



PURPOSE IN EVERY STEP

SUSTAINABILITY REPORT 2024



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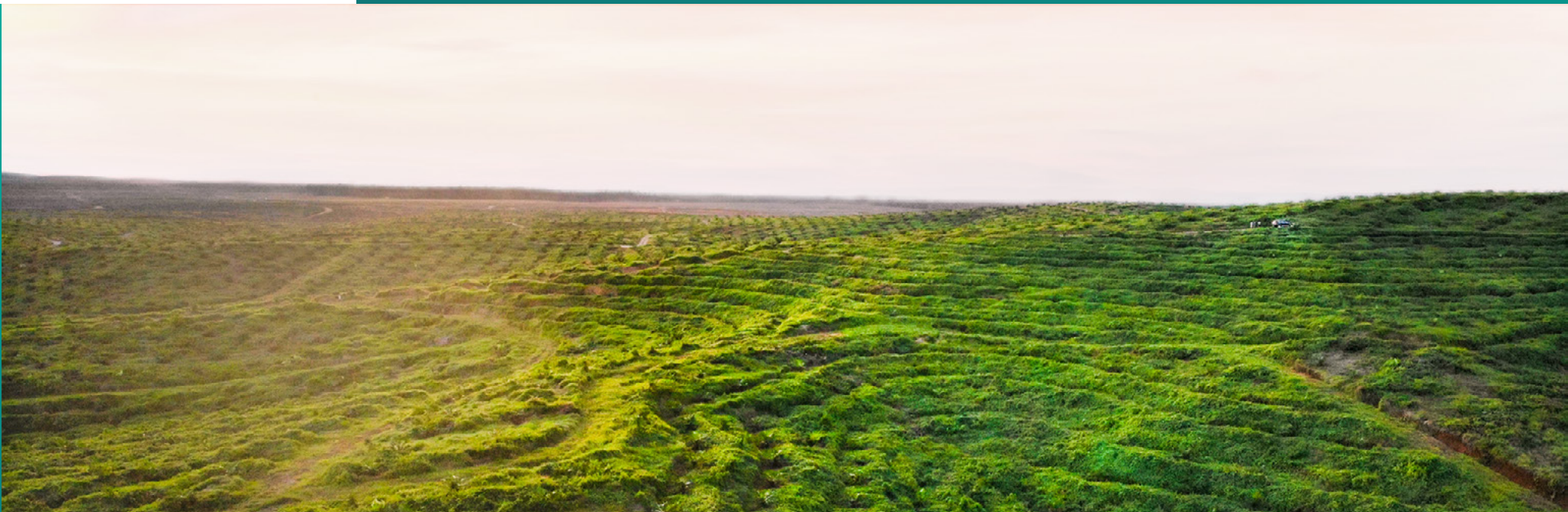
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About this report

As the fourth edition of Permata Group’s Sustainability Report, this document highlights our achievements, strategies, and ongoing efforts to align with our vision of building a sustainable future that benefits our communities.



Scope of The Report

[2-3]

This Sustainability Report encompasses the operations of Permata Group in Indonesia, including 21,000 hectares of planted area, 6 mills, 6 refineries, 5 kernel crushing plants, 3 biodiesel plants, 2 oleochemical plants, and 1 specialty fat plant. It covers the performances of our employees and contracted workers who are directly remunerated by Permata Group.

The scope of this report focuses on our key material topics, particularly environmental stewardship, community engagement, and compliance with both local and international regulations. Furthermore, this report highlights our sustainability efforts, guided by the principles outlined in the United Nations Sustainable Development Goals (SDGs), which ensure that we contribute to global sustainability standard.

This report also reflects our commitment to environmental, social, and governance (ESG) principles and addresses the concerns of a diverse group of stakeholders, including investors, employees, customers, local communities, and regulatory bodies, regarding the environmental, societal, and economic impact of our operations.

Reporting Framework

To ensure alignment with internationally recognized standard, as well as to provide consistent, comparable information to our stakeholders, this report has been prepared in accordance with the **Global Reporting Initiative (GRI) Standards**, including **GRI 2: General Disclosures** and **GRI 13: Agriculture, Aquaculture, and Fishing Sectors 2022**. This framework enables us to transparently communicate our sustainability performance across key areas. A detailed **GRI Content Index** can be found on pages 106 - 114.

Reporting Period

[2-3]

This report contains our sustainability information from January 1, 2024, to December 31, 2024. Where applicable, our data from previous calendar years have been included to provide a full summary of our sustainability performances and progresses. Additionally, stakeholders can access up-to-date sustainability-related information on our website, which is regularly updated.

External Assurance

[2-5]

We determined that third party assurance is not necessary at this stage. Instead, we assure our stakeholders of the accuracy and reliability of the data presented, which has been prepared in good faith and undergone a thorough internal review processes.

Feedback Contact

[2-3]

We value opinions from our stakeholders to help us improve our approach to sustainability and this report. Please send your feedback to:

PERMATA GROUP
 Jl. Iskandar Muda No. 107
 Medan, 20154

 T: +62-61-457-7777
 E: Sustainability@permatagroup.com

Message from the Director

Dear Stakeholders,

As we begin another year of growth and transformation, I am pleased to reflect on the progress Permata Group has made on our sustainability journey. In 2024, we moved closer to our vision of building a sustainable future that benefits the communities. Yet we recognize that the path ahead will bring new challenges—ones that call for innovation, collaboration, and collective resolve.

Reflecting Back

In 2024, Permata Group made meaningful progress in advancing our sustainability goals. Among our key achievements were:

- Grand Prize in two categories of the Subroto Awards
- One Proper Hijau Award
- Improved traceability to plantation from 82% to 90%, and supplier NDPE scores reaching 95% No Deforestation and 94% No Peat
- Inaugural NDPE IRF verification by an independent auditor
- Publication of Scope 3 GHG emissions results
- 15% reduction in combined Scope 1, 2, and 3 GHG emission intensity

These milestones reflect the hard work of our teams and the trust of our partners and stakeholders. Each success strengthens our commitment to deliver positive environmental, social, and governance outcomes and reinforces our duty to create lasting value for our communities and the planet.

Looking Forward

The global landscape continues to evolve, and the challenges we face are increasingly complex. Climate change, deforestation, biodiversity loss, and social inequality demand sustained attention and action. We will meet these challenges by drawing on our experience, innovation, and collective strength.

In the coming years, we will deepen supply chain traceability, strengthen collaboration with suppliers and communities, and expand social initiatives that support well-being and inclusion. Transparency and accountability will remain at the heart of how we operate, ensuring our impact is both measurable and meaningful.

Working for the Future

The future of sustainability depends on the actions we take today. At Permata Group, we are committed to addressing these challenges with determination and empathy. We believe that through partnership, innovation, and shared purpose, we can build a future that ensures business success while caring for people and the planet.

Together with our employees, partners, and stakeholders, we will continue working toward a world where sustainable palm oil is the norm, where the environment is protected, and where communities thrive.

A Shared Journey

I want to thank our employees and stakeholders for their continued support and dedication. Every contribution—big or small—moves us closer to a sustainable, inclusive, and resilient future.

The progress we have made so far gives us confidence for the road ahead. By staying true to our values and working together, we will continue to create lasting impact for generations to come.

Sincerely,

 President Director



Head office of Permata Group

About Permata Group

[2-1]

Since its establishment in 1984 as a small oil palm plantation, Permata Group has grown into a fully integrated palm oil business group and a prominent player in the palm oil industry. Our operations span from cultivation to the manufacturing and distribution of palm oil and its derivatives. We serve both domestic Indonesian markets and international markets.

We produce and sell a broad range of high-quality palm oil products; this includes crude palm oil (CPO), cooking oil, specialty fats for baking, oleochemicals for personal care and industrial use, and biodiesel. All of our products are manufactured with strict quality and production standards and have been certified under ISO 9001, ISO 22000, HACCP, GMP, and FSSC 22000.

Permata Group ranks among the top ten palm oil processors and traders in Indonesia, a distinction earned through our longstanding industry presence, adoption of advanced technologies, economies of scale, and a highly skilled workforce. Guided by our commitment to sustainability, we are dedicated to delivering high-quality, cost-effective products to our customers while creating lasting value for our stakeholders. Looking ahead, we remain steadfast in our commitment to fostering long-term relationships and meeting the evolving needs of our customers.



High quality cooking oil manufactured by Permata Group



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

Permata Group employed approximately 7,400 workers across Indonesia. Our operations are anchored at our headquarters in Medan, with upstream and midstream facilities strategically located in North Sumatera and Riau.

We manage plantations with total planted area of 21,000 hectares, which produced more than 200,000 tons of Fresh Fruit Bunches (FFB) per year. Many of our plantations are recently replanted and as they mature, we anticipate a steady increase in production volumes.

The FFBs produced by our plantations, along with those sourced from qualified third-party suppliers, including large plantation companies, farmer cooperatives, and independent smallholders, are processed at our six palm oil mills. In 2024, these mills produce 352,000 tons of crude palm oil (CPO) and 103,000 tons of palm kernel (PK).



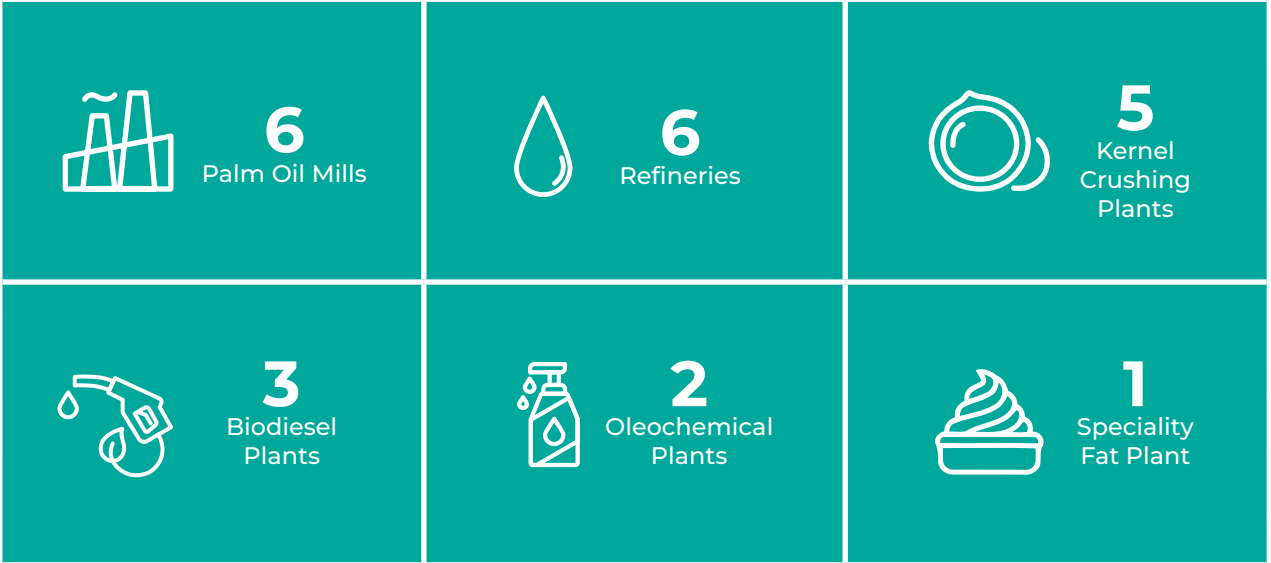
Permata Group is a fully integrated company spanning the entire palm oil value chain



12% Own FFB

88% Outside FFB

In addition to our plantations, Permata Group owns and operates a wide range of processing facilities, including

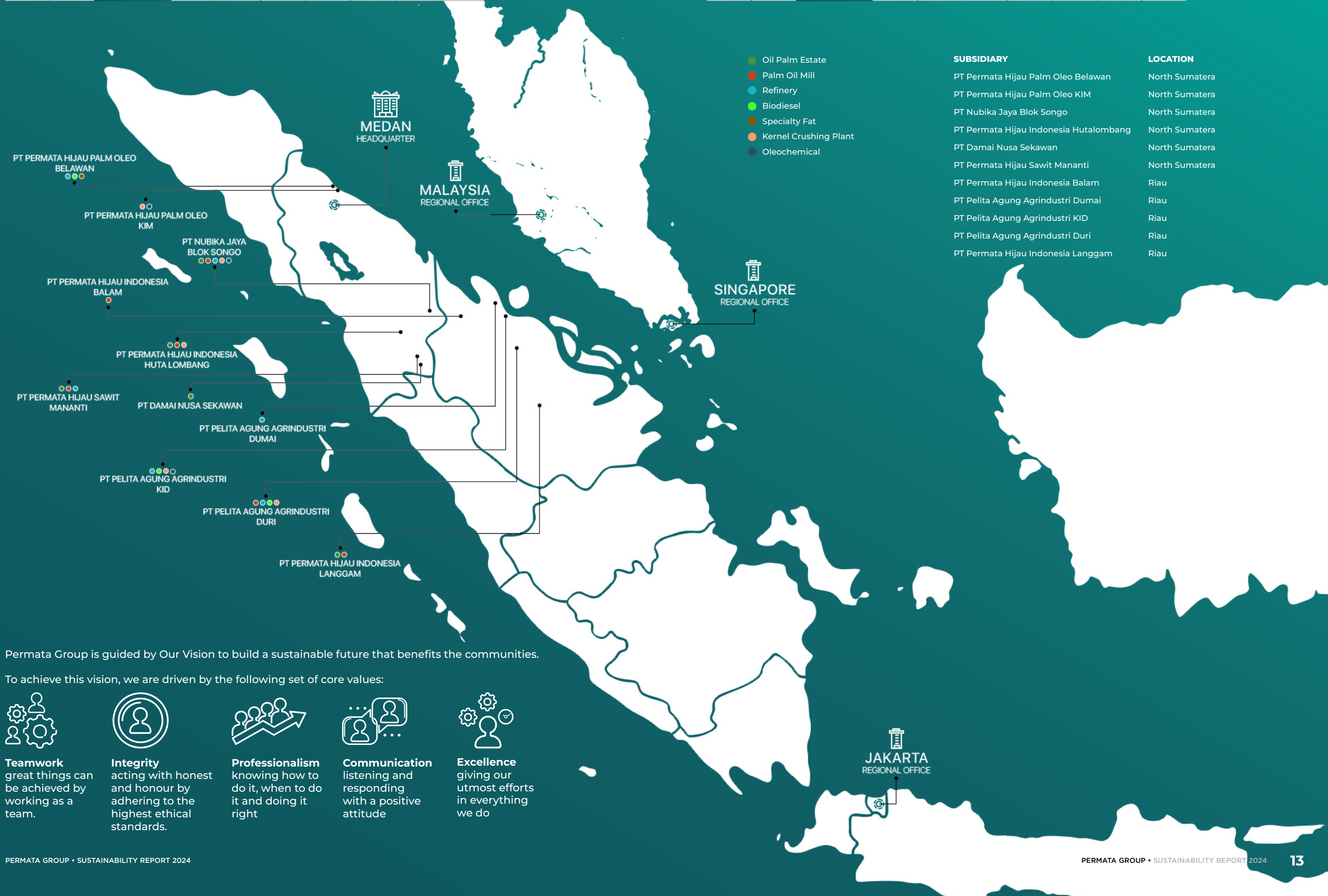


Our head office in Medan provides support for these operations, as do representative offices in Jakarta, Kuala Lumpur, and Singapore.



Our downstream operations are supplied by our own palm oil mills as well as 256 third-party mills that deliver both palm oil and palm kernels. We are committed to ensuring that all third-party suppliers meet our sustainability standards, which encompass environmental stewardship, fair labor practices, and traceability obligations.

Dumai port where we ship our products to our customers



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 lies at the core of our business at Permata Group. Guided by our vision of building a sustainable future that benefits communities, we are committed to aligning growth with the well-being of the people and the planet. Rooted in our core values of Teamwork, Integrity, Professionalism, Communication, and Excellence, we consistently work to embed sustainability into every aspect of our operations.

Corporate Policies on Sustainability

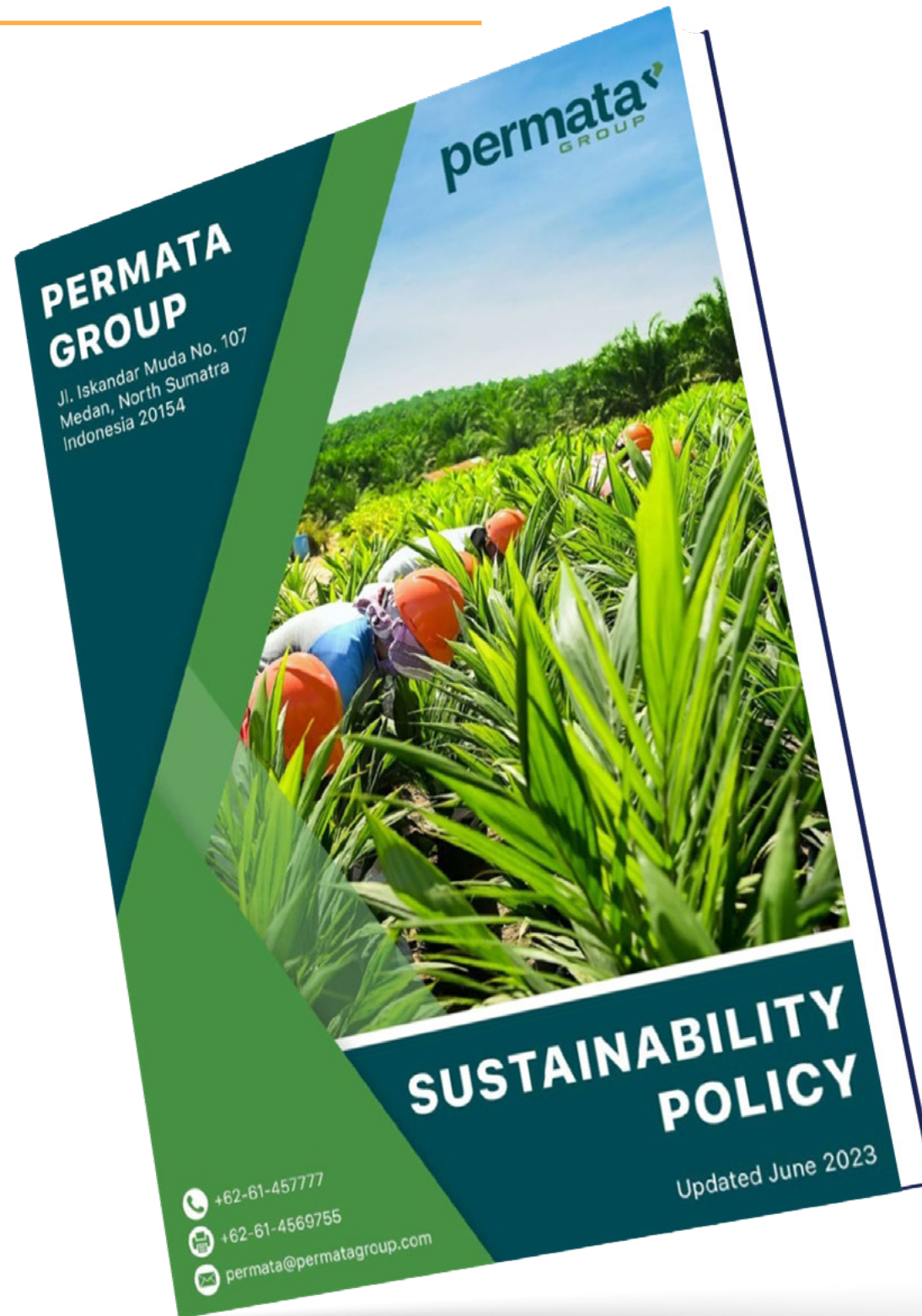
[103-2]

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 100.

Please find our sustainability-related policies on our website



Refer to our website for more about our sustainability-related policies



At the heart of our policies lies our sustainability policy. First introduced in 2015, it has undergone continuous refinement to keep pace with the ever-evolving landscape of sustainability, reflecting new challenges, insights, and global priorities as they emerge.

Our sustainability policy is built on four key pillars:

Protecting the Environment



Safeguarding the environment is a shared responsibility and vital to ensuring the future of our planet. In line with this, we are committed to protecting the ecosystems surrounding our operations through stringent measures, such as a strict no-burning policy for land clearing, a firm commitment to no deforestation and no new development on peatlands, conservation of High Conservation Value (HCV) areas and High Carbon Stock (HCS) forests, the adoption of agronomic best practices, yield improvement, and the reduction of greenhouse gas (GHG) emissions. Further details on our environmental management efforts are available on page 38.

Respecting and Empowering Our People and Communities



We respect and protect the human rights of the people 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. More detail on our workplace standards and community engagement can be found on since page 78.

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. More detail on our code of conduct can be found on page 92.

Excellence through Association, Certification and Rating



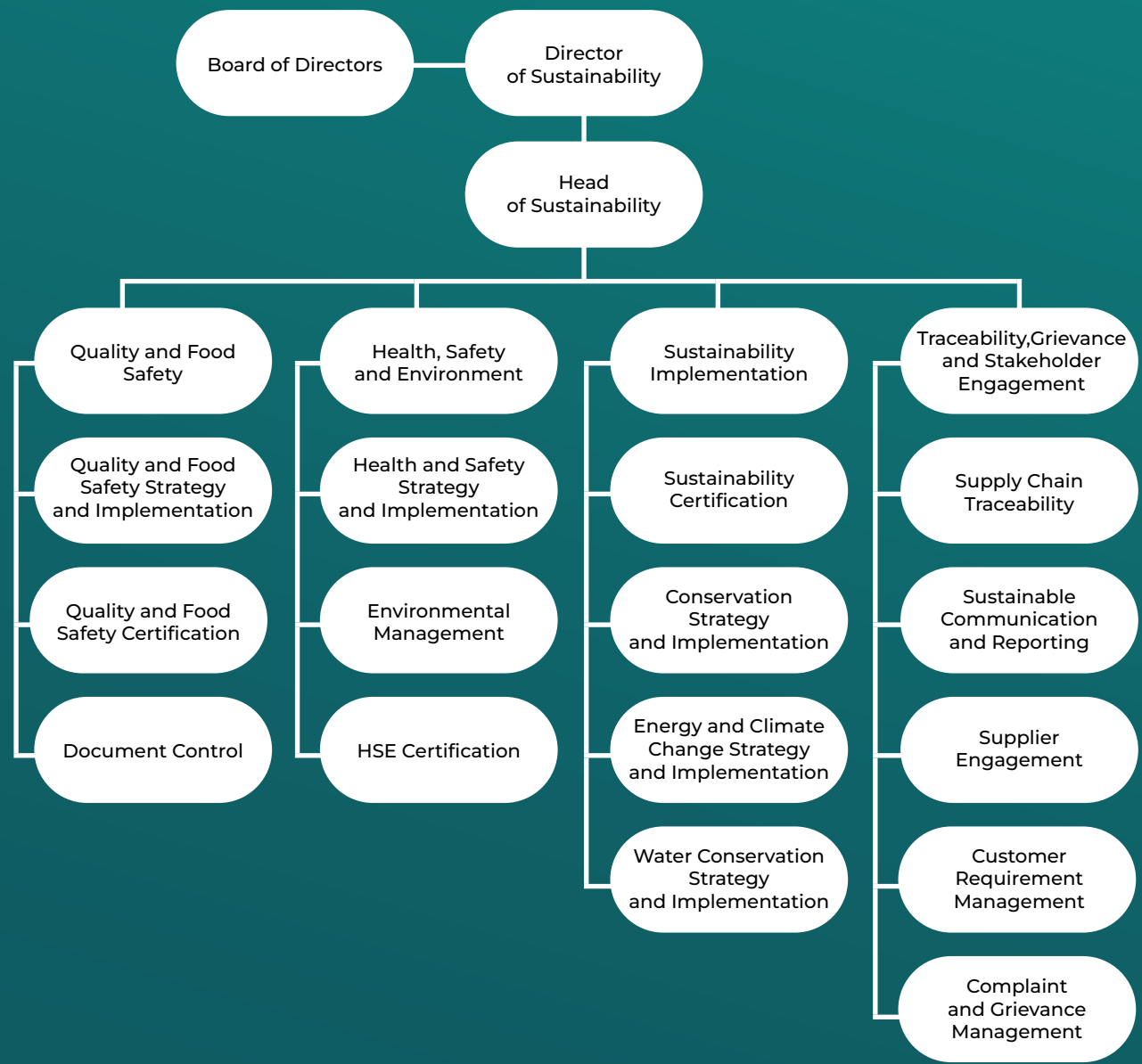
Certification and Ratings are a mean to measure We commit to producing safe, high-quality products by adhering to standards such as ISO 9001, ISO 14001, GMP, HACCP, and other relevant certifications. In addition, we actively support sustainability certifications like RSPO and ISPO, and we are continuing 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. More detail on our certifications, ratings, and membership associations can be found on since page 94-95.

Our Sustainability Governance

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

Effective corporate governance is essential to the successful integration and management of sustainability within a company. It plays an important role in driving sustainability implementation; enabling proper target setting and reporting; advancing stakeholder engagement; and ensuring accountability across the organization.

The sustainability governance in Permata Group is structured as follow:



The Sustainability Department is overseen by the Board of Directors and led by the Director of Sustainability, who also serves as a Board member. The Director of Sustainability 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 which Ensures that our products meet quality standards and are safe for consumption and use.
2. Health, Safety, and Environment Team which Focuses on maintaining a safe and healthy workplace for employees and ensures compliance with government regulations.
3. Sustainability Implementation Team which 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 which Works to strengthen relationships with stakeholders, promoting sustainability and transparency, while addressing grievances and resolving conflicts that may arise.

Ethics and Responsible Business

At Permata Group, we are fully committed to comply with all applicable laws and regulations across our operations. We adopt a zero-tolerance policy toward any form of corruption and bribery, which is clearly articulated in our ethics policy and reflected in our code of conduct. All employees are required to read and sign the code of conduct, which outlines our expectations on professionalism, human rights, transparency, conflicts of interest, political impartiality, anti-corruption, and fraud prevention.

To ensure that violations of our ethics policy and code of conduct are reported safely and anonymously, we have established a whistleblower procedure. This procedure is available to both our employees and external stakeholders and shares the same communication channels as our general complaint and grievance system (see page 100). Permata Group does not tolerate any retaliatory actions against whistleblowers. Any individual found responsible for such actions will face disciplinary measures.

 Permata Group, fully committed to comply with all applicable laws and regulations

Monitoring and grievance system

[103-2, 103-3]

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

Monitoring

We utilize Global Forest Watch's (GFW) 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 istinguishing actual deforestation events within our supply base from unrelated noise.

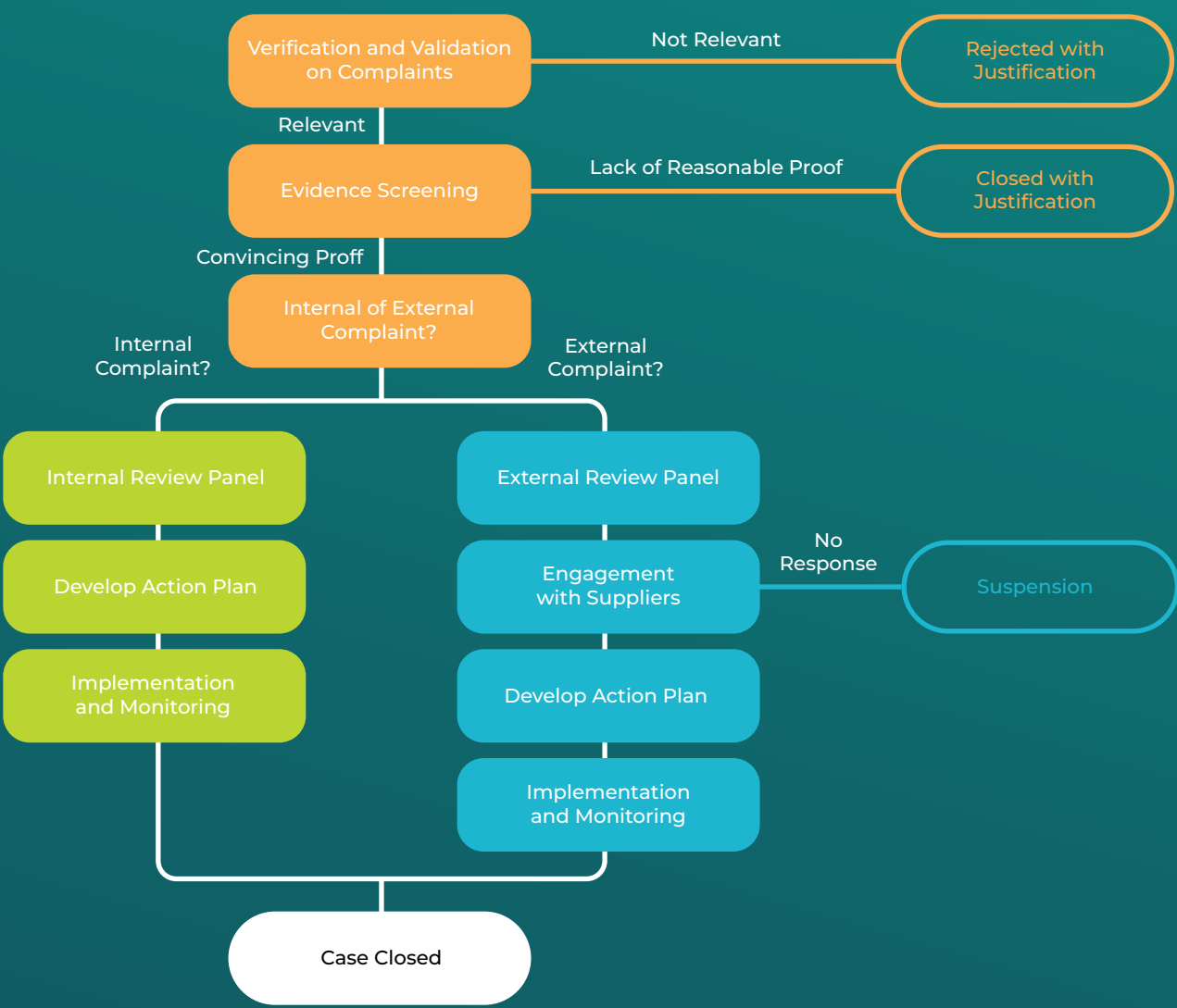


Our monitoring area in GFW cover almost half of the island of sumatera

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 first to the village level and then 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 recognize that open communication with our stakeholders is vital for identifying and addressing potential concerns. To support this, we have implemented a complaint and grievance mechanism, inviting both internal and external stakeholders to submit their concerns through the system. All submissions are handled in accordance with the process outlined in 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://www.permatagroup.com/list-of-grievances-and-complaints2/#listgrievance>

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

Stakeholder Engagement

Our sustainability approach is shaped by the concerns and interests of our stakeholders, whose input is integral to our decision-making processes. Engaging with stakeholders allows us to better understand their needs, ensuring that our sustainability efforts align with the broader community's expectations.

We engage with various stakeholders through different channels :

Employess

Engaged through our annual employees' surveys and bipartite meetings with the workers' union.

Local Communities, Government, and NGOs

Engaged through annual stakeholder consultation meetings and additional coordination visits.

Suppliers

Engaged via annual questionnaires and workshops.

Buyers

Engaged through participation in their workshops and responding to their questionnaires.

ESG Ratings

Engaged by participating in platforms like Ecovadis, CDP, and SPOTT.

A summary of our stakeholder engagement efforts can be found on page 88.

Stakeholder engagement is an ongoing process, and we are committed to fostering these relationships as we work towards a more sustainable future for all.



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.

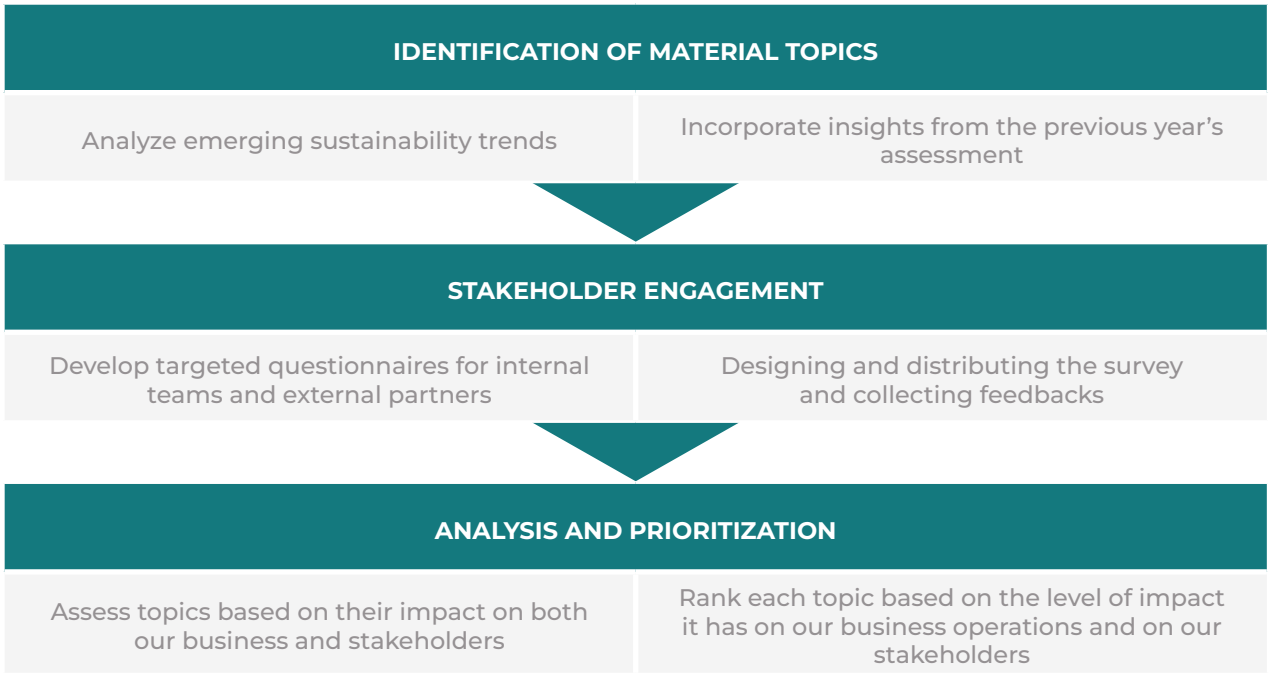
Our Material Topics

TOPICS		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	Combination of natural and chemicals to manage pests effectively while minimizing risks to human health and the environment.

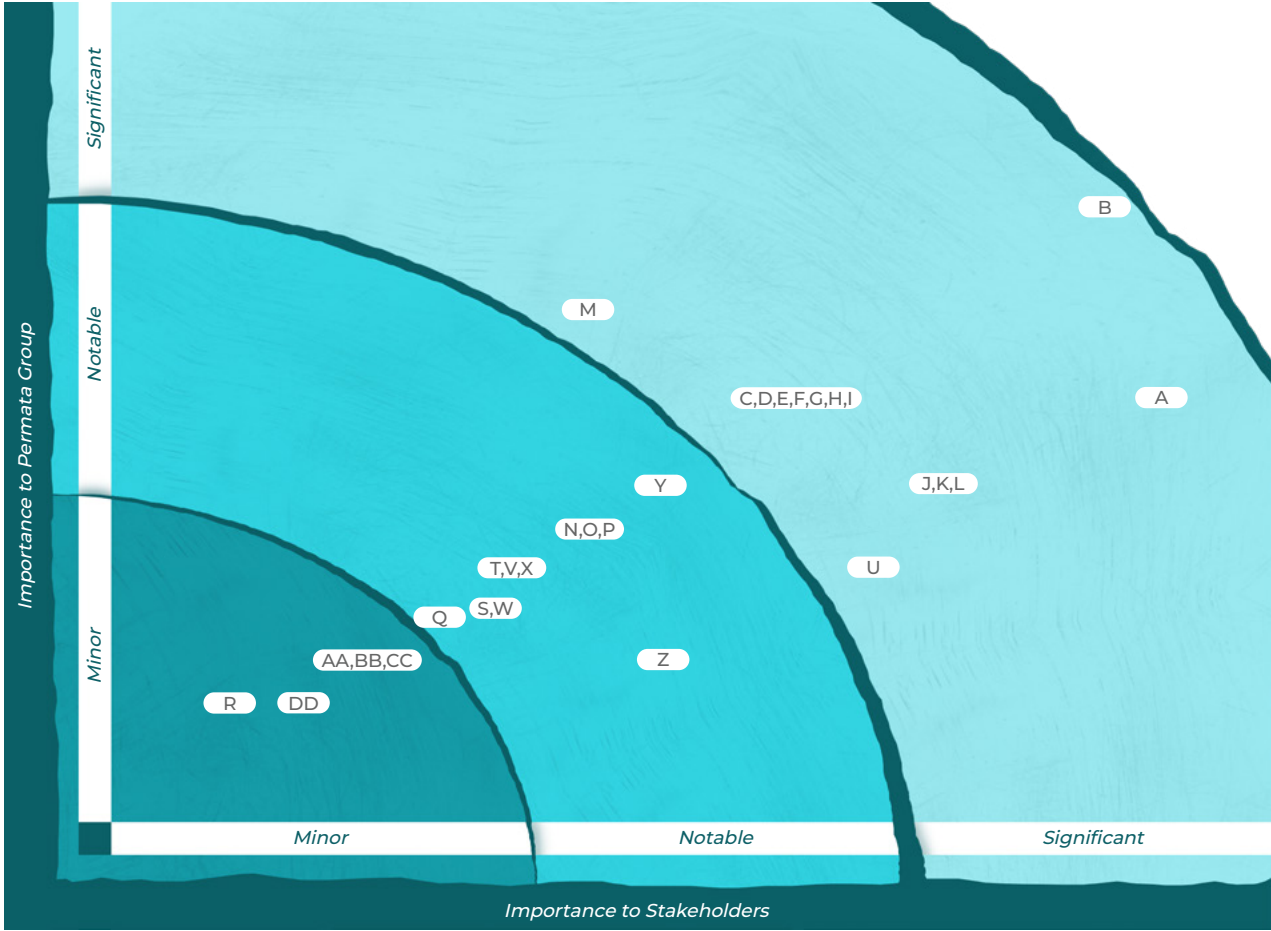
TOPICS		DESCRIPTION
WORKER	Labour Relations and Fair Labour Practices	The systems, policies, and interactions between employers, employees, and unions that ensure equitable treatment, safe working conditions, fair wages, and the right to collective bargaining
	Employees' Health, Safety, and Well-being	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
	Talent Attraction and Retention	Strategies to recruit top candidates and keep them engaged long-term
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

TOPICS		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.



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 TILL 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

[103-2]
Sustainability milestones

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 Emmissions 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

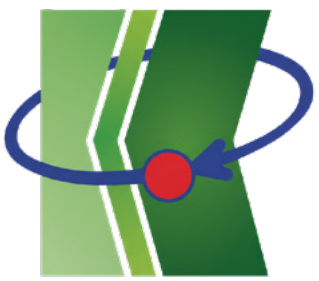
- Obtained our first Subroto Awards
- Significant advancements in our traceability and Suppliers' NDPE commitment
- Calculated our first scope 3 GHG emissions

2024

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

2024 Highlights

Certifications and Awards



Two Zero Accident Awards

Two of our companies, PT Permata Hijau Indonesia and PT Damai Nusa Sekawan, have been honored with the Zero Accident Award by the Ministry of Manpower (Kementerian Ketenagakerjaan) of the Republic of Indonesia. This prestigious award acknowledges our outstanding achievement in maintaining a zero-accident record over a specified period. It reflects our strong safety performance from January 2021 to December 2023, as well as our commitment to implementing a robust Occupational Health and Safety (OHS) management system and ensuring full compliance with labor safety regulations.



Two First Prize at Subroto Awards

Our business units continued their excellent performance at the prominent Subroto Awards. PT Pelita Agung Agrindustri won First Prize at two categories of Subroto Awards. PT Permata Hijau Palm Oleo was honored with the first class ("Aditama") Distinction and PT Permata Hijau Sawit obtained the "Pratama" Distinction. Subroto Award was established in 1977 and is the highest annual award given by the Ministry of Energy and Mineral Resources to stakeholders who have excelled in advancing the energy and mineral resources sector in Indonesia.

First NDPE IRF Verification

The NDPE Implementation Reporting Framework (IRF) is an industry-wide approach developed to measure and report progress on the implementation of No Deforestation, No Peat, No Exploitation (NDPE) commitments. Permata Group used the NDPE IRF as the platform to track progress of our supply chain against our NDPE commitment.

Year 2024 also marked the first time we engaged an independent assessor to verify our NDPE IRF score. The verification result demonstrates that Permata Group complies with the methodology outlined in the NDPE data verification protocol and the score we reported is accurate and appropriate.

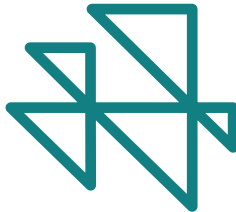
This verification process reflects our ongoing commitment to transparency, accountability, and continuous improvement in implementing our NDPE policy.



NDPE & Traceability for Suppliers

NDPE Progresses	100% of our suppliers committed to NDPE.	84.23% of our suppliers completed our self-assessment tool.
	Since year 2020, 75.77% of our suppliers have attended sustainability and NDPE workshops.	95% of our suppliers' volume delivered with No Deforestation commitment.
	94% of our suppliers' volume delivered with No Development on Peat commitment.	
Traceability Progresses	100% Traceability to Mill since year 2020.	
	100% Traceability to Plantation	
Energy Conservation & Combating Climate Change Actions	Over 4 M kWh of surplus electricity exported to the national grid.	Our continuous reporting for scope 3 GHG emissions to enhance our sustainability efforts. Scope 1 837,874.22 tCO₂e Scope 2 26,072.71 tCO₂e Scope 3 4,055,566.24 tCO₂e Total GHG emissions: 4,919,513.17 tCO₂e 30 % reduction in scope 1,2, and 3 compared to the previous year
	Nearly 43% of our energy consumption comes from renewable sources	
	100% Permata Group remains committed to zero deforestation across all operations	

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	900 nearby homes received free fogging services
	18,000 seeds planted for land rehabilitation	Empowering women in over 10 VILLAGES to develop local wisdom-based business
	30 Tons of elephant feed to maintain biodiversity and benefit local farmers	Over USD 240.000 has been distributed to communities through CSR initiatives

 Water, Waste and Chemical Use	 6.8% reduction in hazardous waste intensity in 2024 compared to 2020 baseline, on progress to 2030 target of 10%	 11% decrease in chemical use intensity in 2024 compared to the previous year
	 18.9% reduction in water use intensity in 2024 compared to 2020 baseline, on progress to 2030 target of 20%	
 Scorecard and Rating	 Two Bronze medal in Ecovadis	 A- in CDP Forest, B in CDP Climate Change, B in CDP Water
	 ASD/SPI final score: 80.02% in “A” category	

Targets and progress

TOPIC	2024 COMMITMENTS AND TARGET	2024 PROGRESS	FUTURE COMMITMENTS AND TARGETS
CLIMATE CHANGE	- Reduce 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 awards	2024 GHG emission intensity (scope 1 + 2) has been reduce by 13% from 2020 baseline - Avoided 164,000 ton CO2eq of methane emission from the biogas plant - Continued to calculate and monitor our GHG emissions - Maintained PROPER Hijau Award - Maintained our RSPO P&C, ISPO, and other environmental certifications	- Reduce our GHG emission intensity (scope 1+2) 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 the 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

TOPIC	2024 COMMITMENTS AND TARGET	2024 PROGRESS	FUTURE COMMITMENTS AND TARGETS
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 hotspot alerts - Continued to socialize villagers on fire prevention and management - Implemented the Free Fire Village Program in 8 nearby villages - 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.
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	- Maintained the integrated pest management system (IPM) in our plantation - Achieved zero use of paraquat and and WHO 1A and 1B pesticides as well as those listed in the Stockholm and Rotterdam Conventions - Reduce chemical intensity by 11% compared to 2023	- 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 - Reduce our water use intensity by 20% by 2030 from a 2020 baseline	- Zero non-compliance to government regulation on effluent - Progressing water use intensity reduction of 18,9 % 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

TOPIC	2024 COMMITMENTS AND TARGET	2024 PROGRESS	FUTURE COMMITMENTS AND TARGETS
COMMUNITY AND SMALLHOLDER LIVELIHOODS	Initiating a more impactful and focused CSR approach by transitioning from charity-based activities to community development initiatives	Assisted 3,994 beneficiaries with USD 240,000 in aid through our CSR programme	- Develop an impactful CSR program focused on long-term community development initiatives. - Establish a smallholder engagement and education program aimed at enhancing productivity and promoting sustainable practices.
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
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 - Continue securing SMK3 Gold flag rating for all of our operations
Human capital development	Continue providing training and opportunities for continuous development	Trained and retrained 4,892 employees	Continue providing training and opportunities for continuous development

TOPIC	2024 COMMITMENTS AND TARGET	2024 PROGRESS	FUTURE COMMITMENTS AND TARGETS
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 customer complaints regarding the quality and safety of our products.	- Zero incidents of non-compliance with regulations related to the health and safety of our products. - No customer complaints regarding the quality and safety of our products.	Maintain zero incidence of non-compliance with regulations and zero customer complaints.
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 - Start verifying our NDPE IRF profile to ensure on-going compliance and transparency	- Keep maintaining 100% traceability to mills and achieved 100% traceability to plantation - Continued conducting supplier workshops to strengthen collaboration and improve sustainable practices - Continued implementing a regular visiting program for high-risk suppliers - Verified our NDPE IRF profile for the first time to ensure on-going compliance and transparency	- Maintain 100% traceability to mills - Continue increasing % of fruit traceable to plantation and achieve 100% traceability to plantation by 2026 - Enhance and refine the detection of deforestation and fires in supplier plantations using GFW and other monitoring systems - Continue verifying our NDPE IRF profile

PROTECTING OUR ENVIRONMENT

At Permata Group, we believe that our success is deeply tied to the environment that provides materials we process and that nurtures our people. We also understood that as a major agribusiness corporation we have significant impact on our environment. That is why protecting the environment is one of the main pillars in our sustainability approach.

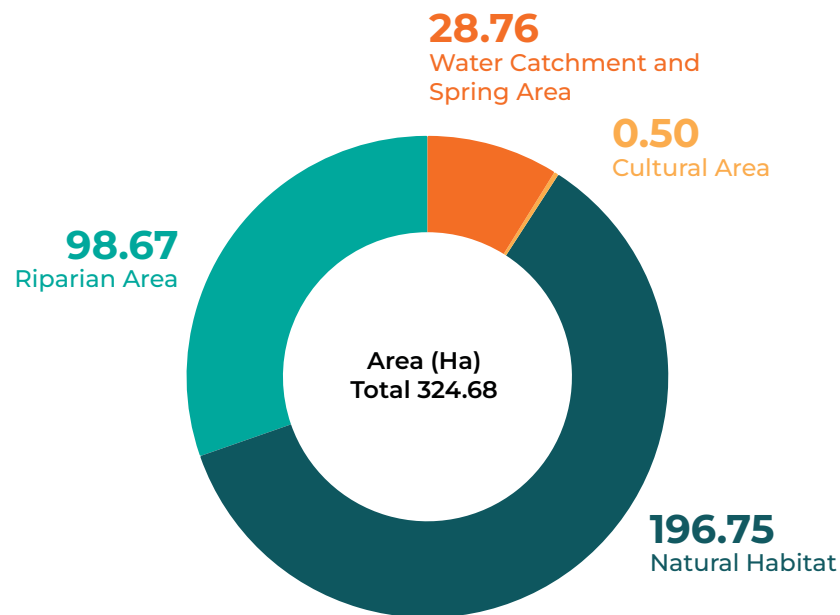
1. Protecting High Conservation Area and Biodiversity

[GRI 3-3, 304-1, 304-2, 304-3, 304-4]



Permata Group remains committed to maintain the HCV areas delineated within its operational concessions, and nurturing their natural ecosystems and biodiversity. We have engaged accredited HCVRN ALS assessors to undertake comprehensive HCV assessments throughout our concession areas. These HCV assessments identified the presence of 324.68 Ha HCV area (representing 1.5% of our total concessions) is our concession across our estates in Riau and North Sumatera. The majority of our HCVs are riparian buffer zones, water catchment areas, natural habitats, and sites of cultural places.

HCV areas by type:



The assessments also identify 65 plant species and 85 animal species within our concession area, some which have been identified as vulnerable, near threatened and endangered.

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

We are committed to managing and monitoring our HCV areas 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 safeguard these areas, designated personnel conduct regular surveillance to prevent unauthorized incursions. We also install clear signage and maintain proper boundary demarcation for HCV zones. In addition, we actively engage with local communities through stakeholder consultations to raise awareness about the importance of these critical ecosystems and the need for their conservation. Our employees and laborers receive comprehensive training on the significance of HCV areas and the best practices for their preservation.

We expect our suppliers to share this same level of commitment. Through our sustainability questionnaire, we request them to disclose their HCV management practices, elaborate on their NDPE and sustainability policies, and provide updates on implementation. Suppliers are also encouraged to highlight programs and initiatives aimed at environmental protection, climate change mitigation, and improving the well-being of local communities.

In addition, we assess biodiversity-related risks and opportunities across our operations and supply base to ensure our commitments to protect and enhance biodiversity are both effective and strategically positioned. 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 2024:

Biodiversity-related risks

CATEGORY	RISK	DESCRIPTION	TIME HORIZONS	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 (Natural Disaster)	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	MEASURES
Reputational 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.
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 chemical fertilizers and pesticides, lowering operational costs while improving crop resilience and yields over time.	Medium 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. Promote soil enrichment through organic matter recycling and cover cropping.
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 HORIZON	MEASURES TO REALIZE OPPORTUNITY
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 higher product valuation and long-term buyer relationships.	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) 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.



Integrating hardwood trees within coffee plantation to improve microclimate, soil health, and biodiversity

Natural Ecosystem Conservation and Rehabilitation

In addition to protecting and monitoring HCV areas within our concession, we also actively participate in rehabilitation of degraded land projects outside. We partnered with Yayasan Leuser International (YLI) to restore 150 ha of degraded and burnt land in Aceh by planting beneficial hardwood tree species.

This program involves planting 18,000 hardwood trees such as avocado, mindi, lekap, kesemek and kerto that serve as shade, water storage and erosion prevention. By supporting this project, we aim to promote biodiversity, rehabilitating the degraded land, and contribute to rejuvenation of the natural ecosystem.

Continued Supports for Sumatra's Elephants and Local Communities

We continued our partnership with Barumun Nagari Wildlife Sanctuary, a 600 ha elephant conservancy in Padang Lawas Utara by providing foods to the sanctuary's inhabitants: a dozen or so endangered Sumatran elephants. The foods —bananas, papayas, and sugarcane— are sourced from local farmers and directly support their livelihood.



Elephants are intelligent and social animal which bonded deeply with their handler

In addition to supporting the “Feed the Elephant” program, we also contributed to the construction of a specialized male elephant enclosure designed for use during periods of musth. Musth is a natural phase in male elephants, particularly during the mating season, when they experience heightened hormonal activity, making them more excitable and sometimes aggressive.

These enclosures are built with reinforced structures and adequate space to ensure the safety and well-being of the elephants, while also protecting keepers, other elephants, and surrounding communities. By funding this initiative, we not only enhance animal welfare but also support the conservation center's ability to manage elephants responsibly and sustainably.



Barumun nagari provides 59.1 ha of land for elephants conservation

Peatland Management

Peatlands play a vital role in the global carbon cycle and in sustaining diverse ecosystems. They act as massive natural carbon sinks, storing up to **4 trillion tons of carbon**—a figure that far exceeds the **1.3 trillion tons stored in the world's forests**. Beyond their carbon storage capacity, peatlands provide critical habitats for a wide range of plant and animal species, many of which are rare, threatened, or endangered. Improper peatland management—particularly through unsustainable practices—can lead to negative consequences, including biodiversity loss, greenhouse gas emissions, soil subsidence, flooding, and heightened fire risk. These impacts not only threaten the environment but also endanger local communities whose livelihoods and safety depend on healthy peatland ecosystems.

At both the national and international levels, protecting and conserving Indonesia's forests and peatlands—among the largest and most biodiverse in the world—is essential to mitigating climate change and maintaining ecological resilience.

Permata Group is firmly committed to the responsible management and protection of peatlands. Our pledge includes a **strict no new development on peatlands** policy, ensuring that no new planting occurs in these sensitive ecosystems. For existing plantations located on peat soils, we implement the **RSPO Best Management Practices (BMP) for peatland management**, going beyond compliance to safeguard long-term sustainability.

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

- 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.
- Water Management:** Installation of water level gauges, piezometers, water gates, and weirs to maintain the water table at no more than 40 cm below ground level, in line with Indonesian government regulations. Proper water management reduces carbon emissions, minimizes fire risk, and slows peat subsidence.
- Monitoring and Subsidence Control:** Deployment of peat subsidence poles across our concessions to measure land subsidence rates and guide adaptive management strategies.
- Fire Prevention and Emergency Response:** Establishing fire prevention patrols, creating fire breaks, and training local firefighting teams to reduce the risk of peatland fires.
- 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.
- 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.



Piezometer is installed to measure and ensure that the water level is maintained at the recommended level

We continuously maintained and monitored our HCV and HCS areas.



Preventing Deforestation

Deforestation continues to be a significant global issue affecting the environment, society, and economy. Permata Group has continued to make significant progress in its efforts to combat it by utilizing advanced tools like Global Forest Watch (GFW) Pro and conducting regular field patrols to protect all designated conservation areas, which are identified through High Conservation Value (HCV) and High Carbon Stock (HCS) assessments. This proactive strategy allows us to quickly detect and respond to any potential deforestation

At the same time, we prioritize community education initiatives to raise awareness of the significance of these conservation areas and to encourage nearby communities to avoid encroaching on these conservation areas.

Extending our commitment to deforestation-free practices, we hold our suppliers to the same high standards. Using GFW Pro, we conducted monitoring to identify any disruptions that may be indications of deforestation. The area we monitored is tiered and dependent on the traceability data availability. For suppliers with limited traceability to plantation data, we monitor the 50 kilometers radius from their mills. For suppliers with supply shed data, we monitor their supply sheds. For suppliers with polygons data we monitor their polygons. By mapping the sources of our FFB supplies and adopting a risk-based approach to enhance traceability to the plantation level, we are actively working with our suppliers to improve this monitoring process.

In 2024, we confirmed no fires or deforestation within our own concessions or among our suppliers' operations. 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

[GRI 3-3]

Driven by our commitment to environmental protection and community safety, we have a clear fire prevention strategy. We enforce a strict zero-burn policy for all plantation activities, including new planting, replanting, and pest control. Our approach combines careful land management with a highly-prepared fire response team to ensure proactive and effective prevention.



Empowering our workers and local communities through fire prevention training and awareness programs

Preventing Fires, Protecting Communities

We continued and expanded our Fire Free Village Programme (FFVP). A community-based programme, FFVP aims to lower the frequency of fires and provide better response to any fire that does occur. The FFVP program is two pronged:

1. Formation of villages' fire response teams and provision of training.
2. Provision of reward for villages which achieved zero fire-hotspot detection for a full year.

By 2024, 8 villages enrolled in our FFVP program and all were rewarded for achieving zero fire hotspot.

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

1. Fire awareness and prevention training



Each year, we conduct awareness campaigns and training programs to strengthen the capacity of our workers—particularly those in plantation operations—and surrounding communities in implementing fire prevention measures. The training emphasizes correct equipment handling, the prohibition of open burning, and the importance of immediate reporting of potential fire hazards.

In collaboration with Manggala Agni and the Dinas Pemadam Kebakaran, we have established a comprehensive training curriculum tailored to the specific needs of our workforce. The program integrates key aspects of fire awareness and prevention, ensuring participants are adequately equipped to mitigate fire risks effectively.

The training provides a structured understanding of fire behavior, including the mechanisms of fire spread, factors influencing intensity, and the role of environmental conditions in fire development. To maximize effectiveness, the program incorporates realistic simulations and interactive workshops designed to enhance knowledge retention and practical application. Through these initiatives, we continue to strengthen our culture of safety, vigilance, and preparedness across all operations.

Training sessions is conducted for our workers and nearby communities to educate them about fire prevention measures

We also conduct regular fire risk assessments across our plantations to identify vulnerable areas and potential fire hazards. This assessment helps us prioritize fire prevention efforts and allocate resources effectively.

2. A robust early warning system



3. A well trained and well-equipped firefighting team



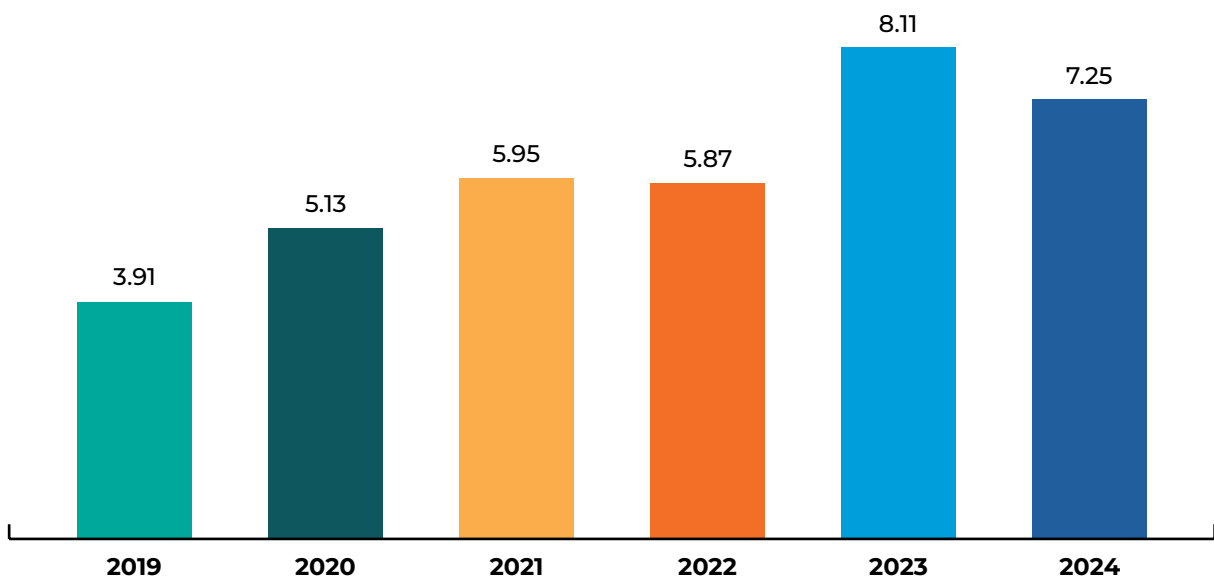
2. Pest Management and Fertilizer Use

[GRI 3-3, 13.6.1]



The use of chemicals such as synthetic fertilizers and pesticides, is an inevitable part of plantation operations. Nonetheless, these chemicals can adversely impact the environment in and around our operations. Surface water contamination from runoff and Groundwater contamination from soil infiltration are the two major environmental concerns of synthetic fertilizer and pesticide application. The use of chemicals can also negatively impact the health of workers who handle them. We are aware of the negative impacts and are committed to reducing the use of synthetic pesticides and fertilizers. We conduct soil and leaf analysis, guiding our manuring programs to minimize excessive and ineffective fertilizer application. We optimize Integrated Pest Management (IPM) practices, such as using barn owls and predator host plants, to reduce reliance on synthetic pesticides. Furthermore, we continuously explore and adopt more environmentally friendly agricultural inputs and practices.

Quantity of chemicals (pesticides and fertilizers) used per hectare (kg/ha)



After growing significantly in 2023 due to increased chemical use from our newly acquired plantation undergoing intensive rehabilitation, our chemical use intensity decreased 11% in 2024. This intensity level is still elevated compared to 2022 and earlier level. This is due to the continuation of the intensive rehabilitation program.

To reduce dependency on chemical pesticides, Permata Group implemented an integrated pest management system. The system utilize biological controls 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.

Where possible, we use organic fertilizers derived from waste products which contain a good amount of valuable macro and micronutrients. We implemented a land application system whereby treated palm oil mill effluent (POME) from our mills is used in our plantations as organic fertilizer and for irrigation. We also trialed the installation of belt presses in some of our mills to separate solids from effluent which can be applied in our plantations. Other wastes from our operations recycled into organic fertilizers include boiler ash and decanter solids.



We are committed to phase out the use of chemicals with the most negative impacts on the environment including paraquat, WHO class 1a and 1b chemicals as well as those listed in the Stockholm and Rotterdam convention.

We provide proper protective gear to our chemical handling workers and mandate their use in all chemical handling activities. We also provide chemical training for our workers who handle them. Chemical waste is stored in dedicated temporary hazardous waste storage facilities on our sites and is disposed of by certified third parties.

3. Water and Effluent Management

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



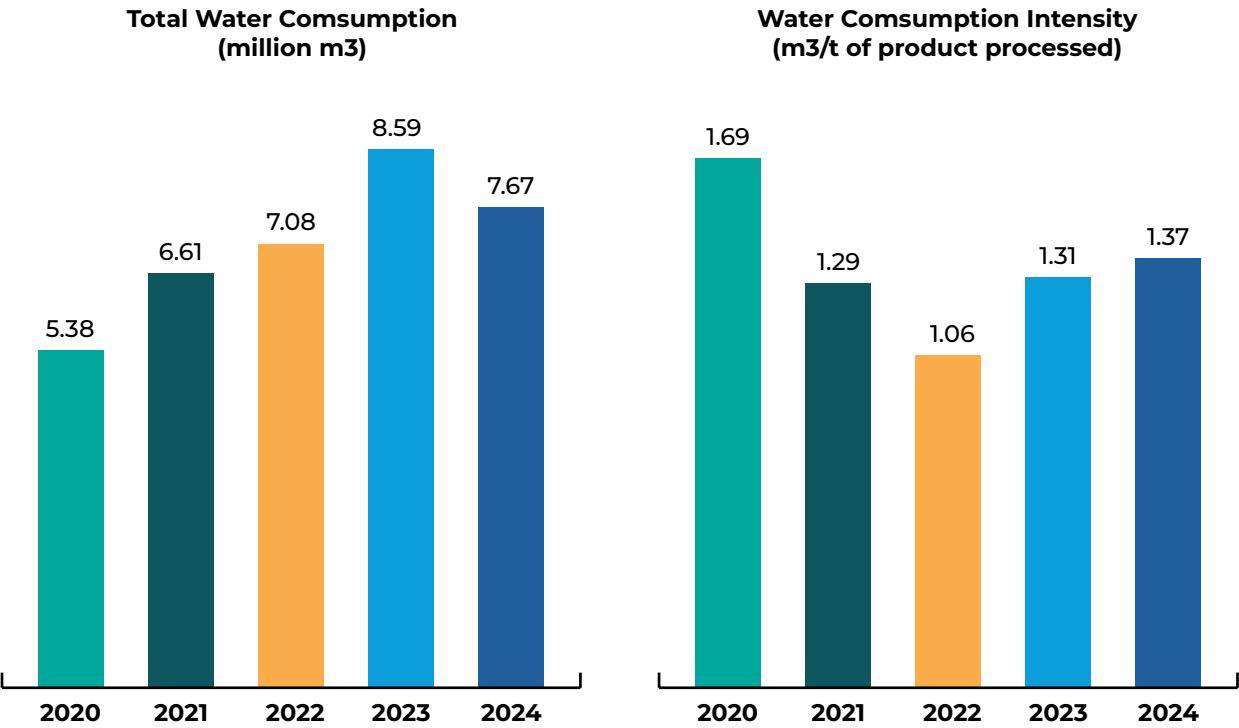
Water Management

Water is a finite resource that must be managed responsibly to support sustainable development. Inefficient water use can lead to the depletion of local water supplies, damage to ecosystems, and adverse impacts on surrounding communities. Furthermore, inadequate effluent management may contaminate water bodies, soil, and air, making our workers prone to environmental and health risks. Therefore, effective water and effluent management is a critical component of sustainable operations.

To address these challenges, we have implemented various programs and initiatives focused on reducing, reusing, and recycling water wherever possible. As part of our efforts to supplement the water supply, we have installed rainwater harvesting systems on the roofs of our plants and employees' homes.

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 will do our best to seek out and innovate ways to reduce our water usage and have set ourselves a target to reduce our 2030 water consumption intensity by 20% compared to a 2020 baseline.



In 2024, our total water consumption decrease compared to the previous year, primarily due to a reduction in production volume. On the contrary, our water intensity increases as a result of the inefficiency caused by the reduced production. 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 is an important aspect 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 stewardship 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.

Below is our analysis of water risks and opportunities based on the 2024 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.

CATEGORY	RISK	DESCRIPTION	TIME HORIZONS	MEASURES
	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 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	Medium 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 of 50-70 cm below ground level, as well as monitoring the rate of subsidence in these peat areas.

CATEGORY	RISK	DESCRIPTION	TIME HORIZONS	MEASURES
Regulatory Risk	Sanctions 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.
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. These assessments identified 98.36 hectares of HCV areas—representing 1% of our total land—located within our plantations in Padang Lawas Regency, North Sumatra. 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. 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.
	Shifting Client's Interest	Shifting clients' preferences to competitors because of trust issues associated with water 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.	Medium to Long Term	

Water-related opportunities

CATEGORY	OPPORTUNITY	DESCRIPTION	TIME HORIZON
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 avenues 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 of 50-70 cm below ground level, as well as monitoring the rate of subsidence in these peat areas. 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
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 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 and Forestry (KLHK) through IoT-based technology, enabling real-time data transmission. In 2024, all POME discharges remained within the allowable limits.	Medium to Long Term

CATEGORY	OPPORTUNITY	DESCRIPTION	TIME HORIZON
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

Effluent Management

Effluent management stands as a pivotal component of our commitment to environmental sustainability and responsible business practices. Proper effluent management is crucial to prevent pollution, minimize environmental impact, and protect the health of communities.



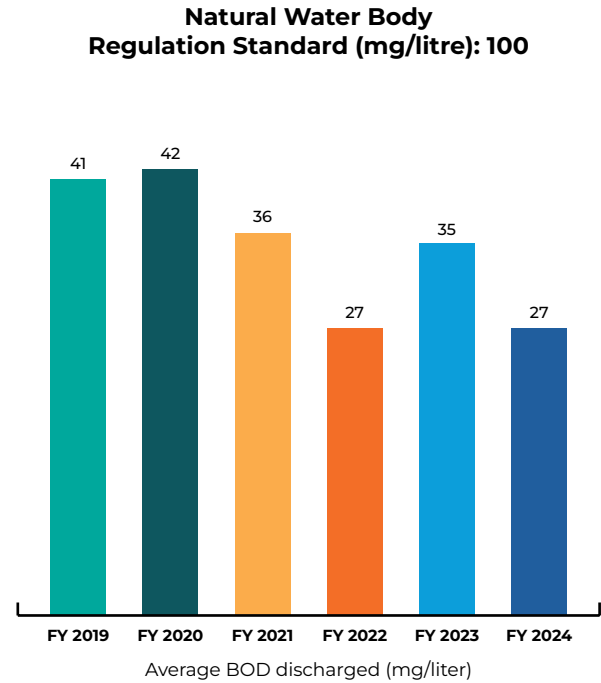
Permata Group ensures that all effluent discharged complies with quality limits set by the relevant authorities. To do this, we built wastewater treatment plants combining chemical and biological treatments for our palm oil mills, refineries and other downstream operations to treat both palm oil mill effluent (POME) and palm oil refinery effluent (PORE).

In addition to the typical wastewater treatment plants which utilize a series of open lagoons and ponds, we constructed methane capture facilities in our palm oil mills to reduce GHG emissions and odors. In some of our mills, we also installed belt presses to separate out solids from effluent which in turn reduces its organic load. The separated solids are then used as organic fertilizers for our plantations.

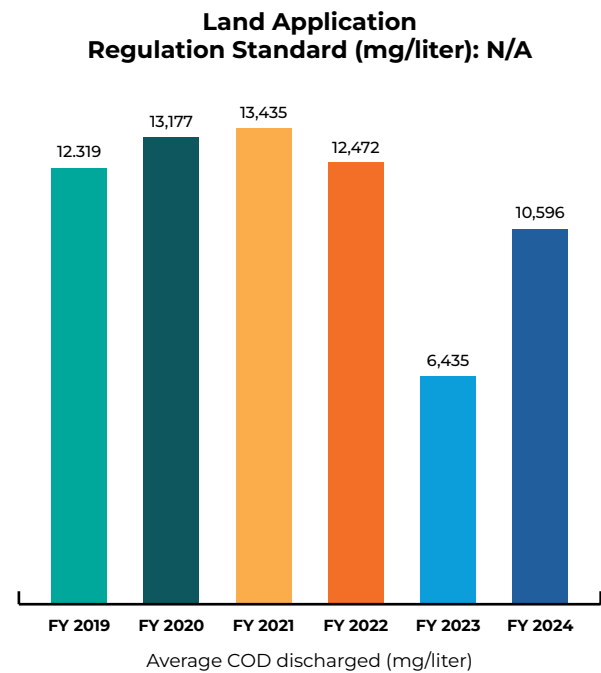
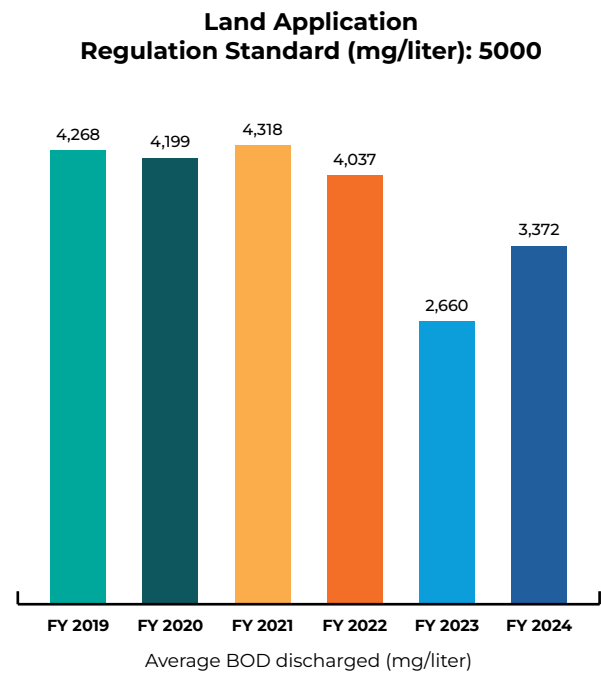
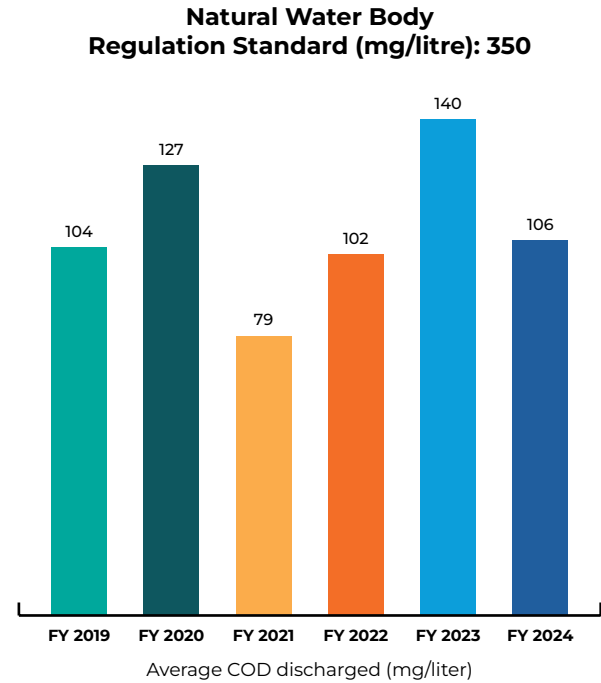
We optimize land application systems in our plantations to recycle POME and other effluents whenever possible into organic fertilizer and irrigation. We irrigated our land using Palm Oil Mill Effluent (POME) to mitigate water stress during dry season or El Niño. This is supplemented with our integrated pest management (IPM) system which promotes the use of natural and organic means to control pests. These initiatives not only minimize effluent discharge, but also reduce the need for synthetic chemicals and with it, the potential run off of those chemicals into surrounding water bodies.

For our refineries and downstream operations, we construct chemical based wastewater treatment plants which used flocculent and coagulant to remove organic materials from our wastewater, reducing their Chemical Oxygen Demand (COD) and Biological Oxygen Demand (BOD) to the level compliant with the government regulations.

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 a key factor of our commitment to sustainable palm oil practices. At Permata Group, we implement a comprehensive waste management strategy that not only minimizes environmental impact but also supports the principles of circular economy.

Guided by the 3Rs—reduce, reuse, and recycle—we strive to apply these practices across all waste streams within our operations. This approach helps reduce waste volumes and ensures more efficient use of resources, contributing to a more sustainable and responsible production process.

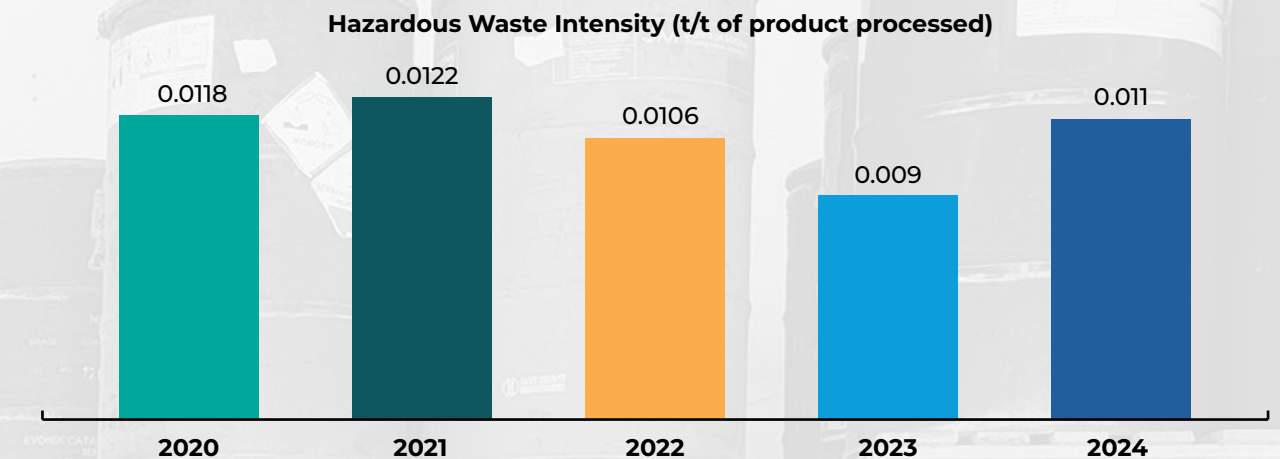
As part of our commitment to legal compliance and responsible corporate citizenship, we ensure that all waste generated is treated and disposed of in accordance with Indonesian regulations. We understand the importance of legal compliance in waste management to prevent adverse environmental impacts and maintain the integrity of the ecosystems in which we operate.

Hazardous Waste

We commit to responsible hazardous waste management as part of our dedication to protecting both the environment and human well-being. Rigorous protocols are in place to identify, segregate, and manage hazardous waste across our operations. By adhering to regulatory requirements and international standards, we commit to ensuring safe handling by maintaining well-constructed and fully equipped temporary storage facilities on our sites and by partnering with certified third-party providers for the secure transportation and disposal of hazardous materials.

Quantity of hazardous waste produced by our operations

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Spent bleaching earth (SBE) (t)	19,038	32,342	35,970	27,600	24,343
Fly ash and bottom ash (FABA) (t)	15,742	26,585	28,725	25,293	25,244
Chemical container (t)	65	122	138	141	225
Other hazardous waste (t)	2,961	3,578	5,620	2,539	3,959
Total (t)	37,806	62,627	70,574	55,574	53,769



Empty pesticide and fertilizer containers are still the primary source of hazardous waste in our estates operations. To address this, we promote controlled chemical use via Integrated Pest Management (IPM) and scientifically designed manuring programs. By emphasizing natural and organic methods for pest and nutrient management, we have significantly reduced chemical dependency, minimizing the volume of empty containers requiring disposal.

Our approach to minimizing chemical exposure extends to strict restrictions on the use of WHO Class 1a and 1b chemicals, as well as substances listed under the Stockholm and Rotterdam Conventions. By adopting these standards, we align with international efforts to reduce the environmental and health risks associated with highly hazardous chemicals.

In our refineries, Fly Ash and Bottom Ash (FABA) from coal-fired boilers and Spent Bleaching Earth (SBE) are the primary sources of hazardous waste. To mitigate this, we promote the transition to biomass energy, such as palm kernel shells (PKS), as a cleaner, renewable alternative to coal. As of today, four out of six of our refineries have successfully phased out coal and now operate entirely using palm kernel shells.

We have achieved a 6,8 percent reduction in hazardous waste intensity as of 2024. This is in line our commitment in the environmental policy to reduce hazardous waste intensity by 10 % by 2030 compared to the 2020 baseline.

Our unit is equipped with a hazardous waste temporary storage facility (TPS LB3) built in compliance with government standards.

TPSLIMBAHB3

Coal substituted and FABA avoided through the use of biomass in our plants

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

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
EFB (t)	Reused as organic fertilizer or fuel	298,567	339,581	365,607	420,216	421,332
PKS (t)	Reused as fuel and for sales	111,672	115,416	112,775	136,651	137,805
Mesocarp fibre (t)	Reused as fuel	186,048	197,348	202,688	244,636	243,988
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
Organic general waste (t)	Sent to landfill or municipal waste processor	17,555	15,155	14,123	19,400	16,737
Total		626,314	678,570	705,411	833,852	831,309

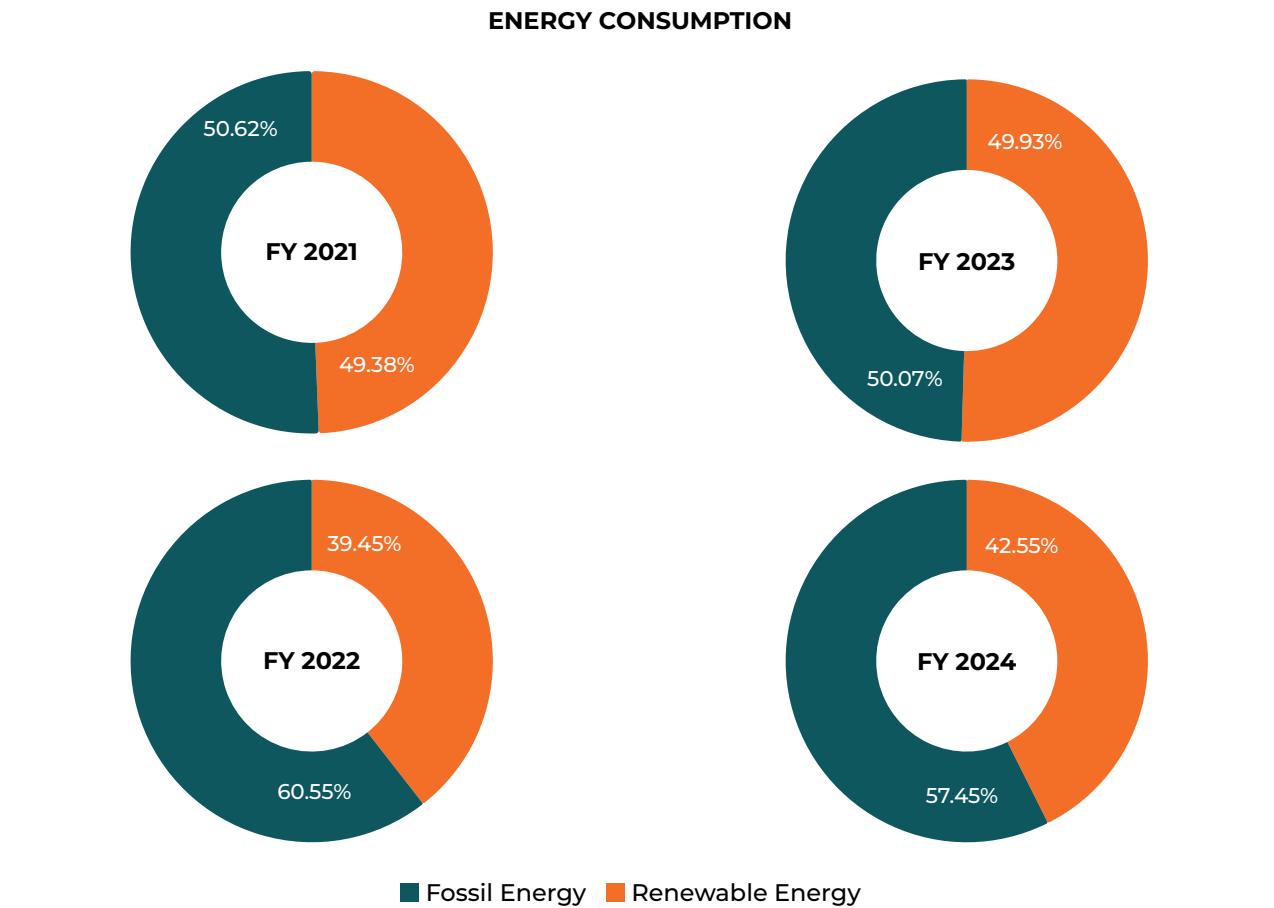
5. Energy Management

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



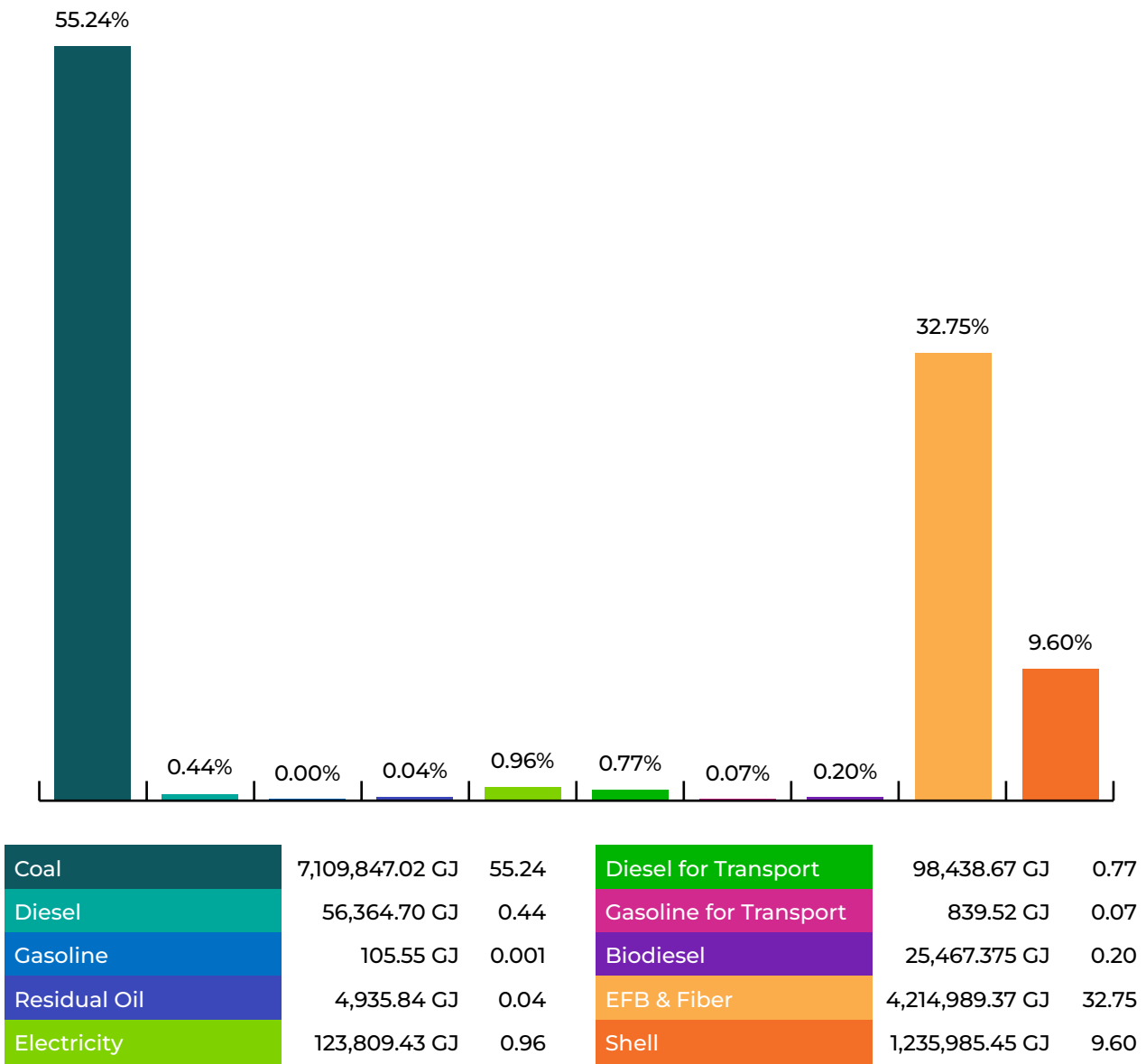
Reducing energy consumption is one of our focus areas in our drive towards improving the sustainability of our operations.

In 2024, our operations consume 12.87 million GJ of energy, an 13.89% decrease compared to 2023 energy consumption. 7.39 million GJ of those came from non-renewable sources (57.45%) and 5.47 million GJ from renewable sources (42.55%).



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

ENERGY CONSUMPTION 2024



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
2,276,847	5,329,828	5,434,985	3,775,532	4,323,874

6. Climate Change

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



Climate change refers to the long-term alteration of Earth's average weather patterns, primarily caused by human activities that emit greenhouse gases into the atmosphere. These gases trap heat, resulting in rising global temperatures, shifting weather patterns, and a range of environmental impacts. As one of the most critical challenges of our time, climate change demands urgent and sustained action. At Permata Group, we are committed to addressing this issue by focusing on two key areas: managing physical climate risks and actively contributing to climate change mitigation.

Managing Physical Climate Risks

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.

We assess climate-related risks and opportunities over the medium term (2-10 years) and long term (10-30 years), taking into account physical risks and transition risks, as well as potential positive impacts. Below is the detailed analysis of these climate-related risks and opportunities for year 2024:

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 to 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 5% reduction in GHG intensity by 2030, based on 2020 baseline.
	Drought			
				To prevent fires, we provide tailored fire awareness training in collaboration

CATEGORY	RISK	DESCRIPTION	TIME HORIZONS	MEASURES
	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		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		
	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 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.	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.

Climate-related Transition Risks

CATEGORY	RISK	DESCRIPTION	TIME HORIZONS	MEASURES
Regulator	Update on Regulation	Climate-related regulation is emerging as a crucial risk factor that we need to stay updated on. For instance, the European Union Deforestation Regulation (EUDR) is increasing the demand for low-emission palm oil products in Europe. 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 environmental 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.	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 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,		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.

CATEGORY	RISK	DESCRIPTION	TIME HORIZONS	MEASURES
		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.		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.
Management Practice	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 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.	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 of 50-70 cm below ground level, as well as monitoring the rate of subsidence in these peat areas

Climate-related Transition Opportunities

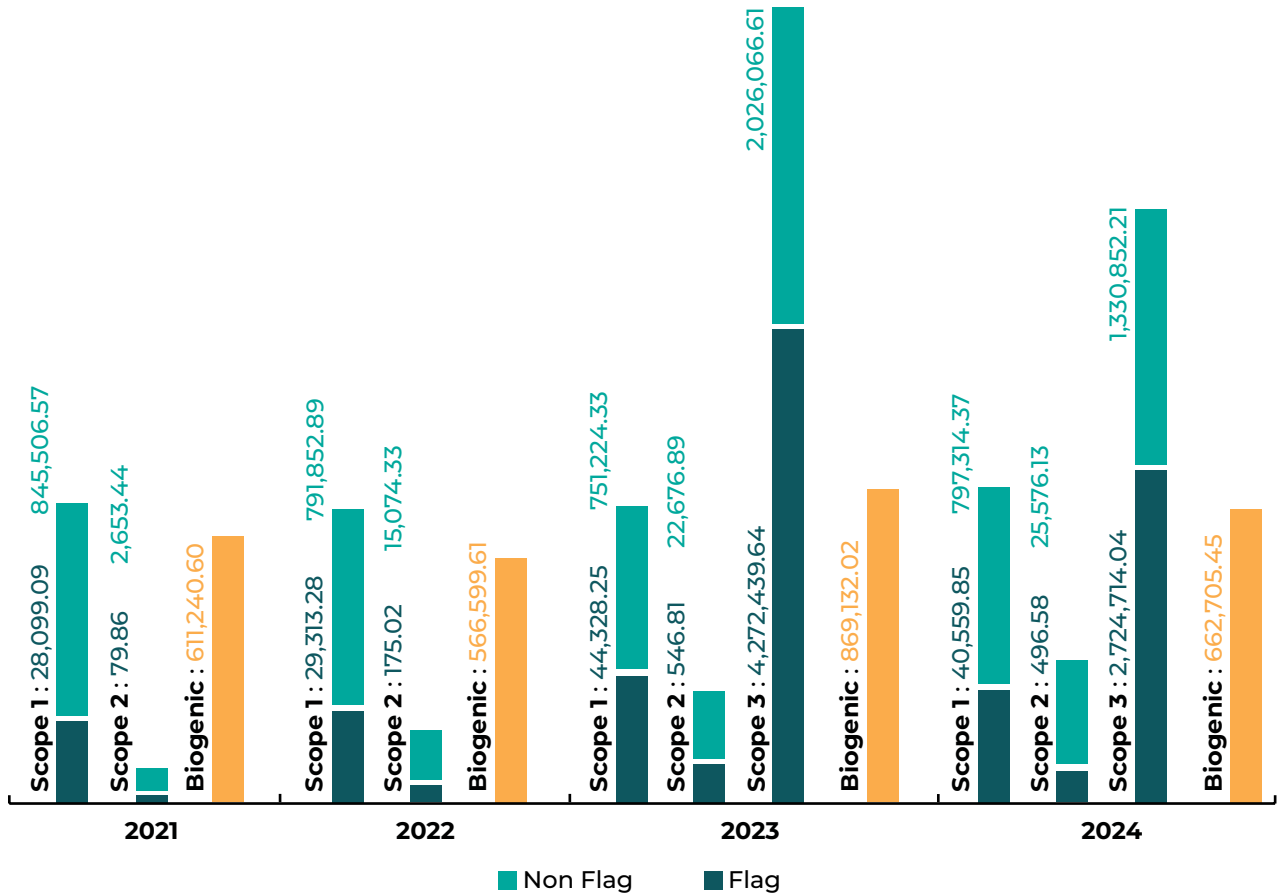
CATEGORY	OPPORTUNITY	DESCRIPTION	TIME HORIZON
Management Practice	GMP & GAP	Good Management Practices (GMP) and Good Agricultural Practices (GAP) at Permata Group provide significant opportunities by enhancing product quality and ensuring regulatory compliance, facilitating access to premium markets and certifications. Furthermore, these practices improve operational efficiency, reduce waste, and increase yields, leading to higher profit margins.	Medium-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 avenues for further emission reductions.	Medium-Long Term
Technology	Boost the utilization of renewable energy	In 2024, our energy consumption rose by 18% compared to 2022, with 46.42% from renewable energy. 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-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

• Quantifying our GHG emissions

Quantifying GHG emissions is essential to understand our environmental impact and identify opportunities to reduce release of potential GHG within our operation. By measuring GHG emissions across our operations, we gain insights into where emissions originate and can develop strategies to mitigate them. To that end we utilize the GHG Protocol Standard and the RSPO PalmGHG calculator.

We use GHG Protocol Standard to inform the direct (scope 1) and indirect (scope 2 and 3) GHG emissions released by our operations.



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)
0.15	0.13	0.12	0.13	0.17

In 2024, our total Scope 1 and 2 GHG emissions were 863,946.92 tCO2e, a 5.5% increase compared to 2023 value. Intensity wise, our carbon emission intensity value in 2024 is 0.17 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 2024 is 662,705.45 tCO2e or approximately 77% from the total scope 1 & 2 GHG emissions.

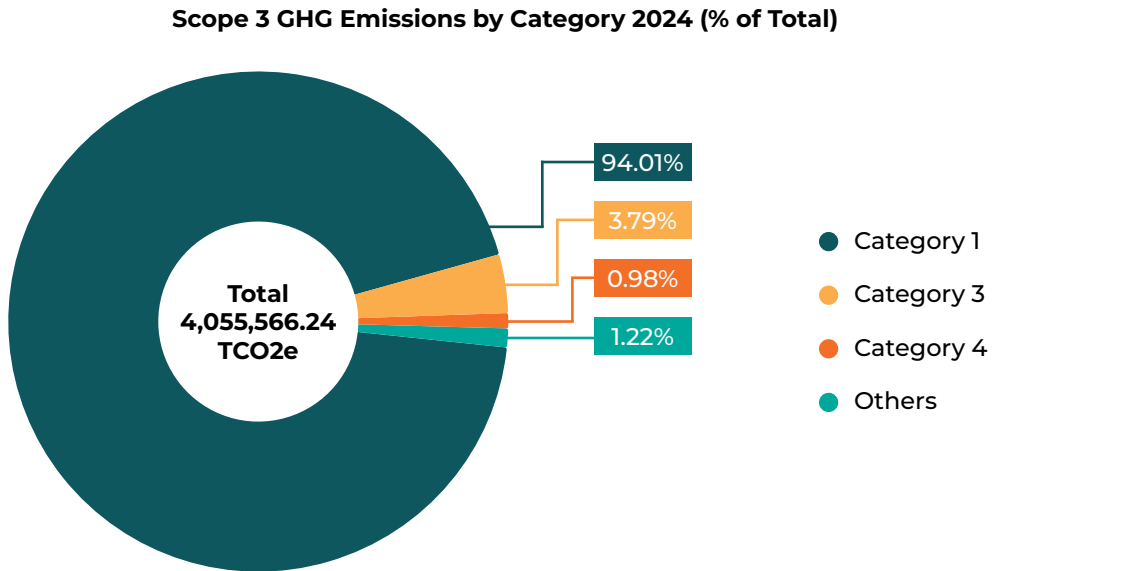
We also use RSPO PalmGHG to evaluate the GHG emissions of our RSPO certified palm oil mills. PalmGHG is a life-cycle greenhouse gas emission calculator which includes indirect emissions from our suppliers such as emission from fertilizer production and transport, fuel production and transport and others. PalmGHG also accounts for emissions from land use change although Permata Group has no emissions from land use change in 2024 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 2024
tCO2e per tonne of crude palm oil (CPO)	4.93
tCO2e per tonne of palm kernel (PK)	4.93

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 95.7% of our total Scope 3 emissions, while other categories contribute less than 5%



• Reducing Our GHG Emissions

We design our GHG emission reduction plan accordingly with a focus on the following activities:

1. Construction of Methane Capture Plants

We were one of the first companies in Indonesia to install methane capture facilities in our palm oil mills. We commissioned our first methane capture facility in 2008 and equipped all our palm oil mills with methane capture facilities by 2010. Three of our methane capture facilities have been registered as CDM projects by the UNFCCC:

- Project 2130: Methane Recovery in Wastewater Treatment, Project AIN07-W-04, Sumatera Utara, Indonesia
- Project 2633: AIN08-W-03, Methane Recovery in Wastewater Treatment, Sumatera Utara, Indonesia
- Project 2421: Nubika Jaya Biogas Extraction for Bio-Hydrogen Production

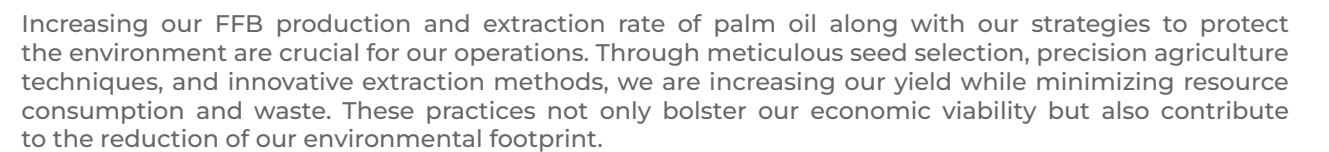
Since their commissioning, these projects have generated a total of 91,215 Certified Emission Reduction credits which were sold to the Netherlands, Switzerland and Japan through our partners AES AgriVerde and Mitsubishi. These projects would have generated more CERs had the CER market not collapsed in 2012.

2. Committing to No Deforestation, No Peat and No Exploitation (NDPE)

3. Practicing Peat Best Management Practices

4. Improving Yield

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 5% 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.



We are constantly looking for ways to improve our productivity, whether it is through increased FFB yield or CPO extraction rates. This is reflected in our continuous improvement policy, which seeks to consistently improve all aspects of our operations.

Aside from replanting, we also utilize other methods to increase our yield. These include best management practices like science-based manuring and integrated pest management. In our mills, we use science-based harvesting timing to ensure that the palm fruits supplied to us are ripe and produce the most oil.

OUR PEOPLE AND COMMUNITIES : THE DRIVING FORCE OF SUSTAINABILITY

Our greatest strength lies in our people and the communities we serve. They are the driving force behind everything we do. By actively empowering our employees and building strong, collaborative partnerships with our stakeholders, we ensure our operations are not only successful but also a force for positive, sustainable change. This dedication is a core pillar of our commitment to a better future.

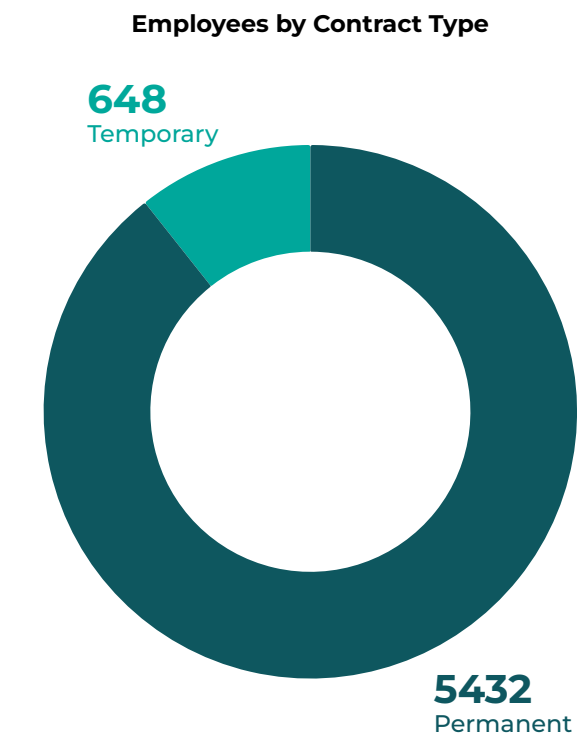
1. Our People

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



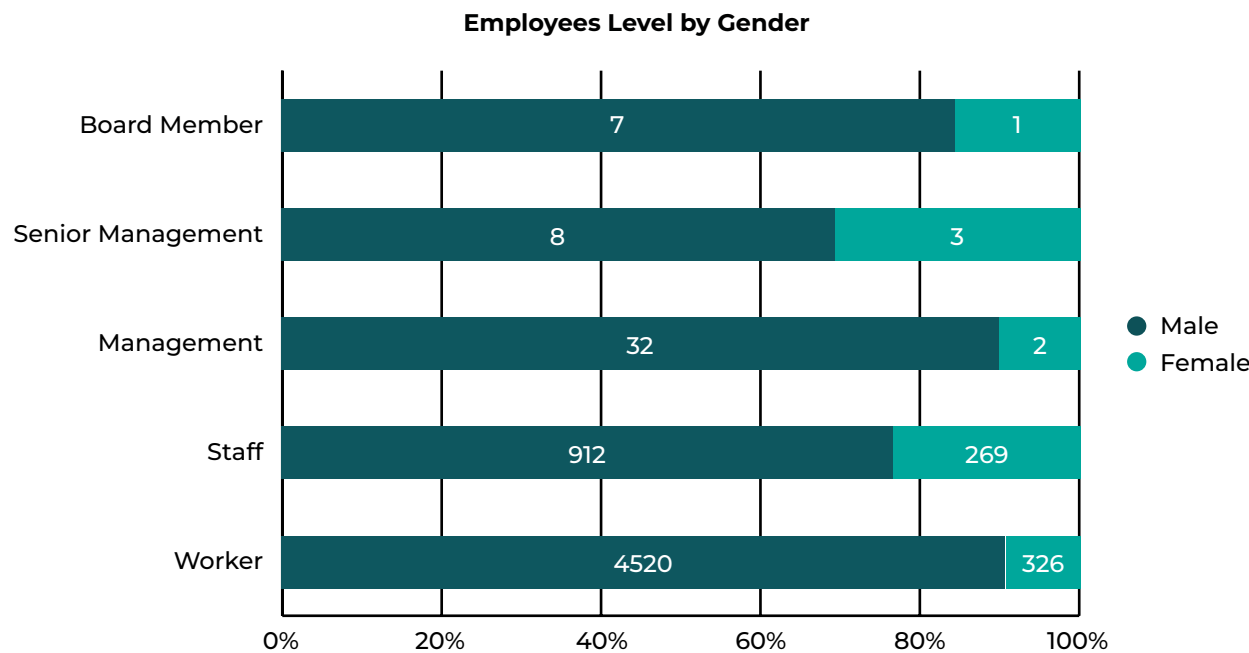
At Permata Group, our people are the driving force behind our operational success and sustainable practices. Our skilled and diverse workforce upholds our core principles of environmental stewardship, social responsibility, and economic viability. Their contributions are crucial for achieving our goals and fostering positive progress across all business activities. As of December 2024, our workforce comprises approximately 6,080 individuals, including 5,432 permanent staffs and 648 temporary workers. We deploy our personnel across our offices, plantations, processing, and manufacturing divisions in Jakarta, North Sumatra, and Riau.

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

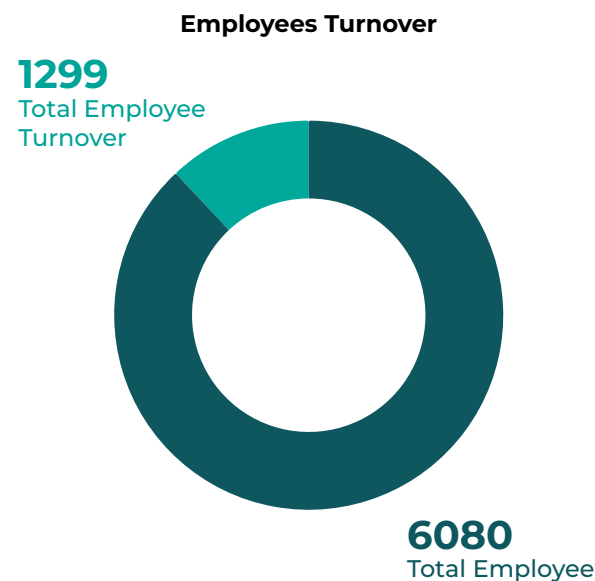


The majority of our workforce is at worker level (79.7%), 19.42% at staff level, 0.56% at management level, 0.18% at senior management level and 0.13% are sitting at the Board level.

The bar graph below depicts the number of workforce based on gender and title.



The majority of our workforce is male, representing 90.12% of our total employees. This trend is consistent across all levels of the company.



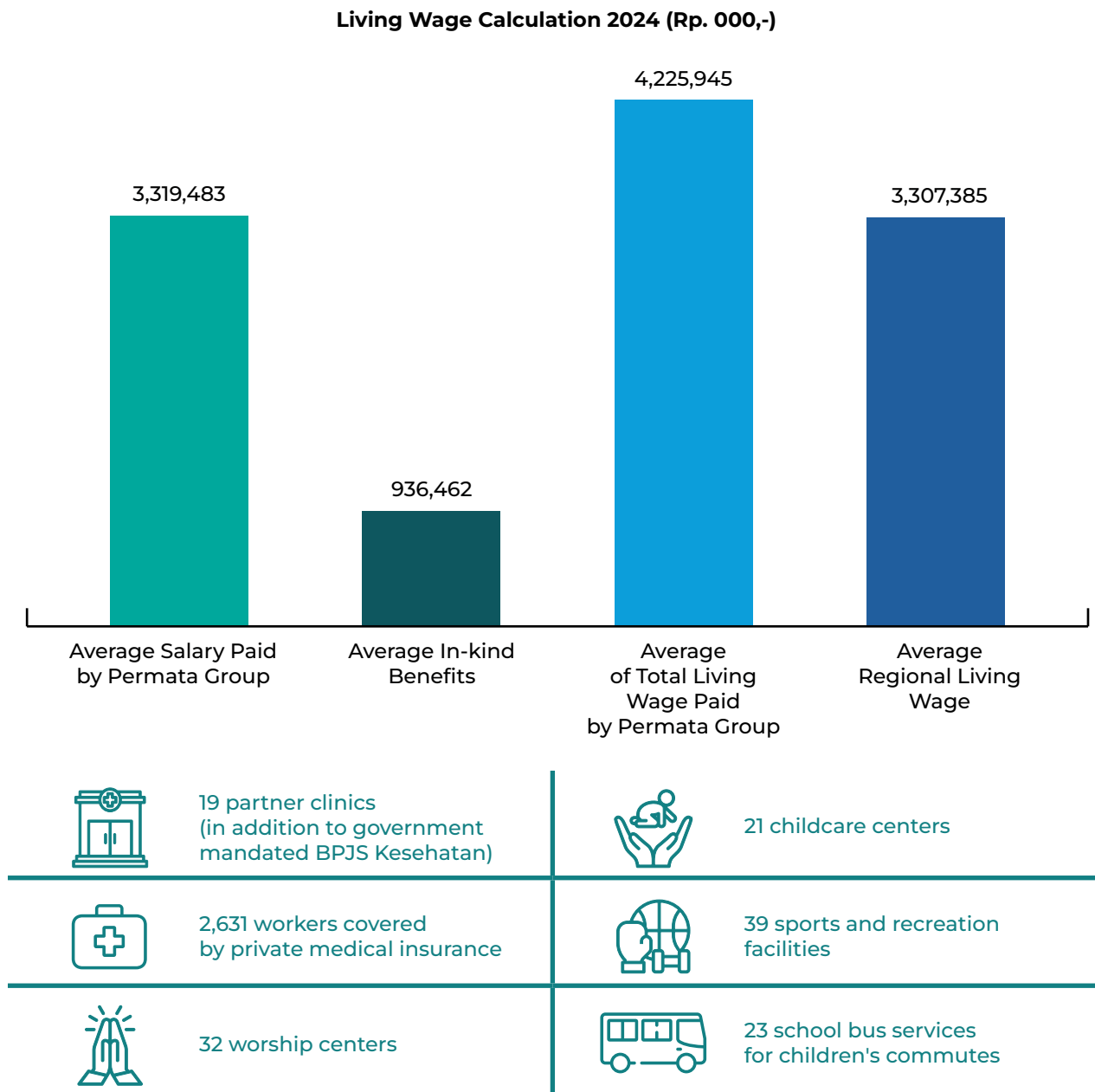
We also employ part-time workers at our plantations to handle seasonal tasks such as fertilizer manuring and herbicide spraying. Because this work is not needed year-round, maintaining a permanent, full-time staff is not practical. While we have explored converting these positions to full-time roles, this is not feasible because of the specific timeframes required for effective field work and our workers' preference for flexible hours. Many of our part-time workers are local villagers who use this work for a supplementary income to their own farms and gardens.

Our employee turnover is 1,299 people, which represents 21% of our total employees.

Fair and Decent Wages

At Permata Group, we believe that fair compensation and benefits is a cornerstone of our success. We ensure that our minimum wage always meets or surpasses the minimum wage set by Indonesian provincial and district authorities. We also strive to provide a decent living wage to our workers following the 2018 RSPO Principles and Criteria on Decent Living Wage (DLW). These are provided either in cash or in-kind (such as housing, electricity, water etc).

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



Talent Attraction and Retention

At Permata Group, we understand that attracting and retaining top talent is essential to our success. We are committed to placing the right person in the right role by matching skills to tasks, and we continuously support our employees' development to ensure their long-term commitment. To build meaningful, lasting careers for our people, we offer attractive incentives, comprehensive benefits, and various opportunities for career growth.

Talent Attraction

We actively seek out and recruit top talent through a multi-pronged approach. Our efforts start with scholarship programs for gifted 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.

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. Annual Working Condition Survey

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. 3,203 provided housing units

2. Respecting Worker's Right

[GRI 3-3, 405-1, 407-1, 408-1, 409-1]



We believe that our success is closely linked to the well-being of our workers and employees. To ensure this, we adhere to international standards for human and labor rights, following guidelines set by the Universal Declaration of Human Rights (UDHR) and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work. Our commitment to these principles is central to our responsible palm oil production practices.

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

We uphold the rights of our employees to freedom of association and collective bargaining. In locations where such organizations are still lacking, we actively facilitate and encourage our employees to join labor or trade unions, thereby empowering their representation and ensuring adherence to regulatory standards. Our commitment extends to providing essential resources, such as meeting rooms, to facilitate their activities.

Harassment, Abuse and Discrimination

We commit to no tolerance for any form of harassment, abuse, or discrimination on our premises. Employees who experience or witness such behavior have access to multiple confidential reporting channels, including our whistleblowing system, labor union, and gender committee.

Our Labor Union addresses worker relations, the Whistleblowing System handles anonymous complaints, and the Gender Committee tackles gender issues and harassment. These robust mechanisms collectively ensure anonymity and protection from retaliation,

underscoring our unwavering commitment to safeguarding our workforce against abuse, harassment, and all forms of discrimination.

Gender Equality and Inclusion

At Permata Group, we are dedicated to fostering gender equality and inclusion within our workplace. To support this commitment, we have established gender committees across all our operational units. These committees, composed entirely of female employees, are dedicated to advocating for women's rights, developing extracurricular programs, and addressing complaints related to gender-based harassment. When a complaint is received, the committee conducts a thorough investigation, offers support and resolution to the victims, and recommends appropriate penalties and corrective actions to management.

We also prioritize the protection of women's reproductive rights. Our women employees are entitled to 90 days of maternity leave. Recognizing that lack of childcare access is a significant factor in women leaving the workforce, we offer crèche facilities at our production units. Additionally, we provide maternity rooms for breastfeeding female workers. To further support our female employees, we adjust special arrangements for pregnant and breastfeeding women working in potentially hazardous positions, such as those involving chemicals. These employees are reassigned to safer roles during their pregnancy and breastfeeding period to ensure their health and safety, as well as that of their child.

These initiatives reflect our ongoing commitment, stated in our human rights policy, to creating a supportive and equitable workplace for all employees regardless of gender, ethnicity, race, etc. We continuously review and improve our commitment to ensure the conformance to our workforce's needs and contribute to a more inclusive and supportive work environment.

Promoting women's well-being and child care through our active gender committee.



12%
of Our Workforce
Are Women



10%
Management
Positions Are Women



30%
Senior Management
Are Women



15%
Board Positions
Are Women

3. Employee Health, Safety and Wellbeing

[GRI 3-3, 403-1, 403-2, 403-3, 403-5, 403-6, 403-7, 403-8, 403-9]



Recognizing that the health, safety, and well-being of our people are central to our long-term success, we adhere to stringent health and safety standards to minimize risks. 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 provide a safe and healthy working environment for our workers by establishing Occupational Health, Safety, and Environment (OHSE) committees at each operational unit. These committees, led by the site manager, include both employees and management, as well as a certified occupational health and safety expert (Ahli K3). The committees oversee all health and safety matters, from incident response to preparing monthly and annual reports for senior management at headquarters.

In our dedication to national standards, we regularly participate in the SMK3 certification program issued by the Indonesian Ministry of Manpower. This certification assesses companies based on eight principles and 166 criteria, with three achievement levels: beginner (64 criteria), intermediate (122 criteria), and advanced (166 criteria). The advanced level includes two distinctions: Silver Flag for scores between 60% and 84%, and Golden Flag for scores of 85% and above. Notably, 80% of Permata Group's operational units have achieved the Golden Flag, the highest level of SMK3 certification.



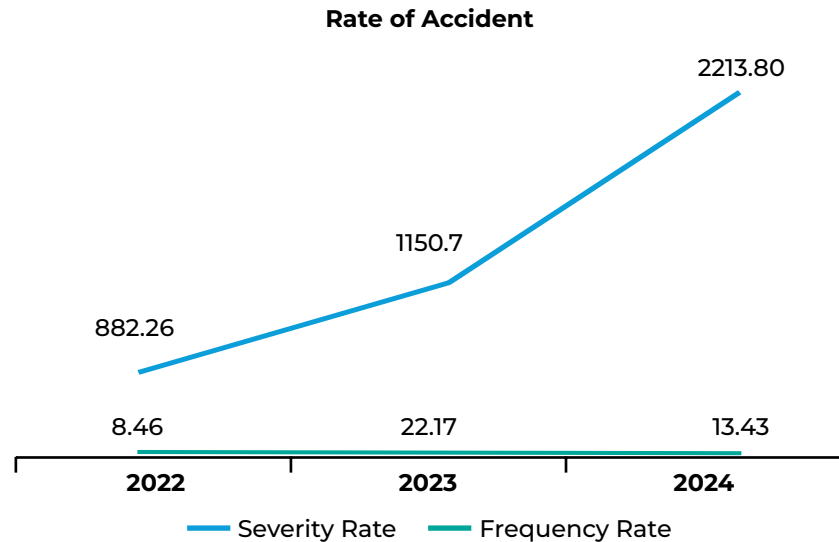
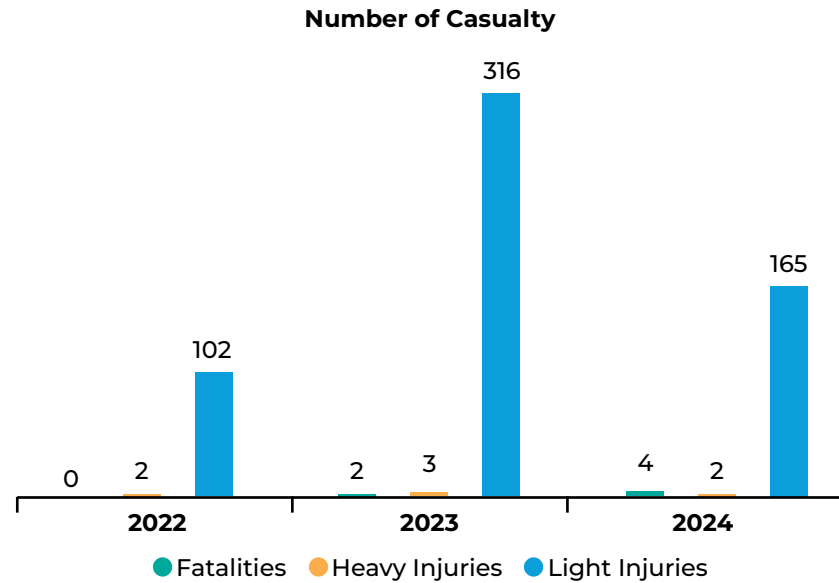
Permata Group has been awarded the golden flag and silver flag for SMK3 certification

Hazard Identification and Risk Assessment

To maintain a healthy and safe environment, we conduct Hazard Identification and Risk Assessments (HIRA) for all our production processes. These assessments are a collaborative effort between the OHSE committees and operational teams, aimed at identifying potential hazards and developing strategies to mitigate them. We review HIRA annually and also in response to workplace accidents or the introduction of new equipment or procedures. Workers are also encouraged to anonymously report unsafe conditions via a suggestion box, which contributes to our regular HIRA reviews.

When an accident happens, our Occupational Health and Safety (OHS) team investigates and gathers evidence. They then provide recommendations to prevent recurrence and improve the application of HIRA in our operations.

We deeply regret to report that in 2024, our operations experienced four fatalities, two serious injuries, and 165 minor injuries. These incidents resulted in a loss of 225,440 work hours, which represents 1.8% of our total work time. Each incident is a solemn reminder of our commitment to continually strengthen workplace safety. We are fully dedicated to learning from these events and improving our health and safety practices to prevent future occurrences.



Health and Safety Culture

To ensure our practices remain effective, we regularly review and update our safety policies, procedures, and protocols to identify areas for improvement and implement corrective measures, capacity-building initiatives, and continuous enhancements that reinforce a culture of safety and operational excellence.

We provide comprehensive and ongoing health and safety training for all workers, including sessions on firefighting, first aid, and emergency response. This training ensures our teams are well-equipped with the knowledge and skills needed to manage potential risks and maintain a safer workplace.

Before any work begins in potentially hazardous areas—including working at heights or near electricity—we conduct mandatory safety briefings and issue work permits. To prevent incidents and ensure adherence to safety procedures, supervisors accompany workers assigned to these tasks.

We reinforce our safety culture by registering selected workers for the two-week Ahli K3 certification program. We also place safety signs and banners in work areas and ensure all personnel have the proper Personal Protective Equipment (PPE). Safety inspectors are assigned to monitor compliance and support the effective implementation of our safety standards.

Our proactive safety approach includes monthly inspections of all fire extinguishers to ensure they are functioning properly. We also routinely evaluate the implementation of our safety protocols, including the consistent use of Personal Protective Equipment (PPE) by our workers. This ensures we can respond quickly to a fire, preventing it from escalating.

Our workers are provided with PPE and continuous training on safety and environmental practices.



4. Community and Smallholder Livelihood

[GRI 203-1, 203-2, 13.14.1, 13.14.4, 413-2]



At Permata Group, we build a sustainable future that benefits communities by empowering smallholder livelihoods and strengthening their well-being. We realize that empowered communities are our strongest partners in protecting the environment and preserving natural resources for future generations. Guided by ethical principles and responsible business practices, we actively collaborate with local governments and stakeholders to drive lasting prosperity for all.

Respecting the Human Rights of Indigenous People and Local Communities

Aligned with the UN Declaration on the Rights of Indigenous Peoples (UNDRIP) and ILO Convention No. 169, our Sustainability Policy affirms our profound respect for the human rights of local communities, particularly Indigenous Peoples. We are committed to honoring their rights to land, resources, and cultural practices, and we operate with transparency and respect in all our interactions. Our adherence to the Free, Prior, and Informed Consent (FPIC) principles ensures that communities can grant or withhold consent for activities on lands where they have legal, communal, or customary rights. We actively work with local communities to guarantee that their perspectives are taken into account in our decision-making processes, thereby placing their well-being as a top priority throughout everything we do.

Social Impact Assessment
Throughout our operations, we conduct Social Impact Assessments (SIA) to understand and mitigate our impacts on communities and to meet the requirements of the RSPO Standard. These crucial assessments identify potential impacts, address social and cultural considerations, and provide recommendations to prevent conflicts. We conduct SIAs for all existing and future developments, using the results to shape our local engagement strategies and Corporate Social Responsibility (CSR) initiatives. By acknowledging our impact, we can minimize adverse effects while maximizing positive contributions and establishing a vital baseline for our CSR programs.

Community Engagement

Our approach to community engagement is driven by proactive, two-way communication with our stakeholders. We consistently invite local residents and institutions to voice their concerns, share advice, and provide feedback on our operations. This process not only facilitates direct engagement but also allows us to effectively communicate our Sustainability Policy, including our commitment to stopping land burning and protecting High Conservation Value (HCV) areas. The feedback we gather is invaluable, as it helps us improve our Corporate Social Responsibility (CSR) programs and proactively address any potential disagreements.

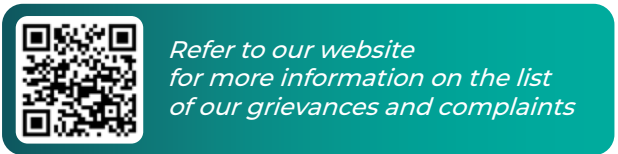
To enhance our engagement efforts, we have dedicated a contact force at each of our units who is responsible for interacting directly with local communities, government bodies, and NGOs to collect and analyze their input, ultimately reducing the risk of conflict and ensuring our initiatives truly align with what the community needs.

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:

<https://www.permatagroup.com/grievances-and-complaints2/#grievance>



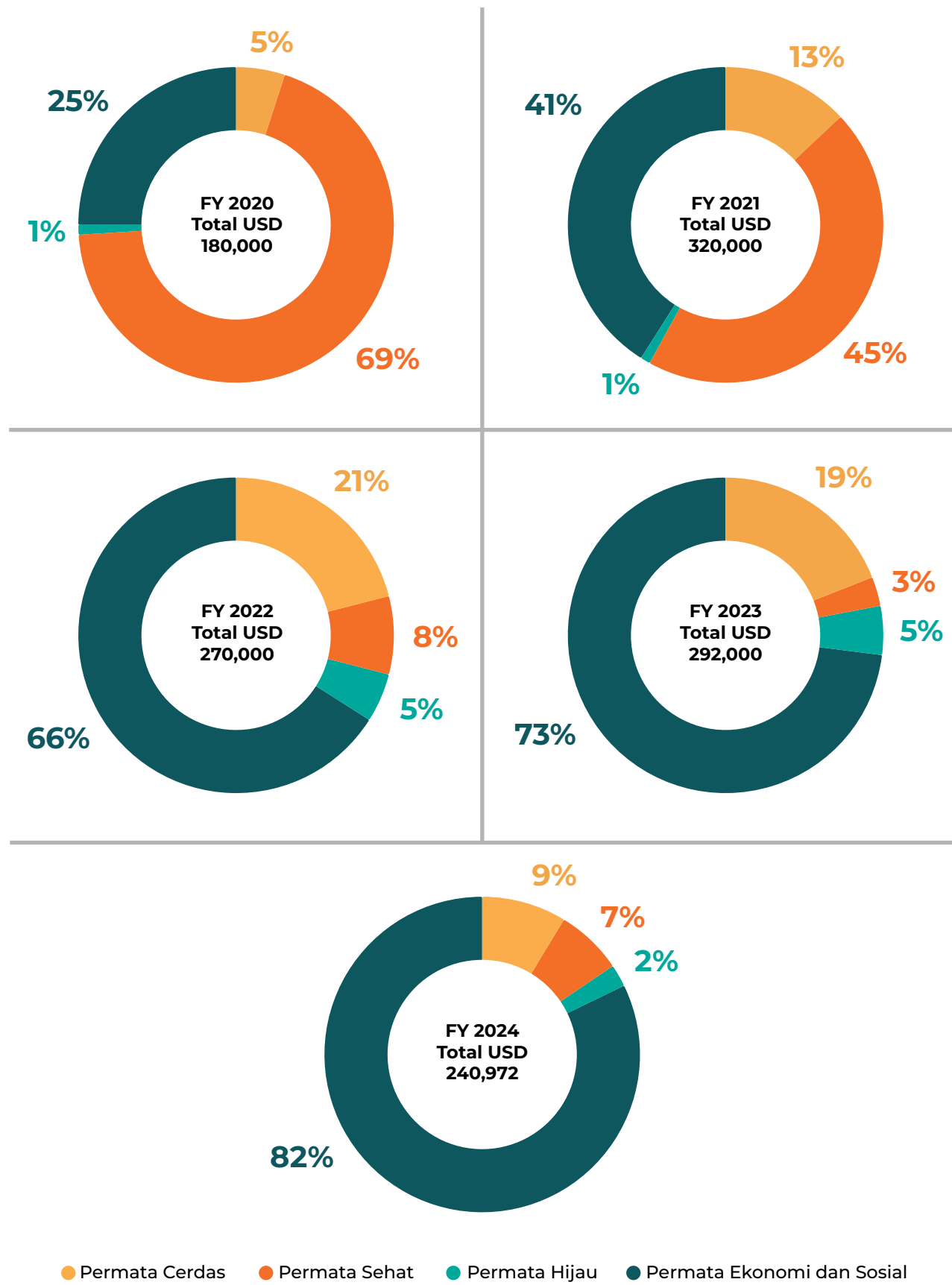
Investing in Community

Permata Group is committed to minimizing its environmental impact while also empowering people via healthcare, education, and support for local companies. Although we believe our presence has already had a positive impact on the local economy by creating jobs and stimulating economic activity, we're still committed to advancing this impact by supporting the the communities around us with our Corporate Social Responsibility (CSR) programs. Our CSR programs concentrate on 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. 42 Schools and 889 Students have felt 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 900 homes located near the company.
 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. 18,000 seeds are planted for land rehabilitation purposes. We also helped 15 elephants at the Barumun Nagari Wildlife Sanctuary for their food.
 PERMATA EKONOMI & 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 operating. 155,684 liter of Subsidized Minyak Goreng and 7,668 packages of staple food are distributed. A total of 1,867 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 (%)



Dumai's Pineapple Delight: A Sweet Partnership for Local Economy

Pineapples, a local abundance in Riau, are now gaining added value through PT Pelita Agung Agrindustri's community empowerment initiative. In collaboration with the PKK women's group in East Dumai District, the company supports the transformation of surplus pineapples into high-quality pineapple dodol, a unique local souvenir. Traditionally, pineapples in Dumai are processed into jams, canned products, or consumed fresh, yet oversupply has often led to low prices and underutilization. This program addresses the challenge by providing intensive training to women's groups in processing techniques, quality standards, and small-scale entrepreneurship. Beyond reducing waste and creating a sustainable product, the initiative enhances household income, strengthens community resilience, and promotes inclusive local economic development.

Revitalizing a heritage: Empowering Women with Eco-print Batik

Batik is one of Indonesia's most valuable cultural heritages, and its preservation is essential for future generations. To support this, PT Pelita Agung Agrindustri has introduced an ecoprint batik initiative, which uses natural materials such as leaves, flowers, and plant stems to create sustainable motifs and environmentally friendly designs.

In collaboration with the communities of Bumbung, Boncah Mahang, and Kesumbo Ampai Villages, under the guidance of the Bathin Solapan Sub-district Head, the program aims to empower local women while safeguarding cultural traditions. The initiative provides financial support for materials and operations, alongside capacity-building programs that strengthen entrepreneurial and soft skills.

As a result, participating women are now able to generate household income, reduce economic vulnerability, and contribute to poverty alleviation. At the same time, the initiative promotes cultural preservation and sustainable community development

RESPONSIBLE BUSINESS AND SOURCING

1. Corporate Governance and Ethics

[GRI 3-3, 205-2]



At Permata Group, strong corporate governance and ethical conduct form the foundation of sustainable growth. We apply internationally recognized governance standards and comply fully with all applicable laws and regulations. Our governance framework emphasizes accountability, transparency, and informed decision-making at every level of the organization.

To reinforce these principles, we maintain:

- **Board Oversight:** A Board of Directors that provides independent oversight of strategy, risk management, and sustainability commitments.
- **Compliance and Ethics Framework:** Clear policies covering anti-corruption, anti-bribery, conflict of interest, and whistleblowing, supported by periodic reviews and updates.
- **Training and Awareness:** Regular ethics and compliance training for all employees.
- **Whistleblowing Mechanism:** An accessible and confidential reporting channel for employees and external stakeholders, with zero tolerance for retaliation.

These mechanisms not only ensure adherence to regulatory standards but also safeguard operational integrity and reduce business risks.

By embedding ethical considerations into decision-making and performance evaluation, we align our growth with positive societal and environmental outcomes. This commitment strengthens stakeholder trust, enhances long-term value creation, and solidifies Permata Group's position as a responsible and sustainable industry leader.

Code of conduct

Our Code of Conduct guides all Permata Group employees in upholding key corporate values: teamwork, integrity, professionalism, communication, and excellence. It outlines core principles of conduct and addresses important topics such as conflicts of interest, anti-bribery and corruption, respect for people (including anti-discrimination and anti-harassment), environmental management, human rights, competition, and confidentiality.

We expect all employees to maintain high ethical standards and follow all applicable laws and regulations. To ensure everyone remains aware of and compliant with our principles, the Code of Conduct is part of the onboarding process for new hires, reinforced through regular training, and made easily accessible on our internal communication platform.

We believe that our values are the foundation of our success. Our TIPCE values - Teamwork, Integrity, Professionalism, Communication, and Excellence - guide our every decision and action.

TEAMWORK is 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.

INTEGRITY is at 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.

PROFESSIONALISM is 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.

COMMUNICATION is 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.

EXCELLENCE is 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.

Anti-corruption and Anti-bribery

Permata Group maintains a zero-tolerance policy on corruption and bribery. Our Ethics Policy and Code of Conduct provide employees with specific guidelines and responsibilities to prevent these unethical practices, demonstrating our unwavering commitment to ethical business conduct. Violations of these policies will result in appropriate disciplinary action. We also promote transparency by offering secure channels for all stakeholders to report concerns or violations without fear of retaliation.

Whistleblowing

Permata Group has a whistleblowing channel and grievance mechanism on our website for both our employees and external partners. This platform allows for anonymous reporting of concerns related to our operations, suppliers, or violations of our Code of Conduct. Employees are required to report any concerns they have. We guarantee protection from retaliation for anyone who makes a good-faith report. Our Human Resources Department and/or the Board of Directors review and address all reported violations. In 2024, there were no reported incidents of anti competitive behaviour, monopolistic practice or corruption or bribery case involving Permata Group.

2. Consumer and Customer

Protecting Consumer Health

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

Permata Group is committed to providing consumers with healthy, nutritious, and affordable food products while upholding the highest standards of safety and quality. Our palm oil products serve as an essential ingredient in food, feed, personal care, biofuel, and other industries, reaching both domestic and international markets, with China, India, and Europe as our top export destinations.

Our product portfolio includes crude palm oil, cooking oil, specialty fats, and oleochemicals, which are further processed into diverse applications that support daily needs worldwide. We place strong emphasis on minimizing harmful co-contaminants during production and ensuring that all products meet stringent health and safety 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 22001 (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 also demonstrated through our active memberships in key industry associations. Our active memberships in industry groups like the Roundtable on Sustainable Palm Oil (RSPO) show our commitment to producing goods in a responsible way. These partnerships assist us follow the best global practices, which directly benefits our customer. By working with these organizations, we ensure our products are safe, high-quality, and sourced in an ethical and transparent manner. This builds trust and guarantees that everything we make is done with your health and a sustainable future in mind.

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)	

		
3 Estate, 4 Mill, 5 KCP, 5 Refineries & 1 Biodiesel Plant	3 Estate, 4 Mill, 5 KCP, 5 Refineries & 1 Biodiesel Plant	2 Refineries
		
2 Refineries & 2 Oleochemical Plant	5 KCP & Trading Department	3 Refineries & 2 Oleochemical Plant

		
4 Mill, 5 KCP, 6 Refineries & 2 Oleochemical Plant	4 Mill, 5 KCP, 6 Refineries & 2 Oleochemical Plant	6 Refineries
		
2 Refineries	5 KCP, 5 Refineries, 2 Oleochemical Plant, 2 Estate & 2 Mill	2 Estate & 2 Mill

We are pleased to announce that in 2024, 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.

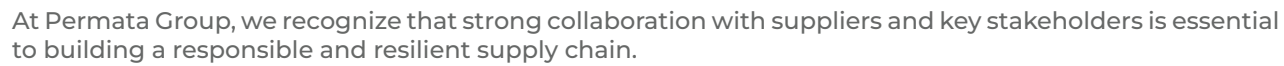
Sustainable Palm Oil Certification and Scorecard

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. The result of our scorecards is available on page 33.



[GRI 3-3, 308-1, 308-2, 13.23.2, 13.23.3, 13.23.4]



In addition, we collaborate with industry platforms, certification bodies, and local communities to drive systemic change beyond our direct supply base. By fostering transparency, building supplier capabilities, and working collectively across the value chain, we aim to create long-term positive impacts for people, the environment, and the market.

Third Party FFB Suppliers

Permata Group Plantations

Mills
-Permata Group Mills
-Third Party Mills

Permata Group Kernel Crushing Plants

Permata Group Refineries

Oleochemical Plants

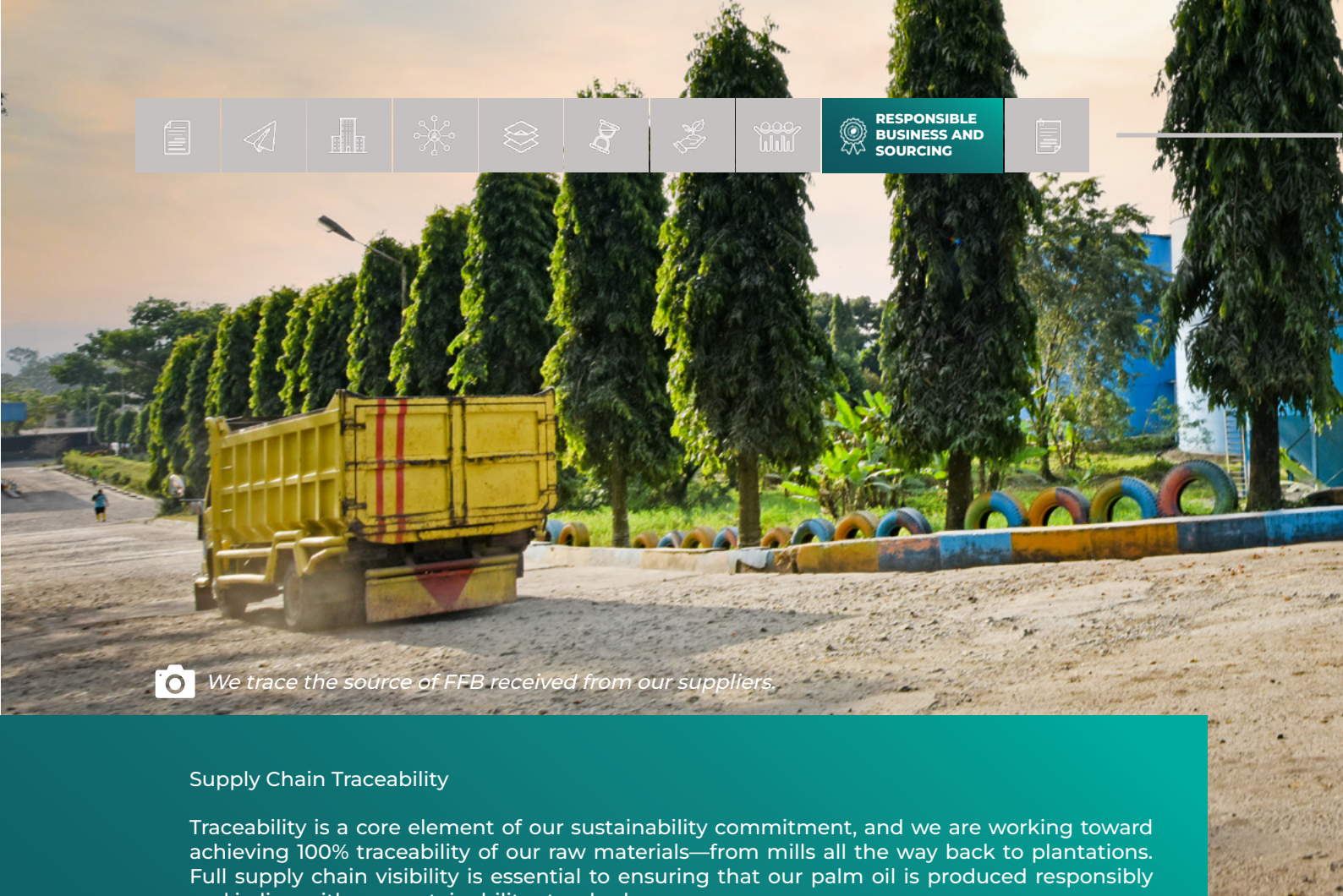
Speciality Fat Plants

Biodiesel Plants

Customer

In 2024, we source crude palm oil and kernels from 225 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.

- Permata Group Mills
- Third Party Mills
- Traders



Supply Chain Traceability

Traceability is a core element of our sustainability commitment, and we are working toward achieving 100% traceability of our raw materials—from mills all the way back to plantations. Full supply chain visibility is essential to ensuring that our palm oil is produced responsibly and in line with our sustainability standards.

We acknowledge that mapping the entire supply chain is a complex process, particularly due to the involvement of numerous smallholders and intermediaries. To address these challenges, we have put in place several initiatives, including digital traceability systems, supplier engagement programs, and provision of training on traceability for our suppliers. Through these measures, we are able to collect and verify sourcing data more efficiently, identify potential risks, and strengthen accountability across the supply chain.

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 2024.

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/ Smallholder/Cooperatives	Agents/Middlemen
Name of Farmer/ Plantation / Owner / Agent / Dealer	✓	✓	✓
Address of the plantation – at minimum the village name or subdistrict should be provided	✓	✓	N/A
Address of the agent and/or middlemen facility – at minimum the village name or subdistrict should be provided	N/A	N/A	✓
Area of operatio (FFB sourcing) – at minimum the village name or subdistrict should be provided	N/A	N/A	✓
GPS coordinates of the plantation	✓	-	-
Size of the plantation	✓	-	-
Volume of FFB supplied to the Mill	✓	✓	✓

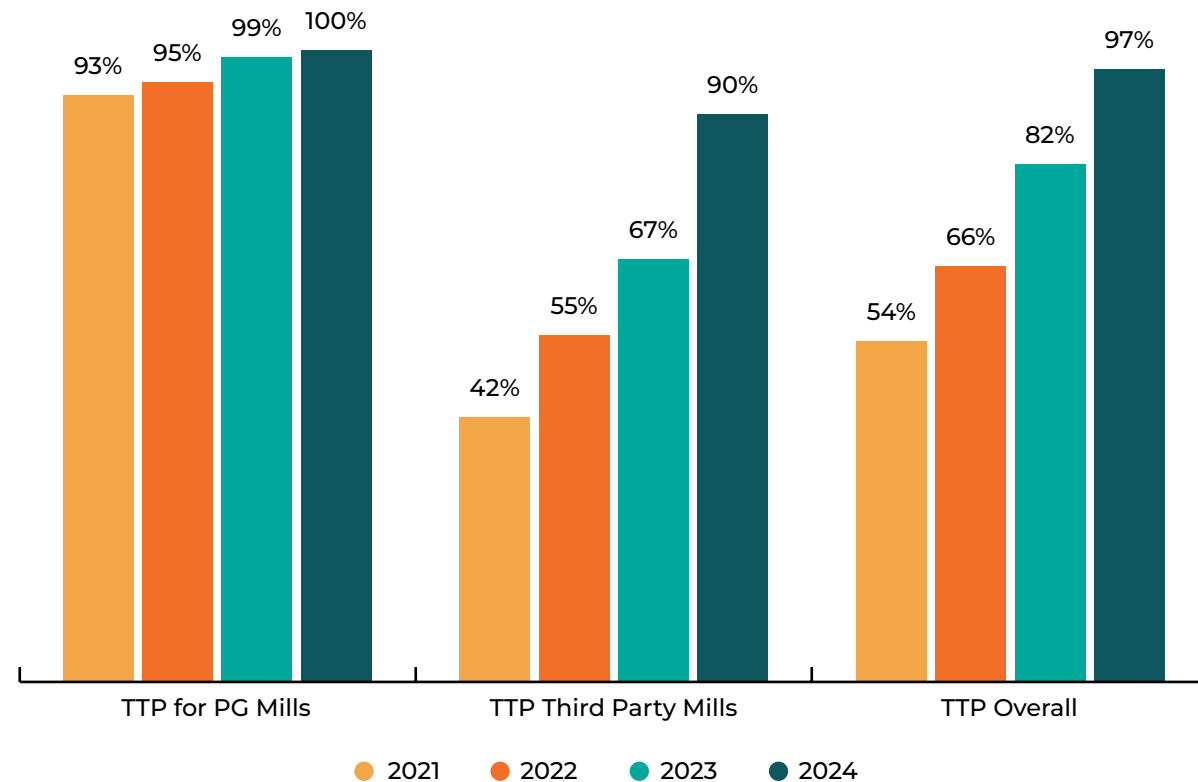
Tier three: Traceable to plantation (polygon)

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/ Smallholder/Cooperatives	Agents/Middlemen
Name of Farmer/ Plantation / Owner / Agent / Dealer	✓	✓	✓
Address of the plantation	✓	✓	N/A
Address of the agent and/or middlemen facility	N/A	N/A	✓
GPS coordinates or polygons of the plantation	✓	✓	✓
Size of the plantation	✓	✓	✓
Volume of FFB supplied to the Mill	✓	✓	✓

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 per December 2024, we achieved 100 % traceability to plantations, ahead of Our goal for 100% traceability to plantations by 2025.



Complaint and Grievance

Our complaint and grievance system is available to all impacted and interested stakeholders. Throughout 2024, four grievances were lodged against our suppliers, two of which have been resolved. The cases were related to potential non-compliance regarding deforestation, new development on peat, and the sourcing of Fresh Fruit Bunches (FFBs) from conservation areas. We are currently evaluating these suppliers based on our grievance mechanism to ensure they adhere to our sustainability policy.

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.

Global Forest Watch Pro

Global Forest Watch Pro (GFW Pro) is an online management tool developed by the World Resources Institute (WRI) that allows us to quickly assess potential deforestation risks from our suppliers' mills and their surrounding supply bases. The tool evaluates a specific area's deforestation history and the value of its remaining forests. Areas are categorized as high-risk if they have a history of deforestation and a significant amount of remaining forest. Conversely, areas with no history of deforestation or very low remaining forest value are considered low-risk. By default, GFW Pro monitors a 50-kilometer radius around palm oil mills. This area can be adjusted as we collect more specific data on the plantations.

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.



In conjunction with our supplier workshops, we distribute annual Supplier Risk Assessment and Traceability Questionnaires to track our suppliers' performance. These self-assessment tools allow suppliers to report on their environmental, social, and ethical practices, as well as their certification achievements. The traceability section enables them to map, track, and share information about their upstream supply chains.

The responses from these questionnaires help us identify high-risk suppliers, which we then prioritize for targeted monitoring, engagement, and support. To date, 75.77% of our suppliers have attended our workshops, while 84.23% have completed the sustainability questionnaire.

In addition to the questionnaire, we have implemented a comprehensive supplier risk assessment system. This system allows us to identify high-risk suppliers and provide them with solutions, such as training on NDPE (No Deforestation, No Peat, No Exploitation) principles and best practices for overall sustainability. High-risk suppliers may also be subject to additional evaluations, such as audits, to ensure strict compliance with our sustainability standards. Furthermore, we use the NDPE Implementation Reporting Framework (NDPE IRF) to track our suppliers' progress. Our most recent assessment shows that 95% of our suppliers adhere to our no-deforestation commitment and 94% comply with our no-peat policy.

SUPPLIER ASSESSTMENT

As part of our commitment to sustainable business practices, Permata Group regularly conducts assessments of our suppliers, prioritizing those categorized as high-risk. These evaluations are designed to:

- Socialize Permata Group's Sustainability Policy, including our NDPE principles (No Deforestation, No Peat, No Exploitation).
- Encourage the implementation of Traceability to Plantation
- Conduct a comprehensive evaluation of key performance areas, such as worker welfare, certification readiness (e.g., ISPO), environmental management, Occupational Health and Safety, social standards, and traceability capabilities.

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.

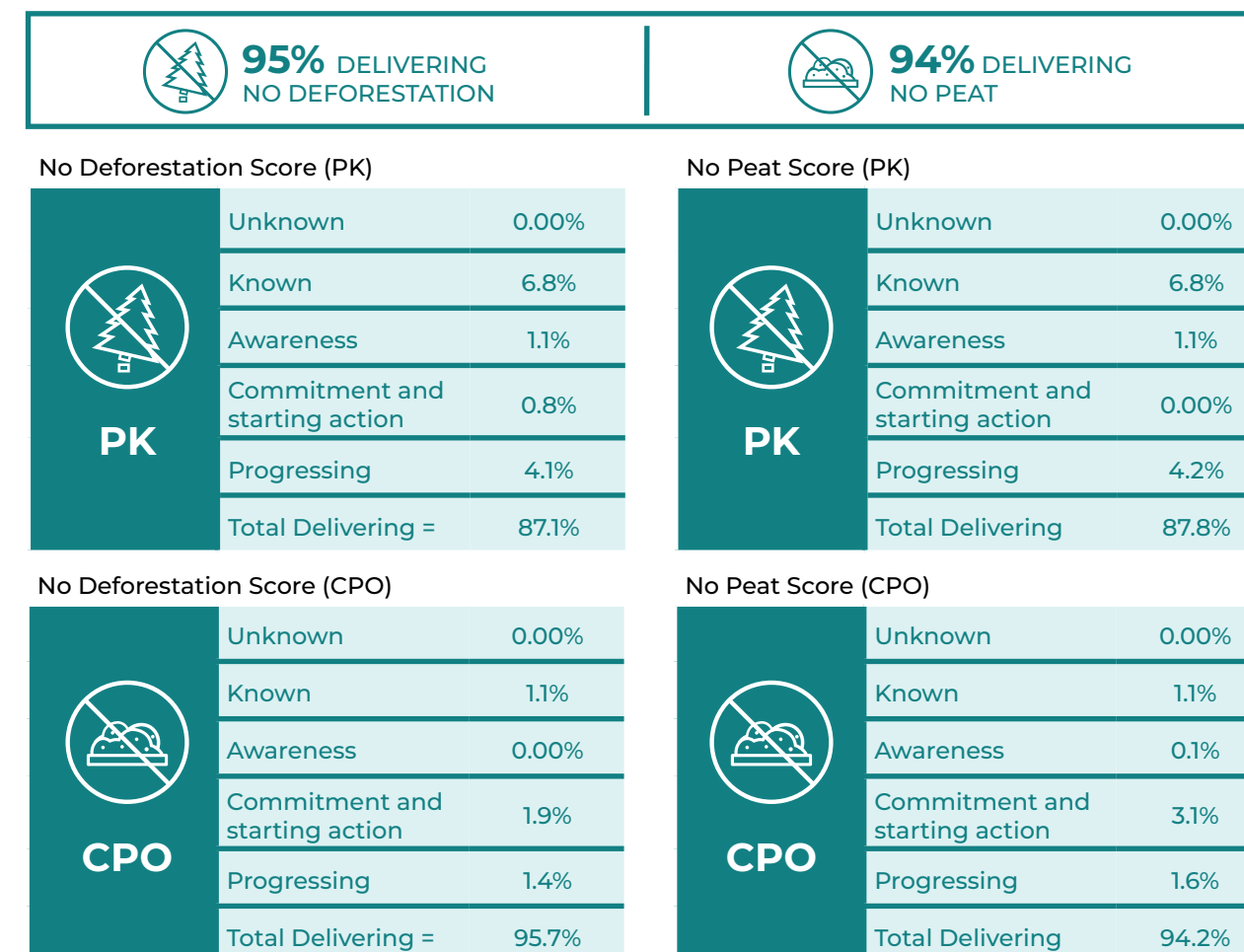
Through these activities, Permata Group helps our mill partners improve their understanding and capacity in applying sustainability principles. This approach strengthens operational governance, facilitates preparedness for ISPO certification, and aligns our suppliers' business practices with both national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

Driving Palm Oil Sustainability Through NDPE IRF Verification

As part of our strong commitment to sustainability, Permata Group has taken a significant step by participating in the NDPE IRF (No Deforestation, No Peat, No Exploitation Implementation Reporting Framework). This globally recognized tool helps us measure, demonstrate, and strengthen our NDPE commitments throughout our palm oil supply chain.

In 2024, Permata Group successfully completed its NDPE IRF verification, which was conducted by the independent auditor Control Union (CU). This milestone highlights our progress in embedding sustainability across our operations and provides tangible evidence of our ongoing efforts to improve transparency and accountability. Our NDPE IRF Verification scores in categories are 95% for No deforestation and 94% no peat.

For us, this verification is more than a simple compliance exercise. It reflects our continuous journey to align our practices with international sustainability standards. By undergoing this rigorous process, we strengthen stakeholder trust and reaffirm our role in building a sustainable palm oil industry for the future.



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 2024
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	7-13
	2-2	Entities included in the organization ‘s sustainability reporting	12-13
	2-3	Reporting period, frequency and contact point	5
	2-5	External assurance	5
	2-6	Activities, value chain and other business relationships	10-13
	2-7	Employees	76-81
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	2-9	Governance structure and composition	16-17
	2-10	Nomination and selection of the highest governance body	confidential
	2-11	Chair of the highest governance body	16
	2-12	Role of the highest governance body in overseeing the management of impacts	16
	2-13	Delegation of responsibility for managing impacts	17
	2-14	Role of the highest governance body in sustainability reporting	17
	2-16	Communication of critical concerns	20
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General Disclosures			
GRI 2 : General Disclosures 2021	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	61-62
	2-28	Membership associations	94-95
	2-29	Approach to stakeholder engagement	21
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GRI 3: Material Topics 2021	3-2	List of material topics	16
Protecting High Conservation Area and Biodiversity			
GRI 3: Material Topics 2021	3-3	Management of material topics	38
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected area	38
	304-2	Significant impacts of activities, products and services on biodiversity	38-45
	304-3	Habitats protected or restored	38
	304-4	IUCN Red List species and national conservation list species with habitas in areas affected by operations	39
Fire Management and Prevention			
GRI 3: Material Topics 2021	3-3	Management of material topics	48-51
Pest Management and Fertilizer Use			
GRI 3: Material Topics 2021	3-3	Management of material topics	52-53
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.	52-53
		•Describe actions taken to prevent, mitigate and/or remediate negative impacts associated with the use of extremely and highly hazardous pesticides.	

GRI STANDARD	GRI DISCLOSURE NUMBER	DISCLOSURE TITLE	PAGE REFERENCE
GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022	13.6.1	- 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	52-53
Water and Effluent Management			
GRI 3: Material Topics 2021	3-3	Management of material topics	54-61
GRI 303: Water and Effluent 2018	303-1	Interactions with water as a shared resource	54
	303-2	Management of water discharge related impacts	60-61
	303-5	Water consumption	54
Waste Management			
GRI 3: Material Topics 2021	3-3	Management of material topics	62-64
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	62
	306-2	Management of significant waste-related impacts	64
	306-3	Waste generated	62
	306-4	Waste diverted for disposal	64
	306-5	Waste directed to disposal	64
Energy Management			
GRI 3: Material Topics 2021	3-3	Management of material topics	65-66
GRI 302: Energy 2016	302-1	Energy Consumption within the organisation	65-66
	302-3	Energy intensity	65-66
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GRI 3: Material Topics 2021	3-3	Management of material topics	67-74
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	72
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GRI STANDARD	GRI DISCLOSURE NUMBER	DISCLOSURE TITLE	PAGE REFERENCE
GRI 305: Emissions 2016	305-4	GHG emissions intensity	72
	305-5	Reduction of GHG emissions	72-73
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GRI 3: Material Topics 2021	3-3	Management of material topics	76-80
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	77
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	78
GRI 404: Training and Education	404-1	Average hours of training per year per employee	79
	404-2	Program for upgrading employee skills and transition assistance programs	79-80
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GRI 3: Material Topics 2021	3-3	Management of material topics	81-82
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	81
GRI 408: Child Labor 2018	408-1	Operations and suppliers at significant risk for incidents of child labor	81
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	81
Employee Health, Safety and Wellbeing			
GRI 3: Material Topics 2021	3-3	Management of material topics	83-87
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	83
	403-2	Hazard identification, risk assessment, and incident investigation	84
	403-3	Occupational health services	85-87
	403-4	Worker participation, consultation, and communication on occupational health and safety	85,87

GRI STANDARD	GRI DISCLOSURE NUMBER	DISCLOSURE TITLE	PAGE REFERENCE
GRI 403: Occupational Health and Safety 2018	403-5	Worker training on occupational health and safety	83
	403-6	Promotion of worker health	85,87
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	85,87
	403-8	Workers covered by an occupational health and safety management system	83
	403-9	Work-related injuries	84
Community and Smallholder Livelihood			
GRI 3: Material Topics 2021	3-3	Management of material topics	88-91
GRI 203: Indirect Economic Impact 2016	203-1	Infrastructure investments and services supported	89
	203-2	Significant indirect economic impacts	89
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.	88
Corporate Governance and Ethics			
GRI 3: Material Topics 2021	3-3	Management of material topics	92-93
GRI 205: Anti corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	92-93

GRI STANDARD	GRI DISCLOSURE NUMBER	DISCLOSURE TITLE	PAGE REFERENCE
Consumer and Customer			
GRI 3: Material Topics 2021	3-3	Management of material topics	93-95
GRI 416: Customer Health And Safety	416-1	Assessment of the health and safety impacts of product and service categories	93-95
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	95
Sustainable Supply Chain			
GRI 3: Material Topics 2021	3-3	Management of material topics	96-105
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	101
	308-2	Negative environmental impacts in the supply chain and actions taken	101-103
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).	98-100
	13.23.3	Report the percentage of sourced volume certified to internationally recognized standards that trace the path of products through the supply chain, by product and list these standards.	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.	101-102

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.

Greenhouse gas (GHG)	Gases in the atmosphere that trap heat thereby creating a greenhouse effect.
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, which are released and 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 biomass and bioenergy. The main defining feature of ISCC is the emphasis on carbon emissions. In order to be certified, a products' carbon footprint must be 50% lower than its equivalent fossil fuel.
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
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 kernel of FFB.
Palm kernel shell (PKS)	What remains of kernel after the pulp has been removed for oil pressing.
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 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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