy Management			
GRI 3: Material Topics 2021	3-3	Management of material topics	60-62
GRI 302: Energy 2016	302-1	Energy Consumption within the organisation	60-62
	302-3	Energy intensity	60-62
Climate Change			
GRI 3: Material Topics 2021	3-3	Management of material topics	62-71
GRI 305 : Emissions 2016	305-1	Direct (Scope 1) GHG emissions	62-71
	305-2	Energy indirect (Scope 2) GHG emissions	62-71
	305-3	Other indirect (Scope 3) GHG emissions	62-71
	305-4	GHG emissions intensity	62-71
	305-5	Reduction of GHG emissions	62-71
Employee Management, Attraction and Retention			
GRI 3: Material Topics 2021	3-3	Management of material topics	74
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	76
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	77
GRI 404: Training and Education	404-1	Average hours of training per year per employee	80
	404-2	Program for upgrading employee skills and transition assistance programs	78-89
	404-3	Percentage of employees receiving regular performance and career development reviews	81
GRI 405: Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	76

Respecting Workers' Rights			
GRI 3: Material Topics 2021	3-3	Management of material topics	82-83
GRI 407: Freedom Of Association And Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	82
GRI 408: Child Labor 2018	408-1	Operations and suppliers at significant risk for incidents of child labor	82
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	82

Employee Health, Safety and Wellbeing			
GRI 3: Material Topics 2021	3-3	Management of material topics	84
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	84
	403-2	Hazard identification, risk assessment, and incident investigation	84
	403-3	Occupational health services	85
	403-4	Worker participation, consultation, and communication on occupational health and safety	84
	403-5	Worker training on occupational health and safety	86
	403-6	Promotion of worker health	88
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	86
	403-8	Workers covered by an occupational health and safety management system	88
	403-9	Work-related injuries	85
	403-10	Work-related ill health	85

Community and Smallholder Livelihood			
GRI 3: Material Topics 2021	3-3	Management of material topics	90
GRI 203: Indirect Economic Impact 2016	203-1	Infrastructure investments and services supported	92
	203-2	Significant indirect economic impacts	92-93
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	91
GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022	13.14.1	Describe the approach to engaging with indigenous peoples, including: - How the organization seeks to ensure meaningful engagement; - How the organization seeks to ensure indigenous women can participate safely and equitably.	91
	13.14.4	Report if the organization has been involved in a process of seeking free, prior, and informed consent (FPIC) from indigenous peoples for any of the organization's activities, including, in each case: - Whether the process has been mutually accepted by the organization and the affected indigenous peoples; -How the organization ensured that the constituent elements of FPIC have been implemented as part of the process; -Whether an agreement has been reached and, if so, whether the agreement is publicly available.	91

Corporate Governance and Ethics			
GRI 3: Material Topics 2021	3-3	Management of material topics	95-96

GRI 3: Material Topics 2021	3-3	Management of material topics	96
Consumer and Customer			
GRI 3: Material Topics 2021	3-3	Management of material topics	98
GRI 416: Customer Health And Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	98
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	100
Sustainable Supply Chain			
GRI 3: Material Topics 2021	3-3	Management of material topics	101-109
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	105
	308-2	Negative environmental impacts in the supply chain and actions taken	105
GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022	13.23.2	Describe the level of traceability in place for each product sourced, for example, whether the product can be traced to the national, regional, or local level, or a specific point of origin (e.g., farms,hatcheries, and feed mill levels).	105
	13.23.4	Describe improvement projects to get suppliers certified to internationally recognized standards that trace the path of products through the supply chain to ensure that all sourced volume is certified.	106-109

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GLOSSARY OF TERMS

Biological oxygen demand (BOD)	A parameter used to measure water quality. It represents the amount of oxygen consumed by bacteria and other microorganisms while they decompose organic matter under aerobic (oxygen is present) conditions at a specified temperature.
Carbon dioxide equivalent (CO2e)	A standard unit of measure in GHG accounting. It represents the amount of CO2 which would have the equivalent global warming impact for different GHGs.
Chemical oxygen demand (COD)	Another parameter used to measure water quality. It represents the amount of oxygen that must be present to oxidize chemical organic materials.
Crude palm oil (CPO)	The oil extracted from the pulp of FFB.
Effluent	Wastewater discharged to a natural body of water.
Extraction rate	The amount of oil (in percentage) recovered from FFB.
Empty fruit bunches (EFB)	What remains of FFB after the pulp has been removed for oil pressing.
Fire danger rating (FDR)	An internal rating for fire risk assessment depending on previous rain levels. It consists of four levels: Low, Medium, High, and Extreme.
Fire-Free Village Programme (FFVP)	A fire management pilot program which provides training, equipment and economic incentives to local communities to help prevent fire.
Fresh fruit bunches (FFB)	The bunch of fruit harvested from palm oil trees. It is the raw material of palm oil.
Free, prior and informed consent (FPIC)	The principle that indigenous people and communities have the right to give and withdraw their consent to actions that affect their lands, territories and natural resources.

Global Reporting Initiative (GRI)	A multi-stakeholder sustainability reporting standard providing guidelines on report content and indicators.
High Carbon Stock Approach (HCSA)	A methodology that distinguishes forest areas for protection from degraded lands with low carbon and biodiversity values that may be developed.
High conservation value (HCV)	Areas containing globally, regionally or nationally significant concentrations of biological, ecological, social or cultural values.
High carbon stock (HCS)	Forests which hold large stores of carbon and biodiversity, whose carbon stocks and biodiversity may be lost when these forests are cleared.
Indonesian Sustainable Palm Oil (ISPO)	Indonesia's mandatory national sustainable palm oil standard.
Integrated pest management (IPM)	The careful consideration of all available pest control techniques and subsequent integration of appropriate measures that discourage the development of pest populations.
International Sustainability and Carbon Certification (ISCC)	A certification system for sustainable and traceable biomass and bioenergy supply chains. ISCC EU certifies compliance with the EU Renewable Energy Directive, including its GHG-saving thresholds.
International Union for Conservation of Nature's Red List (IUCN Red List)	The world's most comprehensive inventory of the global extinction risk status of animal, fungus and plant species.
Palm oil mill effluent (POME)	Wastewater generated from palm oil milling activities.
No Deforestation, No Peat, No Exploitation (NDPE)	Policies and practices adopted by palm oil companies that prevent deforestation, development on peatlands, and the exploitation of workers, communities, and smallholders.
No Deforestation, No Peat and No Exploitation Implementation Reporting Framework (NDPE IRF)	A reporting tool that helps companies understand and systematically track progress in delivering their NDPE commitments in their palm oil supply chains.
PalmGHG calculator	An RSPO tool that calculates the emissions generated and sequestered from activities and processes at plantations and mills

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Palm Oil Collaboration Group (POCG)	A multistakeholder initiative that brings together companies from every link in the palm oil supply chain to accelerate the effective implementation of NDPE commitments.
Palm kernel oil	The oil extracted from the kernels of oil palm fruit.
Palm kernel shell (PKS)	The hard shell around the palm kernel, separated when the nut is cracked; used as boiler fuel.
Peat	The accumulation of partially decomposed organic matter in wetlands such as swamps, muskegs, bogs, fens, and moors. Peatlands are the largest natural terrestrial carbon store. They store more carbon than all other vegetation types.
Personal protective equipment (PPE)	Equipment that protects the wearer against health and safety risks.
Programme for Pollution Control, Evaluation and Rating (PROPER)	A public national environmental disclosure initiative to promote compliance with existing regulations. Environmental performance of companies is mapped using a five-color grading scale.
Rotterdam Convention	A multilateral environmental agreement that covers pesticides and industrial chemicals that have been banned or severely restricted for health or environmental reasons.
Roundtable on Sustainable Palm Oil (RSPO)	A not-for-profit organization consisting of stakeholders from 7 sectors of the palm oil industry to develop and implement global environmental and social standards for sustainable palm oil.
Smallholders	Small-scale farmers who are not linked to any particular company or mill. 40% of Indonesian palm fruits are grown by smallholders.
Stockholm Convention	An international environmental treaty focused on eliminating or reducing the use of POPs. POPs are chemicals that are toxic to humans and wildlife and remain intact in the environment for long periods eventually accumulating in the tissue of living organisms.
World Health Organization (WHO) Class 1A and 1B	A classification system created by WHO used to define the hazardousness of active ingredients in pesticides. 1A is extremely hazardous and 1B is highly hazardous.

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