DSNGROUP

# Sustainability Report 2025

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# About This Sustainability Report

## Reporting Scope [GRI 2-2, 2-3, 2-4]

The 2025 Sustainability Report of PT Dharma Satya Nusantara Tbk (DSNG) is compiled as an annual publication that outlines the Company's sustainability strategies, initiatives, and performance, including all subsidiaries within the Palm Oil, Wood Products, and Renewable Energy Business Units in Indonesia. This report covers the Company's and its subsidiaries' sustainability performance for the period from January 1 to December 31, 2025, and is aligned with the Company's Consolidated Financial Statements and forms part of DSNG's 2025 Annual Report, unless otherwise stated. All information in the Report has been reviewed by the Chief Sustainability Officer (CSO) to ensure accuracy and consistency with the Company's sustainability policies and principles.

**As of the end of 2025, several updates and adjustments have been made to the information presented in the previous report, including changes to the legal status of managed areas and adjustments to data on energy, water, waste, and emissions management to ensure greater accuracy and alignment with current conditions.**

## Reporting Guidelines and Standards

This report has been prepared with reference to:

- Regulation of the Financial Services Authority (POJK) No. 51/POJK.03/2017 on the Implementation of Sustainable Finance
- Global Reporting Initiative (GRI) Standards with compliance: 'in accordance with GRI Standards' and GRI 13, Agriculture, Fisheries, and Marine Fisheries Sector 2022, following the reporting principles of GRI Standards
- Task Force on Climate-related Financial Disclosures (TCFD)
- Palm Oil Sector Sustainability Policy Transparency Toolkit (SPOTT) Assessment
- Sustainability Accounting Standards Board (SASB)
- International Sustainability Standards Board (ISSB)

## External Assurance [POJK G.1] [GRI 2-5, 2-14]

All data and information presented in the 2025 Sustainability Report have undergone a verification process to ensure their accuracy and reliability. The report was internally verified by the sustainability team and approved by the Board of Directors. DSNG also engaged Control Union as an independent third party to provide limited assurance under the ISAE 3000 standard on the data disclosed in this report in accordance with the GRI Standards. The official assurance statement is presented on page 154.

## Response to Feedback on the Previous Sustainability Report [POJK G.3, GRI 2-3]

DSNG values stakeholder engagement in the sustainability reporting process. During the reporting period, no feedback was received on the previous year's Sustainability Report. Accordingly, the following 2025 Sustainability Report does not include any actions or responses to input from the previous reporting period.

**2024 DSNG Sustainability Report**

## Reporting Contact [GRI 2-3]

# Teguh Triono

**Management System & Sustainability Engagement Division Head**

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# Overview from the Board Directors [POJK D.1] [GRI 2-22]

This year, both the region and Indonesia have faced increasingly severe environmental challenges, including **major floods in Sumatra** and increasingly unpredictable extreme weather events that have affected livelihoods, ecosystems, and communities. In response, we reaffirm our commitment to strengthening our role as a nature-based company that not only seeks to minimise negative impacts, but also proactively delivers net-positive value for society and the environment.

Guided by our sustainability pillars—**forests, climate, and people**—we are committed to reducing total emissions **by 44% by 2030**. This will be achieved through increased investment in renewable energy, waste-to-value innovation, and the active protection and enhancement of biodiversity.

As we present the **2025 Sustainability Report**, I am proud to highlight several important milestones achieved to date. DSNG **ranked 5th globally** in the ESG SPOTT assessment, our highest ranking to date, reflecting our consistent commitment to transparency and responsible business practices. We were also honoured to receive the **2025 RSPO Conservation Leadership Award**, recognising our long-term dedication to biodiversity conservation, ecosystem restoration, and landscape-level partnerships.

Throughout the year, **tangible progress** has been made at the operational level. One notable achievement is our collaboration with **Rainforest Alliance in Central Java**, funded by the Asian Development Bank. The programme reached **up to 4,000 farmers** within our timber supply chain landscape through the implementation of climate-smart agriculture, improved financial literacy, and more sustainable agronomic practices. These efforts strengthen smallholder resilience and reaffirm the critical role of communities in advancing sustainability outcomes.

In **Kalimantan**, we continued our efforts to reconnect fragmented habitats within our conservation areas through the construction of wildlife bridges and the planting of native species along biodiversity corridors. Beyond our concession boundaries, we actively collaborate with the **Natural Resources Conservation Agency (BKSDA)** and civil society organisations in wildlife rescue initiatives, while supporting broader landscape-level collaboration in the **Keraitan Landscape**. This includes engagement with neighbouring operators to promote ecological connectivity and the creation of safe habitats for wildlife.

> Since its inception, DSNG has grown and been shaped by nature. The Company began as a wood-processing business with a strong commitment to forest conservation, community welfare, operational excellence, and the prudent use of natural resources. As DSNG has evolved into a diversified, nature-based enterprise, these values have remained central to our approach, guiding our efforts to safeguard ecosystems, empower communities, and create sustainable value across all business lines. To this day, DSNG stands firmly on the strength of this history and these enduring principles.

**Andrianto Oetomo**
President Director

We recognise that there is much to learn from civil society partners, particularly those with deep expertise in biodiversity monitoring. This year, we began working with SINTAS, which is a partner of the **Zoological Society of London (ZSL)** to strengthen our biodiversity monitoring methodologies and to prepare for nature-dependency reporting in line with the **Taskforce on Nature-related Financial Disclosures (TNFD)** framework.

Our **social programmes** have also deepened in both scope and impact. Among the many initiatives undertaken, one of the most meaningful—and a source of great pride—is our effort to **eliminate school dropout rates among children** in our East Kalimantan operational areas, where we have the largest workforce and community engagement. Following intensified efforts since last year through school collaboration, partnerships with gender committees, parental engagement, and targeted support, we are proud to report that as **of the third quarter of 2025, the school dropout rate has been reduced to zero**.

This achievement has profound significance. In rural areas, early school dropout poses long-term risks, ranging from limited access to education and increased vulnerability to underage labor to, in some cases, exposure to criminal activity. By ensuring that every child stays in school, we are contributing to promoting educational equality, breaking the potential cycle of vulnerability, and building a better future for thousands of families.

**Sustainable Finance** continues to underpin our strategic direction. With ongoing support from &Green, the Asian Development Bank, and domestic financial institutions, we have been able to channel long-term capital toward environmental management, operational resilience, and community well-being. I am pleased to share that **approximately 28% of our total financing is now linked to sustainability principles**. Our Environmental and Social Management System (ESMS) provides robust oversight to ensure that all investments align with stringent ESG safeguards.

In stakeholder dialogues held in Europe two years ago, the **European Union Deforestation Regulation (EUDR)** emerged as a key topic of discussion. After careful consideration, the EU Goverment decided to defer implementation by one year as a constructive step, allowing time to enhance readiness, strengthen traceability systems, and foster more inclusive collaboration to protect forests and livelihoods. In line with this, DSNG has made significant progress in achieving deforestation-free supply chains and traceability to plantation level, reaching 100% for timber and over 97% for fresh fruit bunches to date.

In 2025, we continued to create sustainable value by strengthening circularity and renewable energy initiatives. Through strategic partnerships, we promote the conversion of agricultural waste into biomass materials, enabling by-products to be transformed into low-carbon, value-added solutions. These initiatives include the **development of wood pellets from timber waste in Central Java, the utilisation of palm kernel shells from our operations, and the processing of wood residues into livestock bedding**.

These achievements reflect the consistency of our journey as a **nature-based company**, grounded in the belief that **corporate success must go hand in hand with community well-being and environmental stewardship**.

> As we move forward, I extend my sincere appreciation for the trust, collaboration, and constructive guidance of all stakeholders. Amid increasingly complex challenges and areas that still require improvement, we remain committed to advancing this journey with humility, resilience, and a continuous improvement mindset.

Respectfully,

**Andrianto Oetomo**
President Director

# Open Letter to DSNG

**Datuk Darrel Webber**
Chairman Sustainability Advisory Board

## Dear Stakeholders,

As Chair of the Sustainability Advisory Board (SAB), I am pleased to share a brief reflection on the role and focus of the Board, including my own, throughout 2025.

The SAB was established to provide independent and forward-looking perspectives on sustainability-related risks and opportunities that are material to the long-term resilience of DSN Group (DSNG). Our role sits firmly within the governance sphere, ensuring that sustainability considerations are embedded strategically in business decision-making, rather than treated as a supplementary agenda.

As the impacts of climate change intensify, regulatory landscapes evolve, and stakeholder expectations continue to rise, the SAB views climate and sustainability issues as core elements of enterprise risk management, long-term value creation, and organizational resilience. These factors are increasingly shaping corporate strategy, investment decisions, and governance practices.

## Reflections on 2025: Key Focus of SAB Focus

### Biodiversity and Landscape Risks

We placed particular attention on wildlife protection, especially orang utan conservation within landscapes affected by third-party activities. Discussions emphasized the importance of effective governance, cross-stakeholder coordination, and reputational risk management. This reflects the growing recognition that biodiversity risks are critical to maintaining social license to operate and public trust.

### NDPE Implementation and Supply Chain Engagement

The SAB monitored progress in implementing NDPE commitments and enhancing supply chain traceability, while closely examining structural challenges related to external suppliers, intermediaries, and land legality. Discussions extended beyond key performance indicators to include residual risk management and the maintenance of credibility amid increasing complexity.

### Climate Adaptation and Operational Resilience

Throughout the year, the SAB reviewed a range of climate-related initiatives, including soil health programs, tree-island–based replanting approaches, emissions reduction efforts, and pilot projects with external partners. These discussions highlighted meaningful technical progress, while underscoring the need to translate initiatives into a coherent understanding of climate risk at the enterprise level and into long-term resilience planning.

### Regulatory Developments and Human Rights Due Diligence (HRDD)

We closely followed evolving regulations and expectations related to Human Rights Due Diligence (HRDD), with the understanding that procedural compliance must be complemented by adaptive approaches that respond to shifting policy environments and stakeholder demands.

## Reflections from the Field

In 2025, I visited several operational sites, each offering distinct insights. My visit to West Kalimantan, in particular, provided valuable perspectives.

**Two key observations stood out.**
First, DSNG's commitment to improving the well-being of communities surrounding its operations is clearly evident. Positive impacts can be observed directly, and several initiatives show strong potential for scaling. One program that left a lasting impression was community-based egg production. The initiative is grounded in sound economic logic, designed inclusively, and actively involves persons with disabilities. Its simplicity, dignity, and replicability distinguish it among the Group's community development efforts.

***Why do such initiatives matter?***
The Group's operations directly intersect with the lives of tens of thousands of people living within its operational landscapes. Ensuring that these interactions generate positive outcomes, rather than harm, is both prudent and responsible. Over time, this approach fosters mutually beneficial relationships in which communities and businesses can grow together in stability and trust.

The second observation serves as a reminder that while companies strive to apply equal treatment across the workforce, this is not always feasible or appropriate in all contexts.

In West Kalimantan, despite relatively high population density, operations continue to face challenges in recruiting and retaining local labor, including issues related to attendance discipline and fixed working hours.

Drawing on my experience across regions such as North Borneo (Malaysia), Kalimantan, Latin America, and elsewhere, I have consistently observed that community development challenges often follow similar patterns, regardless of geography. Whether among Dayak farmers in Borneo or smallholders in the Amazon, the underlying development constraints tend to recur with comparable characteristics.

This reinforces an important insight that societies progress through major stages of development, but not simultaneously. These stages are not value judgments; they simply reflect the long arc of human civilization.

Many societies in Europe and parts of Asia have undergone 2,000 to 4,000 years of continuous development in agriculture, trade, and financial systems. By contrast, many Indigenous communities in Kalimantan have less than a century of structured engagement with monetized economies, formal land tenure, or settled agriculture. This difference is not about capacity or intelligence, it is about time.

Comparing communities with only a century of experience to those with millennia of accumulated development is fundamentally unfair. Societies that industrialized earlier are not inherently superior; they simply started the journey sooner. Sustainable development, therefore, must focus on accompanying communities through this process as efficiently and humanely as possible, enabling them to learn from others' experiences rather than repeating avoidable mistakes. To me, this is the essence of a ***just transition***.

DSNG increasingly recognizes that operations in West Kalimantan require tailored attention and context-specific approaches to ensure solutions align with local characteristics and needs. Managing human resources and community relations in this context is rarely straightforward and seldom offers simple solutions. Nonetheless, such efforts are expected to yield more relevant and sustainable outcomes over the long term.

## Recognition of Progress and Performance

Despite operating in a highly scrutinized sector, DSNG continues to receive external recognition for its sustainability performance in 2025. These include the **RSPO Conservation Leadership Award, a Gold Award at the Investor Trust ESG Awards**, included in the **"Under a Billion" Forbes Asia** list, and ranked among the top five companies in **the ESG SPOTT** assessment conducted by the Zoological Society of London.

During the same period, the Group's share performance demonstrated relative resilience in financial markets. While this does not imply direct causality, it suggests that long-term investor confidence is often built on credibility, discipline, and a long-term orientation. In this regard, the SAB remains committed to ensuring that such trust is matched by strengthened internal governance and continuous improvements in sustainability performance.

## Looking Ahead to 2026: Sharpening the Focus

As we move into 2026, the SAB encourages deeper integration of climate and sustainability considerations into corporate-level decision-making. Risks related to climate change, biodiversity, and supply chains should be treated as core enterprise risks, influencing long-term asset values, operational resilience, cost structures, access to capital, and competitiveness.

Accordingly, the SAB will advocate for clearer articulation of how these risks are identified, prioritized, and managed alongside other material business risks, and how they are incorporated into medium- and long-term strategic planning.

This approach is not driven solely by compliance or reputation, but by the need to strengthen DSNG's capacity to anticipate uncertainty and safeguard long-term business resilience in an increasingly dynamic operating environment.

> Sustainability governance is often fully understood only after a crisis occurs. Early warning signs may exist, but they are not followed up on or responded to adequately. The purpose of the SAB is to ensure that difficult questions are raised early, while there is still room to act.
>
> The foundations established in 2025 have positioned DSNG well. The challenge in 2026 is to translate these insights into sharper decisions and greater organizational resilience.

**Datuk Darrel Webber**
Chairman Sustainability Advisory Board

# Sustainable Achievements and Performance Summary

## Economic Performance [POJK B.1]

🟢 2025 | 🟠 2024 | 🔵 2023

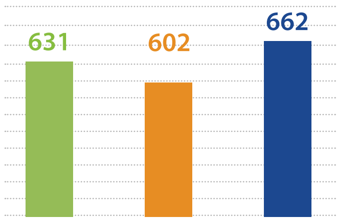
**Revenue and Profit (Rp billion)**

**12,315** Revenue

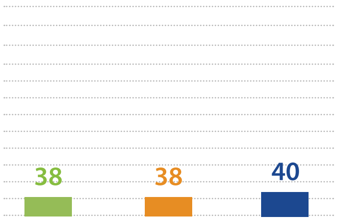
**1,829** Net profit

| | 2025 | 2024 | 2023 |
|---|---|---|---|
| Revenue of Palm Oil | 10,846 | 8,784 | 8,354 |
| Revenue of Wood Products | 1,242 | 1,152 | 1,074 |
| Renewable Energy | 226 | 183 | 70 |
| Net Profit (Loss) | 1,829 | 1,141 | 842 |

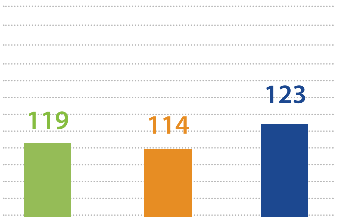
### Production Volume - Palm Oil Business Unit (thousand tons)



Crude Palm Oil (CPO)

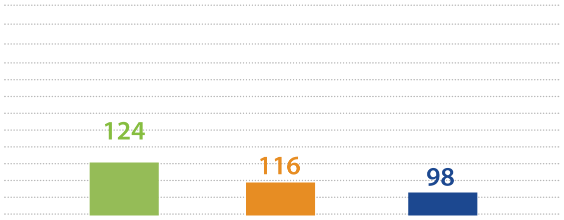


Palm Kernel Oil (PKO)

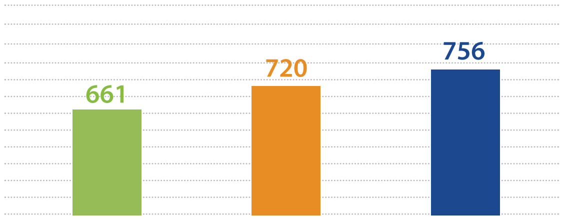


Palm Kernel (PK)

### Production Volume - Wood Products Business Unit

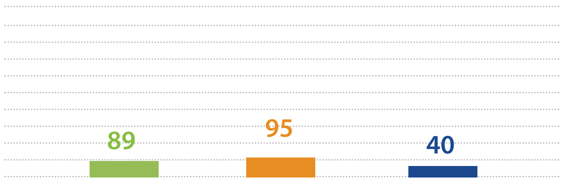


Panel (thousand m³)



Engineered Floor (thousand m²)

### Sales Volume - Renewable Energy Products



Shells (thousand tons)

### Production Volume - Renewable Energy Products

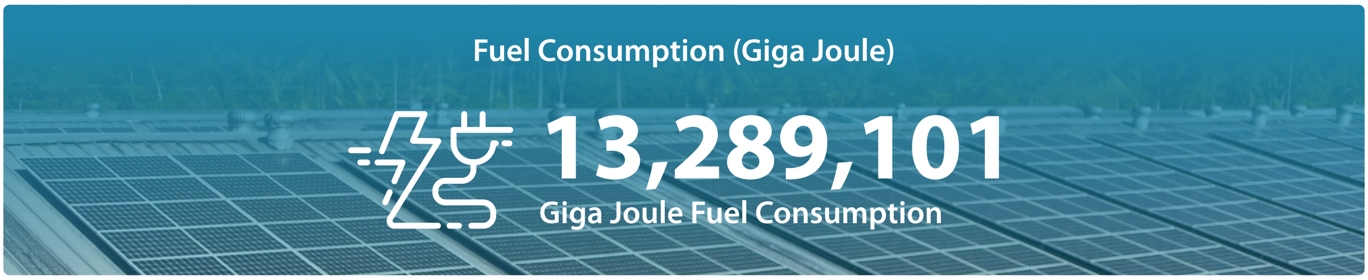
Wood Pellets (thousand tons)

Note:
N/A : entity has not been operating in the reporting period.

## Environment [POJK B.2]

🟩 2025 | 🟧 2024 | 🟦 2023

### Energy Management

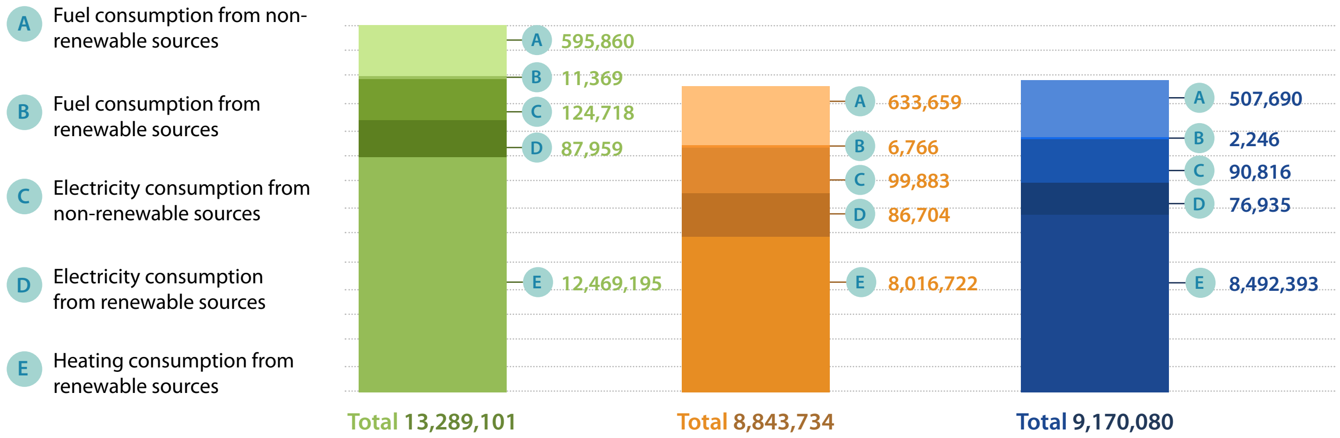


**Fuel Consumption (Giga Joule)**

**13,289,101**

Giga Joule Fuel Consumption

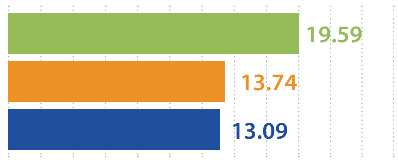
#### Energy Consumption



### Energy Consumption Intensity

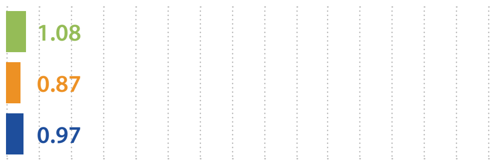
#### Wood Products Business Unit

#### Palm Oil Business Unit (GJ/ton CPO)



#### Renewable Energy Business Unit (GJ/ton)

#### DSNG (GJ/Rp(Revenue))



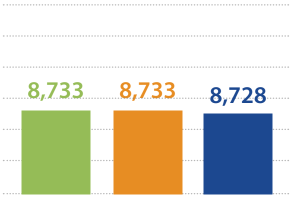
Note:
N/A : entity has not been operating in the reporting period.

### Biodiversity Conservation

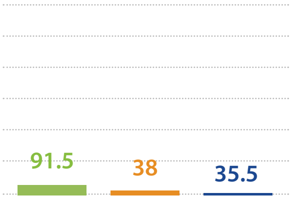
**8,733**

Conservation Area 2025

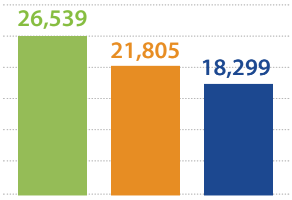
**Conservation Area Within Concession (ha)**



**Forest Restoration (ha)**

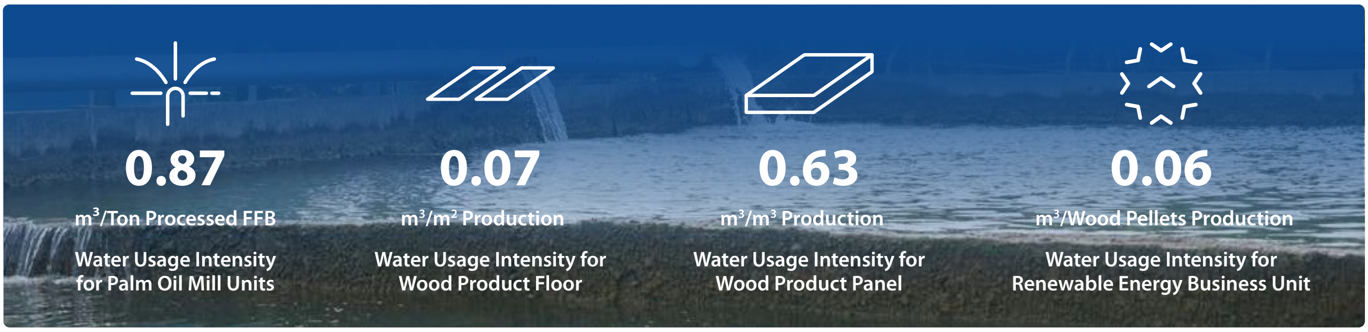


**Partner Farmers (individuals)**



● 2025 | ● 2024 | ● 2023

## Water Management



**0.87**
m$^3$/Ton Processed FFB
Water Usage Intensity for Palm Oil Mill Units

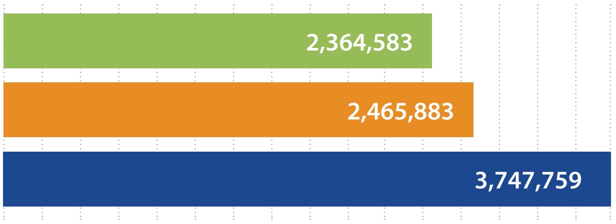
**0.07**
m$^3$/m$^2$ Production
Water Usage Intensity for Wood Product Floor

**0.63**
m$^3$/m$^3$ Production
Water Usage Intensity for Wood Product Panel

**0.06**
m$^3$/Wood Pellets Production
Water Usage Intensity for Renewable Energy Business Unit

### Palm Oil Business Unit

Total Water Usage for Palm Oil Mill Processing (m$^3$)



Water Usage Intensity for Palm Oil Mill Processing (m$^3$/ton processed FFB)

### Wood Products Business Unit

**Floor**

Total Water Usage (m$^3$)

Water Usage Intensity (m$^3$/m$^2$ Production)

**Panel**

Total Water Usage (m$^3$)

Water Usage Intensity (m$^3$/m$^3$ Production)

### Renewable Energy Business Unit

Total Water Consumption for Renewable Energy Business Unit Processes (m$^3$)

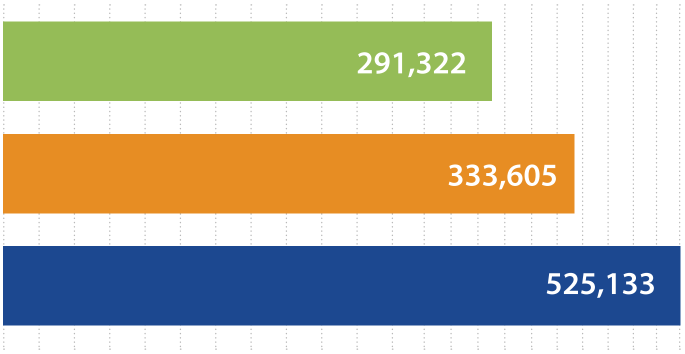
Water Consumption Intensity for Renewable Energy Business Unit Processes (m3/Ton of production)

● 2025 | ● 2024 | ● 2023

### GHG Emission Management

**GHG Emission Volume for Palm Oil Business Unit ($tCO_2e$)**

**Total Emission**

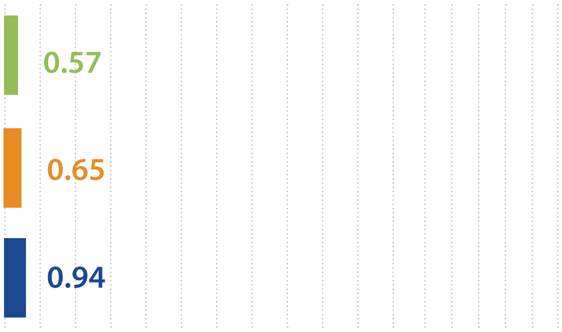


# 26.86

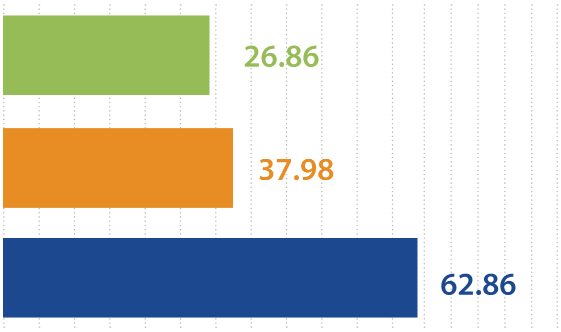
$tCO_2e$/Rp billion

GHG Emission Intensity per Value of Palm Oil Product Revenue

**Per CPO Production Volume ($tCO_2e$/Ton CPO)**



**Per Value of Palm Oil Product Revenue ($tCO_2e$/Rp billion)**



Note: GHG emissions data is based on RSPO-certified palm oil mills

### Waste Management

Utilization of **513,149 tons** of organic waste recycled into livestock bedding, animal feed, and fertilizer for gardens.

### Social [POJK B.3]

**IDR 37.5 billion**

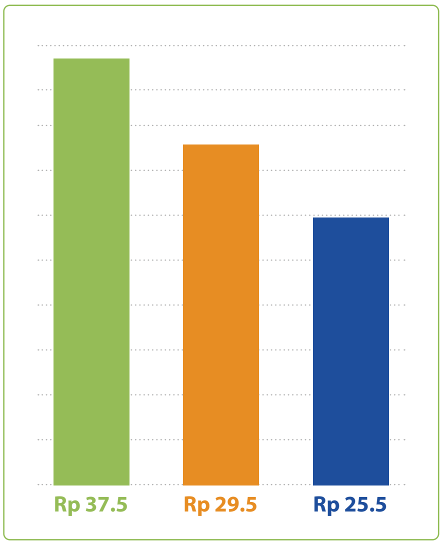
**CSR Expenditure**

**55 Assisted Cooperatives**

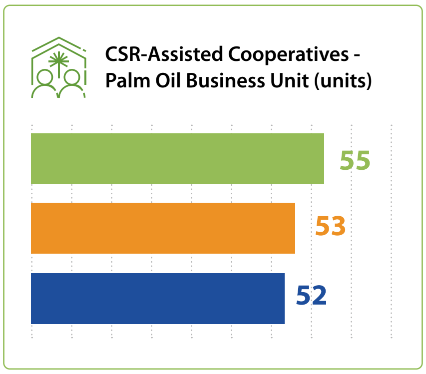
In the palm oil business unit that received CSR funds

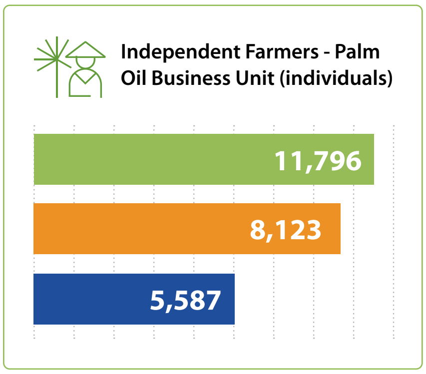
● 2025 | ● 2024 | ● 2023

**CSR Fund (Rp billion)**



**Beneficiaries**





**Credit Union**

**4,896** Member

**137,91** Total Assets (Rp billion)

**Local Engagement**

Local Material Supplier (suppliers)

203 — 212 — 197

**Employment**

**19,161 People**
Total Employee

19,161 19,399 20,274

**140,706 Hours**
Total Training Hours

140,706 94,773 149,091

**41,683,081 Hours**
Total Safe Working Hours

41,683,081 43,830,248 43,094,306

**Employee Ratio**

Male **14,896** Female **4,265**

# Awards

### 16th Indonesia HR Excellence Award

SWA lm feb ui

Excellent rating for the following categories:
- HR Digitalization and People Analytics
- Learning and Development
- Well-Being Management

### Winner Conservation Leadership Award

RT2025
AN EVENT BY RSPO

### Fortune Southeast Asia 500 2025

FORTUNE

### Business and Human Rights Award 2025

SETARA
Institute for Democracy and Peace

Excellent Predicate for the category:
- Score of 69
- Rating B
- BHR Early Adopting Company

### Forbes Asia Under a Billion Company

Forbes Asia

### Carbon Data Collaboration Award

sinarmas

### Katadata ESG Index Award 2025

KATADATA

- Plantation Sector Rank 1

### Occupational Safety and Health Committee (P2K3) Award

East Kalimantan Provincial Government
Manpower and Transmigration Office

- Platinum Award

### Gold Star Awards

INVESTORTRUST
ESG

- Mid Cap Issuer Category

### Tuberculosis Control Program Award PT Swakarsa Sinar Sentosa Muara Wahau Site

Governor of East Kalimantan

- Platinum Category Award

SERTIFIKAT PENGHARGAAN

PT. Dharma Satya Nusantara, Tbk
Site Muara Wahau

### Dedication to Preserving Dayak Culture

KEMENTERIAN KEBUDAYAAN
REPUBLIK INDONESIA

PIAGAM
PENGHARGAAN

PT. DSN GROUP

### Preserving the Cultural Heritage of Kayan Umaq Lekan

Miau Baru Village Government

### A forum for companies and organizations in Indonesia to showcase their innovations and achievements in quality and productivity improvement.

Temu Karya Mutu & Produktivitas Nasional (TKMPN)
National Quality & Productivity Convention (NQPC) XXIX

- 5 QCC Platinum Awards
- 1 QCC Gold Awards
- 1 Suggestion System Gold Awards
- 1st & 4th Place Quiz of Quality & Productivity

PENGHARGAAN
CERTIFICATE

PT Dharma Satya Nusantara Tbk

PERINGKAT
RANK
A

### Public Companies with the Best Sustainability Report in 2024

FIHRRST
Foundation for International Human Rights Reporting Standards

mri Moores Rowland

- A-Rank Award

Investing Climate

PT Dharma Satya Nusantara Tbk

BEST LITERACY
FOR CLIMATE RESILIENCE

### The Investing on Climate event, including Best Emission Reduction, Best Literacy for Climate Resilience, and Best Green Technology Innovation

Editors Choice Award 2025

- 3 Awards

PIAGAM PENGHARGAAN

MBANGUNAN AWARDS KABUPATE
TAHUN 2025

PT MITRA NUSA SARANA

TERBAIK III

### The 2025 Sintang Regency Development Partner Award in the Corporate Social Responsibility Category

Regent of Sintang

- 3rd Place

### Zero Accident Provincial Level

East Kalimantan Provincial Government

10 Zero Accident Awards from the Provincial Government of East Kalimantan. The awards were granted to the following entities and units: PT DAN, PT KPAS, PT BPN, PT GUN, PT SWA Unit POM 1, 4 Unit POM DSN (POM 2, POM 3, POM 4, POM 6), PT KPAS Unit POM 7, PT BAS Unit POM 10, PT DIN Unit POM 11

PIAGAM PENGHARGAAN

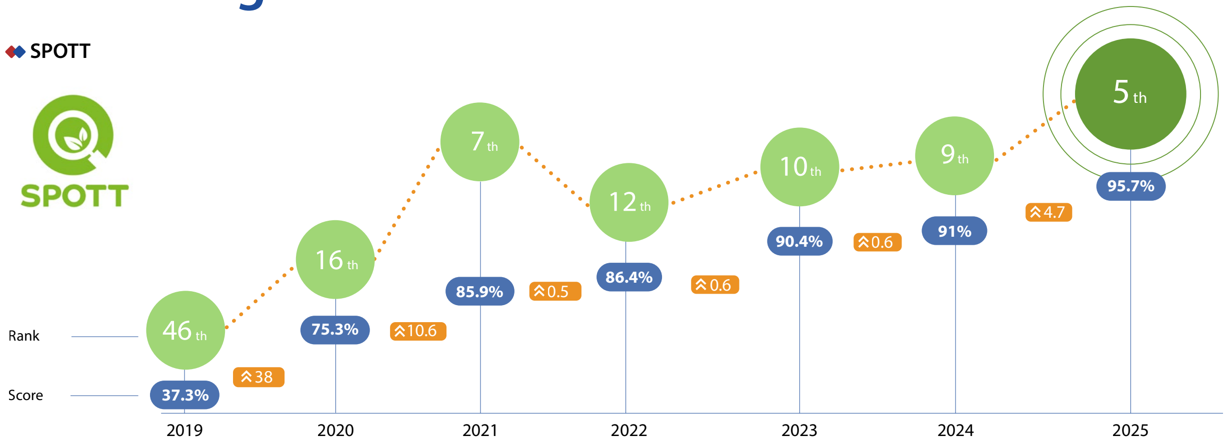
PT Dharma Satya Nusantara Tbk

### Active role in reducing Greenhouse Gas Emissions through the Management of POME into New and Renewable Energy in 2025

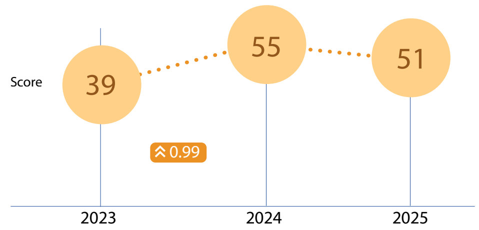
Governor of East Kalimantan

# ESG rating

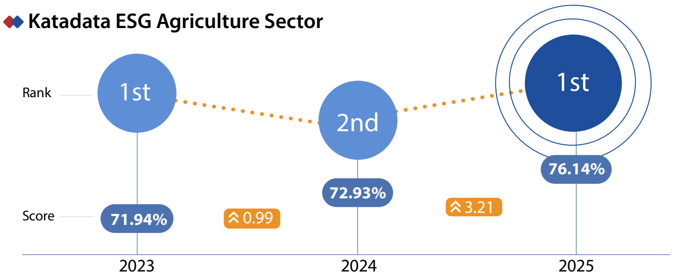
### SPOTT



### S&P Global ESG Score



### Katadata ESG Agriculture Sector



# Certifications

## Palm Oil Business Unit

### Indonesia Sustainable Palm Oil (ISPO)

- **100%** ISPO-Certified Palm Oil Mill Units (POM 2-12)
- **32** ISPO-Certified Plantation Units
- **97,283 ha / 91.48%** ISPO-Certified Nucleus Estate
- **3,339 ha / 13.39%** ISPO-Certified Fully Operated Partnership Plantation

### Roundtable on Sustainable Palm Oil (RSPO)

- **91%** RSPO-Certified Palm Oil Mill Units (POM 2-11)
- **25** RSPO-Certified Plantation Units
- **97,890 ha / 92.05%** RSPO-Certified Nucleus Estate
- **4,855 ha / 19.47%** RSPO-Certified Fully Operated Partnership Estate

### Halal Indonesia

- **100%** 11 POM & 1 KCP Halal-Certified Audit

### Zero Accident

- **10** from Plantation Units, Palm Oil Mill Units, and PT GUN Zero Accident Provincial-Level

### SMK3

- DSN WP Panel's business unit received the Occupational Safety and Health Management System (SMK3) certification from the Ministry of Manpower on August 6, 2024, achieving a score of 85.93% under the basic-level category.

### International Sustainability and Carbon Certification (ISCC)

- **100%** On Target 1 POM Unit

### PROPER

- **8 (89%)** Green PROPER (Provincial Level)
  In 2025, a total of 8 palm Oil Mills (POM 1, 2, 3, 4, 6, 7, 9, and 10) successfully achieved the PROPER Green rating at the Provincial Level.

## Wood Products Business Unit

### Panel

- Certification from the California Air Resources Board (CARB)
- U.S. EPA TSCA TITLE VI
- Forest Stewardship Council (FSC) Chain of Custody
- Japanese Agricultural Standards (JAS)
- Timber Legality Assurance System (SVLK)

### Engineered Floor

- Real Wood
- California Air Resources Board (CARB) Certification
- U.S. EPA TSCA TITLE VI
- FloorScore
- PEFC Chain of Custody
- Forest Stewardship Council (FSC) Chain of Custody
- United Kingdom Conformity Assessed (UKCA)
- Lacey Act
- ISO 9001:2015
- Timber Legality Assurance System (SLVK)
- Greenguard Gold

## Renewable Energy

- Timber Legality Assurance System (SVLK)
- Green Gold Label (GGL) Certification

Further information on the Company's certifications can be accessed on the Company's website.

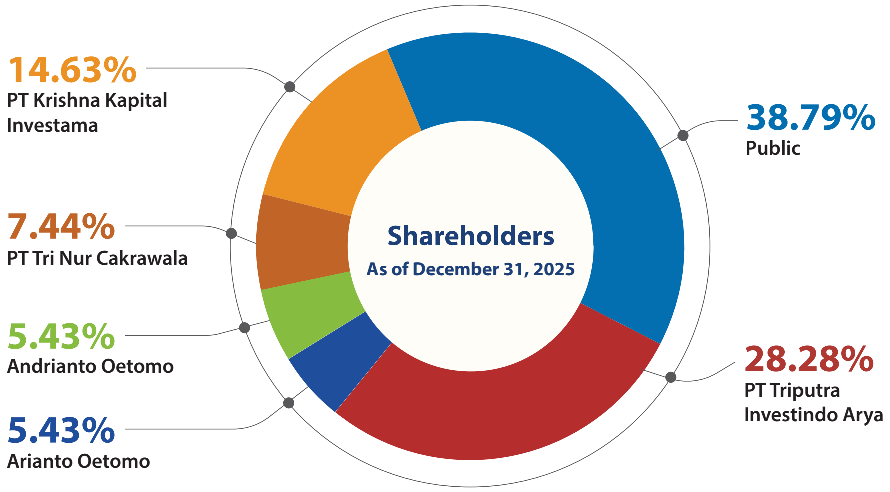
# About DSNG

PT Dharma Satya Nusantara Tbk (DSNG) is a nature-based business that built on its origins in wood to responsibly manage and derive value from natural resources. The Company operates in Kalimantan and Java across three businesses, palm oil, wood products, and renewable energy, while striving to balance economic contribution with environmental care and community well-being. DSNG continues to learn and improve its practices, with the aim of creating long-term value for both people and the environment.

# Company Profile [POJK C.2, C.3.c] [GRI 2-1]

Company Name
**PT Dharma Satya Nusantara Tbk**

Other Name
**DSNG or DSN Group**



## Legal Entity Status

**Public Limited Company**

Listed on the Indonesia Stock Exchange (IDX) on June 14, 2013

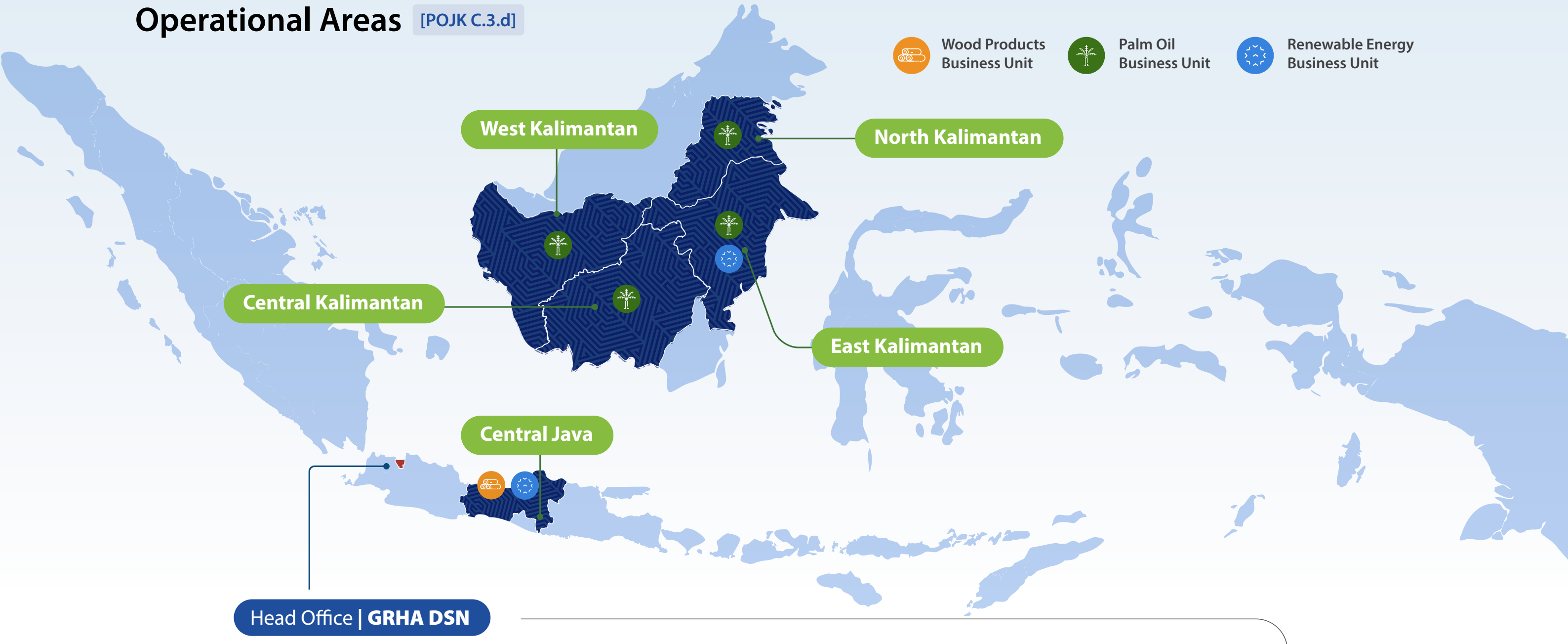
## Stock Code

DSNG

## Number of Employees

**19,161 people**
As of December 31, 2025

## Operational Areas [POJK C.3.d]



**Head Office | GRHA DSN**

Jl. Pulo Ayang Kav. OR3 Pulogadung
Industrial Estate, Jatinegara, Cakung
District East Jakarta 13930, Indonesia

**Phone**
+62 21 4618135

**Fax**
+62 21 4606942

**Email**
corsec@dsngroup.co.id

**Website**
www.dsn.co.id

Throughout 2025, the Company, through its subsidiary under the renewable energy supporting business unit, expanded its business activities to include wood pellet production. [POJK C.6] [GRI 2-6]

# Vision, Mission, and Corporate Values [POJK C.1]

## Vision

To become a world-class company that grows with society and is the pride of our country.

## Mision

To create continuous growth in the natural resources-based industry that adds value to all stakeholders through good governance.

## Corporate Values [POJK F.1]

### INTEGRITY

**We put integrity as our core value in everything that we do.**

- Prioritize the company's interests over those of individuals or groups within the company.
- Provide information based on facts in a responsible manner.
- Walk the talk.

### PASSION

**We act with unrelenting passion.**

- Demonstrating full focus and professionalism in carrying out work responsibilities.
- Persistent and relentless in delivering high-quality results.
- Passion to uplift others.

### STRIVE FOR EXCELLENCE

**We strive for excellence.**

- Committed to sustainably perform.
- Enthusiastic and open to continuous learning and knowledge sharing.
- Ingenious in its decision-making.

### RESPECT

**We respect our employees, society, and the environment.**

- Seek understanding before taking action.
- Respect others by allowing them to grow together.
- Demonstrate concern for the environment.

### SYNERGY AND COHESIVENESS

**We create synergy and cohesiveness within diversity.**

- Build a sense of belonging to foster unity in pursuing the Company's objectives.
- Empower itself and others to create added value.
- Maintain a productive family atmosphere.

# External Initiatives and Association Memberships

[POJK C.5][GRI 2-28]

| ASSOCIATION NAME | STATUS | SCOPE |
|---|---|---|
| Roundtable on Sustainable Palm Oil (RSPO) | Member | International |
| Indonesian Sustainable Palm Oil (ISPO) | Member | National |
| Indeks IDX-KEHATI | Constituent | National |
| Tropical Forest Alliance | Member | International |
| Indonesian Palm Oil Entrepreneurs Association | Member | National |
| Indonesian Wood Panel Association | Member | National |
| Indonesian Chamber of Commerce and Industry (KADIN) | Member | National |
| Indonesian Sawn and Processed Timber Entrepreneurs Association | Member | National |
| Indonesian Public Listed Companies Association | Member | National |
| Partnership for Action Against Child Labor in Agriculture | Member | National |

# Business Scale [POJK C.3.d] [GRI 2-2, 2-6]

## Palm Oil Business Unit

Concession Area
Nucleus Area
Managed Partnership Plantation
Total Plantation
Total POM/Plant

**Total:** 106,343 ha | 82,874 ha | 29,042 ha | 15 | 13

### West Kalimantan

**Sekadau**
PT AAN

7,689 ha
3,276 ha
1,351 ha
1
1 Unit POM

**Sintang**
- PT KAP
- PT PSA
- PT DPS
- PT MNS

14,003 ha
9,666 ha
2,459 ha
4
-

### East Kalimantan

**East Kutai**
- PT SWA
- PT DAN
- PT DIN
- PT DWT
- PT KPS
- PT BPN
- PT BAS

68,433 ha
57,714 ha
20,575 ha
7
9 Unit POM
1 PKO/KCP

**Mahakam Ulu**
- PT PUL

1,272 ha
1,029 ha
238 ha
1
-

### North Kalimantan

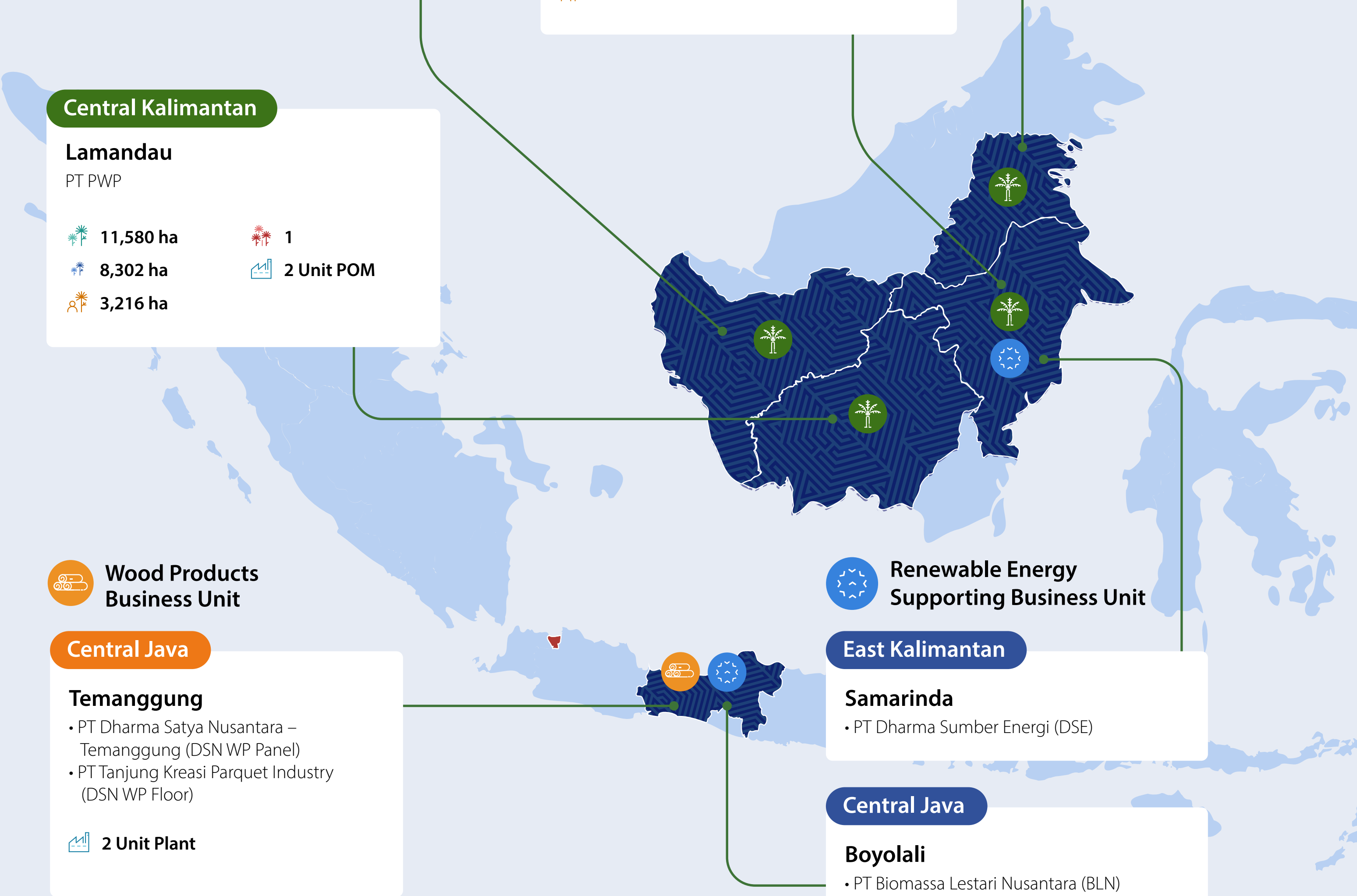
**Bulungan**
PT DIL

3,366 ha
2,887 ha
1,202 ha
1
-

### Central Kalimantan

**Lamandau**
PT PWP

11,580 ha
8,302 ha
3,216 ha
1
2 Unit POM



## Wood Products Business Unit

### Central Java

**Temanggung**
- PT Dharma Satya Nusantara – Temanggung (DSN WP Panel)
- PT Tanjung Kreasi Parquet Industry (DSN WP Floor)

2 Unit Plant

## Renewable Energy Supporting Business Unit

### East Kalimantan

**Samarinda**
- PT Dharma Sumber Energi (DSE)

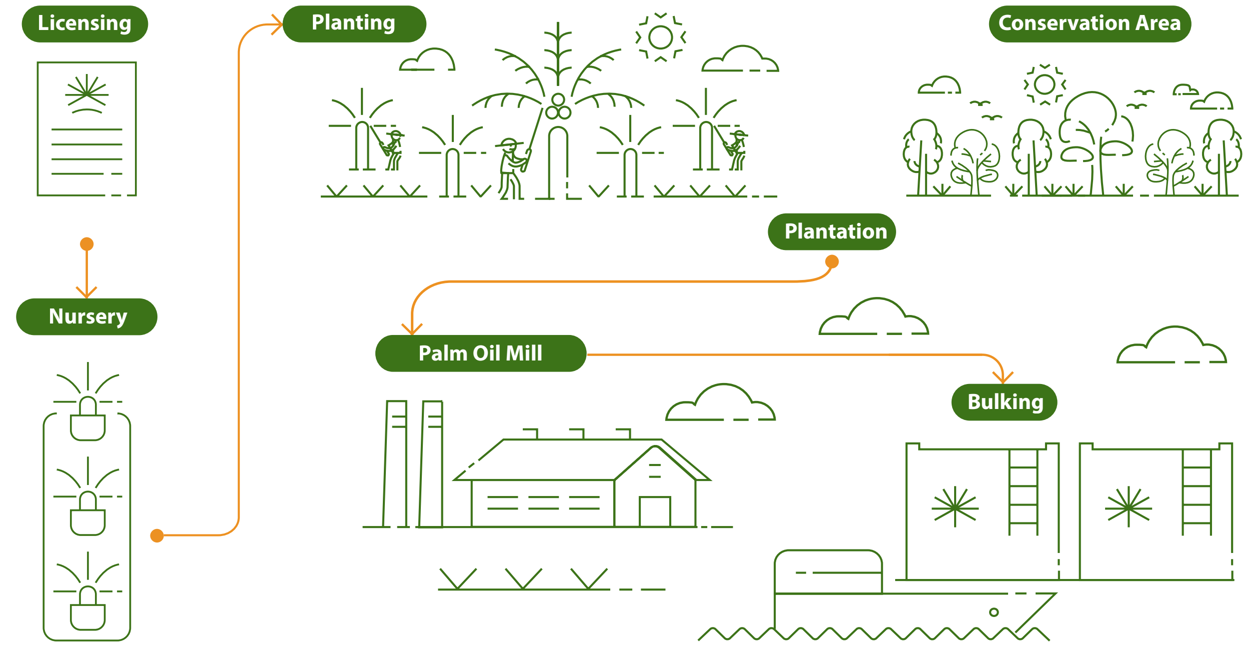
### Central Java

**Boyolali**
- PT Biomassa Lestari Nusantara (BLN)

1 Unit Plant

# Business Unit Segment Profile [GRI 2-6]

## Palm Oil Business Unit Segment Profile



## Wood Products Business Unit Segment Profile

### Panel

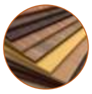
**Raw Material**
- Sengon
- Jabon

**Production Capacity**

**12.000**
m³/month

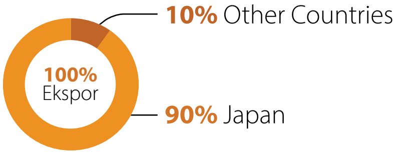
**Product**


Block Board


Plywood


Bare Core

**Market Share**



### Engineered Floor

**Bahan Baku**
- Oak Impor
- Other Local Wood

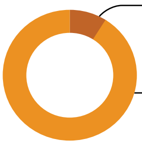
**Production Capacity**

**150.000**
m³/month

**Product**

TEKA

**Market Share**



9% Domestic Market
**Teka Showroom**
Alam Sutera, Jl. Jalur Sutera Kav. 298 No. 36-37

91% Eksport
Europe, Canada, USA, New Zealand, Asia

## Renewable Energy Supporting Business Unit Profile

### Shells

Palm Kernel Shell Material

Samarinda Multi-Purpose Terminal

**Market Shared**
100% Export to Japan

### Wood Pellets

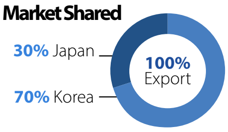
**Raw Materials**
Sengon, Mahogany, and Acacia, including Twigs, Sawdust, and Veneer waste

**Production Target Capacity**
**5,000**
ton/month

**Product**


Wood Pellets

**Market Shared**



### Target and Realization of Production and Sales in the Palm Oil Business Unit [POJK F.2]

| Description | Unit | 2025 | 2025 Target |
|---|---|---|---|
| **CPO Production** | | | |
| Production Realization | Thousand Tons | 631 | 651 |
| Sales Realization | Thousand Tons | 629 | 651 |
| | Rp Billion | 9,100 | 7,163 |
| **Non-CPO Production: Palm Kernel (PK)** | | | |
| Production Realization | Thousand Tons | 119 | 126 |
| Sales Realization | Thousand Tons | 29 | 27 |
| | Rp Billion | 353 | 162 |
| **Non-CPO Production: Palm Kernel Oil (PKO)** | | | |
| Production Realization | Thousand Tons | 38 | 42 |
| Sales Realization | Thousand Tons | 39 | 42 |
| | Rp Billion | 1,115 | 593 |

### Target and Realization of Production and Sales – Wood Products Business Unit [POJK F.2]

| Description | Unit | 2025 | 2025 Target |
|---|---|---|---|
| **Panel Production** | | | |
| Production Realization | Thousand $m^3$ | 124 | 124 |
| Sales Realization | Thousand $m^3$ | 124 | 124 |
| | Rp Billion | 746 | 692 |
| **Engineered Floor Production** | | | |
| Production Realization | Thousand $m^2$ | 661 | 780 |
| Sales Realization | Thousand $m^2$ | 633 | 790 |
| | Rp Billion | 341 | 407 |

### Target and Realization of Production and Sales – Renewable Energy Supporting Business Unit [POJK F.2]

| Description | Unit | 2025 | 2025 Target |
|---|---|---|---|
| **Wood Pellets Production** | | | |
| Production Realization | Thousand ton | 36 | 60 |
| Sales Realization | Thousand ton | 37 | 60 |
| | Rp Billion | 71 | 126 |
| **Renewable Energy Sales-Shells** | | | |
| Sales Realization | Thousand ton | 89 | 120 |
| | Rp Billion | 155 | 195 |

### Product Sales Realization

| Business Unit | Product | Sales on Volume 2025 (Thousand Tons/$m^3$/$m^2$) | Sales Value 2025 | | | |
|---|---|---|---|---|---|---|
| | | | Domestic | | Export | |
| | | | Rp Billion | % | Rp Billion | % |
| Palm Oil Business Unit<br>• Palm Oil Plantation<br>• Palm Oil Mill<br>• Kernel | Crude Palm Oil (CPO) | 629 | 9,100 | 100 | - | - |
| | Palm Kernel Oil (PKO) | 39 | 1,115 | 100 | - | - |
| | Palm Kernel | 29 | 353 | 100 | - | - |
| Wood Products Business Unit | Panel | 124 | 35 | 4.7 | 711 | 95.3 |
| | Engineered Floor | 633 | 57 | 16.7 | 284 | 83.3 |
| Renewable Energy Business Unit | Shells | 89 | 6 | 3.8 | 149 | 96.2 |
| | Wood Pellets | 37 | - | - | 71 | 100 |

### Volume, Percentage, and Source of FFB Supply (ton)

| Source of Supply | 2025 | | 2024 | | 2023 | |
|---|---|---|---|---|---|---|
| | Total | % | Total | % | Total | % |
| Nucleus Plantation | 1,663,463 | 61.40 | 1,604,880 | 63.81 | 1,765,280 | 61.59 |
| Partnership Plantation | 446,708 | 16.49 | 428,268 | 17.03 | 472,830 | 16.50 |
| External | 598,900 | 22.11 | 481,893 | 19.16 | 628,019 | 21.91 |
| **Total** | 2,709,070 | 100 | 2,515,040 | 100 | 2,866,129 | 100 |

### CPO Sales Volume (ton) [SRI KEHATI 02]

| Sales Scheme | Unit | 2025 | 2024 | 2023 |
|---|---|---|---|---|
| **CSPO & ISCC** | | | | |
| Segregated | Ton | 180,650 | 195,700 | 189,400 |
| Mass Balance Scheme | Ton | 83,043 | 44,000 | 32,600 |
| ISCC Mass Balance Scheme | Ton | 11,500 | 23,500 | 39,050 |
| **Sub Total** | **Ton** | 275,193 | 263,200 | 261,050 |
| **Conventional Scheme (Non-CSPO)** | | | | |
| **Sub Total** | **Ton** | 353,544 | 337,911 | 403,991 |
| | | | | |
| **Grand Total CSPO, Non-CSPO, and ISCC** | **Ton** | 628,737 | 601,111 | 665,041 |

### Sustainable Premium CPO Product (RSPO & ISCC) [SRI KEHATI 02]

| Scheme | Unit | 2025 | 2024 | 2023 |
|---|---|---|---|---|
| Sales Volume | Ton | 275,193 | 263,200 | 261,050 |
| Total Sales of Sustainable Premium CPO Products | Billion | 76 | 104 | 120 |
| Total CPO Sales | Billion | 9,100 | 7,687 | 7,577 |
| Percentage of Sustainable Sales | | 0.84% | 1.35% | 1.58% |

### Sustainable Premium PKO Product (RSPO) [SRI KEHATI 02]

| Scheme | Unit | 2025 | 2024 | 2023 |
|---|---|---|---|---|
| Sales Volume | Ton | 23,002 | 21,600 | 19,458 |
| Total Sales of Sustainable Premium PKO Products | Billion | 38 | 39 | 54 |
| Total PKO Sales | Billion | 1,115 | 686 | 511 |
| Percentage of Sustainable Sales | | 3.40% | 5.69% | 10.57% |

### Realization of Production and Sales in the Wood Products Business Unit

| Description | Unit | 2025 | 2024 | 2023 |
|---|---|---|---|---|
| | | 1 | 2 | 3 |
| **Panel** | | | | |
| Production Realization | Thousand $m^3$ | 124 | 116 | 98 |
| Sales Realization | Thousand $m^3$ | 124 | 116 | 100 |
| | Rp Billion | 746 | 670 | 617 |
| **Engineered Floor** | | | | |
| Production Realization | Thousand $m^3$ | 661 | 720 | 756 |
| Sales Realization | Thousand $m^3$ | 633 | 627 | 739 |
| | Rp Billion | 341 | 324 | 340 |

### Realization of Production and Sales in the Renewable Energy Supporting Business Unit

| Description | Unit | 2025 | 2024 | 2023 |
|---|---|---|---|---|
| | | 1 | 2 | 3 |
| **Shells** | | | | |
| Sales Realization | Thousand Ton | 89 | 95 | 40 |
| | Rp Billion | 155 | 183 | 70 |
| **Wood Pellets** | | | | |
| Production Realization | Thousand Ton | 36 | N/A* | N/A* |
| Sales Realization | Thousand Ton | 37 | N/A* | N/A* |
| | Rp Billion | 71 | N/A* | N/A* |

*The entity had not commenced operational activities during the reporting year

# Sustainability Strategy

## Company Sustainability Vision and Strategy [POJK C.1]

**DSNG's Sustainability Vision**

> To be **the responsible choice for people, the planet, and prosperity**.

## DSNG's Sustainability Strategy [POJK A.1] [GRI 2-22]

The Company has established a sustainability strategy aligned with its sustainability vision, as outlined in the Group Sustainability Policy No. 001/DSN/CSO/VII/2021. This approach focuses on managing operational impacts across three priority areas, guided by three key principles and policies that underpin all business activities.

The Company's sustainability policy is applied across all subsidiaries and throughout the supply chain. This approach aligns with global commitments under the UN 2030 Agenda and the Paris Agreement, while seeking to ensure that all operations comply with applicable national and international regulations and certification standards.

**Three Priority Areas:**

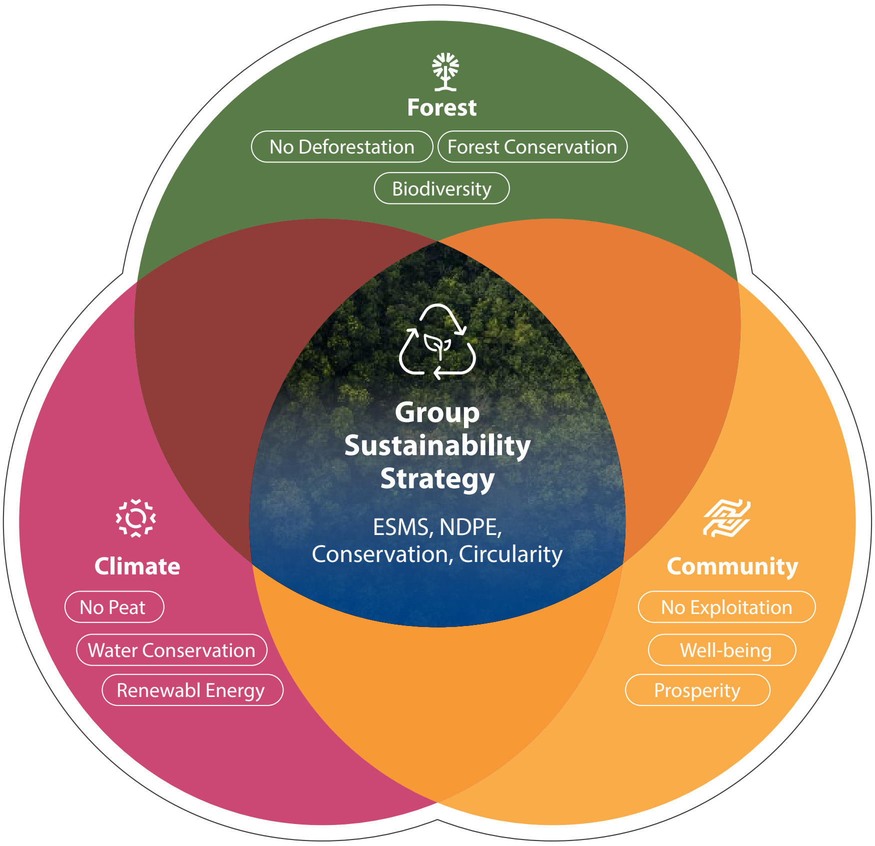
Forest Climate

Community

**Three Key Principles and Policies:**

No Deforestation, No Peat, No Exploitation (NDPE), Conservation and Circularity

### Group Sustainability Policy Matrix



DSNG's sustainability policy was officially enacted under Decision No. 001/DSN/ CSO/VII/2021 dated July 8, 2021, and is accessible at: **the following link**.

DSNG has an NDPE policy, which is accessible at: **the following link**.

# Material Topics [GRI 2-14, 3-1, 3-2, 3-3]

## Determination of Material Topics

**Identification**
Identify and review topics related to key sustainability issues, with particular attention to Environmental, Social, and Governance (ESG) factors. Insights are drawn from industry benchmarking, internal consultation, and topic identification based on standards (GRI, SASB, SPOTT, CSA).

**Stakeholder**
Stakeholder engagement involves employees at all levels, customers, investors, communities, suppliers, NGOs, and regulators through surveys to ensure our material topics reflect the concerns and expectations of stakeholders.

**Priority**
DSNG prioritizes material issues based on their impact and strategic relevance, ensuring alignment with sustainability goals. Key issues are escalated for follow-up and monitoring.

**Validation**
Key material issues are reviewed and validated by Senior Management and the Board of Directors. This process ensures leadership support and commitment, aligning sustainability priorities with DSNG's long-term business objectives.

**Reporting**
DSNG reports on key material issues with a focus on comparability, accuracy, clarity, balance, and transparency.

After mapping the materiality matrix, DSNG assessed the actual and potential impacts of each sustainability topic and determined the most significant impacts for reporting. This determination was reinforced through the fourth Stakeholder Engagement Forum (SEF) held on October 8, 2025, at the Mercure Kemayoran Hotel, Jakarta. This event was attended by 29 civil society organizations, 3 banking and financial institutions, 2 government agencies, and 1 research institute. The forum served as a platform to communicate sustainability performance, receive feedback, and validate material topic priorities.

Based on the results of the Stakeholder Engagement questionnaire conducted in 2024 and 2025, the Company assessed the level of importance of various sustainability topics to determine the scale of material priorities. Compared to 2024, several topics showed an increase in average scores and priority positions, namely:

**Climate Change**

**Energy Management**

**Collaboration and Transparency in Reporting**

This increase indicates growing stakeholder concern about climate transition risks, energy efficiency, and the need for greater transparency in sustainability reporting. Overall:

- There was no change in the main material issues, but there was an increased focus on climate change and energy efficiency in 2025.
- Stakeholders demonstrated stronger expectations regarding environmental risk and transparency.
- Governance and safety issues remained the most consistent priorities for the second consecutive year.

This comparison provides a basis for the Company to refine its sustainability strategies, particularly in strengthening climate risk management and improving reporting quality. The identified material topics are aligned with DSNG's three sustainability pillars, namely Forest, Climate, and Community, all of which are supported by Good Corporate Governance. These topics are integrated with the Company's NDPE commitments and contribute to DSNG's efforts to support the Sustainable Development Goals that are relevant to the Company's operations and values.

## Material Topics Considerations

### Forest | Supply Chain

| Materiality Considerations | Strategy |
|---|---|
| The Company seeks to maintain a reliable supply of raw materials to support consistent operational performance by requiring all FFB and timber suppliers to operate legally, comply with environmental standards, and avoid forest conversion. | • Ensuring supplier compliance with NDPE principles, land legality requirements, and environmental standards.<br>• Implementing end-to-end traceability systems to ensure raw materials are legal and deforestation-free.<br>• Conducting regular ESG-based supplier assessments in accordance with DSNG standards.<br>• Strengthening the capacity of plasma and independent smallholders through training, technical assistance, and farmer field schools.<br>• Monitoring deforestation across concessions and supplier areas using up-to-date satellite imagery.<br>• Building multi-stakeholder collaboration with government agencies, certification bodies, and industry associations to strengthen supply chain sustainability. |

### Forest | Forest Protection and Biodiversity

| Materiality Considerations | Strategy |
|---|---|
| Responsible forest management preserves ecosystem integrity and biodiversity habitats. These efforts help minimize conflict risks and strengthen social sustainability in and around operational areas. | • Managing and restoring forests through planned conservation in accordance with RSPO standards, including New Planting Procedures (NPP) and High Conservation Value (HCV) assessments.<br>• Protecting rare, threatened, and endangered species in accordance with government policy and the IUCN Red List.<br>• Strengthening collaboration with the government, NGOs, and research institutions in forest conservation management.<br>• Conducting routine monitoring of conservation areas with the support of SMART Patrol and camera traps. |

## Forest | Soil Health and Integrated Pest Management

| Materiality Considerations | Strategy |
|---|---|
| As a company in the plantation industry, soil health and integrated pest management are key factors in maintaining nutrient availability and ensuring sustainable crop productivity. | • Applying suitable agronomic practices to support improved soil health and quality.<br>• Implementing Integrated Pest Management (IPM).<br>• Gradually reducing the use of chemical pesticides with the use of natural predators and beneficial host plants. |

## Climate | Climate Change

| Materiality Considerations | Strategy |
|---|---|
| Climate change is an increasingly important strategic issue in sustainability. As our business is highly sensitive to environmental conditions and weather stability, we recognize that climate-related risks can affect not only operations but also have wider implications for the environment and society. | DSNG has identified climate risks, including physical and transition risks, as well as opportunities relevant to its operations in Indonesia. The Company has developed a Climate Action Plan (CAP) 2030 to reduce emissions and support efforts to control global warming. |

## Climate | Water Management

| Materiality Considerations | Strategy |
|---|---|
| Water resource management is a material issue, as plantation operations are highly dependent on the availability and quality of water. This requires efficient water use, effective hydrological risk management, and compliance with applicable environmental standards. | • Water use efficiency in factories and plantations.<br>• Effluent management and quality standards compliance.<br>• Protection of watersheds and riparian areas.<br>• Water risk mapping.<br>• Stakeholder engagement. |

## Climate | Energy Management

| Materiality Considerations | Strategy |
|---|---|
| Energy efficiency is a strategic priority, given the significant energy demand of heat-based machinery used in operations. Improving energy efficiency is essential to maintaining productivity while optimizing operational costs. | • Enhancing energy efficiency policies and driving greater renewable energy adoption. |

## Climate | Waste Management

| Materiality Considerations | Strategy |
|---|---|
| Waste management is an important aspect of plantation and factory operations because solid, liquid, and hazardous waste may contaminate soil, water, and ecosystems if not handled properly. Companies need to ensure compliance with effluent quality standards, the safe management of hazardous waste, and the reduction of waste generation to maintain their reputations, minimize legal risks, and meet stakeholder expectations for responsible environmental practices. | • Treatment of liquid waste (POME) through WWTP and application of land application in accordance with quality standards.<br>• Utilizing solid waste (shells, fiber, oil cake, and wood waste) as boiler fuel.<br>• Management of hazardous waste through safe storage, recording in accordance with regulations, and transportation by licensed third parties.<br>• Preventing pollution through spill control systems and routine inspections in high-risk areas.<br>• Applying the 3R principle (Reduce, Reuse, Recycle) to mitigate waste impact .<br>• Monitoring and reporting effluent quality, waste volume, and environmental compliance in accordance with PROPER and applicable legal provisions. |

## Community | Human Rights and Labor Practices

| Materiality Considerations | Strategy |
|---|---|
| Empowering local communities is part of the company's commitment to inclusive and sustainable growth. This empowerment is carried out through labor practices that respect human rights, by providing employment opportunities so that the benefits of operations are directly experienced by surrounding communities. | • Involve local workers as DSNG employees or through suppliers, ensuring compliance with all labor regulations.<br>• Provide equal employment opportunities, respect workers' rights, and reject all forms of discrimination in the recruitment process and in the workplace. |

## Community | Human Resource and Community Development

| Materiality Considerations | Strategy |
|---|---|
| To maintain social stability in its operational areas, the Company needs a skilled workforce, opportunities to improve community welfare, and tangible contributions to village development. These efforts help reduce the potential for conflict, strengthen community support, and ensure the long-term sustainability of the Company's operations. | • Improving employee competence through technical and managerial training and strengthening occupational health and safety.<br>• Promoting community empowerment and improved well-being through support for MSMEs, local economic opportunities, and access to education and healthcare.<br>• Supporting village infrastructure development, dialogue, and complaint mechanisms effectively. |

## Community | Diversity and Inclusion

| Materiality Considerations | Strategy |
|---|---|
| Operational success is greatly influenced by a fair, safe, and respectful work environment. Workforce diversity drives innovation, increases productivity, and builds a positive work culture. The application of diversity and inclusion principles is also key to maintaining harmonious relationships among employees from different backgrounds, especially in multicultural operating areas. | • Ensuring equal employment opportunities without discrimination.<br>• Expanding the role of women in operational and managerial functions through training and career development programs (gender committee).<br>• Building an inclusive work environment through anti-discrimination policies and secure reporting mechanisms for violations.<br>• Providing ethics, leadership, and workplace behavior training to strengthen a culture of mutual respect.<br>• Improving employee family welfare through equal and accessible education, health, and housing facilities.<br>• Conducting regular communication and dialogue. |

## Community | Occupational Health and Safety

| Materiality Considerations | Strategy |
|---|---|
| Occupational health and safety (OHS) is a top priority for companies in order to maintain operational continuity and increase productivity. In the plantation and processing sectors, every incident has the potential to cause a major impact on thousands of workers and the surrounding community. In addition to the risk of injury and loss of life, incidents may result in operational disruptions, high recovery costs, lawsuits, and pressure on the Company's reputation. Therefore, a culture of safety must be embedded in all activities through training, supervision, and the implementation of an effective risk management system. | • Implementing a zero-accident policy through safety SOPs, risk identification, and routine controls.<br>• Strengthening the Occupational Health and Safety (OHS) culture through training, safety briefings, safety campaigns, and stop-work authority.<br>• Providing and overseeing the use of PPE, as well as enhancing worker competencies through OHS training and certification.<br>• Conducting periodic inspections of facilities and work equipment, and establishing emergency response teams, evacuation drills, and occupational health services.<br>• Documenting and following up on near misses and incidents as part of continuous improvement and compliance with national OHS regulations. |

## **Governance** | Environmental and Legal Compliance

| Materiality Considerations | Strategy |
|---|---|
| Non-compliance with environmental regulations and laws may lead to fines, operational disruptions, and reputational risks, and could also directly impact environmental and social sustainability. Therefore, compliance with domestic and international regulations is critical to maintaining market access and meeting stakeholder expectations. | • Implement a compliance management system to monitor all relevant environmental and legal regulations, both domestic and international (AMDAL, hazardous waste, emissions, EUDR, and others).<br>• Establish a compliance unit or committee that oversees the implementation of regulations and reports directly to the Board of Directors.<br>• Conducting periodic identification, evaluation, and mitigation of environmental risks, including pollution, deforestation, water use, and waste management.<br>• Organizing regular training on environmental regulations, waste management, environmental health and safety, and licensing.<br>• Coordinating with regulators and stakeholders and conducting regular internal audits on environmental and legal aspects, including field inspections to ensure compliance. |

## **Governance** | Stakeholders Engagement

| Materiality Considerations | Strategy |
|---|---|
| Stakeholder engagement is a material issue because the success of a company's operations depends heavily on harmonious relationships with the community, government, employees, business partners, and customers. Transparent and responsive communication is necessary to minimize potential conflicts, maintain social license to operate, and ensure that stakeholder needs and expectations are integrated into corporate planning and decision-making. | • Conducting regular dialogue and managing transparent grievance mechanisms with communities, government authorities, and local organizations.<br>• Building collaborative socio-economic programs (education, healthcare, and infrastructure) together with stakeholders.<br>• Enhancing employee engagement through communication forums, training programs, and surveys.<br>• Maintaining open communication with suppliers and business partners to ensure compliance with sustainability standards.<br>• Reporting sustainability performance on a regular basis as a form of accountability to all stakeholders. |

## **Governance** | Corporate Governance and Business Ethics

| Materiality Considerations | Strategy |
|---|---|
| Transparent, accountable, and ethical business practices are the foundation for maintaining a company's reputation, ensuring legal compliance, and building stakeholder trust. The application of good governance principles helps prevent corruption, conflicts of interest, and legal violations while ensuring that every decision is made professionally and with a focus on sustainability. | • Implementing anti-corruption, anti-bribery, and conflict-of-interest policies in line with applicable regulations and international standards.<br>• Ensuring transparency and accountability through financial reporting, audits, and regular disclosures.<br>• Promoting the Code of Ethics and providing a secure, accessible whistleblowing system.<br>• Strengthening human capital capacity through training on ethics, legal compliance, and good corporate governance.<br>• Integrating ESG principles into corporate decision-making processes and strategic planning. |

# DSNG's Sustainability Achievements and Contributions To Sustainable Development Goals (SDGs)

## Forest Pillar

| | |
|---|---|
| **Protection of areas with High Conservation Value within concessions.** | • Management and protection of a conservation area covering 16,355 hectares within and outside of our concessions (±15% of the total concession area).<br>• Cooperation with stakeholders in biodiversity survey activities.<br>• Implementation of community-based conservation programs.<br>• Management of the RaCP conservation program in Laman Satong Village, Matan Hilir Utara Subdistrict, Ketapang Regency, managing 654 hectares, and Sepakat Jaya Village, Nanga Trayap Subdistrict, Ketapang Regency, West Kalimantan, covering an area of 6,967 hectares. |
| **Implementation of biodiversity conservation monitoring.** | • Biodiversity monitoring continues to be carried out with the support of the SMART Patrol application and camera traps.<br>• Management of 8,733 hectares of conservation areas as habitats for flora and fauna, including 33 species classified as Critically Endangered, Endangered, and Vulnerable according to the IUCN Red List in 2025, with monitoring recording 728 fauna species encounters and 560 flora species.<br>• Deforestation monitoring in concession and supplier areas using the Nusantara Atlas system.<br>• Data collection on animals and tree species in conservation areas.<br>• Training of conservation task force personnel.<br>• Implementation of wildlife conservation and ecosystem restoration programs.<br>• Collaboration between DSNG and SINTAS (ZSL partner) in the management of conservation areas and biodiversity using the TNFD LEAP approach. |
| **100% supplier compliance with DSNG's NDPE policy and supply chain traceability.** | • ≥ 75% of suppliers have signed the NDPE commitment.<br>• Implementation of the NDPE policy through outreach has reached 50% of IPC suppliers, 50% of independent cooperatives, and 25% of agents.<br>• Traceability of plantations across all palm oil mill units has reached 97.76%.<br>• Palm kernel supply traceability reached 100% traceability to the factory and 99.48% traceability to the supplier plantation.<br>• Supplier capacity has been increased through field schools for 8,562 farmers.<br>• Traceability of wood and wood products from the Wood Products & Renewable Energy Business Unit has reached 100% traceability to the supplier level. |
| **Farmers benefiting from the jabon seed distribution program.** | • In 2025, 1,000 farmers benefited from the jabon seed distribution program, along with special training for 200 farmers, including 71 women. |
| **Farmers participating in capacity-building programs.** | • DSNG collaborated with Rainforest Alliance to appoint 25 trainers to provide training to 290 farmers, consisting of 173 men and 117 women, in the process of capacity building related to climate-resilient agroforestry systems, financial literacy, and FSC certification. |
| **Rejuvenation of DSNG palm oil plantations.** | • Implementation of a palm oil plantation rejuvenation program covering an area of 2,249 hectares. |

## Climate Pillar

| | |
|---|---|
| DSNG's business and operations are resilient and adaptive to climate change impacts. | **Climate Change Adaptation Program:**<br>• Development of water conservation projects at PT BPN.<br>• Strengthening climate adaptation through conservation and pollinating insects.<br>• Protection of workers' health against extreme heat risks.<br>• Installation and operation of water recycling systems in the Wood Products business unit. |
| GHG emissions mitigation through a targeted 44% reduction by 2030, comprising 70% Scope 1, 28% Scope 2, and 23% Scope 3 reductions. | The Company's emission intensity decreased compared to the base year (2022) through several measures:<br>**Palm Oil Business Unit:**<br>• Preparation and implementation of an energy self-sufficiency roadmap.<br>• Construction and operation of an Integrated Waste Management Facility (TPST).<br>• Utilization of organic waste as fertilizer and alternative energy sources.<br>• Mapping biomass to identify potential alternative energy sources available throughout the DSNG value chain.<br>• Application of circular economy in energy and waste management.<br>• Based on calculations using the RSPO PalmGHG Calculator v4, total emissions amounted to 291,322 tCO$_2$e, with an emission intensity of 0.57 tCO$_2$e per ton CPO.<br>**Wood Products and Renewable Energy Business Unit:**<br>• Utilization of electricity from renewable energy sources.<br>• Application of technology and machine modifications for energy savings.<br>• Replacement of fossil fuel-based operational equipment with electricity, such as forklifts.<br>• Utilization of wood waste from the wood products and renewable energy business unit as boiler fuel.<br>• Application of closed-loop system innovations in dust collectors. |
| Promoting field-based solutions that support emissions efficiency and climate resilience through strengthening operational innovation. | Integrating climate adaptation and mitigation approaches through the DSN Award:<br>• Increasing the Productivity of Solid BP1 Estate Applications (Soil Organics Adaptation)<br>• Optimizing the Use of Shell Fuel from Light Tank Dirt Separators (LTDS) to Boilers (Reducing Biomass Use - Scope 1) |
| Energy self-sufficiency that is supported by the use of in situ renewable energy sources. | • Operation of Bio-CNG and Biogas facilities to support operational energy needs.<br>• Utilization of renewable energy to partially replace fossil fuel consumption.<br>• Contribution of POME (Palm Oil Mill Effluent) utilization toward greenhouse gas emission reduction.<br>• Transition to Bio-CNG fuel vehicles.<br>• Implementation of energy-saving lifestyles. |
| Efficient water management, with efforts to reduce or maintain water intensity below 1.1 m$^3$ per ton of FFB. | • The water usage intensity of the palm oil mill unit in 2025 was 0.87 m$^3$/ton of FFB.<br>• Water usage intensity in the DSN WP Panel is 0.63 m$^3$/m$^3$, and in the DSN WP Floor is 0.07 m$^3$/m$^2$.<br>• The water intensity of the renewable energy business unit in 2025 is 0.06 m$^3$/ton of production.<br>• GRHA DSN implements water efficiency in the chiller system to maintain water quality stability.<br>• Implementation of boiler water recycling optimization in WP Panel. |
| Waste management at GRHA DSN | By 2025, GRHA DSN will be able to manage around 70% of organic waste in situ through: Composting leaves; and twigs and Developing 76 Biopori (biopore) holes. |

## Community Pillar

| | |
|---|---|
| **Capacity building for independent smallholder best practices.** | Implementation of farmer field schools for independent smallholders who supply FFB through cooperatives and agents. |
| **Empowering communities surrounding operational areas through livelihood improvement initiatives.** | Collaboration with local suppliers to support the Company's operational activities. |
| **Ensuring healthy lives and promoting well-being.** | • Achievement of 10 Zero Accident certifications in operational entities.<br>• Implementation of mosquito larvae eradication programs.<br>• Regular medical check-ups (MCU).<br>• Training and dissemination of information on certification and implementation of OHS (Occupational Health and Safety) |
| **Support for healthcare facilities within and around operational areas.** | Management of clinic facilities within operational areas, supported by qualified medical personnel and adequate medical equipment. |
| **Equal employment opportunities for local communities.** | • Mentoring partner Credit Union with 2,781 members and total assets of IDR 67.5 billion.<br>• Collaboration with Village-Owned Enterprises (BUMDes) to support the operational needs of 300 local farmers.<br>• Climate-resilient agroforestry assistance for smallholder farmers.<br>• Layer poultry farming training for 12 beneficiaries, generating a total income of IDR 12.37 million. |
| **Protection and fulfillment of women's and children's rights.** | • Implementation of gender assessment in collaboration with an independent institution.<br>• Gender committee training involving 356 members on gender equality, violence prevention, and response mechanisms.<br>• Provision of childcare facilities for employees in operational areas.<br>• Supplementary feeding, Vitamin A, and regular growth monitoring for 1,020 children.<br>• Reproductive health screenings and early cancer detection education for 1,000 women of reproductive age. |
| **Indigenous community development and cultural heritage protection.** | Implementation of cultural preservation activities and capacity building for indigenous communities through education, creative economy initiatives, and social programs. |
| **Improving access to education and reducing school dropout rates.** | • Environmental education programs, strengthening of cultural values, free school meals, and OHS training for vocational students.<br>• Data collection, administrative assistance, outreach, monitoring, and mandatory return-to-school policy. |
| **Enhancing village access and connectivity through infrastructure strengthening.** | • Development and maintenance of assisted village infrastructure.<br>• Road and drainage improvements, and support for public facilities. |

## Sustainable Innovations [POJK F.26]

In an effort to strengthen operational performance and sustainability, the Company integrates technological innovation, energy efficiency, and a culture of continuous improvement across all lines of business. Through the annual DSN Award Convention, the Company recognizes teams and units that have successfully implemented performance improvement initiatives across plantations, palm oil mills, heavy equipment, infrastructure, wood products, and supporting aspects and sustainability.

In 2025, DSNG recorded the participation of 695 teams/themes in the DSN Award Convention. A total of 5,185 participants successfully participated fully through to the convention stage, and the top seven teams were selected to advance to the National Quality and Productivity Work Meeting (TKMPN). Outstanding contributors received financial awards and trophies, as well as the opportunity to represent their companies at the XXVII 2025 National Quality and Productivity Meeting (TKMPN) held on 24–29 November 2025 in Harmoni One Hotel & Convention Center, Batam. The following are examples of the best forms of sustainability innovation and their impact on the Company:

### Forms of Innovation and Their Impact on the Company [SPOTT 120]

### Palm Oil Business Unit

| Winning Innovation | Impact on the Company |
|---|---|
| **QCP**: Repairing Damaged Injectors in Heavy Equipment Excavators, Motor Graders, and Compactors at PT Gemilang Utama Nusantara. | Improved reliability of heavy equipment, resulting in reduced operational downtime. |
| **QCC**: Reducing Material Waste in Reducer Fabrication at the Central Workshop Fabrication of PT GUN. | More efficient use of raw materials, helping to reduce material costs. |
| **QCC**: Reducing the Implementation of Basic Census Re-verification in the Replanting Area of PT Swakarsa Estate Jabdan 2. | Improved accuracy of plant census data, supporting more precise agronomic planning. |
| **QCC**: Improving the Storytelling Skills of TPA Teachers at PT DSN Muara Wahau Site. | Improved quality of TPA services to support better development of workers' children. |
| **QCC**: Optimizing the Residential Waste Management System at Miau Baru Station. | Strengthened waste segregation and 3R culture, supporting the circular economy in operational areas. |
| **SS**: Increasing the Lifetime of Cleaning Tools at the New Miau Station | Reduced frequency of equipment replacement, leading to lower downtime in cleaning activities. |

## Wood Product Business Unit

| Winning Innovation | Impact on the Company |
|---|---|
| **QCC**: Reducing Motor Failure Frequency in Oil Long Boilers. | Boiler operational stability improved, resulting in smoother production processes. |
| **QCC**: Reducing Waste Catcher Disposal. | Supporting the achievement of sustainability targets and waste reduction. |
| **QCC**: Increasing the Percentage of Liquid Coating Waste Management Coating from 10% to 100% in Hazardous.. Waste Area | Improving the quality of wastewater treatment, resulting in more stable and safer effluent parameters. |
| **QCP**: Improving the Quality of Export-Import Services at PT TKPI. | Accelerating documentation and clearance processes, thereby shortening shipment lead times (export/import). |
| **SS**: Modification of Broken Sprockets on the Chain Conveyor of Double Saw Machine 02. | Encouraging technical innovation, improving engineering quality, and strengthening a culture of continuous improvement. |

## HO & New Strategic

| | |
|---|---|
| **QCC**: Improving the Productivity of Bagging Workers in Department 2 of PT Panyindangan. | Improving employee work quality through more effective and optimal work standards. |
| **QCP**: Reducing the Percentage of Error Plan vs. Actual Utilization of BioCNG at the Jabdan 2 Estate of PT SWA. | Increasing accuracy in achieving operational targets, particularly when there is a mismatch between energy supply and demand. |

## Innovation Culture Driving Efficiency [POJK F.26]

**DSNG promotes the use of innovation and technology through the Quality Control Circle (QCC) program to enhance operational efficiency, environmental performance, and occupational safety across all business units.**

In the Palm Oil business unit, the QCC team Gogoe optimized residential waste management at the Miau Baru Waste Facility by applying the 8-Step QCC method. The initiative focused on waste segregation at source and the development of an integrated recycling system, including composting of organic waste, paper recycling, and processing of inorganic waste. The system was independently designed to be cost-efficient and easily replicable. As a result, the waste management rate improved from 0% to 100%, with approximately 9 kilograms of waste per day fully processed without disposal to the environment. This program enhanced environmental cleanliness, generated annual cost savings of approximately IDR 10.25 million in landfill equipment expenses, and increased environmental awareness among residents.

In the DSN WP Panel business unit, the QCC team Hello improved the management of water catcher waste from Hotpress 6 by developing a multi-media water filtration system, installing a rotating pipe mechanism, and reusing the filtered water. Waste discharge was reduced from an average of 62 kilograms to approximately 2 kilograms per month. Laboratory test results confirmed that the treated water met quality standards and could be reused. This initiative resulted in cost savings of approximately IDR 2.84 million per month, reduced environmental pollution risks, and improved operator safety and workplace comfort.

In the DSN WP Floor business unit, the QCC team, Sehat developed an in-house chemical formulation for managing coating wastewater and optimized the performance of the wastewater treatment plant (WWTP). Implementation of this initiative eliminated cases of skin irritation and chemical burns among workers, stabilized wastewater pH levels within the range of 7 to 8 in compliance with regulatory standards, and reduced wastewater management costs by 81.5%, from approximately IDR 9.54 million to IDR 1.17 million per month. The program strengthened environmental compliance and had a positive impact on employee morale, with no further complaints reported.

# Shared Prosperity

## Indirect Economic Impact [GRI 203-1, 203-2]

The Company is committed to promoting sustainable development within the communities surrounding its operational areas by implementing the principle of shared prosperity. This effort not only involves local communities in the business value chain but also ensures the sustainability and resilience of their livelihoods. Communities contribute as suppliers of raw materials, transportation, and construction services, as well as food providers for employees and their families.

Throughout 2025, the Company implemented 15 economic empowerment initiatives involving women's groups, youth, and micro, small, and medium enterprises (MSMEs) based on local wisdom around the palm oil business unit concession. These programs included business development in non-palm oil sectors, such as coffee, honey, fisheries, chicken farming, maintenance and repair services, environmental management, MSME development, and community-based arts and ecotourism groups, with an investment cost of IDR 812 million. By December 2025, this initiative is expected to generate potential community income of IDR 329 million, reflecting the program's contribution to increasing local economic activity through a Social Return on Investment (SROI)-based mentoring approach.

Additionally, the Company also generates indirect economic impacts through the implementation of **CSR programs in the infrastructure sector**. This infrastructure supports the smooth mobility of people and goods and expands access to economic activities, thereby creating indirect economic impacts through improved accessibility and efficiency of local economic activities.

## Other Significant Indirect Impacts [GRI 203-2]

As part of its efforts to empower the local community's economic development in its operational areas, DSNG actively involves local suppliers in their business activities.

### Proportion of Supplier Involvement by Number of Business Entities

| Description | 2025 | | 2024 | | 2023 | |
|---|---|---|---|---|---|---|
| | Total | % | Total | % | Total | % |
| Local Suppliers | 203 | 31.67 | 212 | 41.81 | 197 | 42.73 |
| National Suppliers | 423 | 65.99 | 290 | 57.19 | 257 | 55.75 |
| International Suppliers | 15 | 2.34 | 5 | 0.99 | 7 | 0.02 |
| **Total** | **641** | **100** | **507** | **100** | **461** | **100** |

### Proportion of Suppliers Involvement by Procurement Value [GRI 204-1]

| Description | Unit | 2025 | | 2024 | | 2023 | |
|---|---|---|---|---|---|---|---|
| | | Total | % | Total | % | Total | % |
| Local Suppliers | Rp Million | 412,682 | 36 | 310,411 | 45 | 371,741 | 56 |
| National Suppliers | | 721,227 | 64 | 385,397 | 55 | 289,985 | 44 |
| **Total (Local + National)** | | **1,133,910** | **100** | **695,808** | **100** | **661,726** | **100** |
| International Suppliers | USD | 9,883,969 | | 10,411,514 | | 13,222,240 | |

Description:

- Local suppliers are those who can only supply the Company's needs within the East Kalimantan/Temanggung area, with wholesale shipping to nearby cities such as Samarinda. Vendor addresses are generally located in Balikpapan, Samarinda, or the surrounding plantation/factory areas.
- National suppliers are those capable of supplying all of the Company's plantation locations, such as Temanggung, Boyolali, East Kalimantan, North Kalimantan, West Kalimantan, and Central Kalimantan.
- International suppliers are suppliers of imported goods who are generally domiciled outside of Indonesia.

### Total Asset Credit Union (CU)

| Name | 2025 | | 2024 | | 2023 | |
|---|---|---|---|---|---|---|
| | Total Members | Total Asset (Rp billion) | Total Members | Total Asset (Rp billion) | Total Members | Total Asset (Rp billion) |
| CU Mitra Mandiri | 2,781 | 67.50 | 2,640 | 58.88 | 2,390 | 54.23 |
| CU Blom Bea Ling | 1,336 | 58.12 | 1,234 | 46.26 | 1,113 | 43 |
| CU Satu Hati | 353 | 8.36 | 359 | 8.36 | 327 | 7.22 |
| CU Padulangan Bersatu | 426 | 3.93 | 405 | 4.1 | 343 | 3.5 |

DSNG generates significant indirect impacts through various Credit Union (CU) mechanisms that positively influence communities and the wider social ecosystem. Key indirect impacts include:

- **Strengthening the local economic ecosystem**
- **Replication of successful models**
- **Enhanced social network and gender empowerment**
- **Improved community competencies and long-term resilience**
- **Symbiotic relationships between communities and the Company**
- **Inclusive and sustainable development**
- **Multiplier effects on regional welfare**
- **Reduced dependence on natural resources**

## Direct Economic Impacts [GRI 201-1, 13.22.2]

In 2025, the Company generated revenue of IDR 12.3 trillion, an increase of 21.7% compared to the previous year's revenue of IDR 10.1 trillion. The largest revenue contribution came from sales of palm oil products at 88%, followed by 10% from wood products and 2% from renewable energy. Revenue growth occurred across all business segments, including palm oil, wood products, and renewable energy, with each segment increasing by 23.5%, 7.8%, and 23.8% respectively in 2025 compared to the previous year.

Throughout 2025, DSNG did not receive any financial assistance from the government. The Company's economic value was derived solely from the sales of wood products, palm oil, and renewable energy. A portion of the economic value generated was distributed to stakeholders in the form of dividends, employee remuneration, community investment, taxes, and other allocations in accordance with corporate policies and applicable legal procedures.

**Economic Value Generated and Distributed**

| | 2025 | 2024 | 2023 | |
|---|---|---|---|---|
| Revenue | 12,314,712 | 10,119,220 | 9,498,749 | Economic Value Generated |
| Cost of Goods Sold | 8,464,728 | 7,115,019 | 6,971,281 | Economic Value Distribution |
| General and Administrative Expenses (including employee salaries and allowances) | 527,752 | 516,048 | 508,145 | |
| Payment to Shareholders | 254,396 | 233,197 | 317,995 | |
| Profit Distributed to Owners of the Parent Entity | 1,840,490 | 1,142,493 | 839,809 | |
| Payments to the Government | 625,842 | 388,034 | 518,410 | |
| Total Distribution of Economic Value | 11,713,208 | 9,394,791 | 9,155,640 | |
| **Total** | **601,504** | **724,429** | **343,109** | Retained Earnings |

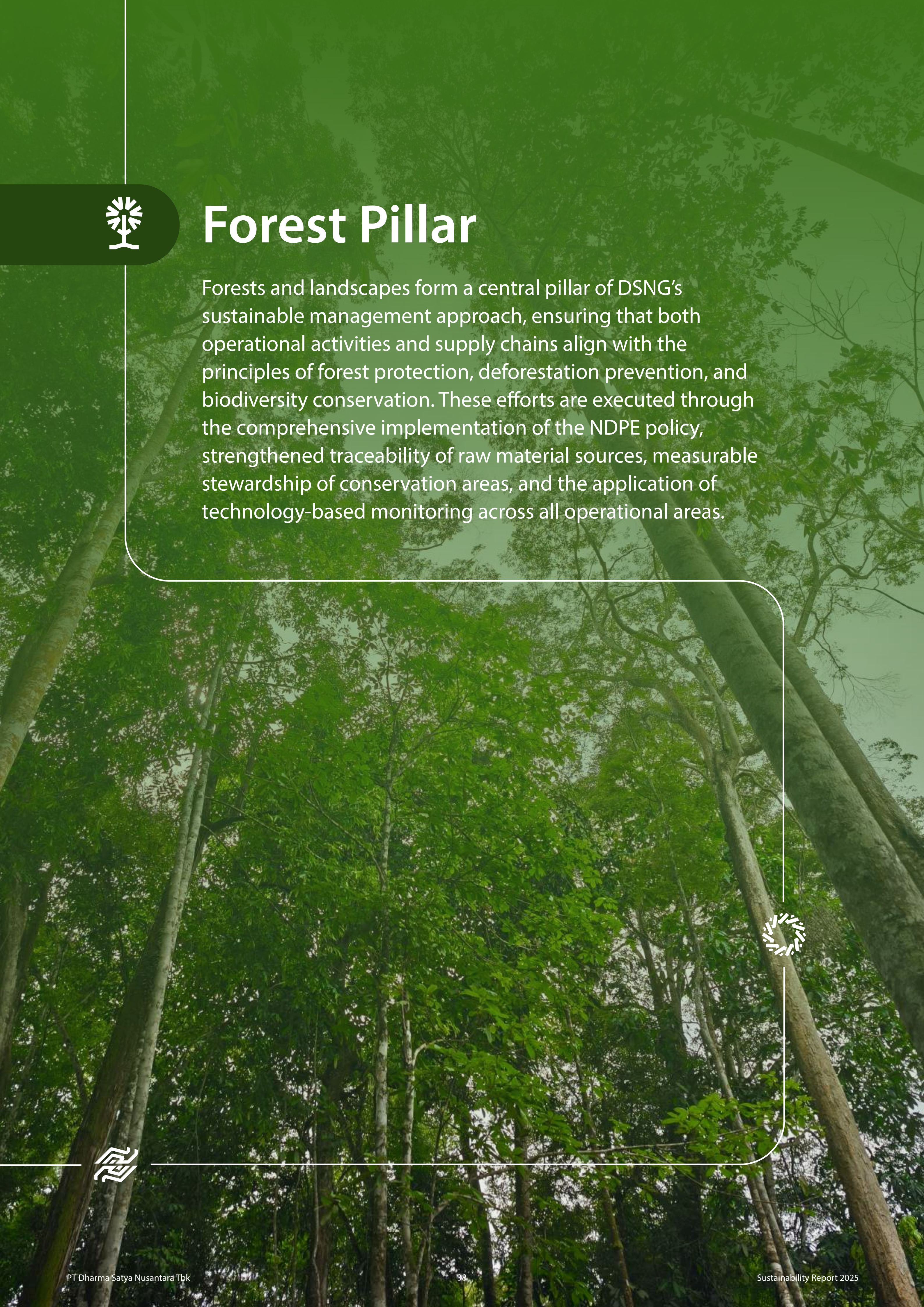
## Business Activities and Other Relevant Business Relations [POJK C.4] [GRI 2-6, 201-4]

Throughout 2025, the Company's business activities remained consistent with the previous year, covering the production and sale of crude palm oil, kernel, palm kernel oil, as well as wood products and renewable energy products.

DSNG has no share ownership originating from government entities. As of 2025, all shares of the Company are fully held by non-government shareholders. During the reporting period, the Company did not receive any financial assistance from the Government of the Republic of Indonesia to support its operational activities.

## Tax Governance [GRI 207-1, 207-2, 207-3]

DSNG has a significant indirect impact through local employment and increased economic activity in the surrounding area through tax payments and procurement purchases from local suppliers. In fulfilling its tax obligations, DSNG refers to the tax policy published on **its DSNG website**, which forms the basis of its tax strategy. This tax strategy will be reviewed periodically to ensure it remains in line with regulations. Further information regarding taxes can be found in the DSNG 2025 Annual Report on page 139-140.



# Forest Pillar

Forests and landscapes form a central pillar of DSNG's sustainable management approach, ensuring that both operational activities and supply chains align with the principles of forest protection, deforestation prevention, and biodiversity conservation. These efforts are executed through the comprehensive implementation of the NDPE policy, strengthened traceability of raw material sources, measurable stewardship of conservation areas, and the application of technology-based monitoring across all operational areas.

# Target and Progress

## Biodiversity Conservation [GRI 101-1]

Conservation areas within concessions **8,733 Ha**

Conservation areas outside concessions **7,621 Ha**
RaCP Program in Laman Satong and Lemmanis

## Flagship Conservation Program

| Program | Results |
|---|---|
| HCV Management in Collaboration with BUMDes Nehas Liah Bing | Covering an area of 1,197.5 hectares. |
| Conservation Management in Collaboration with the Suak Indigenous Community | Covering 123.31 hectares in Suak Medang Village. |
| Conservation Monitoring in Collaboration with SINTAS, East Kalimantan | Implementation of the Taskforce on Nature-related Financial Disclosures (TNFD) approach. |
| Wildlife Monitoring | A total of 1,288 wildlife encounters, consisting of 566 birds, 92 mammals, 70 reptiles and amphibians, and 560 plant species. |
| Tree Planting | 8,238 trees were planted through rehabilitation activities, tree islands, remediation, and enrichment planting. |

**Supply Chain - Palm Oil Business Unit**

| | |
|---|---|
| Traceability to Plantation of FFB | 97.76% |
| Kernel Traceability to POM | 100% |
| Traceability to Plantation of Kernel | 99.48% |
| The supplier has engaged and signed the NDPE | 100% |
| Deforestation and Conversion Free Supply Volume | 97.76% |

**Supply Chain of the Wood Products Business Unit**

| | |
|---|---|
| Traceable Volume of Panel Wood Products | 100% |
| Traceable Volume of Flooring Wood Products | 100% |

**Supply Chain of the Renewable Energy Business Unit**

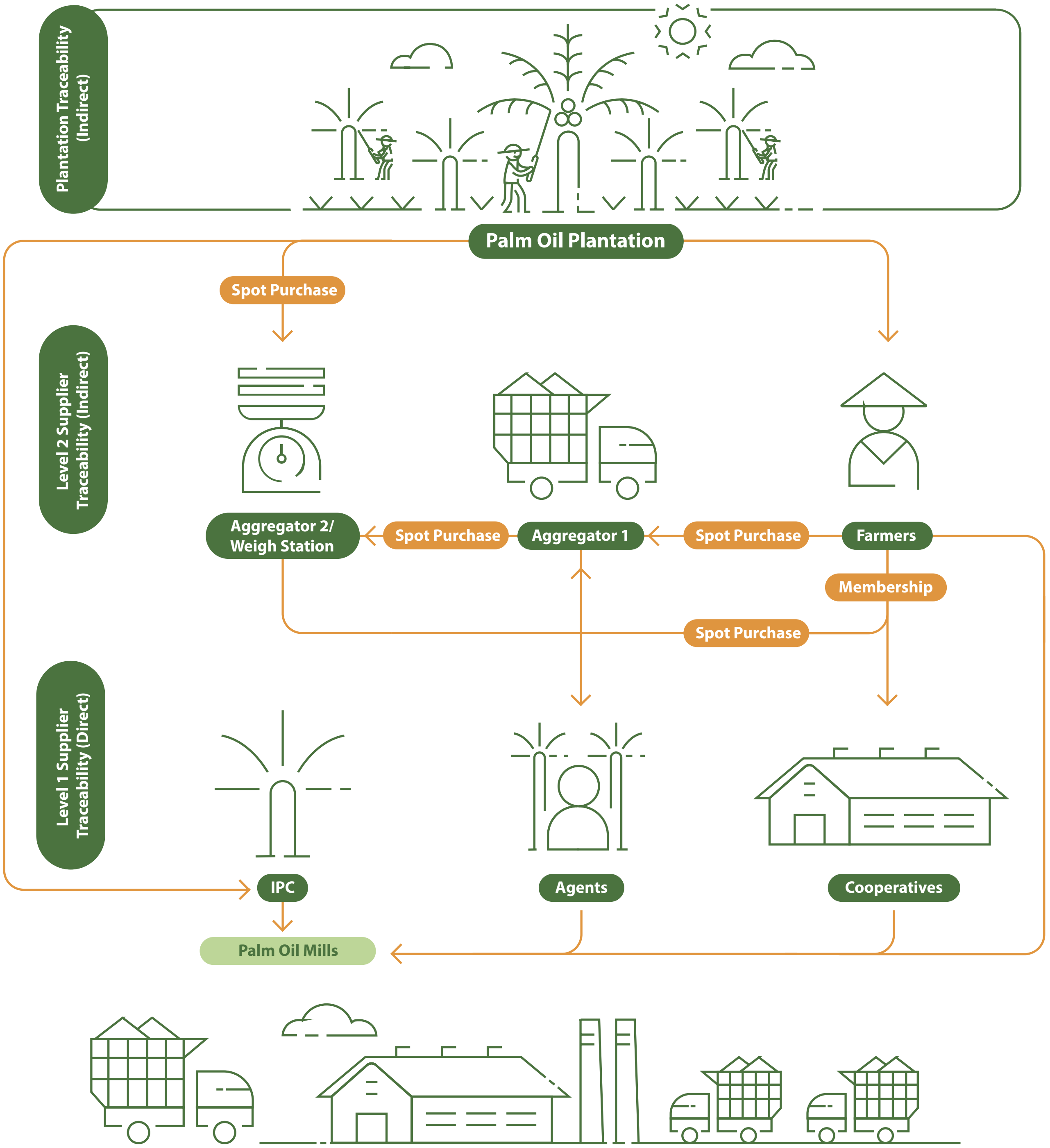
| | |
|---|---|
| Traceable Volume of Wood Pellet Products | 100% |

# Supply Chain Management [GRI 2-6, 13.23.1]

DSNG implements a sustainable supply chain approach for its three main commodities, palm oil, wood product, and renewable energy. This is carried out through the application of the No Deforestation, No Peat, No Exploitation (NDPE) policy for palm oil, as well as sustainable forestry schemes and the Timber Legality Verification System (SVLK) for wood products.

## Supply Chain in the Agro-Palm Oil Business Unit [GRI 101-4]

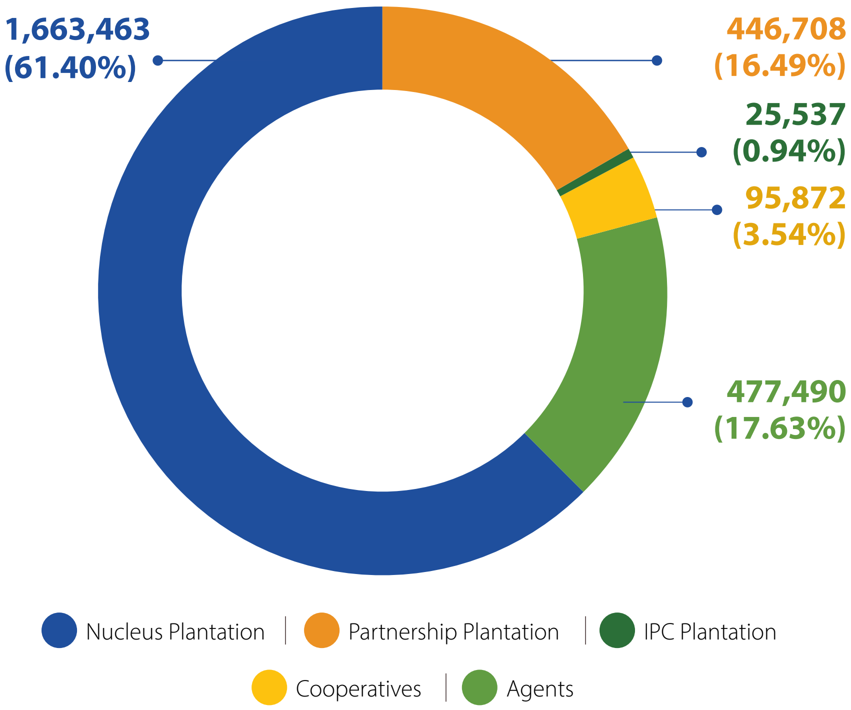
DSNG continues to integrate NDPE standards within the management of its palm oil supply chain. With a focus on preventing deforestation, preserving peatlands, and safeguarding the rights of workers and communities, the Company reaffirms its commitment to fostering a transparent and ethical palm oil industry across all levels of operation.



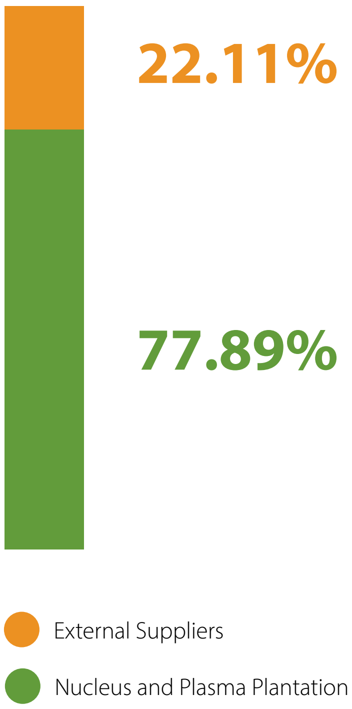
DSNG receives Fresh Fruit Bunches (FFB) from three main sources: nucleus plantations, plasma plantations, and external suppliers. External suppliers are further classified into three categories, namely plantation companies outside the DSN Group, independent cooperatives, and FFB agents or collectors.

In 2025, DSNG operated one Kernel Crushing Plant (KCP) and 12 Palm Oil Mills (POMs). One POM has been under maintenance and non-operational since January 2024. The following presents the FFB supply composition to DSNG's operating POMs during the year.

**FFB Supply in 2025**



**FFB Supply Sources**

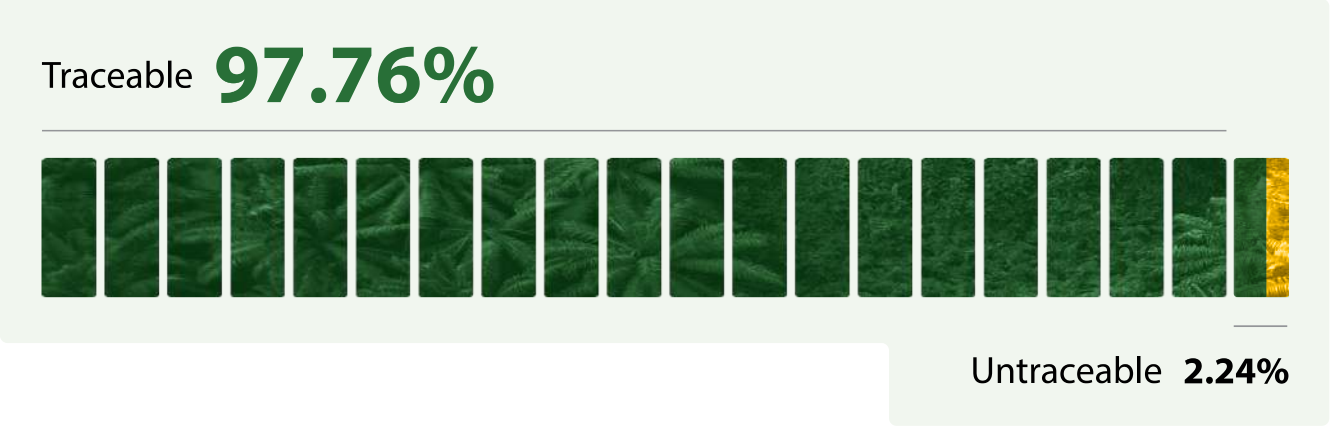


## Traceability of FFB Supply [GRI 308-1, 308-2]

DSNG conducts supply chain identification for all Fresh Fruit Bunch (FFB) supplies, with a particular focus on external suppliers. This identification process is carried out down to the plantation level supplying FFB to DSNG's palm oil mills. In 2025, DSNG's Palm Oil Mill did not receive FFB deliveries from any new suppliers.

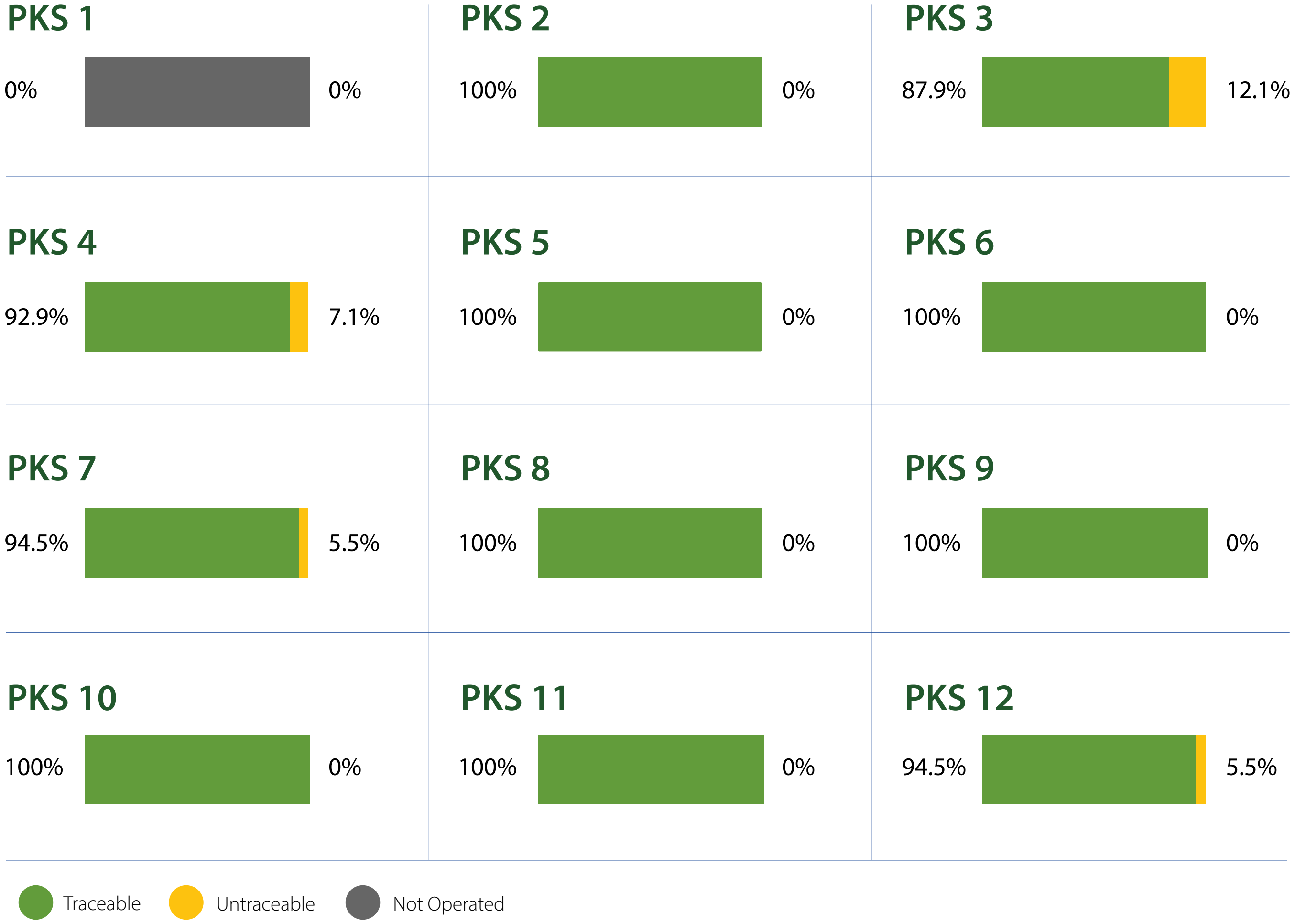
Overall, DSNG's achievement in FFB traceability to the plantation level (*Traceability to Plantation*/TTP) reached 97.76%. in 2025.

## Traceability to Plantation in 2025 (%) [GRI 13.23.2, 13.23.3] [SASB FB-AG-430a.1]



The details of traceability levels for each palm oil mill are presented below:

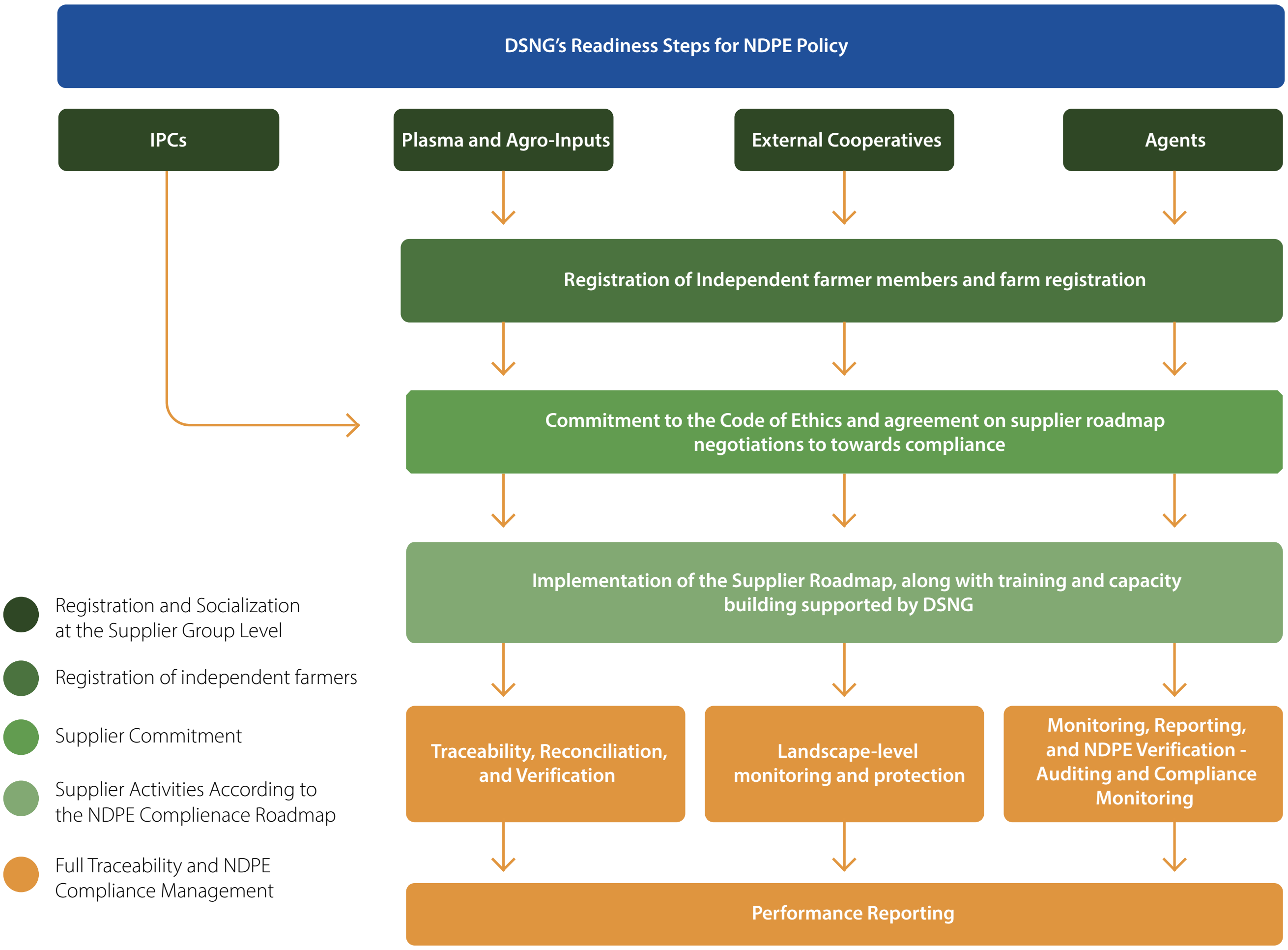
**Traceability by Palm Oil Mill Unit in 2025 (%)**



DSNG operates a Palm Kernel Crushing Plant (KCP) in Muara Wahau to produce Palm Kernel Oil (PKO), with a processing capacity of 400 tons per day. All palm kernels processed at the KCP are sourced entirely from DSNG's palm oil mills in East Kalimantan. As a result, 100% of the palm kernel supply is traceable to mill (TTM), and 99.48% is traceable to plantation (TTP). Further details on the PKO traceability system from DSNG's KCP are presented in **the NDPE Report**.

## Supplier and Smallholder Engagement [GRI 407-1, 408-1, 409-1, 13.23.1, 13.23.4]

Since March 2020, DSNG has implemented its **NDPE Policy** (No Deforestation, No Peat, and No Exploitation), which applies across DSNG's plantation operations as well as to suppliers, particularly Fresh Fruit Bunches (FFB) suppliers, as the main raw material for DSNG products. The engagement of suppliers and smallholder farmers is designed to ensure that all stakeholders clearly understand and effectively **implement the DSNG NDPE compliance policies** and processes.



DSNG's Readiness Steps for NDPE Policy

IPCs

Plasma and Agro-Inputs

External Cooperatives

Agents

Registration of Independent farmer members and farm registration

Commitment to the Code of Ethics and agreement on supplier roadmap negotiations to towards compliance

Implementation of the Supplier Roadmap, along with training and capacity building supported by DSNG

Traceability, Reconciliation, and Verification

Landscape-level monitoring and protection

Monitoring, Reporting, and NDPE Verification - Auditing and Compliance Monitoring

Performance Reporting

- ● Registration and Socialization at the Supplier Group Level
- ● Registration of independent farmers
- ● Supplier Commitment
- ● Supplier Activities According to the NDPE Complienace Roadmap
- ● Full Traceability and NDPE Compliance Management

To ensure transparency, DSNG's NDPE commitments and implementation roadmap are publicly available on **the Company's official website**. The implementation of the NDPE policy among FFB suppliers is critical to achieving the target of 100% compliance by the end of 2025. DSNG's FFB-supplying smallholders are classified into the following groups:

**Plasma Smallholders (Fully Managed Scheme Smallholders)**
Plantations are fully managed by the Company, including cultivation practices, operational activities, and harvest marketing.

**Supported Smallholders (Limited Scheme Smallholders)**
Plantations are independently managed by land-owning farmers, with Company support in the provision of agricultural inputs (saprodi), such as seedlings, planting activities, plantation road development, and other production inputs.

**Independent Smallholders**
Plantations are independently managed by farmers without direct involvement from the Company in operational management.

FFB Smallholder suppliers delivering to DSNG's POM consist of two main groups, namely Partnership Smallholders and Independent Smallholders. The profiles of each supplier group are presented as follows:

**Smallholder Supplier Profile in 2025** [GRI 308-1, 308-2]

| Type of Smallholder | Group Type | Number of Cooperatives/ Groups | Number of Farmers | Area (ha) |
|---|---|---|---|---|
| Partnership | Plasma Scheme Partnership | 52 | 12,569 | 24,929 |
| | Input Support Partnership (Saprodi) | 13 | 1,708 | 4,113 |
| Independent | Independent Cooperatives | 26 | 5,180 | 13,993 |
| | Agents | 52 | 7,082 | 26,305 |

## NDPE Implementation for Suppliers [GRI 101-4, 308-2] [SASB FB-AG-430a.2, FB-AG-430a.3]

1. **The implementation of the NDPE policy** for suppliers begins with the completion of a registration form and signing the declaration of adherence to the Company's Code of Ethics and NDPE Policy by suppliers and supplying farmers. This initial step ensures that all parties involved in the supply chain are clearly identified. Suppliers who have completed this stage are categorized as "Registered."

2. Subsequently, through the supplier engagement program, farmer data collection is conducted, followed by NDPE dissemination through farmer field schools to strengthen farmers' capacity, assistance in obtaining STDB (Plantation Registration Certificate), and a gap assessment of NDPE compliance to identify areas requiring improvement to achieve full compliance. Suppliers who have completed this process, undergone assessment by the Sustainability Operation team, and been audited but have not yet achieved a minimum score of 75% are categorized as "Controlled."

3. To ensure NDPE compliance, a **Monitoring, Review, and Verification (MRV) reporting** process is implemented. MRV is conducted for each supplier, with proportional sampling applied to supplying farmers for verification purposes. Suppliers that have completed the MRV process and achieved a score of ≥ 75% based on the assessment criteria are categorized as "Compliant." As of the 2025 reporting year, NDPE dissemination has reached 50% of IPC suppliers, 50% of Independent Cooperative farmers, and 25% of Agent farmers.

4. The implementation of NDPE Measurement, Reporting, and Verification (MRV) in 2025 covered 20 suppliers, consisting of 1 IPC supplier, 11 Independent Cooperative suppliers, and 8 Agent suppliers. With this additional MRV implementation, all external suppliers, including IPC, Independent Cooperatives, and Agents, have undergone the MRV process. Going forward, NDPE MRV will be conducted periodically every two years for each supplier. In addition, the Company will provide guidance to suppliers that have not yet met the NDPE criteria.

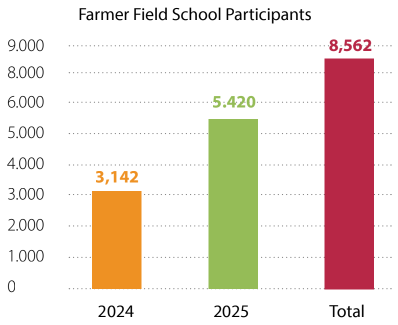
**Summary of Supplier Status in NDPE Implementation in 2025** [GRI 308-1, 308-2]

| Supplier Type | Unit | Total Suppliers | Registered | | Controlled | | Compliant | |
|---|---|---|---|---|---|---|---|---|
| | | | Total | % | Total | % | Total | % |
| IPC | Unit | 4 | 4 | 100% | 4 | 100% | 2 | 50% |
| Independent Cooperatives | Unit | 26 | 26 | 100% | 26 | 100% | 13 | 50% |
| Agents | Unit | 52 | 52 | 100% | 52 | 100% | 21 | 25% |
| **Total** | **Unit** | **82** | **82** | **100%** | **82** | **100%** | **36** | **41.67%** |

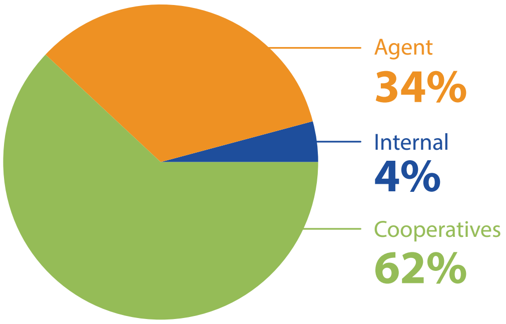
The Monitoring, Reporting, and Verification (MRV) Audit represents supplier commitment to implementing the No Deforestation, No Peat, No Exploitation (NDPE) policy. Through MRV, the Company verifies legal compliance, ensuring plantations are not located within forest areas or peatlands, and that plantation plots are georeferenced and clearly demarcated.

From an environmental and operational perspective, MRV ensures zero-burning land clearing, proper seed usage, and responsible fertilizer and pesticide application in line with Good Agricultural Practices (GAP). The audit also assesses Occupational Health and Safety (OHS) implementation, grievance handling mechanisms, supplier empowerment initiatives, and NDPE & GAP socialization. This process strengthens supply chain traceability down to the plantation level.

DSNG provides capacity-building support to farmers through the Farmer Field School (Sekolah Lapang) program. As of the end of 2025, the program had reached **3,365 Independent Smallholder Cooperative farmers (62%), 1,834 Agent farmers (34%), and 221 internal company participants (4%)**. These participants received guidance and training materials on sustainable plantation management, including NDPE and grievance mechanisms, occupational health and safety (OHS) topics, as well as dissemination of ISPO and RSPO standards, and oil palm agronomy through the Farmer Field School (Sekolah Lapang) program.



**◆ Farmer Field School Participants**



**◆ Data Field School Independent Smallholder Farmers in 2025**

**Male**
**4.141**

**Female**
**1.279**

Training sessions were conducted through in-person formats, including presentations, group discussions, case studies, and question-and-answer sessions. The training materials covered an introduction to NDPE principles, examples of responsible cultivation practices, and case studies from DSNG's operations. All Independent Cooperatives and Agents have completed gap analyses and developed corresponding action plans to address identified gaps.

## Engagement Partnerships with Independent Smallholder Suppliers [GRI 101-3, 13.22.1, 13.23.4]

In order to enhance the capacity and provide continuous development support for independent smallholders supplying FFB to DSNG's palm oil mills, the Company has established partnerships with various stakeholders.

### Farmer Data Collection and Capacity Building

Collaboration on farmer data collection and capacity-building initiatives was implemented at DSNG subsidiaries located in Sekadau, West Kalimantan, and Lamandau, Central Kalimantan. In Sekadau, the collaboration involved PT Agro Andalan, SPKS, and PT SMART Tbk. Meanwhile, in Lamandau, cooperation was carried out between PT Pilar Wanapersada and SOLIDARIDAD Indonesia. Through these collaborations, the programs reached a total of 1,250 farmers in Sekadau and 667 farmers in Lamandau.

### Establishment of Farmer Institutions and Cooperatives

The establishment of farmer institutions and cooperatives in Sekadau was conducted in collaboration with SPKS and PT SMART Tbk. By the end of 2025, a total of 55 farmer groups had been formed as learning groups, and two additional cooperatives were in the process of being established, in addition to three cooperatives that had been previously formed. The target for cooperative facilitation under this collaboration is to support a total of five cooperatives by the end of 2026. In Central Kalimantan, collaboration with SOLIDARIDAD Indonesia has facilitated the development of 37 farmer groups. Some of these groups will be encouraged to consolidate and form cooperatives, as well as to prepare for participation in smallholder sustainability certification processes. In addition, collaboration with GIZ through the Sustain Kutim Program in Bengalon has resulted in the establishment of two cooperatives partnering with PT Bima Palma Nugraha, including support for agricultural production inputs (saprodi).

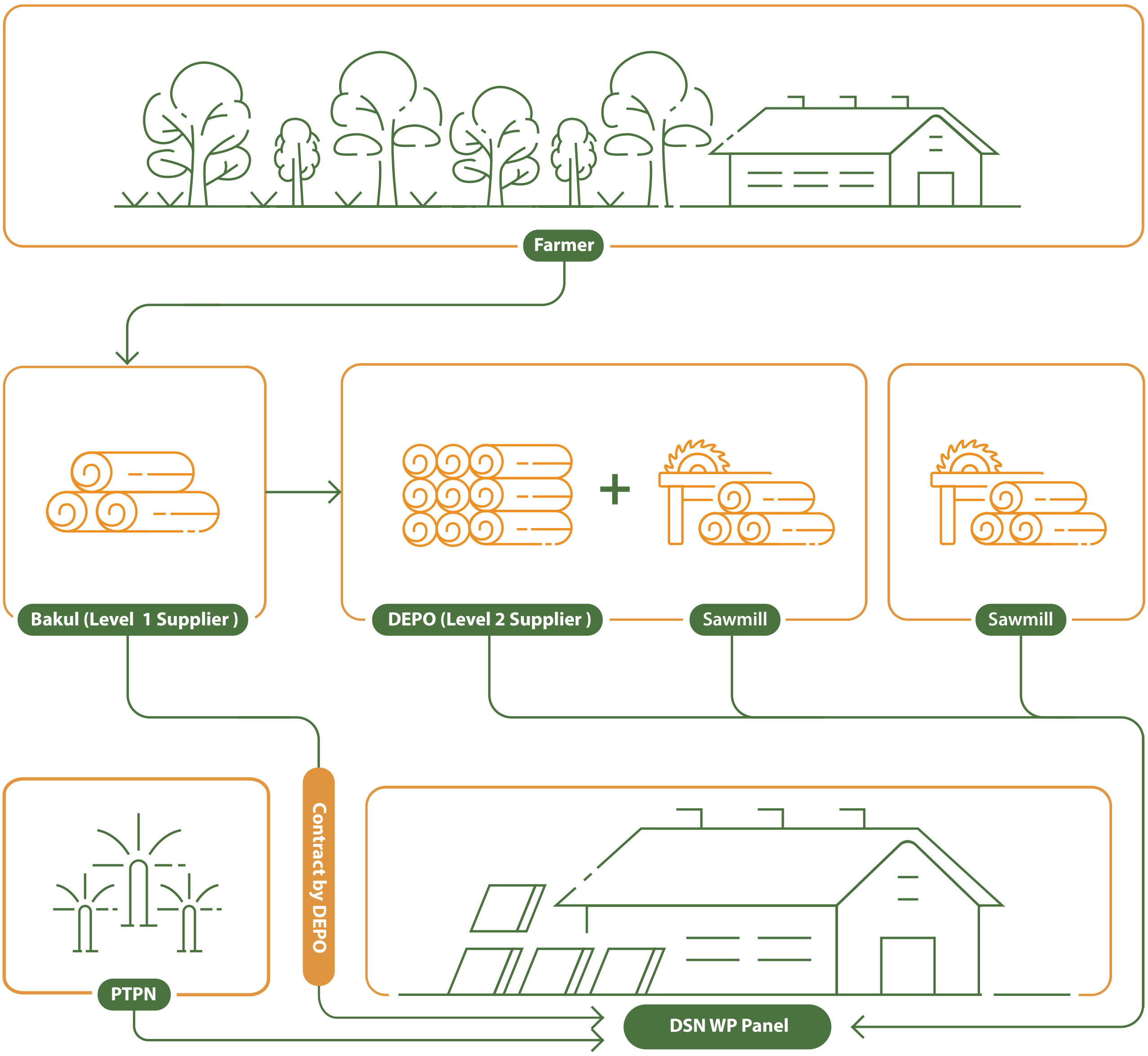
### Certification

Since 2023, several DSNG subsidiaries in Muara Wahau have collaborated with GIZ to support six cooperatives in obtaining ISPO and RSPO certification. To date, DSNG's palm oil mills in Muara Wahau receive FFB from five cooperatives that remain certified and continue to support compliance with surveillance requirements. Those 5 Cooperatives are Koperasi Sumber Rejeki, Koperasi Sawit Usaha Tani Sejahtera, Koperasi Karya Indah, Koperasi Makarti, and Koperasi Usaha Tani Sejahtera.

## Supply Chain in the Wood Products Business Unit [GRI 13.23-2, 13.23-4]

In the Wood Products Business Unit, DSNG sources sengon and jabon from Community Forests through partnerships with local farmers and collectors. All timber complies with the SVLK timber legality standard and has clear traceability. The Company has also begun strengthening land mapping and monitoring efforts to prevent deforestation risks within its supply chain. With the support of external stakeholders, the Panel Wood Products Business Unit is planning to develop a landscape-based approach to promote sustainable and deforestation-free agroforestry in Central Java in the coming years.

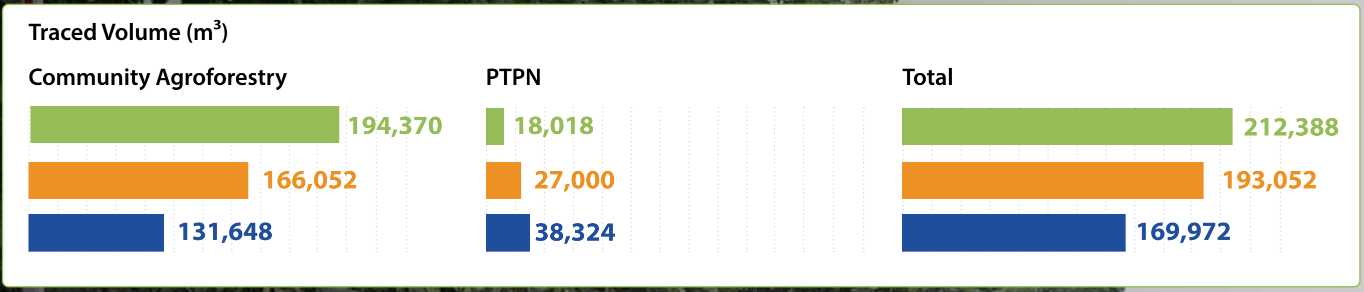
In 2025, a total of 1,000 farmers, including 85 women farmers, benefited from the Company's regular jabon seedling distribution program. In addition, the Company conducted specialized training on sengon and jabon cultivation across nine villages in the Temanggung and Magelang areas, reaching 200 farmers, including 71 women farmers.



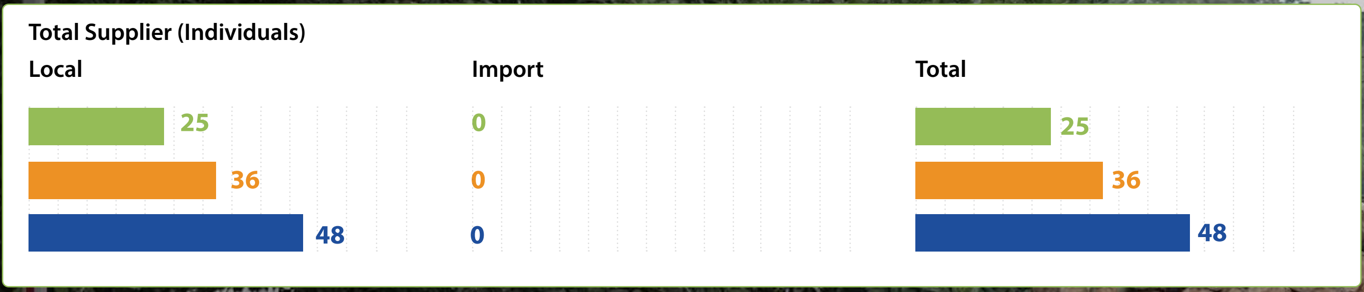
## DSN WP Panel Traceability

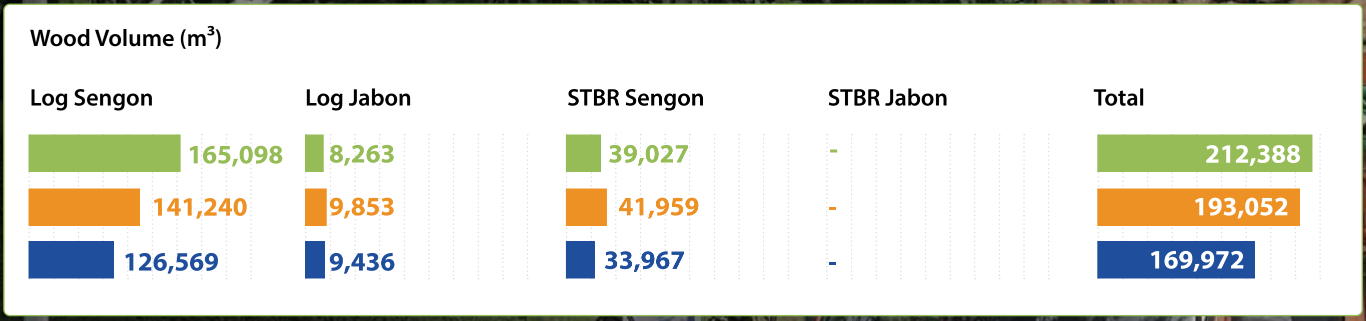
● 2025 | ● 2024 | ● 2023

◆ Timber Log Traceability in the Wood Products Business Unit



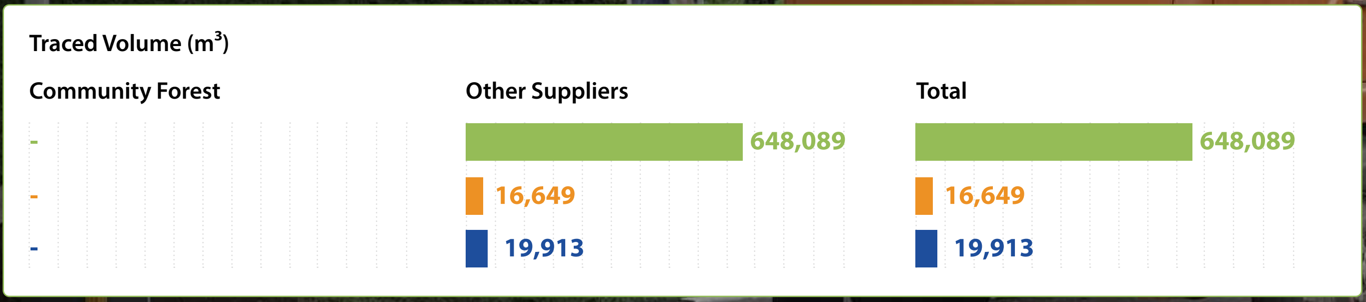
◆ Wood Supply for Wood Products (Panel) Business Unit [GRI 13.23.2]



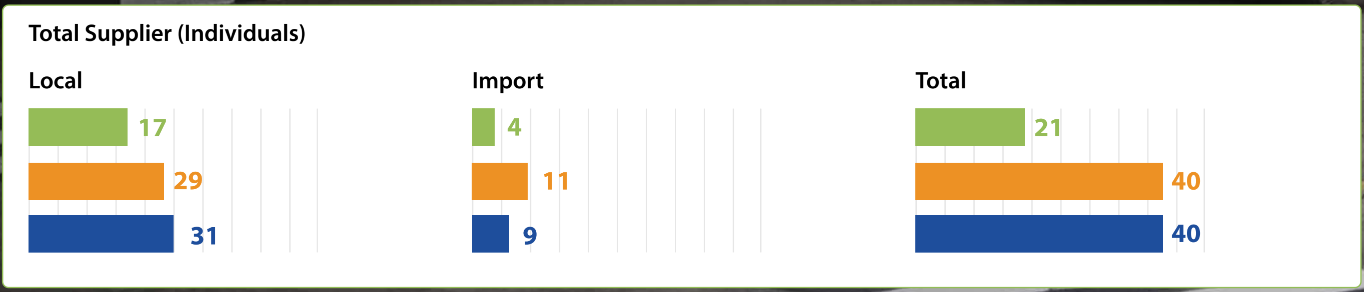


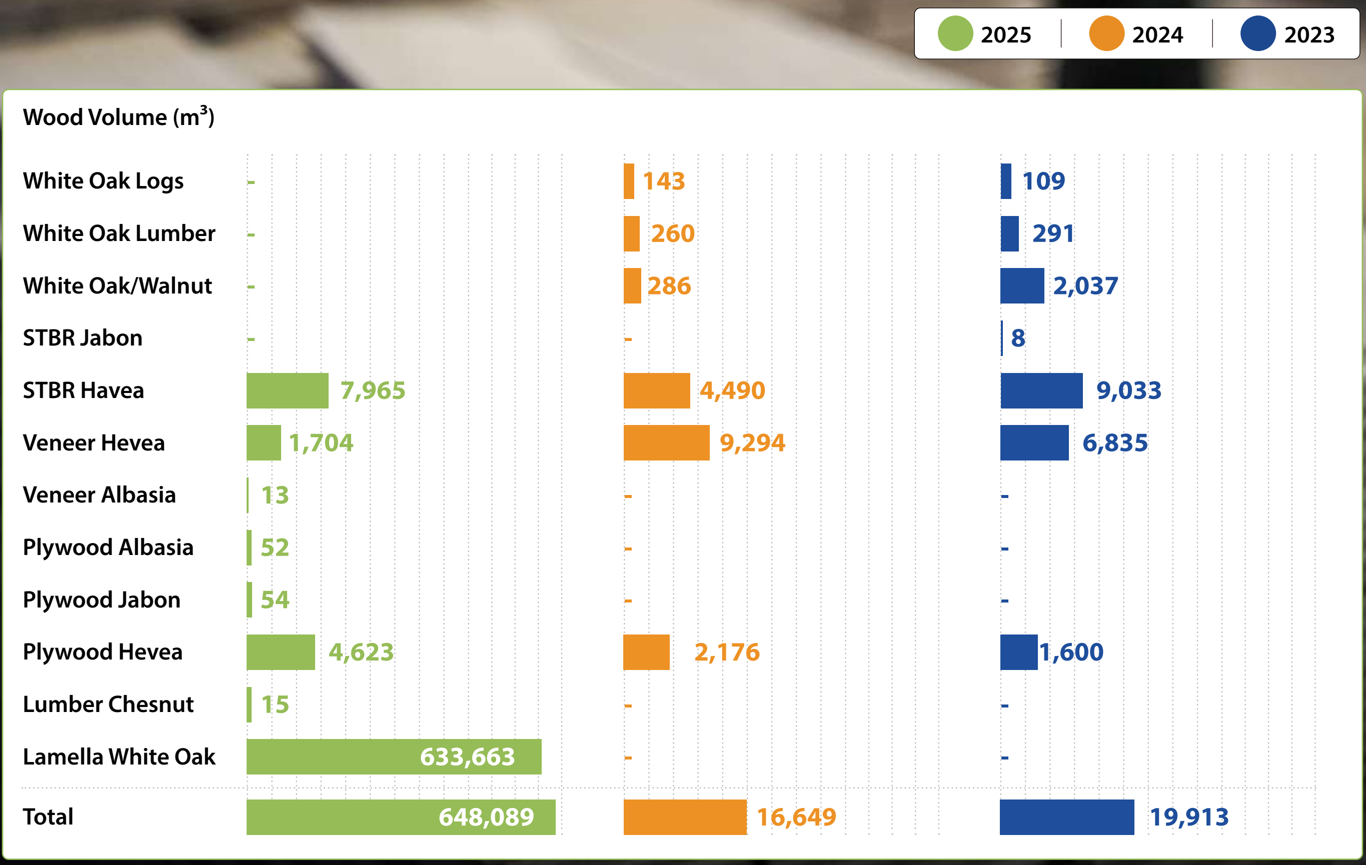
## Traceability DSN WP Floor

◆ Log Traceability in Wood Products (Floor) Business Unit



◆ Wood Supply for Wood Products (Floor) Business Unit





In terms of traceability, the supply of timber and wood products from the Wood Products Business Unit has achieved 100% traceability to the supplier level, including depots, agents, PTPN, and other suppliers.

## Partnerships and Collaboration of the Wood Business Unit [GRI 101-3]

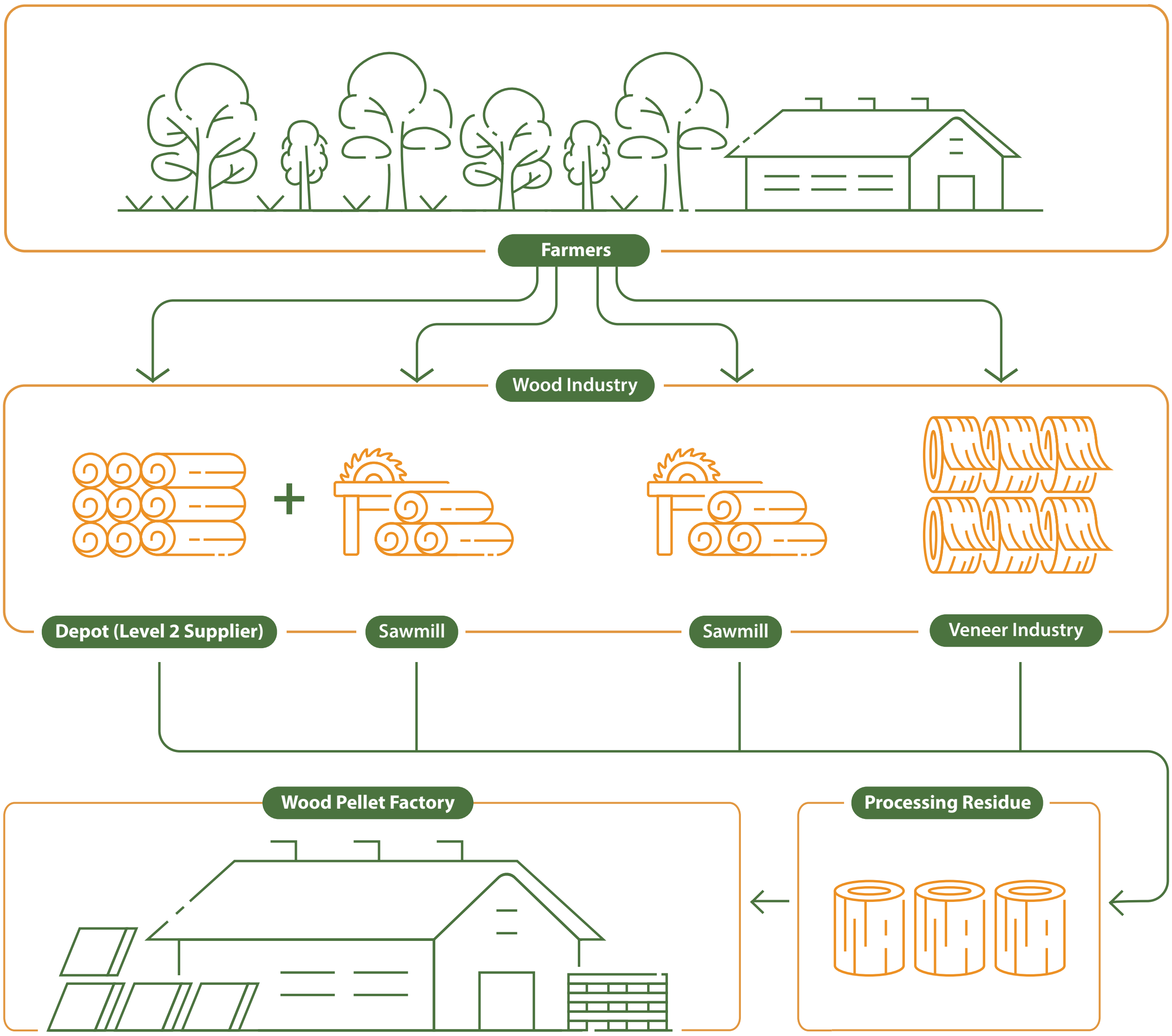
### Women Greening the Forest Program to Support Community Forest Productivity

To support sustainable and productive community forest management, DSN WP Panel actively participated in the Women Greening the Forest program (*Perempuan Hijaukan Hutan*) organized by KOSTAJASA on 10 December 2025. As part of this initiative, DSN WP Panel distributed 1,000 jabon seedlings, which were planted in Wagirpandan Village, specifically within the Sidomulyo Forest Farmer Group, Kebumen Regency. The Women Greening the Forest program aims to support the rehabilitation of degraded land, protect areas surrounding water sources and riverbanks, and enhance the ecological functions of community forests. In addition, the initiative is designed to improve timber productivity and strengthen the long-term economic value for farmers in a sustainable manner.

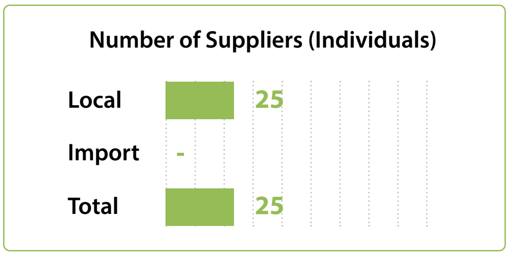
## Supply Chain in the Renewable Energy Business Unit

DSNG's Renewable Energy Business Unit manages the supply chain for two business lines: palm kernel shell sales and wood pellet production. The supply of palm kernel shells originates from the Company's internal palm oil operations as well as purchases from external suppliers, in accordance with operational requirements.

Raw material of wood pellet production are sourced from residual materials, including branches, wood-cutting residues, and veneer waste derived from sengon, mahogany, and acacia logs. These materials are obtained from Community Forests through partnerships with local farmers and collectors. All wood raw materials used comply with applicable timber regulations, including SVLK, and are supported by traceability mechanisms to ensure compliance and transparency within the renewable energy supply chain.



### Wood Supply for the Renewable Energy Business Unit



In 2025, the Renewable Energy Business Unit (Wood Pellets) achieved 100% traceable to the supplier level, including depots, sawmills, agents, and other suppliers. The total wood volume amounted to 76,098 tons, sourced from Sengon, Mahogany, and Acacia, including branches, wood-cutting residues, and veneer waste residues.

# Biodiversity Conservation and Preservation

**[POJK F.9, F.10] [GRI 101-1, 101-4, 13.3.1]**

Through its Sustainability and NDPE Policies, DSNG implements biodiversity protection measures by identifying and safeguarding High Conservation Value (HCV) and High Carbon Stock (HCS) areas across all concessions. These efforts include the maintenance of conservation areas and riparian zones to support key ecological functions such as wildlife corridors, water quality protection, and erosion prevention. As of the end of 2025, all planted areas operated by the Company are located on mineral soils, with no planting activities conducted on peatlands.

Since 2015, plantation development has only been carried out following HCV and HCS assessments, as well as environmental studies required under applicable regulations and certification standards. Four plantations have received a "satisfactory" status from the international High Conservation Value Resource Network (HCVRN), now known as the High Conservation Value Network (HCVN), for their publicly documented HCS Approach (HCSA) studies.

To support the implementation of these commitments, the Company has established Procedures for the Protection of Protected Fauna and Flora based on the IUCN Red List, which apply across all DSNG concessions. Awareness-raising activities are conducted through the installation of prohibition signage and educational outreach to employees, schools, and surrounding communities. The Company strictly prohibits hunting and the trade of protected species. Currently, DSNG manages approximately 8,733 hectares of conservation areas that are continuously protected and restored.

DSNG's conservation commitments are aligned with RSPO, ISPO, and IFC Performance Standard 6 (PS 6), with the objective of maintaining environmental balance and biodiversity within and surrounding its concessions. The Company has established measurable targets through 2026 to protect rare, threatened and endangered species, including orang utan and proboscis monkeys, through population monitoring, habitat restoration, and collaboration with relevant stakeholders. These targets are publicly disclosed on **the DSNG official website**.

## Conservation Management [GRI 101-2]

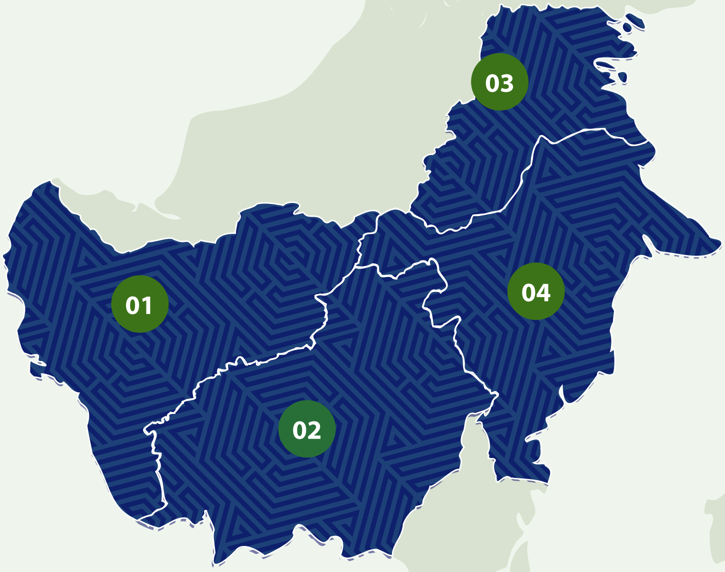
As of 2025, the Company manages a total conservation area of 16,355 hectares, covering forest conservation areas both within and outside its concession boundaries. This represents approximately 15% of the total concession area. Throughout the year, Dharma Satya Nusantara Tbk (DSNG) continued to strengthen the implementation of the Remediation and Compensation Procedure (RaCP) Program in collaboration with Roundtable on Sustainable Palm Oil (RSPO) at two off-concession sites, namely Laman Satong and Lemmanis in Ketapang Regency, West Kalimantan. This initiative forms part of the Company's commitment to biodiversity conservation and ecosystem restoration.

### DSNG Conservation Area by Region [GRI 101-5]

| | 01. West Kalimantan | 02. Central Kalimantan | 03. North Kalimantan | 04. East Kalimantan | Total |
|---|---|---|---|---|---|
| Conservation Area within HGU | 2,183 ha | 2,274 ha | 10 ha | 4,267 ha | 8,733 ha |
| Conservation Area outside HGU | 7,621 ha | 0 ha | 0 ha | 0 ha | 7,621 ha |
| Total Conservation Area (ha) | 9,804 ha | 2,274 ha | 10 ha | 4,267 ha | 16,355 ha |

Note: The total HCV area is determined based on:
1. Minutes of Field Review with the Local Government,
2. Indicative results of HCV assessment by a Consultant, and
3. Delineation from the HCV Consultant.

This area may change if the indicative area has been delineated by the relevant parties.
*RaCP program in Laman Satong and Lemmanis



### Operational Locations Within or Adjacent to Areas of High Biodiversity Value [GRI 101-5, 101-8]

| | 01. West Kalimantan | 02. Central Kalimantan | 03. North Kalimantan | 04. East Kalimantan |
|---|---|---|---|---|
| Type of Conservation Area or Ecosystem | Bukit Kujau Protected Forest | Lamandau Wildlife Reserve | Wehea Protected Forest | Mount Beriun Protected Forest |
| Distance to High Biodiversity Value Area (km) | Adjacent | ± 60 | ± 50 | ± 10 |
| Ecosystem Type | Upland Tropical Rainforest | Peat Swamp Forest | Upland Tropical Rainforest | Lowland Forest and Karst Area |

Note:
- Conservation areas officially designated by the Government of Indonesia as protected areas for ecosystem and biodiversity conservation.
- The Company implements mitigation measures such as the establishment of protected zones, routine patrols, and biodiversity monitoring.

# Environmental and Biodiversity Monitoring

## Environmental Monitoring Program [GRI 101-3, 13.3.2, 13.3.4]

### ① The Company implements a Landscape Protection Plan (LPP) as part of its sustainability roadmap.

This plan includes:

| Description | Realization 2025 | Realization 2024 | Realization 2023 |
|---|---|---|---|
| Conserved Forest (ER1) (ha) | 8,733 | 8,733 | 8,728 |
| Sustainable Incentive Land (ER2) (ha) | 113,706 | 112,300 | 112,673 |
| Forest Restoration (ER3) (ha) | 91.5 | 38 | 35.5 |
| Smallholder Benefits (SI) (Farmer) | 26,539 | 21,805 | 18,299 |

Note: The total HCV area is determined based on:
1. Minutes of Field Review with the Local Government,
2. Indicative results of HCV assessment by a Consultant, and
3. Delineation from the HCV Consultant.

This area may change if the indicative area has been delineated by the relevant parties.

* Target Forests conserved and achievements up to 2022, including an area under the OCCA program of 3,148 ha. From December 2023, the 3,148-ha area is excluded (not counted) in accordance with the change in Area of Interest (AoI).

**Landscape Protection &Green KPI Performance in East Kalimantan**

| Description | Target Achievement Plan 2030 | Realization 2025 |
|---|---|---|
| Conserved Forest (ER1) (ha) | 4,203 | 4,203 |
| Sustainable Incentive Land (ER2) (ha) | 82,010 | 80,079 |
| Forest Restoration (ER3) (ha) | 110 | 131.5 |
| Smallholder Benefits (SI) (Farmer) | 7,494 | 8,834 |

Note: Targets and actual performance figures represent data related to the achievement of the &Green KPI.

### ② RaCP Program

In 2025, DSNG implemented the Remediation and Compensation Program (RaCP) in Manjau Village Forest, Laman Satong Village, Ketapang Regency, West Kalimantan, as part of its compliance with RSPO standards. The program serves as compensation for a conservation liability covering 156.24 hectares, with a total value of USD 390,600, allocated to support the management of a 1,070-hectare village forest. The scope of the program includes the protection of high conservation value forest areas and the strengthening of community livelihoods through sustainable agriculture, the utilization of non-timber forest products, and ecosystem services payment schemes.

From January to December 2025, the RaCP implementation recorded the protection of 654 hectares of conservation areas through routine patrols and SMART Patrol activities, with identified deforestation totaling 3.13 hectares. Rehabilitation activities were carried out on 11.28 hectares through the planting of 650 local seedlings, out of a target of 2,000 seedlings produced in the nursery.

From a socio-economic perspective, the program supported the establishment of five Social Forestry Business Groups and the development of Batu Besampak ecotourism, with women's participation reaching 31.8%.

In addition to the Manjau Village Forest, DSNG also carries out a conservation program in Sepakat Jaya Village through a hectare-to-hectare financing scheme. Under this scheme, more than 6,967 hectares of forest areas are managed through activities including forest restoration, enrichment planting with local species, security patrols, community training, as well as carbon and wildlife monitoring.

The implementation of the program in 2025 was supported by project investments totaling USD 1,238,800, covering technical, social, monitoring, and operational costs. The program will continue to be supported through 2030 to ensure the sustainability of forest area management and to enhance community capacity in safeguarding natural resources in a sustainable manner.

## 3 Deforestation Monitoring

DSNG continues to strengthen its deforestation monitoring system across all landscapes associated with its plantation operations. As part of efforts to mitigate deforestation risks within and surrounding oil palm concession areas, as well as along the supply chain, the Company monitors changes in forest cover within its Area of Interest (AoI) using the Nusantara Atlas system developed by TheTreeMap.

Monitoring through Nusantara Atlas covers approximately 1.8 million hectares, comprising DSNG concession areas; areas within a 50 km radius of DSNG's palm oil mills (outside concessions); areas operated by other companies; residential and built-up areas; areas surrounding plantations of DSNG's smallholder suppliers; as well as DSNG's Forest Compensation areas under the RaCP Program in Laman Satong Village and Sepakat Jaya Village, Ketapang Regency, West Kalimantan. All of these areas are designated as AoIs for deforestation monitoring. Throughout 2025, deforestation was identified across 1,883.37 hectares within DSNG's monitored AoI. Follow-up actions included intensified NDPE policy outreach to villages located around the areas where deforestation was detected.

The collaborative interface between Nusantara Atlas and DSNG can be accessed through **the Nusantara Atlas system**. In addition, the 2025 landscape monitoring results are publicly available through **DSNG's Landscape Monitoring Platform**, which covers all Kalimantan regions where DSNG operates, including key supplier areas in East Kalimantan, Central Kalimantan, and West Kalimantan.

**Number of Reports and Area of Total Deforestation Notification in 2025**

**East Kalimantan**
01 Wahau
02 Bengalon
03 Karangan

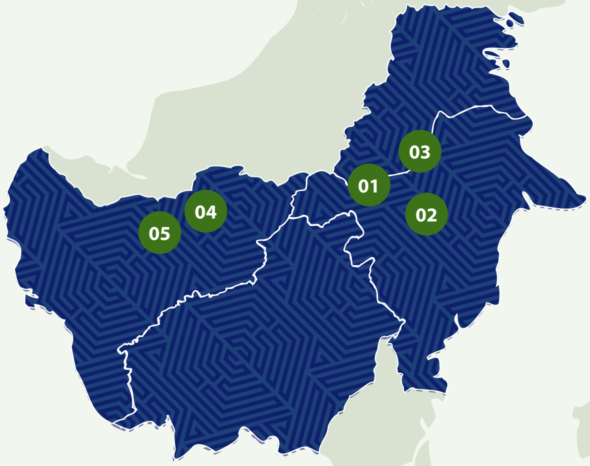
**Central Kalimantan**
04 Lamandau

**West Kalimantan**
05 Sekadau

● Inside Concessions
● Outside Concessions

**Number of Reports**

| | | |
|---|---|---|
| 01 | 0 | 2 |
| 02 | 2 | 0 |
| 03 | 0 | 49 |
| 04 | 3 | 136 |
| 05 | 0 | 243 |
| Total: | 5 | 430 |



**Notified Area (ha)**

| | | |
|---|---|---|
| 01 | 0 | 20 |
| 02 | 43 | 0 |
| 03 | 0 | 95.6 |
| 04 | 4.48 | 234.49 |
| 05 | 0 | 1,485.8 |
| Total: | 47.48 | 1,835.89 |

### 4 Collaboration with BUMDes Nehas Liah Bing in HCV Management

As part of its HCV management efforts, DSNG collaborated with BUMDes Nehas Liah Bing to conduct a SMART Patrol training on 9 May 2025 in the conservation area of Block X, ME4 Estate of PT DWT, Nehas Liah Bing Village. The training was attended by DSNG's field implementation team, comprising five members of Petkuq Mehuey, two CSR personnel, and one conservation staff member, and focused on strengthening monitoring capacity and conservation area management through technology-based SMART Patrol methods and a systematic approach to identifying potential environmental threats. In addition to the training, DSNG collaborates with BUMDes Nehas Liah Bing in the management of a conservation area covering 1,197.5 hectares. Petkuq Mehuey, serving as the village ranger team, together with DSNG's Conservation Team, conducts joint patrols every 2 months to monitor conservation area conditions and prevent illegal activities.

### 5 Collaboration with the Suak Indigenous Community

In 2025, DSNG, through PT Mitra Nusa Sarana, strengthened its conservation partnership with indigenous communities surrounding its operational areas. This effort was formalized through the signing of a Declaration of Agreement on the Management and Protection of a 123.31 hectare conservation area in Suak Medang Village, Ketungau Hulu District, Sintang Regency, West Kalimantan. The declaration affirms a shared commitment to protecting the Rimba Engkaram and Rimba Munggur Kunyung forest areas, which hold high ecological value.

The declaration, facilitated by Rainforest Alliance as a technical partner and independent monitor, was attended by local government representatives, customary leaders, village officials, and company representatives. The agreement serves as a foundation for more participatory and transparent conservation management that is aligned with local wisdom. This initiative reinforces DSNG's commitment to safeguarding areas of high ecological value while ensuring that conservation efforts deliver sustainable benefits for both the environment and the indigenous communities surrounding its operations.

## ⑥ Conservation Monitoring in Collaboration with SINTAS, East Kalimantan

In 2025, DSNG initiated the adoption of the Taskforce on Nature-related Financial Disclosures (TNFD) approach as an initial step in identifying and managing nature-related risks and dependencies within its oil palm plantation operations. At this early stage, DSNG collaborated with SINTAS, a partner of the Zoological Society of London (ZSL), to conduct an assessment study aimed at mapping the availability of data and information already held by the Company, including ongoing programs, particularly those related to conservation.

As the initial pilot study location, DSNG designated PT Bima Palma Nugraha (PT BPN). This selection was based on the relatively comprehensive and representative characteristics of PT BPN's operational area, which reflect conditions across DSNG's other subsidiaries. As such, the approaches and methodologies developed through this study have the potential to be replicated across other entities in subsequent phases.

In conducting the study, SINTAS applied the TNFD core framework, LEAP (Locate, Evaluate, Assess, and Prepare). The assessment focused primarily on the Locate and Assess phases, with comprehensive data collection and analysis, complemented by preliminary recommendations to support subsequent Assess and Prepare phases.

PT BPN operates in the upstream palm oil segment and has a high dependency on ecosystem services, including global climate regulation, soil quality, water availability, and pollination. At the same time, its operational activities have the potential to exert pressure through land-use change, pollution, and risks to biodiversity. PT BPN's operational areas are located where classified as sensitive under the TNFD framework, with the potential presence of thousands of species listed on the IUCN Red List and a high level of flood risk. The key impacts identified include risks of forest loss, habitat fragmentation, and the degradation of soil and water quality. Based on the risk identification results, the assessor recommended mitigation approaches aligned with the SBTN AR3T framework (Avoid, Reduce, Regenerate, Restore, and Transform).

Going forward, PT BPN needs to take strategic steps to strengthen its readiness for TNFD reporting and the management of nature-related risks. Initial priorities include a comprehensive review of all analyses to ensure accuracy, as well as the measurement of dependencies and impacts using internal data to identify aspects that are most material to business success. The Company also needs to integrate nature-related risks and opportunities into its existing risk management processes, followed by assessment and prioritization in line with its operational context. Subsequently, PT BPN should prepare response strategies aligned with the Prepare phase and ensure that its reporting approach complies with TNFD requirements. In addition, the SINTAS team also delivered training on biodiversity identification and monitoring, including data processing, to seven DSNG personnel over three days conducted at PT BPN.

Overall, this report provides a strong foundation for PT BPN to initiate its TNFD reporting journey, particularly given the highly sensitive nature of its operational locations and the elevated ecological risks associated with palm oil as a commodity. These factors place the Company at a high level of dependency on biodiversity and ecosystem services, along with potential impacts on them.

## Biodiversity Program [POJK B.2.d] [GRI 404-2]

DSNG's biodiversity program is implemented to support the protection of key species and ecosystems through regular monitoring, habitat restoration, and conservation collaboration. Further information is available on **the DSNG official website**.

### Patrol and Monitoring Program

Biodiversity monitoring is conducted through camera traps (15 units) and SMART Patrol to monitor HCV/HCS areas, disturbances, flora and fauna, and potential environmental risks. SMART Patrol was developed in collaboration with international conservation organizations and generates a regularly updated monitoring database. Observations of protected species are carried out using 15 camera traps with monitoring periods ranging from 1 to 3 months. Access to SMART Patrol monitoring results is available through **SMART Conservation Tools**, while camera trap documentation can be accessed via **DSNG's official website**. Species recorded by the camera traps include the blue-banded kingfisher, Sunda pangolin, leopard cat, sambar deer, and sun bear.

### Training and Education

Training is provided to community-based forest guardian groups, including Petkuq Mehuey in East Kalimantan as well as other groups in conservation areas, to strengthen capacity in biodiversity monitoring and wildlife protection.

### Conservation Collaboration

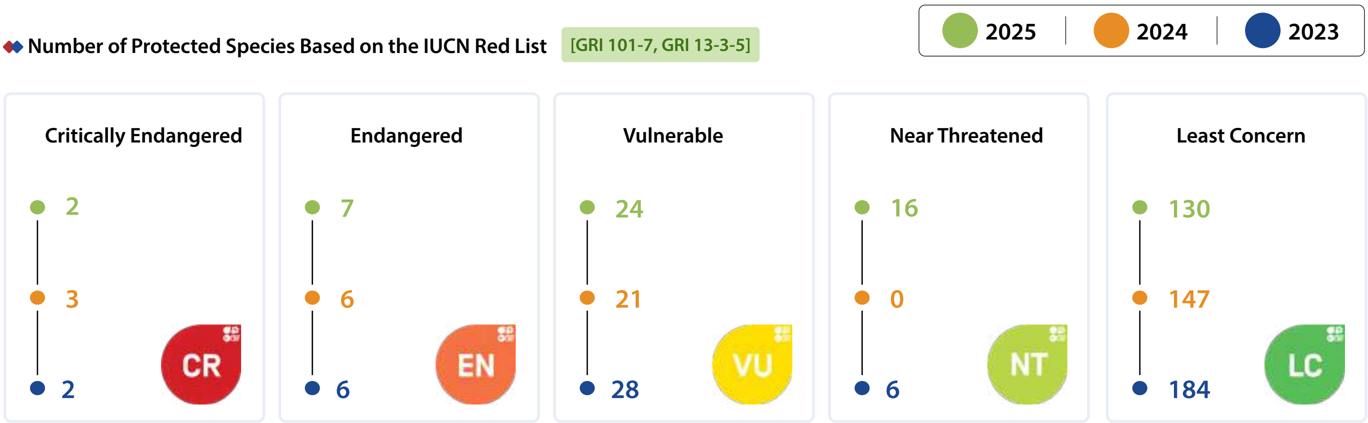
DSNG provides support to the East Kalimantan Natural Resources Conservation Agency (BKSDA), collaborating with civil society organizations, in managing cases of negative human–wildlife interactions arising from changes in landscape functions in and around the concession areas.

### Development of Wildlife Corridor Connectivity

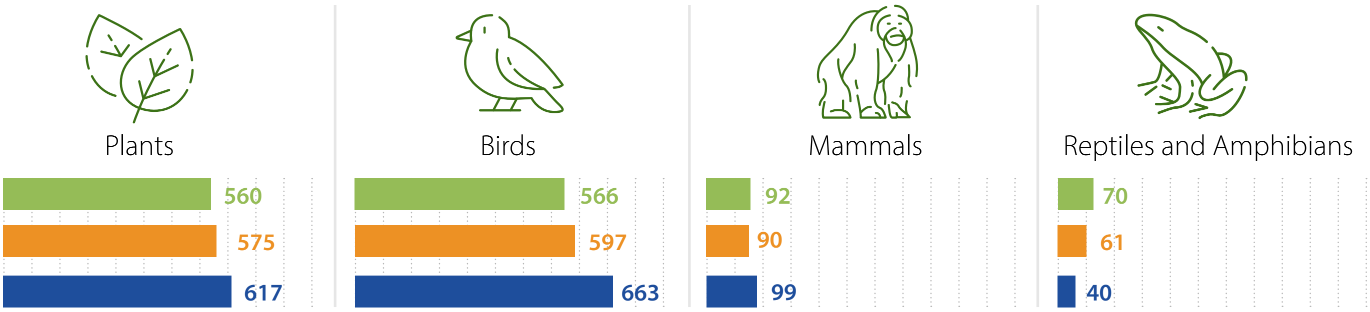
The Company undertakes habitat restoration initiatives, including the establishment of wildlife corridors, the provision of tree seedlings for the rehabilitation of degraded areas, and the regular monitoring of wildlife movement within forest blocks adjacent to conservation areas.

In 2025, DSNG continued its biodiversity conservation efforts by protecting ecosystem habitats as well as flora and fauna located within and around its operational areas. The Company manages approximately 8,733 hectares of conservation areas designated as biodiversity protection zones, which are clearly demarcated as conservation areas. These areas serve as habitats for a wide range of flora and fauna, including Rare, Threatened, or Endangered (RTE) species such as keruing, red meranti, sengkuang, Bornean orangutan, Bornean clouded leopard, and pangolin. Species monitoring data are referenced to the IUCN Red List, with updated records made available through **the DSNG official disclosure platforms**.

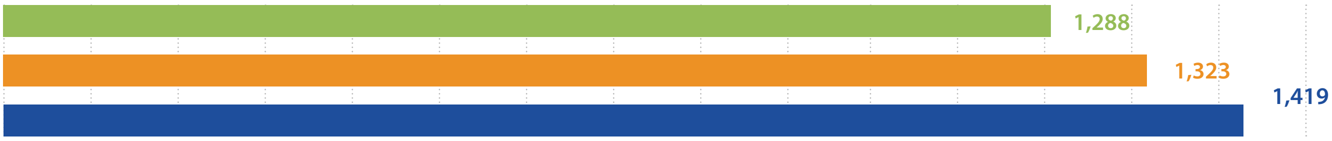
### Number of Protected Species Based on the IUCN Red List [GRI 101-7, GRI 13-3-5]



### Number of Species Encounters



### Cumulative Wildlife Encounters



Note: Biodiversity data is collected annually. Fluctuations in the figures from year to year do not necessarily indicate an increase or decrease in the number of species.

We continue to conduct biodiversity monitoring as part of our commitment to environmental conservation and sustainable palm oil production. In 2025, a total of 566 bird encounters, 92 mammal encounters, and 70 reptile and amphibian encounters were recorded, along with the identification of 560 tree species within DSNG conservation area. The consistency of these findings reflects the sustained level of biodiversity and indicates the overall health of ecosystems surrounding our operational areas.

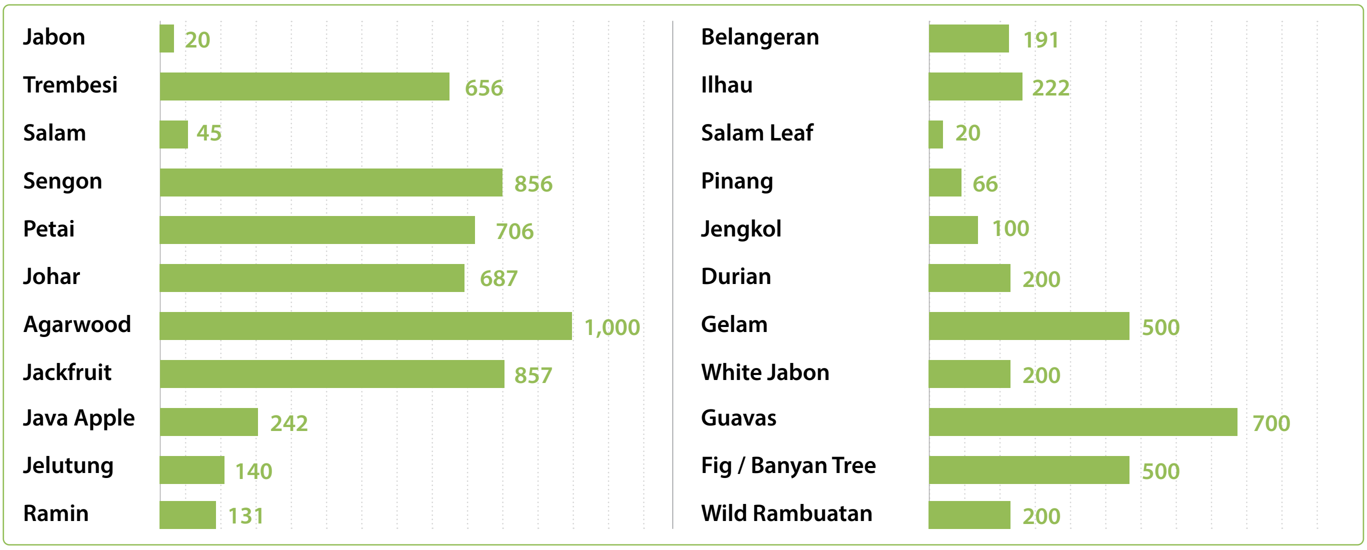
# Tree Planting and Conservation Area Rehabilitation

[GRI 101-7]

Rehabilitation program within the conservation area continued in 2025, with a focus on ecosystem restoration through tree planting in degraded areas. Throughout the reporting year, DSNG planted 8,238 trees through rehabilitation activities, tree island development, remediation, and enrichment planting. These initiatives aim to strengthen habitat structure and enhance vegetation diversity within the Company's conservation areas, which serve as habitats for a wide range of wildlife species.

**Tree Planting 2023 — 2025**

**Tree Species Planted in 2025**

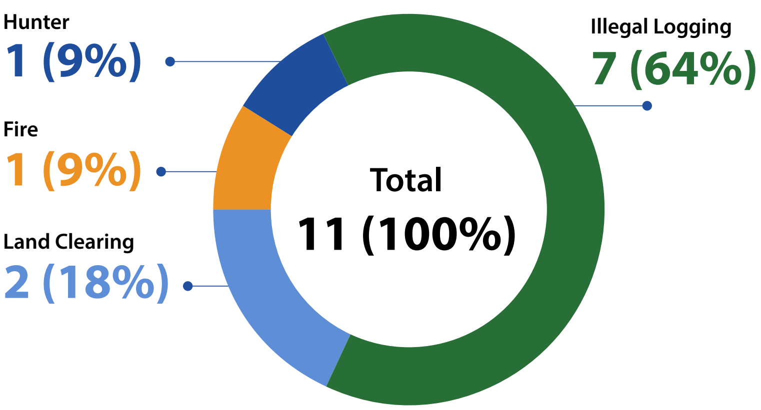


## HCV Disturbances in 2025

[GRI 101-6]

Conservation areas are regularly monitored through patrol activities to prevent potential threats that could disrupt habitat integrity. DSNG utilizes the SMART Patrol application as its primary monitoring system due to its ability to record data in a structured manner and provide reliable statistical analysis. This approach enables the Company to identify disturbance trends as well as wildlife dynamics, thereby supporting more effective and adaptive management of conservation areas.

**Type of Disturbance**



### Wildlife Crossing to Support Habitat Connectivity

DSNG recognizes that previous HCV assessments had not fully addressed connectivity between conservation areas. Several conservation areas remain fragmented, being separated by production plantations or natural waterways, which constrains wildlife movement, particularly for mammals, and optimal population growth.

In response to this condition, PT Bima Palma Nugraha (PT BPN), a subsidiary of DSNG, in collaboration with the East Kalimantan Natural Resources Conservation Agency (BKSDA) and wildlife experts, initiated the construction of wildlife bridges using steel cable slings to connect tree canopies across natural waterways.

In March 2025, DSNG's camera traps recorded the use of Wildlife Bridge by a female orang utan later identified as "Ratu." This is an early evidence that the wildlife bridge has been effectively utilized by wildlife within the PT BPN conservation area. In addition, other species observed using the bridge include long-tailed macaques and squirrels.

These observations demonstrate that the wildlife bridge is functioning as intended to support habitat connectivity, particularly during periods of environmental disturbance such as flooding. The findings serve as a basis for DSNG to continue strengthening wildlife habitat protection and restoration through a data-driven approach, multi-stakeholder collaboration, and the development of effective conservation infrastructure, in line with the Company's sustainability commitments.

## Fire Prevention and Management

DSNG is committed to implementing a zero-burning policy across all land management and development activities as part of its NDPE commitment and Sustainability Policy. As a member of the RSPO, DSNG monitors potential fire incidents through the GeoRSPO platform, an interactive mapping system developed in collaboration with the World Resources Institute (WRI). The platform provides accurate and verifiable spatial data on oil palm plantations, thereby supporting transparency, accountability, and the credibility of sustainable palm oil practices. Further information is available through **the RSPO monitoring platform**.

As part of its efforts to prevent and control forest and land fires, the Company implements a range of preventive measures, including routine patrols, community education and awareness-raising initiatives, Fire Control Standard Operating Procedures (SOPs), and the provision of fire prevention and suppression infrastructure and equipment. Regular monitoring is also conducted to ensure effective fire control within concessions and to assess potential fire risks in surrounding areas. The fire prevention and management programs include the following:

## Prevention

**The Forest and Land Fire Prevention Work Plan** is developed based on **fire risk maps**, serving as a reference for identifying priority areas and determining preventive measures.

**Emergency Response Preparedness Teams (TKTD)** have been established across all operational units as part of operational readiness and early fire response, ensuring the availability of trained personnel.

**The Company ensures full readiness of fire-fighting facilities and infrastructure** in accordance with Ministry of Agriculture Regulation No. 6 of 2025, achieving 100% compliance. Fire-fighting equipment includes portable pumps, backpack pumps, high-pressure pumps, and other personal protective equipment.

**Hotspot monitoring** is conducted through satellite-based systems, including SIPONGI of the Ministry of Forestry and NASA's MODAPS, covering areas within a 1-km radius outside the concession boundaries.

**Routine patrols, training sessions, and fire emergency response simulations** are conducted twice a year to enhance preparedness and rapid response capabilities. These efforts are further strengthened through the establishment of Emergency Response Preparedness Teams (TKTD) and Fire-Aware Farmer Groups (Kelompok Tani Peduli Api/KTPA).

**The Company collaborates with suppliers** to enforce a zero-burning policy throughout the supply chain.

In addition, **DSNG cooperates with Manggala Agni** to strengthen fire preparedness through emergency readiness roll calls, outreach and awareness activities, Karhutla certification programs involving 400 participants, and inspections of fire-fighting equipment.

## Fire Suppression

Rapid response is undertaken for any detected fire incidents, including immediate fire-fighting actions and timely reporting to relevant authorities, such as village leaders, sub-district leadership forums, and related government agencies.

## Post-Fire Management

Evaluation of the sources and causes of incidents, along with improvements to procedures and infrastructure, as measures for continuous prevention and rehabilitation of affected areas.

## Summary of Hotspot Monitoring Results in 2025

DSNG conducts regular hotspot monitoring to ensure effective fire control within its concessions and to monitor potential fire risks in surrounding areas.

### 01. West Kalimantan

**Concession Areas**

| | |
|---|---|
| 140 | Number of Hotspots Detected |
| 140 | Number of Actual Fire Incidents |
| 105.31 | Affected Area (ha) |

**Within a 1-km Radius Outside the Concessions**

| | |
|---|---|
| 388 | Hotspot Detected |
| 388 | Number of Actual Fires |

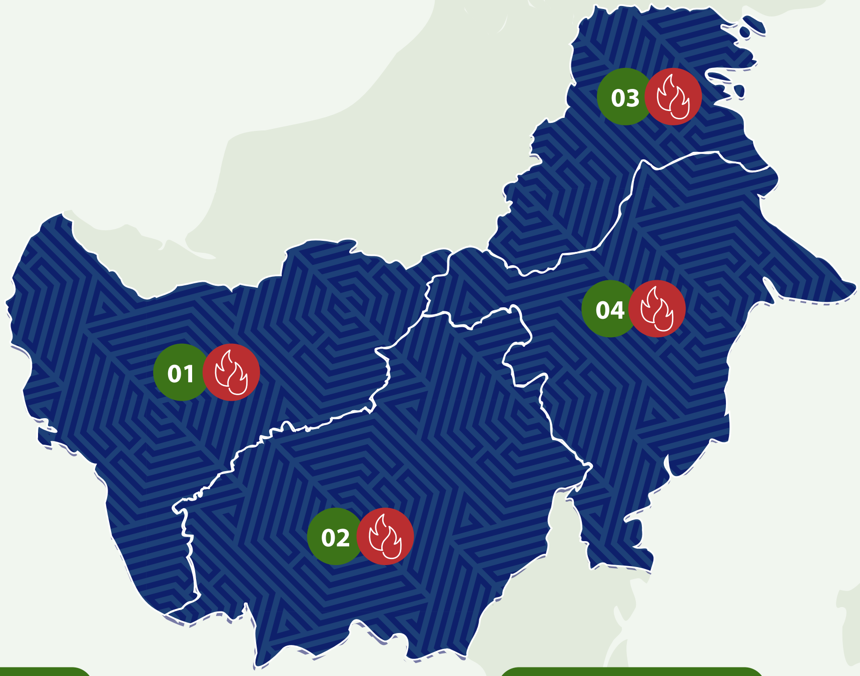
### 02. North Kalimantan

**Concession Areas**

| | |
|---|---|
| 0 | Number of Hotspots Detected |
| 0 | Number of Actual Fire Incidents |
| 0 | Affected Area (ha) |

**Within a 1-km Radius Outside the Concessions**

| | |
|---|---|
| 10 | Hotspot Detected |
| 10 | Number of Actual Fires |



### 03. Central Kalimantan

**Concession Areas**

| | |
|---|---|
| 1 | Number of Hotspots Detected |
| 1 | Number of Actual Fire Incidents |
| 0.99 | Affected Area (ha) |

**Within a 1-km Radius Outside the Concessions**

| | |
|---|---|
| 18 | Hotspot Detected |
| 18 | Number of Actual Fires |

### 04. East Kalimantan

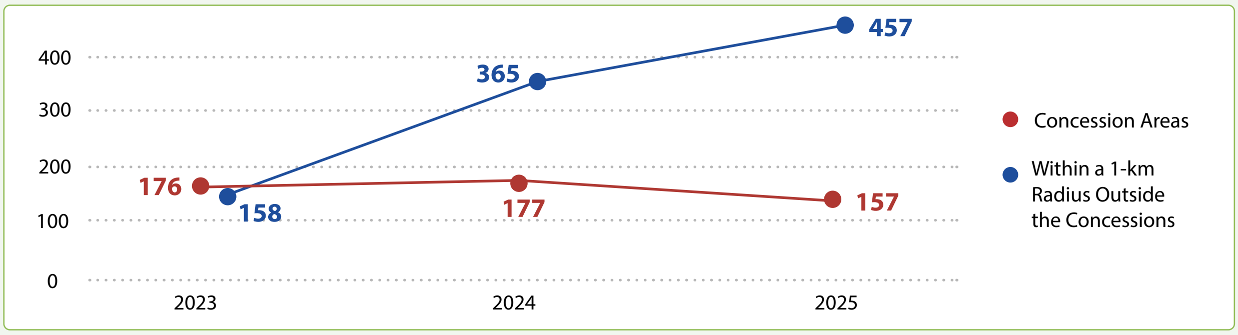
**Concession Areas**

| | |
|---|---|
| 16 | Number of Hotspots Detected |
| 16 | Number of Actual Fire Incidents |
| 24 | Affected Area (ha) |

**Within a 1-km Radius Outside the Concessions**

| | |
|---|---|
| 41 | Hotspot Detected |
| 41 | Number of Actual Fires |

**Verified Hotspots 2023-2025**

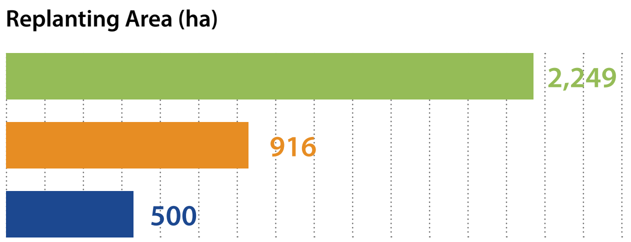


## Implementation of the Zero-Burning Policy in Land Management: Oil Palm Replanting

● 2025 | ● 2024 | ● 2023

In 2025, DSNG continued its mechanical oil palm replanting program as part of the implementation of its zero-burning policy. Replanting activities implemented progressively to maintain and enhance plantation productivity, particularly for aging or underperforming stands. The replanting process includes seedling preparation, felling and shredding of old oil palm trees, root removal, and the utilization of biomass residues as organic fertilizer. The Company uses high-quality oil palm seedlings selected to suit site-specific land and climatic conditions. DSNG does not use Genetically Modified Organisms (GMOs) in oil palm cultivation. This approach ensures consistent implementation of the zero-burning policy while supporting long-term productivity and sustainable plantation management.

**Progress of the Oil Palm Replanting Program**



**Location** PT SWA, Muara Wahau

# Watershed Protection and Water Quality

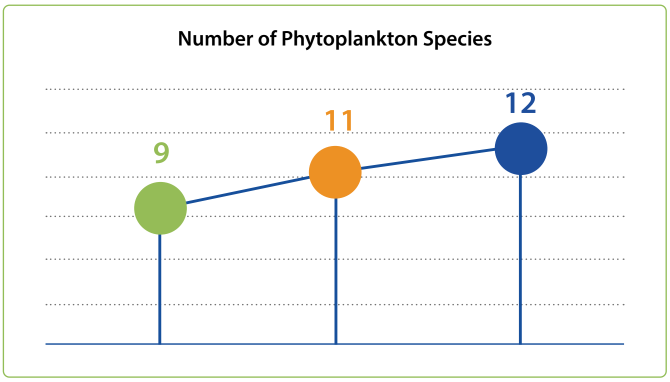
[GRI 303-1, 101-2, 101-8]

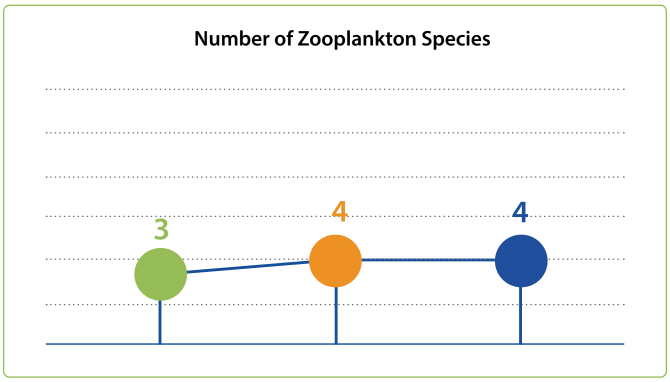
Water is a vital resource for both ecosystems and DSNG's operational activities. In 2025, river water quality monitoring across all entities was conducted regularly using biotic biodiversity indicators. This monitoring aims to detect changes in water quality and to ensure the prevention of pollution within watershed areas.

Invertebrate samples were collected from river areas located within the Company's conservation area, Muara Wahau River. At the same monitoring points as in the previous year, DSNG recorded 9 phytoplankton species and 3 zooplankton species in 2025. These results provide an initial indication of aquatic ecosystem health and form part of the basis for evaluating watershed water quality.

**Number of Phytoplankton and Zooplankton Species in the Lower Wahau River**

● 2025 | ● 2024 | ● 2023





## River Buffer Zone Protection [GRI 101-5, 101-6, 101-7]

In addition to water quality monitoring, DSNG supports watershed protection through the designation and management of river buffer zones, particularly during replanting activities. These efforts form part of the Company's sustainability strategy to safeguard forests and the environment, in line with DSNG's Sustainability Policy, which places biodiversity protection as a key priority.

The establishment of river buffer zones is carried out in accordance with applicable national regulations that classify riparian areas as protected zones, as well as the requirements of the certification schemes adopted by the Company. Referring to the Guidelines for Riparian Management in Oil Palm Plantations in Indonesia – Synthesis Report (2022), the identification and delineation of river buffer zones are conducted systematically within replanting areas.

The Company conducts the identification of watercourses and the establishment of river buffer zones within replanting areas through the following stages:

1. Reviewing HCV assessment reports to confirm the presence of rivers and riparian zones classified as High Conservation Value areas.
2. Delineating HCV areas by referring to the Indonesian Topographic Map (RBI) in accordance with applicable laws and regulations.
3. Verifying water flows and river channels within plantation blocks.
4. Identifying water sources, low-lying areas, marginal lands, and steep slopes with gradients exceeding 22 degrees (>22°).

The image and analysis above illustrates an example of riparian buffer zone identification carried out as part of replanting activities, which resulted in a reduction of approximately 4% of the total planting area of the most recent immature oil palm (TBM). Although this approach reduces the plantable area, the protection of river buffer zones contributes to enhanced biodiversity and strengthened ecosystem functions, including the protection of springs and water retention ponds, which ultimately support the long-term resilience and productivity of oil palm plantations.

## Tree Island Development in the Replanting Process

Tree Island refers to a cluster of local trees arranged to resemble a "small island" within a larger expanse of oil palm plantation. This approach can also be defined as a forest restoration technique that integrates oil palm with native or naturally occurring plant species, as well as selected non-endemic species. In the context of oil palm plantations, Tree Islands represent a sustainability initiative implemented during the replanting phase to enhance soil health and water conservation, support biosequestration, and promote biodiversity and overall ecosystem balance. Tree Island management is designed by taking into account two main dimensions: business and agronomic considerations,and environmental considerations.

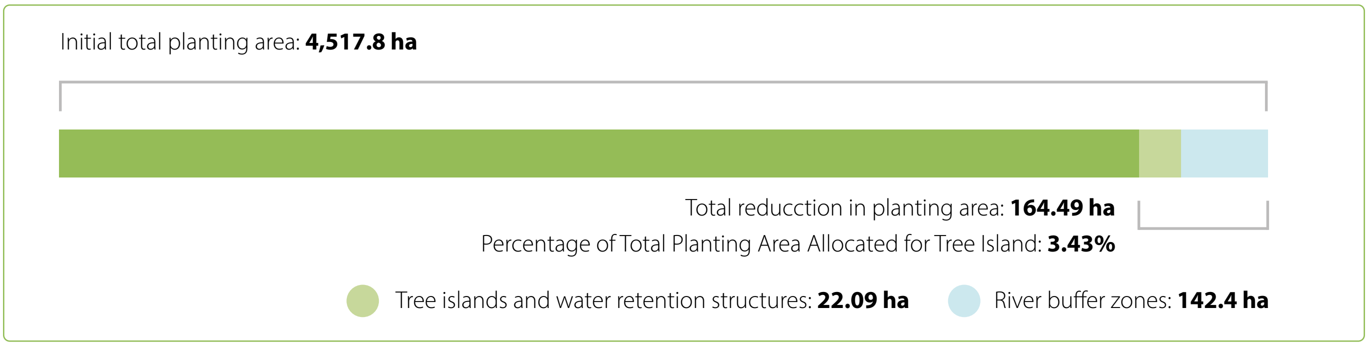
### Business and Agronomic Dimension

Tree Islands are established in areas that are required to be conserved as well as in areas that are agronomically suboptimal for oil palm cultivation. These areas include, springs, water retention ponds, low-lying areas, marginal soils, and other similar sites.

### Environmental Dimension

Tree Islands provide multiple environmental benefits, including enhanced biodiversity, strengthened ecosystem functions, and the stimulation of natural vegetation regeneration.

The following illustrates the results of an analysis of Tree Island implementation at one of the plantations within the DSN Group:



| | Area (ha) | Production | CTM Cost | Maintenance Cost |
|---|---|---|---|---|
| Normal Replanting | 100% | ↓ | ↑ | ↑ |
| New Design Replanting | 96% | ↑ | ↓ | ↓ |

The implementation of the new replanting design results in a production decline of approximately 10–20% in marginal areas. At the same time, CTM costs increase by around 15–20%, and plantation maintenance costs rise by approximately 5–10% per year, primarily related to drainage and fertilization activities. To optimize the benefits of Tree Islands, DSNG also carefully considers the selection of appropriate plant species. The species used include:

**Fast-growing species**, such as sengon, jabon, sungkai, and johar;

**Medium-growing species**, particularly fruit trees that attract seed-dispersing wildlife, including durian, petai, jackfruit, and kersen;

**Local species**, such as meranti, jelutung, and ulin; and

**Tree species represent a diversity of pollinators**, including large pollinators such as bats and birds, as well as smaller pollinators such as insects.

### Development of Jabon Agroforestry Based on Regenerative Agriculture

Within the Wood Products Business Unit, DSNG implements a farmer capacity-building program for climate-resilient multistrata agroforestry in the Kedu Banyumas Landscape, Central Java, in collaboration with the Rainforest Alliance and supported by the Asian Development Bank. The program aims to strengthen the capacity of 4,000 smallholder farmers to adopt integrated agroforestry and regenerative agriculture practices that enhance productivity while maintaining environmental functions.

The applied model integrates timber species such as sengon and jabon with coffee and other crops in a layered planting system. This system maintains tree cover and supports higher levels of biodiversity compared to monoculture systems. Through the replication of natural vegetation structures, the approach contributes to soil conservation, improved water governance, and the long-term maintenance of ecosystem functions, while sustaining farmers' livelihoods.

Preliminary assessments indicate that most of the program area is located on sloping land with high rainfall intensity, making it vulnerable to erosion and nutrient loss. The multistrata agroforestry system helps mitigate these risks by strengthening soil structure through arboreal root systems, reducing surface runoff through canopy cover, increasing soil organic matter from leaf litter and biomass, maintaining soil moisture, and enhancing both above- and below-ground carbon stocks. Land cover change analysis also shows a 0.3% increase in forested areas, driven by the expansion of community-based agroforestry supported by the wood processing industry. This trend reflects positive ecological impacts, including increased vegetation cover and carbon sequestration at the landscape level.

## Integrated Pest Management [GRI 13.5.1, 13.6.1, 13.6.2]

DSNG adopts an Integrated Pest Management (IPM) system as its primary approach to maintaining crop health while avoiding excessive reliance on chemical inputs. The IPM system focuses on reducing environmental risks and enhancing ecosystem balance. DSNG applies an Integrated Pest Management (IPM) system as part of its sustainable cultivation practices. Detailed information on the Company's IPM approach is available on **the official DSNG website**.

### Use of Agrochemicals

DSNG prohibits the use of paraquat and Class 1A/1B pesticides in accordance with Indicator 7.2.5 of the RSPO 2018 Principles and Criteria. The use of agrochemicals is strictly controlled and applied only when necessary, with priority given to bio-insecticides and natural enemies. Regular training is provided to employees and smallholders to ensure safe handling and compliance with established procedures. In 2025, the Company used approximately 19 types of pesticides with a total use of 34.74 kg of active chemicals per hectare.

### Alternatives to Pesticides [POJK F.5]

DSNG implements operational and chemical storage practices aimed at minimizing the risk of contamination and pollution from fertilizers, pesticides, and other chemical substances. Efforts to reduce chemical use are undertaken to maintain soil fertility while sustaining plantation productivity.

The Company also continues to promote the increased use of bio-insecticides and natural enemies as part of oil palm pest management. This biological approach utilizes predators, parasitoids, entomopathogens, and fungi to maintain pest and disease balance without causing adverse environmental impacts. In implementing these initiatives, the Company prohibits animal testing in the development of its innovations. Key programs include the following:

### Development of Biofungicides and Bioinsecticides

DSNG is committed to reducing the use of chemical inputs through safer fertilization practices, proper storage in accordance with applicable standards, and the increased application of bio-insecticides. The Company also continues to promote the adoption of 100% bio-insecticides for the control of major oil palm pests. The use of biological agents based on biofungicides and bioinsecticides in 2025 is presented in the table below:

| Alternative Type | Function | Main Purpose | 2025 Production | 2025 Field Application |
|---|---|---|---|---|
| *Trichoderma* sp | Biofungicide | Prevention of oil palm diseases (replanting phase) | 62,550 kg | 62,010 ton |
| *Cordyceps* sp | Bioinsecticide | Control of leaf-eating caterpillars in oil palm (larval or pupal stage) | 828 kg | 714 kg |
| *Multi-Nucleo Polyhedro Virus (MNPV)* | Bioinsecticide | Control of oil palm leaf-eating caterpillars (UPDKS) at larval or pupal stages | 230 kg | 40 kg |

### Development of Natural Predators: Barn Owls (*Tyto alba*)

The utilization of barn owls (*Tyto alba*) is being developed as a natural predator for rodent control within DSNG's oil palm plantations. This initiative aims to reduce dependence on chemical rodenticides while maintaining ecosystem balance. During 2025, a total of 12 *Tyto alba* individuals were bred and released as part of environmentally friendly and sustainable biological pest control efforts.

### Development of Host Plants

The use of host plants is promoted to naturally enhance populations of predators and parasitoids as part of sustainable biological pest management. Various plant species, including *Antigonon leptopus, Turnera subulata, Turnera ulmifolia, Euphorbia heterophylla, Nephrolepis* sp., *Celosia* sp., and *Cratoxylum* spp., are planted to support ecosystem stability within plantation areas. In 2025, the planting of Turnera sp. as a beneficial plant exceeded the annual target by more than 7%, covering a total of 1,921 plantation blocks.

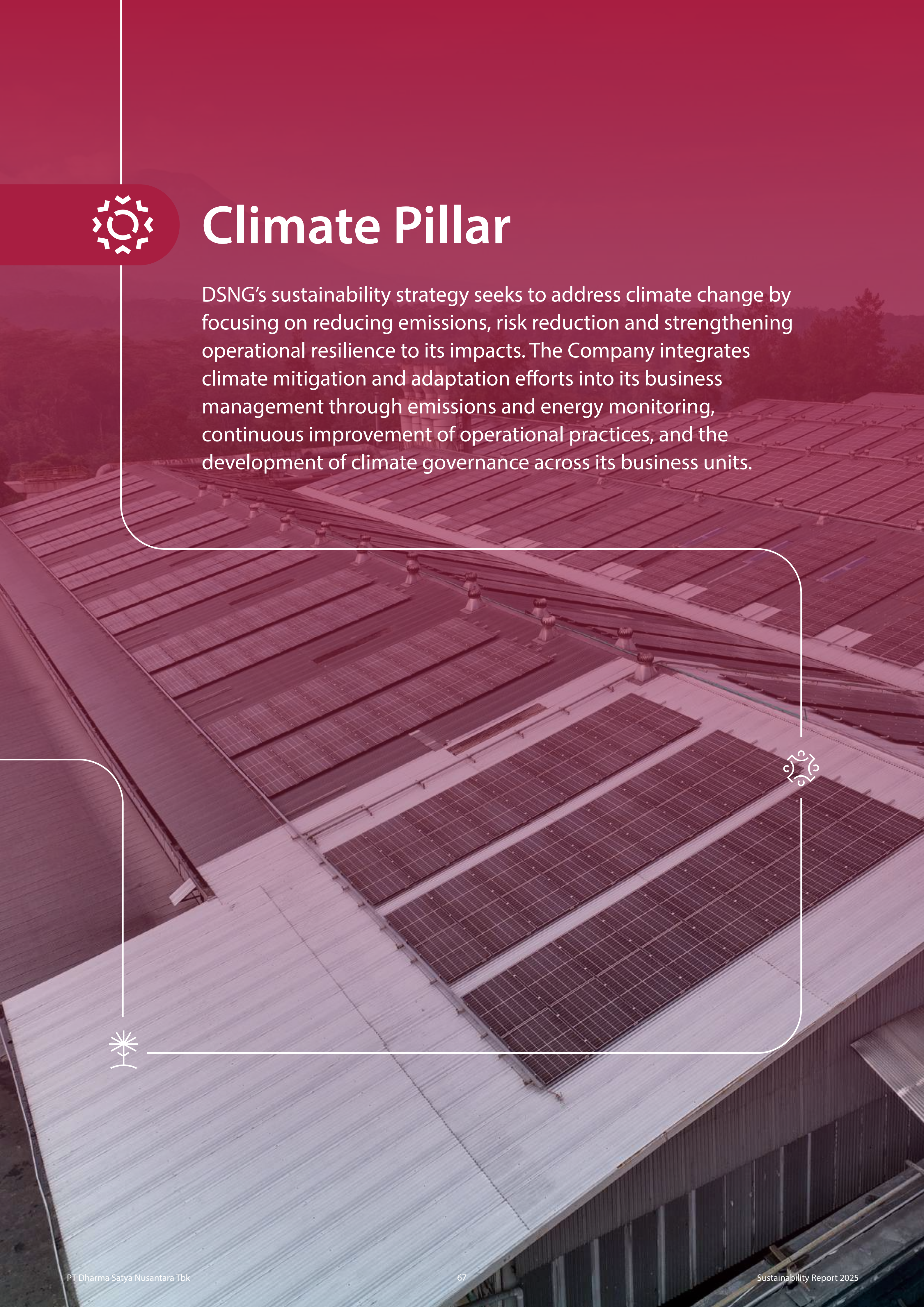
### Development of Sycanus Predators

The utilization of the natural predator *Sycanus* is being developed as part of the Integrated Pest Management (IPM) strategy in oil palm plantation areas to suppress leaf pest populations and reduce dependence on chemical insecticides. The breeding program, which commenced in July 2025, is supported through habitat management and the development of host plants. During 2025, a total of 270 *Sycanus* individuals were bred and released as part of sustainable biological control efforts.

## Development of Pollinating Insects

DSNG has a Hatch and Carry program for *Elaeidobius kamerunicus* to enhance the effectiveness of natural pollination in oil palm plantations. The program includes hatching, rearing, and distributing pollinating insects to plantation areas requiring population reinforcement.

Throughout 2025, a total of 2,546,732 *Elaeidobius kamerunicus* individuals were released into immature oil palm (TBM) blocks at PT Swakarsa Sinarsentosa, Muara Wahau, covering an area of 500 hectares, equivalent to approximately 56,758 individuals per hectare. Distribution began in May 2025 as part of an ongoing effort to maintain pollinator populations and support plantation productivity through natural processes.



# Climate Pillar

DSNG's sustainability strategy seeks to address climate change by focusing on reducing emissions, risk reduction and strengthening operational resilience to its impacts. The Company integrates climate mitigation and adaptation efforts into its business management through emissions and energy monitoring, continuous improvement of operational practices, and the development of climate governance across its business units.

# Targets and Progress

## Energy

**Energy Consumption Intensity of Palm Oil Business Units**

**19.59**
GJ/ton of CPO
**Palm Oil Business Unit**

**11,767,299**
GJ
**Renewable Energy Consumption - Palm Oil**

**Energy Consumption Intensity of Renewable Energy Business Units**

**3.13**
GJ/ton Production
**Renewable Energy Products Business Unit**

**86,496**
GJ
**Renewable Energy Consumption**

**DSNG Energy Consumption Intensity**

**1.08**
**GJ/Rp**

**Energy Consumption Intensity of Wood Product Business Units**

**5.51 GJ/$m^3$**
Wood Product Business Unit - Panels

**0.20 GJ/$m^2$**
Wood Product Business Unit - Floor

**620,353 GJ**
Renewable Energy Consumption - Panels

**94,341GJ**
Renewable Energy Consumption - Floor

## Water Management

**0.87**
**$m^3$/Ton of FFB Processed**
Water Consumption Intensity of POM Process Units

**0.07**
**$m^3$/Floor Production ($m^2$)**
Water Consumption Intensity of DSN WP Floor

**0.63**
**$m^3$/Panel Production ($m^3$)**
Water Consumption Intensity of DSN WP Panel

**0.06**
**$m^3$/Ton Production**
Renewable Energy Water Intensity

## GHG Emissions

**0.57** **$tCO_2e$/Ton CPO**
GHG emission intensity relative to CPO production volume

**2025 Adaptation Program Achievements**

- Development of Water Conservation Projects in the Palm Oil Business Unit
- Strengthening Climate Adaptation Through Conservation and Pollinating Insects
- Protecting Workers' Health Against Extreme Heat Risks
- Water Recycling Installation

**2025 Mitigation Program Achievements**

- Zero Landfill TPST Project
- Water Use Efficiency in the Wood Products Business Unit
- Energy Self-Sufficiency Program in the Palm Oil Business Unit
- Energy Self-Sufficiency Program in the Wood Business Unit

# DSNG's Approach to TCFD's Core Pillars

[GRI 201-2, 13.2.1, 13.2.2] [SASB FB-AG-440a.1, FB-AG-440a.2]

## TCFD Core Pillars • **Governance**

DSNG ensures effective sustainability governance through direct oversight by the President Director and Chief Sustainability Officer (CSO), who lead the integration of ESG policies and climate risk mitigation across all operations. To strengthen this oversight function, the Sustainability Advisory Board (SAB) serves as a strategic advisor, holding quarterly meetings to review performance, identify risks, and provide guidance on developing sustainability programs. All SAB recommendations are submitted to the Board of Directors as a basis for decision-making and corporate strategy formulation.

To address climate change, DSNG strengthened its climate management structure by appointing a Climate Action Unit Head in 2024, who coordinates adaptation and mitigation efforts. Throughout the year, the SAB held four meetings to discuss the transition strategy towards a low-carbon economy and strengthen the Company's readiness to face global climate-related policies. The Board of Directors further evaluated the recommendations from these discussions to ensure alignment with the long-term strategic plan. Further information on DSNG's efforts to address climate change can be accessed at **the following link**.

## TCFD Core Pillars • **Strategy**

Since September 2021, DSNG has begun calculating greenhouse gas (GHG) emissions and assessing climate risks with external parties using 2019 data as a baseline. The inventory is conducted every three years to ensure a science-based climate strategy, following updates to guidelines such as the Science-Based Target Initiative (SBTi) and the draft GHG Protocol Land Sector and Removals Guidance (LSRG). In the climate risk assessment process, DSNG uses internationally recognized climate scenarios, namely the Representative Concentration Pathways (RCPs) developed by the Intergovernmental Panel on Climate Change (IPCC), to understand the potential impacts of climate change in the medium- and long-term.

The RCP 8.5 scenario represents high-emission conditions without emission-reduction policies and is considered the most extreme physical risk scenario (worst-case). Meanwhile, the RCP 4.5 scenario reflects a relatively ambitious emission-reduction pathway to limit global temperature rise to around 2°C, but it still shows significant potential physical impacts. With these considerations in mind, RCP 4.5 is prioritized as the main scenario in the DSNG's climate change physical risk assessment.

| | | | | |
|---|---|---|---|---|
| **Climate Scenario** | Temperature Alignment | **1. ≤ 2°C**<br>**2. > 2°C** | Physical Climate Risk Scenarios | **1. RCP 4.5 (1.7–3.2°C)**<br>**2. RCP 8.5 (3.2–5.4°C)** |

Climate change projections indicate higher maximum temperatures and longer warm periods in the future.
No significant changes in extreme rainfall are projected under climate change scenarios.

Through this approach, DSNG identifies physical, transition, and climate-related risks and opportunities relevant to its operations in Indonesia. Five key physical risks, along with mitigation measures and cost estimates, are outlined in the **Sustainability Report (pages 71-72)**. The results of this assessment form the basis for integrating sustainability aspects into the Company's business model, including capital allocation for the transition towards a low-carbon economy.

Building on these assessment results, DSNG has developed a 2030 Climate Action Plan (CAP) as a strategic step to strengthen climate resilience and reduce emissions in measurable ways. In the palm oil business unit, 10 priority projects are monitored quarterly up to the directorate level, including Methane Capture, Biogas Electrification, Bio-CNG Utilization, Zero Landfill TPST, Biogenic Sequestration, Fertilizer Innovation, Soil Organic Management, Plantation Water Management, Factory and Housing Water Management, and Beneficial Insect Development. Details of the action plan and emission reduction targets until 2030 are available at **the following link**.

## TCFD Core Pillars • **Risk Management**

In 2022, DSNG developed a Climate Risk Assessment (CRA) in collaboration with Asia Biogas and ERM to assess various climate-related risks, including current and future regulations, technological, legal, market, and reputational risks, as well as acute and chronic physical risks. This assessment covers the medium- and long-term, with a full report available via **the following link**.

Through its Audit Committee, DSNG identified environmental risks, including climate risks, and established mitigation measures based on the GHG emissions baseline and previous CRA results. To support the management of these risks, DSNG implemented an Environmental and Social Management System (ESMS) in line with IFC-PS standards. The ESMS is implemented across all aspects of the business, including Strategic Business Units (SBUs), with climate change risk a key focus within the Company's risk management framework. Complete information on ESG risk management through the ESMS is available on **page 135 of the Sustainability Report**.

## TCFD Core Pillars • **Metrics and Targets**

Aligned with identified climate risk under RCP 8.5 and 4.5, we aim to not only reducing impact of the risk, but also convert it into opportunities. Thus, we committed to set an ambitious low-carbon target under RCP 2.6 scenario (corresponding to the 1.5°C future). DSNG sets GHG emission baselines for Scopes 1, 2, and 3 using 2019 data and targets a 44% reduction in emissions by 2030.

Our targets are:
- A 70% reduction (Scope 1), 28% (Scope 2), and 23% (Scope 3)
- Optimizing the use of organic waste to support emission reduction
- Recycling and resource conservation
- Utilization of biomass and renewable energy
- Circular economy in energy and waste management

The year 2025 marks the initial phase of CAP 2030 implementation, with all projects moving from the planning stage to execution. The first year's achievements include:

- The Zero Landfill TPST has processed a total of 145 tons of waste, equivalent to the amount of waste produced by 5-6 sub-districts in one day. Processing efforts are also supported by an increased culture of waste sorting among employees.
- The Energy Self-Sufficiency Program Roadmap, with the utilization of methane gas from POME to produce biogas and Bio-CNG in two plants, has the potential to reduce 76,451 $tCO_2e$.
- Utilization of organic waste, including the application of empty fruit bunches up to 40 tons/ha/year, solid application of 15 tons/ha/year, and POME with BOD <5,000 up to 247 tons/ha/year, to support emission reduction and soil quality improvement.

## Climate Action Plan

DSNG's commitment to addressing climate change aligns with the Group's Sustainability Policy, which focuses on three main pillars: forests, climate, and communities. This policy serves as a strategic guide that integrates climate issues into the Company's business direction and sustainability goals.

As part of its efforts to achieve Net Zero targets, DSNG is committed to reducing emissions, strengthening resilience to climate risks, and supporting the Indonesian Government's commitment to achieving its Nationally Determined Contribution (NDC). To that end, the Company has developed a Climate Action Plan as a roadmap for transitioning to low-carbon, climate-resilient operations.

The Climate Action Plan includes strategic measures for both mitigation and adaptation, with a primary target of reducing greenhouse gas (GHG) emissions by 44% by 2030, compared to the 2019 baseline year.

# Climate Change

## Identified Physical and Transitional Risks Due to Climate Change and Their Financial Impacts

[GRI 201-2, 13.2.1, 13.2.2]

### Physical Risk

| Identified Risk | Main Impact | Estimated Implementation Period | Mitigation Actions | Estimated Implementation Cost or Impact |
|---|---|---|---|---|
| **Water Availability** | Insufficient water supply for operations, employee housing, and surrounding communities | 2-5 years | Increasing efficiency in mill processes & water use | The financial impact of this risk has not been disclosed in this report |
| | | | Increasing awareness through water conservation socialization | |
| | | | Increasing water recycling in all processes that use water | |
| | Water scarcity makes crops more vulnerable to diseases, reducing palm oil yields | 3-5 years | Improving soil moisture protection through cover crops and biomass cover | |
| | | | Implementing water conservation projects | |
| **Flooding and High Rainfall Intensity** | The risk of extreme rainfall causing rivers to overflow, resulting in operational disruptions | 2 years | Improving water management in flood-prone areas. Installing and building water reservoirs and pumps to control and manage excess water | The financial impact of this risk has not been disclosed in this report |
| | Soil nutrients are washed away from plantations, potentially reducing nutrient levels | | | |
| | Transportation processes disrupted | | | |
| **Extreme Heat** | Drastic increases in air temperature can lead to land degradation, forest fires, reduced groundwater levels, and stunted plant growth | - | Increasing community involvement in fire prevention | The financial impact of this risk has not been disclosed in this report |
| | Adverse effects on insect pollination and crop yields | | Breeding pollinating insects, *E. kamerunicus*, and natural predators, *Sycanus* Sp. This program was implemented in 2025 and will be carried out on an ongoing basis | |
| | Heat exhaustion experienced by employees affects their productivity | | Educating employees on heat exhaustion, providing protective apparel, adjusting work hours, and supplying hydration supplements | |
| **Landslides** | Soil movement due to topography and excessive rainfall exceeding land carrying capacity | 3-5 years | Increasing ground cover plant coverage | The financial impact of this risk has not been disclosed in this report |
| | Disrupts operations and risks reducing crop yields | | Avoid planting on certain topographies in the future | |
| | | | Improving roads and infrastructure in operational areas | |
| **Windstorms** | Strong winds that occur for hours or days pose a risk of hindering plant growth and causing operational disruptions | 5-10 years | Planting windbreaks at operational sites | The financial impact of this risk has not been disclosed in this report |
| | | - | Implementing/updating safety and environmental procedures (K3LH) for work activities during storms | |

| Transitional Risk | | | | |
|---|---|---|---|---|
| **Identified Risk** | **Main Impact** | **Estimated Implementation Period** | **Mitigation Actions** | **Estimated Implementation Cost or Impact** |
| **Policy & Regulation - Carbon Tax** | Increased production costs for Wood and Palm Oil Products<br>The leverage point for Bio-CNG | - | Calculating internal carbon pricing based on regulations in Indonesia and target market countries<br>Identifying opportunities for Bio-CNG to leverage renewable power generation | The financial impact of this risk has not yet been measured |
| **Policy & Regulation - Foreign Trade Restrictions** | Limiting DSNG's access to international markets<br>More efforts are needed to improve the sustainability of products so that they can pass import restrictions | - | Establishing a clear climate strategy to address this issue<br>Mapping market expansion and assessing its requirements | The financial impact of this risk has not yet been measured |
| **Technology & Market - Technology Advancement** | Improving yield and efficiency for each SBU | - | Conducting a detailed assessment of technologies and how they align with DSNG's current and future operations | The financial impact of this risk has not yet been measured |
| **Technology & Market - Renewable Energy & Methane Capture** | The market will be more concerned about declining costs of green technology | - | Identifying investments for green technologies to be adopted by DSNG | The financial impact of this risk has not yet been measured |
| **Reputation - Shareholder and Stakeholder Sentiment.** | Reputation impact on shares that could affect DSNG's market position and access to funding | - | Disclosing DSNG's sustainability journey through credible frameworks like TCFD | The financial impact of this risk has not yet been measured |

# 2025 Climate Change Adaptation Program

## 1 Development of Water Conservation Projects in the Palm Oil Business Unit

### Plantation Water Management

The conservation program, which began in 2024, is now fully operational and regularly monitored. This initiative has been implemented at PT BPN's DP1 Estate in East Kalimantan, covering 205 hectares. Throughout 2025, a total of 282,465 m$^3$ of water was successfully diverted from the PKS 9 reservoir to the rorak network in the hilly plantation area. This flow helps maintain soil moisture, reduce erosion risk, and ensure water reserves remain available throughout the dry season. This measure is an important part of the Company's climate adaptation strategy to improve landscape resilience and maintain plantation productivity in increasingly unpredictable weather conditions.

## 2 Strengthening Climate Adaptation through Conservation and Pollinating Insects

### Beneficial Insects

DSNG is undertaking regenerative agriculture efforts by preserving forest ecosystems, riverbanks, and tree islands as part of nature-based solutions to address climate change. These efforts not only aid carbon sequestration but also maintain ecosystem balance, keeping it healthy and functional. One crucial step in maintaining this balance is conserving insects that play a significant role in crop productivity and health. During 2025, DSNG released 2,546,732 *Elaeidobius kamerunicus* pollinating insects and 270 *Sycanus* sp. predators, which play an important role in maintaining sustainable productivity and biodiversity in the company's operational landscape.

## 3 Worker Health Protection against Extreme Heat Risks

### Employee Health

In facing the risk of extreme heat, DSNG is committed to implementing health adaptation measures to ensure worker protection and operational sustainability. These efforts are implemented through regular socialization about the symptoms of heat exposure, distributing vitamins during morning briefings, and encouraging workers to report to health facilities if they notice signs of fatigue or heat stress.

## 4 Water Recycling Installation at GRHA DSN and WP Panel

As part of the climate change adaptation program, GRHA DSN and WP Panel implemented a water recycling system to maintain water supply reliability amid the risk of scarcity. Domestic wastewater is treated through a wastewater treatment plant and reused for non-consumptive purposes (toilet flushing, plant irrigation, and other uses), thereby reducing dependence on new clean water. This program supports water use efficiency, maintains quality standards, and strengthens operational resilience to climate variability.

## Climate Change Mitigation Program and GHG Emission Reduction Effort

**[POJK F.12] [GRI 305-5,13.1.6] [SASB FB-AG-130a.1, FB-AG-110a.2]**

### Zero Landfill TPST Project

As part of its climate change mitigation efforts, DSNG has implemented an Integrated Waste Management Facility (TPST) project with a zero-landfill approach. Organic waste is processed aerobically through composting, thereby reducing the formation of methane gas ($CH_4$), which has a high global warming potential. This approach differs from open dumping or landfill practices, which produce methane through anaerobic processes. By converting organic waste into compost, the TPST directly reduces greenhouse gas emissions.

This initiative aims to manage waste without relying on landfills through the Tiny-bite method and a stick & carrot approach for upstream processing, as well as mechanical sorting and the use of pyrolysis machines for downstream processing. After commencing commissioning in 2024, the TPST began processing waste from employee housing in the DSN Muara Wahau plantation area. A total of 145 tons of waste have been processed, equivalent to the amount of waste produced by 5-6 sub-districts in one day. Processing efforts are also supported by an increased culture of sorting among employees.

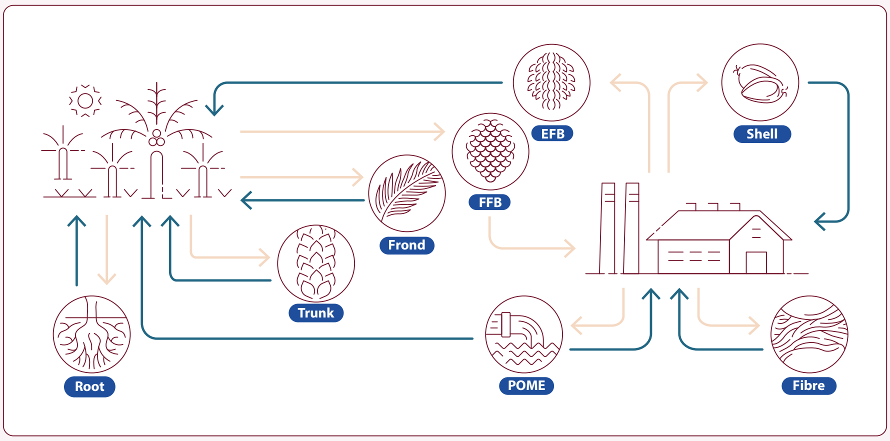
### Water Efficiency in the Wood Products Business Unit

In an effort to improve water efficiency and anticipate potential shortages, DSNG, through its DSN WP Panel business unit, installed a water-recycling machine to wash logs using wastewater from the production process. By 2025, this initiative will reduce water usage in the production process by 16% or around 5,572 $m^3$ per year compared to 2024.

### Achievements of the Palm Oil Business Unit's Energy Self-Sufficiency Program

Geopolitical instability, including potential conflicts, may drive volatility in oil prices and increase energy cost exposure. To mitigate this risk, the Company is advancing its Energy Self-Sufficiency Program, which is based on energy balance and techno-economic analysis and serves as a strategic instrument to support climate change mitigation and GHG emission reduction. Through this approach, renewable energy development and operational efficiency initiatives not only reduce emissions but also strengthen energy security, supporting the Company's target to achieve energy independence in key areas by 2028.

**Biomass Mapping Process**



This mapping aims to identify and optimize biomass potential in line with circular economic principles, so that production residues do not become an environmental burden but are reused as valuable resources, such as renewable energy, organic fertilizer, and biomass fuel, while supporting resource recovery and GHG emission reduction.

Biomass mapping outcomes constitute the foundational basis upon which the formulation of the Energy Self-Sufficiency Program and its implementation roadmap, which includes the utilization of organic waste and operational waste as alternative energy sources, to be implemented through the following initiatives:

a **Utilization of Organic Waste and Its Practices**

Throughout 2025, DSNG utilized 432,118 m$^3$ of POME to generate 9,766,800 kWh of electricity and to fuel generators and truck operations with Bio-CNG, reducing diesel consumption by 3,793,757 liters. Overall, this initiative contributed to a reduction of around 76,451 $tCO_2e$ in potential emissions, achieved through a combination of POME methane capture and diesel consumption avoidance.

Waste management is carried out in circularly by utilizing POME, empty fruit bunches, fiber, shells, and replanting biomass as sources of renewable energy, organic fertilizer, and raw materials for biogas and Bio-CNG. In addition, POME is also applied as liquid mulch for oil palm, supported by the use of mulch and infiltration pits for water conservation and runoff management, and socialized to the supply chain as a long-term sustainability practice.

b **Recycling Used Materials**

A wood flooring recycling program that reuses waste materials as raw materials for furniture to support sustainable resource management.

c **Utilization of Waste for Renewable Energy**

In 2025, the company utilized 198,928 tons of shells, 520,449 tons of fiber, and 24,925 tons of Palm Kernel Expeller (PKE) as biomass for biofuel. The utilization of Bio-CNG and biomass has become a strategic asset in supporting the transition to renewable energy.

d **Circular Economy in Energy and Waste Management**

The year 2025 marks five years of implementation of the DSNG Bio-CNG facility as part of a circular economy-based climate change mitigation and waste management strategy. Since operations began in 2020, two Bio-CNG units have converted POME into renewable energy to support company operations and reduce dependence on fossil fuels. The operation of two Bio-CNG plants has reduced emissions equivalent to planting trees covering an area three times the size of a soccer field.

5 YEARS
BIO-CNG DSN
ANNIVERSARY

As of September 2025, DSNG's two Bio-CNG plants have produced a significant mitigation impact with emissions avoided amounting to 600,423 $tCO_2e$. This amount is equivalent to reducing emissions from approximately 220,744 vehicles, planting 857,747 trees, or providing electricity to 6,782 households.

Since 2020, DSNG has processed 1,271,151 m$^3$ of POME and generated 34,860,930 kWh of electrical energy, while avoiding the use of 1,697,345 liters of diesel fuel, equivalent to reducing waste to landfills by 372,934 tons.

## Achievements of the Wood Products and Renewable Energy Business Unit's Energy Self-Sufficiency

DSNG optimizes the use of wood waste generated by the WP Panel business unit as part of the Wood Business Unit Energy Self-Sufficiency Program. Throughout the reporting year, WP Panel produced 620,353 GJ from the use of wood waste, with a total of 36,491 tons of wood processing waste that used as boiler fuel. In addition, the Renewable Energy Business Unit – Wood Pellets at PT BLN was also able to utilize 1,596 tons of wood pellet waste outspec, which produced 25,536 GJ as boiler fuel.

## Bottom-up Story DSN Award

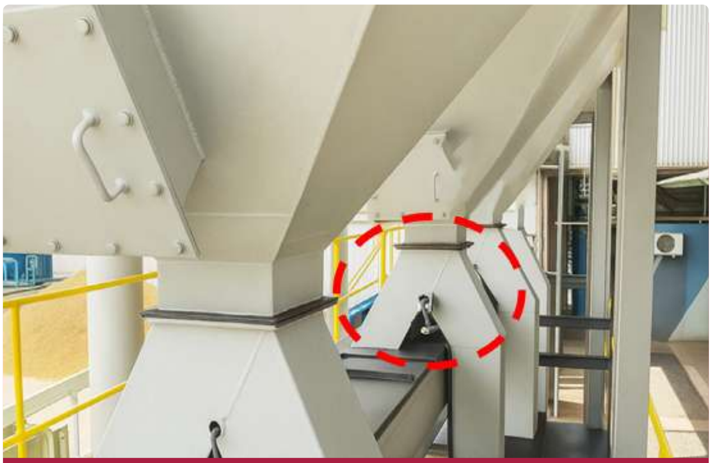
DSNG integrates climate adaptation and mitigation approaches not only through strategic policies at the corporate level but also through strengthening operational innovation. Through the DSN Award, the Company encourages field-based solutions that support emissions efficiency and climate resilience.

### Adaptation

**Organic Team: Improving the Productivity of Solid BP1 Estate Applications (Soil Organics Adaptation)**

The innovation of developing organic conveyors at BP1 BPN has resulted in a number of performance improvements, including:.

- Reducing operational costs by up to 35% (Rp 31,091,760/year)
- Improving ergonomics and work comfort for field workers
- Strengthening the circularity of organic materials, thereby increasing soil microbes and fertilization effectiveness
- Ensuring greater worker safety, especially during the rainy season.



### Mitigation

**Karambol Team: Optimizing the Use of Shell Fuel from Light Tank Dirt Separator (LTDS) to Boiler (Reducing Biomass Use - Scope 1)**

At PKS 11 Wahau, the implementation of the Sliding LTDS automatic system resulted in the following improvements:

- A 58% reduction in shell consumption, equivalent to savings of IDR 82,480,450 per month.
- Increased revenue by enabling more shells to be made available for sale and creating opportunities to reduce fossil fuel use outside of DSNG.
- Improved boiler pressure stability through automated operation of the Sliding LTDS system, thereby enhancing operational safety.
- A potential reduction in emissions of up to 81 $tCO_2e$ per factory per year due to lower shell combustion.

## GHG Emission Management

[POJK B.2.b, F.11] [GRI 305-1 305-2, 305-3, 305-4, 305-5, 13.1.2, 13.1.3, 13.1.4 13.1.5, 13.1.6,] [SASB FB-AG-110a.2]

### Progress on GHG Protocol Emissions DSNG

As of 2025, DSNG has not calculated greenhouse gas (GHG) emissions at the group level under the Company's operational control. For consistency in calculations, all greenhouse gases are converted to carbon dioxide equivalent ($CO_2e$) units. Throughout the reporting period, the Company focused its efforts on preparing for GHG emissions calculations, which are planned to be implemented in 2026.

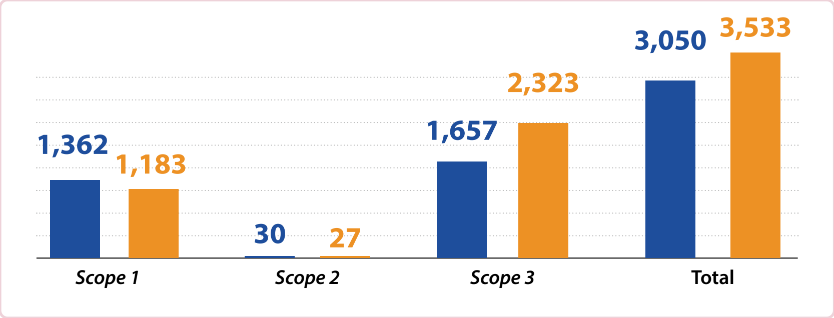
In accordance with the GHG protocol guidelines, the emissions calculation separates biomass $CO_2$ emissions and sequestration emissions absorption. The calculation method and relevant Scope 3 emissions categories are based on the Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

# DSNG's Progress Towards 2030 Emissions

● 2030 | ● 2022 | ● 2019

**Targets DSNG Absolute Emissions 2019 vs 2022 in thousand tonnes of $CO_2e$**

DSNG has conducted a triennial emissions calculation in collaboration with an independent institution to monitor progress toward its 44% emissions-reduction target by 2030 relative to the 2019 baseline. Several interventions led to an absolute decrease in Scope 1 and 2 emissions by 13%.



DSNG periodically calculates greenhouse gas emissions every 3 years in collaboration with independent institutions as part of monitoring the achievement of the 44% emission reduction target by 2030, compared to the 2019 baseline. DSNG is committed to reducing absolute GHG emissions by 44% in 2030 from the 2019 baseline. This consists of a 70% reduction in Scope 1, a 28% reduction in Scope 2, and a 23% reduction in Scope 3.

## Palm Oil Business Unit GHG Emissions Progress

In the palm oil business unit, calculations using the RSPO v4 PalmGHG Calculator show total emissions of 291,322 $tCO_2e$, a decrease of 13% compared to the previous year. This increase was due to the growing number of certified mills and plantations, which broadened the scope of emissions calculations and led to higher total recorded emissions.

**Volume & Intensity of GHG Emissions from Palm Oil Business Units** [GRI 305-4, 305-5, 13.1.6] [SASB FB-AG-110a.1]

**Palm Oil Business Unit GHG Emissions Volume ($tCO_2e$)**

| Palm Oil Operations | 2025 | 2024 | 2023 |
|---|---|---|---|
| POME | 306,056 | 347,559 | 364,548 |
| Fuel | 7,220 | 6,944 | 10,676 |
| Fertilizer | 268,891 | 238,185 | 200,853 |
| Plantation Fuel | 28,503 | 33,014 | 29,225 |
| LUC | 539,194 | 546,111 | 582,524 |
| Sequestration | (857,542) | (838,208) | (662,692) |
| **Total Emissions** | **291,322** | **333,605** | **525,133** |

**GHG Emission Intensity**

| | 2025 | 2024 | 2023 |
|---|---|---|---|
| In relation to CPO production volume ($tCO_2e$/Ton CPO) | 0.57 | 0.65 | 0.94 |
| In relation to value of palm oil product revenue ($tCO_2e$/Rp billion) | 26.86 | 37.98 | 62.86 |

Description:

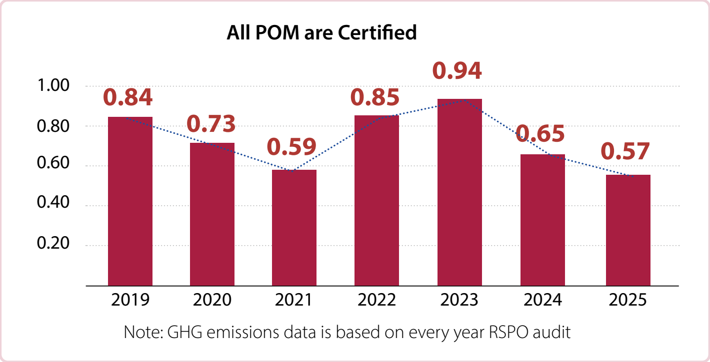
- Calculations based on the PalmGHG Calculator from RSPO version 4.0.

## Palm Oil Business Unit GHG Emission Intensity

In 2025, DSNG recorded a 32% reduction in upstream greenhouse gas (GHG) emissions intensity compared to the 2019 baseline. This achievement reflects the Company's progress in controlling emissions and demonstrates alignment between actual performance and the target of a 44% reduction in emissions intensity by 2030.

The 2025 emission intensity measurement was calculated by comparing actual performance against the 2019 RSPO baseline, providing a clear picture of the Company's operational-level initiatives to reduce emission intensity. This performance reaffirms the Company's commitment to consistently reducing its carbon footprint while supporting the transition to lower-emission operations.

## GHG Emission Intensity 2019-2025 (MT CO₂e/MT CPO)



## Calculation of Ozone-Depleting Substance Emissions and Nitrogen Oxide Emissions

[GRI 305-7, 13.1.7, 13.1.8]

Based on the results of evaluations of the Company's operational and production processes, it does not use or produce ozone-depleting substances (ODS), such as chlorofluorocarbons (CFCs) and hydrochlorofluorocarbons (HCFCs), in any of its operational activities relating to palm oil, wood products, or renewable energy. Consequently, there are no ODS emissions from these activities. Therefore, total ODS emissions were recorded as zero (0 metric tons of CFC-11 equivalent).

As part of its efforts to control air emissions, the company monitors nitrogen oxide (NOx) emissions by measuring ambient air quality in accordance with statutory standards and regulations. Monitoring results indicate that NOx levels are within the required limits, supporting the Air Quality Index (AQI) evaluation and ensuring that air quality around operational areas is maintained. The following table summarizes the results of boiler emission measurements in 2025.

**◆ Air Emissions from Boilers in Palm Oil Mills - Palm Oil Business Units**

| Emission | Unit | Standard | 2025 |
|---|---|---|---|
| Nitrogen Dioxide (NO2) | mg/L | 800 | 321.91 |
| Sulfur Dioxide (SO2) | mg/L | 600 | 88.86 |
| Particulate | mg/L | 300 | 66.04 |

**◆ Steam Boiler Air Emissions from WP Panel and WP Floor Factories - Wood Products Business Unit**

| Emission | Unit | Standard | 2025 |
|---|---|---|---|
| Nitrogen Dioxide (NO2) | $mg/m^3$ | 1,000 | 187 |
| Sulfur Dioxide (SO2) | $mg/m^3$ | 800 | 52 |
| Particulate | $mg/m^3$ | 350 | 65 |

**◆ Air Emissions from Wood Pellet Boilers - Renewable Energy Business Unit**

| Emission | Unit | Standard | 2025 |
|---|---|---|---|
| Nitrogen Dioxide (NO2) | $mg/m^3$ | 65 | 25.3 |
| Sulfur Dioxide (SO2) | $mg/m^3$ | 75 | 28.75 |
| Particulate | $mg/m^3$ | 230 | 37.2 |

**◆ Generator Air Emissions**

| Emission | Unit | Standard | 2025 |
|---|---|---|---|
| Nitrogen Dioxide (NO2) | mg/L | 3,400 | 541.68 |
| Sulfur Dioxide (SO2) | mg/L | - | 11.60 |
| Particulate | mg/L | - | 36.74 |

*Data includes air emissions from the 2-12 DSNG Palm Oil Mill facility location

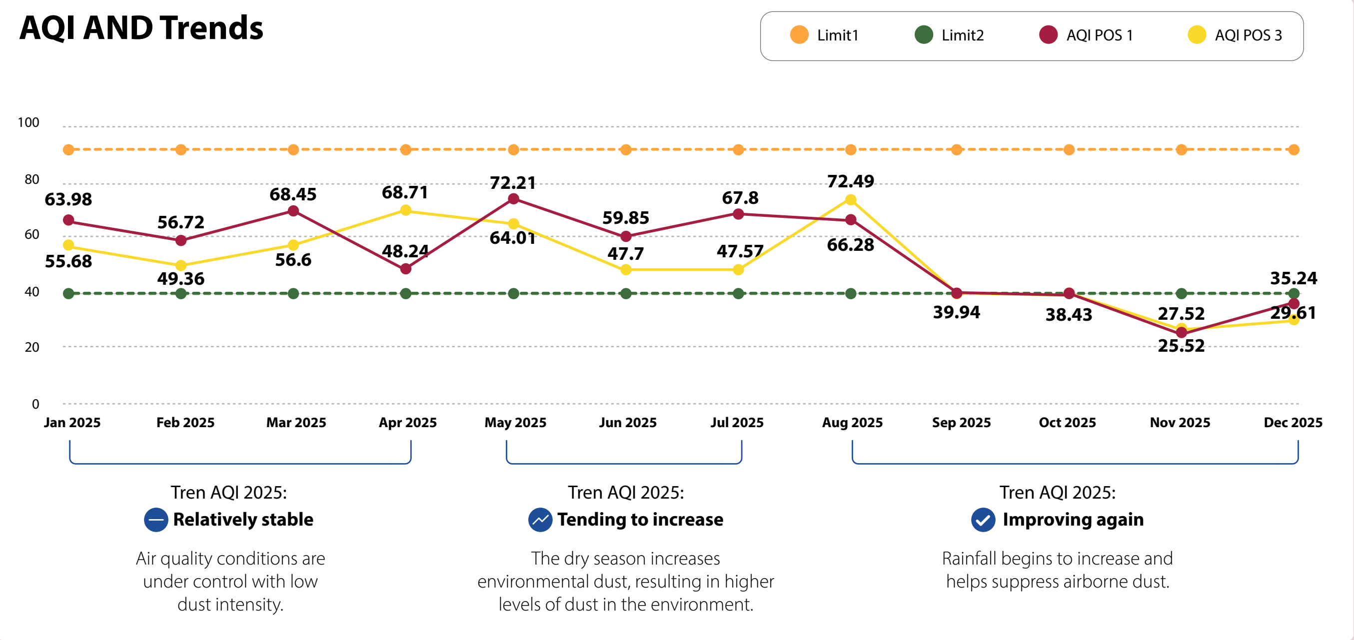
## Emission Control Program Innovations

### Close Loop Program [GRI, 305-7, 13.1.7, 13.1.8]

As part of its air emission control efforts, the Company deploys a closed-loop dust collection system at the DSN WP Panel Factory. This system is designed to enable closed circulation on the boiler flue, allowing process dust to be captured and controlled efficiently while preventing particulate emissions from being released into the surrounding environment. System performance is monitored regularly through visual inspections, recording operational parameters, and evaluating equipment conditions. This closed-loop approach enables early detection of potential leaks and maintains the effectiveness of emission control. Thus, the risk of particle release can be reduced, air quality is maintained, and the working environment becomes safer and healthier for employees and the surrounding community.

Throughout 2025, DSNG routinely monitored water pH at seven observation points. The monitoring results showed that all pH values were within the safe range of 6–8, as defined by environmental quality standards. Consistent pH stability, with no indication of pollution, confirmed the effectiveness of the water treatment process, with monthly variations remaining within normal limits.

**AQI (Air Quality Index) Trend 2025**



Tren AQI 2025:
**Relatively stable**
Air quality conditions are under control with low dust intensity.

Tren AQI 2025:
**Tending to increase**
The dry season increases environmental dust, resulting in higher levels of dust in the environment.

Tren AQI 2025:
**Improving again**
Rainfall begins to increase and helps suppress airborne dust.

During the operational Performance Evaluation period show: The 2025 AQI trend remains effective. The dust control system is working optimally, as reflected in the decline and stabilization of the AQI at the end of the year. The Company has successfully maintained air quality within safe limits throughout the year, despite seasonal fluctuations in the AQI.

# Energy Management [POJK B.2.a, F.6, F.7]

As part of the implementation of its Sustainability Policy, DSNG implements an energy management strategy that prioritizes renewable energy and operational efficiency. This strategy is outlined in the Energy Self-Sufficiency Roadmap, which was developed using an energy balance approach and techno-economic studies.

## Energy Reduction Efforts Program

### 1 Renewable Energy Resource

- **Biogas and Bio-CNG**
  By 2025, two Bio-CNG plants owned by DSNG will utilize 432,118 $m^3$ of POME to generate 9,766,800 kWh of electricity used in factory, office, and residential operations. In addition, 4,411,345 $Nm^3$ of Bio-CNG is produced as fuel for generators and trucks, which is equivalent to a reduction in diesel consumption of 3.79 million liters and generates cost savings of up to 53.03 billion based on the average diesel price of Rp13,979 per liter.

- **Transition to Bio-CNG fuel vehicles**
  By 2025, 57 Bio-CNG fuel trucks have been converted, resulting in the consumption of 164,510 $Nm^3$ of Bio-CNG, which is equivalent to a saving of 141,479 liter of diesel and a reduction in emissions of 379.16 $tCO_2e$.

- **Biomass**
  Throughout 2025, the Company generated 11.68 million GJ of renewable energy by utilizing 29% shells, 67% fibers, and 4% meal as boiler fuel. In addition to palm biomass, DSNG also produced 620,353 GJ from the utilization of wood waste from the WP Panel business unit, with a total of 36,491 tons of wood processing waste used as boiler fuel. The Renewable Energy-wood pellet business unit at PT BLN can also utilize 1,596 tons of wood pellet waste, producing 25,536 GJ of boiler fuel.

  The use of biomass (shells and fiber) as boiler fuel can drive turbines to generate electricity for the operation of 11 palm oil extraction factories and 1 KCP, thereby reducing reliance on fossil fuels. Throughout 2025, 12 turbines have generated 59,039,178 kWh of electricity, equivalent to 6.02 million liters of diesel fuel.

- **Solar Panel Program at Floor and GRHA DSN**
  GRHA DSN integrates renewable energy into building operations through Solar Power Plants (PLTS) installed at multiple locations, including the Power House 2 pump system. This initiative contributes to reducing emissions, reducing dependence on fossil fuels, and strengthening the Company's energy efficiency efforts.

|  | Annual Electricity Production (2025) | Ton $CO_2e$ |
|---|---|---|
| GRHA DSN | 9,260 kWh | 7.59 |
| WP Floor | 2,137,569 kWh | 1,752.81 |
| **Total** | **2,146,829 kWh** | **1,760.40** |

### 2 Implementation of Energy-Efficient Lifestyle

- **Energy-Efficient Equipment**
  The implementation of energy-efficient equipment and lighting is part of the Company's efforts to reduce energy consumption and environmental impact. In the Wood Products Business Unit, efficiency initiatives are carried out by a special working group through process automation and machine modifications, including the installation of automatic on-off systems to reduce electricity consumption. By 2025, the Company has converted 8 units of 3T forklifts from diesel to electricity, spread across the DSN WP Floor and DSN WP Panel.

- **Promoting an energy-efficient lifestyle (Energy Saving Campaign)**
  Through an energy-saving campaign disseminated via posters, banners, and meetings, the Company seeks to raise awareness and encourage behavioral change among employees and stakeholders to implement sustainable energy-saving practices.

## Investment in Energy Efficiency Innovation [POJK F.3, GRI 302-4, 302-5]

| Form of Investment | Investment Objectives | Total Investment Costs | Operational Costs in 2025 | Achievements in 2024 | Achievements in 2025 |
|---|---|---|---|---|---|
| Bio-CNG 1 | Promoting sustainability through the use of palm oil mill effluent as renewable energy | 62.74 billion | 5.39 billion | Produced 1,958,858 Nm$^3$ of Bio-CNG, equivalent to a reduction of 1,684,618 liters of diesel. | Produced 2,226,638 Nm$^3$ of Bio-CNG, equivalent to a reduction of 1,914,909 liters of diesel fuel for trucks and generators. |
| Biogas 1 | | 42.19 billion | | Generated 5,628,400 kWh of electricity. | Generated 5,473,200 kWh of electricity. |
| Bio-CNG 2 | | 72.69 billion | 9.04 billion | Produced 1,236,249 Nm$^3$ of Bio-CNG, equivalent to a reduction of 1,063,174 liters of diesel. | Produced 2,184,707 Nm$^3$ of Bio-CNG, resulting in a reduction of 1,878,848 liters of diesel fuel for trucks and generators. |
| Biogas 2* | | 62.79 billion | | Generated 2,347,900 kWh of electricity | Generated 4,293,600 kWh of electricity. |
| Bio-CNG converter truck | We are implementing conversion technology on diesel-fueled trucks and generators to Bio-CNG to reduce greenhouse gas emissions, mitigate the risk of fossil fuel price fluctuations, and lower maintenance costs. | 5.70 billion | 1.26 billion | Converted 48 diesel-fuel trucks to Bio- CNG, which reduced diesel consumption by 53,766 liters. | Converted 57 diesel-fueled trucks to Bio-CNG, eliminating 141,479 liters of diesel use. |
| Genset Division converts to Bio-CNG | | 5.01 billion | 15.09 billion | A total of 44 diesel generators were converted to Bio-CNG, contributing to a reduction in total diesel consumption of 2,629,152. liters. | A total of 65 diesel generators were converted to Bio-CNG, contributing to a reduction in total diesel consumption of 3,536,443 liters. |
| Electric Forklift in the Wood Products Business Unit | The use of electric forklifts eliminates diesel fuel and oil consumption, thereby reducing greenhouse gas emissions and lowering maintenance and fossil fuel costs. | 550 million/ unit for type 3T or a total of 8 units for around 4.4 billion. | 0.92 billion | The operation of 6 electric forklifts has reduced 4,623 liters of diesel consumption per month (or Rp 56.75million per month). | Operating 8 electric forklifts has reduced diesel consumption by 10,502 liters per month (equivalent to Rp 164 million per month). |

Note:
The increase in 2025 figures compared to 2024 for Biogas 2 is due to the 2024 achievement, starting from July to December 2024 (due to commercialization in June 2025)

## Energy Use [GRI 302-1, 302-2, 302-4, 302-5] [SASB FB-AG-110a.3, FB-AG-130a.1]

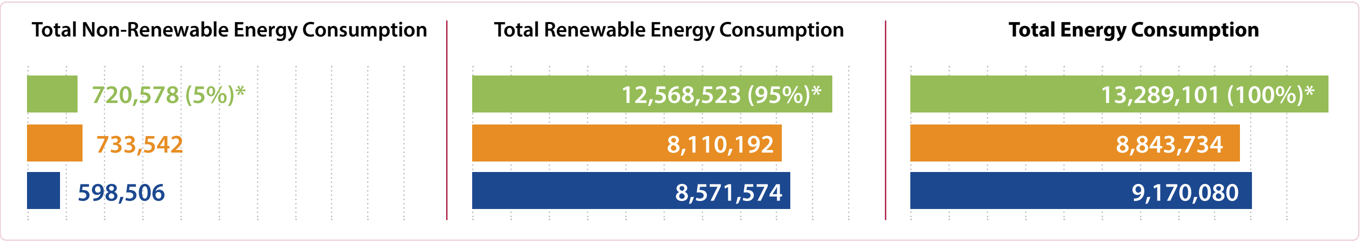
As part of the transition to clean energy, by 2025, the DSNG biogas and Bio-CNG plant will be capable of producing:

1. The first plant successfully produced 5,473,200 kWh of biomethane-based electricity (equivalent to 19,704 GJ) and 2,226,638 Nm$^3$ of Bio-CNG (equivalent to 22,749 GJ).
2. The second plant produced 4,293,600 kWh of electricity (equivalent to 15,457 GJ) and 2,184,707 Nm$^3$ of Bio-CNG (equivalent to 22,321 GJ).
3. Transportation used in the operational activities of the palm oil business unit consumes 11,369 GJ of energy.

All of this renewable energy is used to support the operational activities of the palm oil mill, offices, fresh fruit bunch (FFB) transportation, and employee housing. Throughout 2025, DSNG's total energy consumption was recorded at 13,289,101 GJ, including energy requirements for raw material transportation, the production processes for palm oil and wood products, renewable energy, and operational activities at the Head Office, with calculations covering both renewable and non-renewable energy sources. It should be noted that in the 2025 reporting year, there were differences in business coverage compared to the previous year, so the business units and operational activities taken into account were adjusted, which could affect the reported energy consumption levels. The energy consumption calculations in this report cover energy use within the organization. Meanwhile, energy use outside the organization has not been calculated due to the Company's limited access to energy consumption data beyond its operational boundaries.

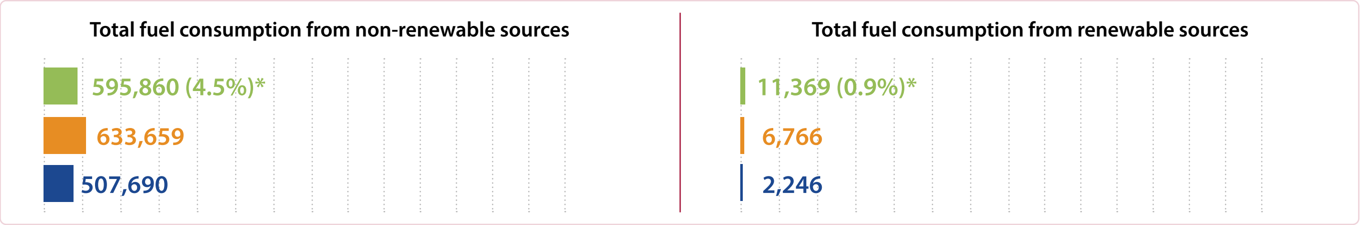
● 2025 | ● 2024 | ● 2023

**Total Energy Consumption Volume Within the Company (Giga Joules)** [GRI 302-1]

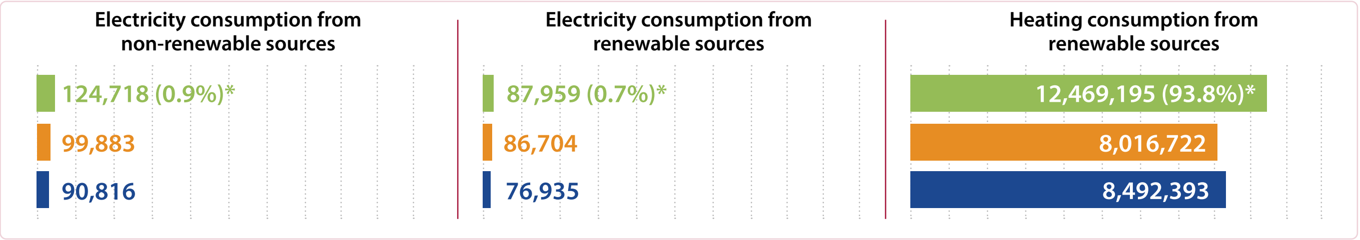


**Energy Consumption Based on Type (Giga Joules)**

**Fuel Consumption**



**Electricity Consumption for Heating and Steam**



Description:
*: The increase in energy consumption in 2025 is due to the addition of energy usage data from the Palm Oil Bulking and Renewable Energy Business Units.

## Energy Consumption Intensity in 2025 [GRI 302-3] [SASB FB-AG-110a.3]

The Company measures energy consumption intensity by comparing total energy use to production volume in each business unit. Energy Consumption Intensity (ECI) is calculated based on the total energy (fuel, electricity, and renewable energy) used by the Company, without distinguishing the sources of energy used to produce the products.

| Company | Unit | Renewable Energy | Non-Renewable Energy | Total Energy Consumption | Energy Intensity |
|---|---|---|---|---|---|
| **DSNG** | **Total** | 12,568,523 | 720,578 | 13,289,101 | **1.08 GJ/Rp*** |
| | **%** | 95% | 5% | 100% | |
| **Panel** | **Total** | 620,353 | 60,794 | 681,147 | **5.51 GJ/m$^3$** |
| | **%** | 91% | 9% | 100% | |
| **Floor** | **Total** | 94,341 | 33,242 | 127,584 | **0.20 GJ/m$^2$** |
| | **%** | 74% | 26% | 100% | |
| **Palm Oil** | **Total** | 11,767,299 | 593,327 | 12,360,626 | **19.59 GJ/Ton** |
| | **%** | 95% | 5% | 100% | |
| **Renewable Energy** | **Total** | 86,496 | 26,911 | 113,407 | **3.13 GJ/Ton** |
| | **%** | 76% | 24% | 100% | |
| **Head Office** | **Total** | 33 | 6,304 | 6,337 | **19.32 GJ/Person** |
| | **%** | 1% | 99% | 100% | |

Note: *Revenue

# Water Management [POJK F. 8]

DSNG manages water resources responsibly by improving efficiency and conservation in accordance with the Company's Sustainability Policy.

## Water Management Program

- **Water Risk Assessment**
  DSNG conducted a water risk assessment in 2022, with support from Asia Biogas and ERM, to map water-stress levels in its operational areas in 2030 and 2050. The study identified six areas with low water stress levels and one area projected to experience moderate water stress. Details of the results and assessment methodology are presented at the following link: **DSNG Climate Approach Methods, Impacts, Risks, Opportunities**.

- **Water Source Protection**
  The Company water management procedures and policies serve to preserve river and spring ecosystems by setting boundaries, monitoring water quality, and restricting the use of chemicals.

- **Water Reuse**
  The DSN WP Panel Business Unit utilizes a water recycling system to improve the efficiency of process water use and anticipate potential water scarcity. The water use efficiency target is set at 5,634 $m^3$ in 2025. In 2025, the volume of wastewater recorded remained the same as in 2024 at 5,616 $m^3$. Meanwhile, water use efficiency in steam boilers increased from 12% to 25%, with water consumption compared to 2024.

- **Water Efficiency in Factories**
  The Company adopts various water-efficiency measures in its factories, including recycling turbine cooling water, optimizing the use of boiler condensate as demineralized water, and regulating domestic water distribution. Domestic water is reused in a controlled manner to support the operational needs of offices, including the Head Office, as well as factory facilities.

- **Water Conservation**
  Water conservation efforts include maintaining the shade and canopy of oil palm trees to prevent soil erosion and increase water absorption, preserving the root system, which forms natural biopores, and using empty bunches and Nephrolepis plants as ground cover to maintain moisture. By 2025, a total of 282,465 $m^3$ water flows from water conservation at PT BPN, from the PKS 9 reservoir to the main rorak at the highest elevation, which is then gravity-fed to sub-roraks covering an area of 205 hectares.

## Water Usage and Process Water Intensity

[POJK F.8] [GRI 303-1, 303-2, 303-4, 13.7.2] [SASB FB-AG-140a.2, FB-AG-140a.3]

Throughout 2025, the Company recorded a decrease in water usage in its palm oil and wood flooring business units compared to the previous year. Water management was carried out in a measured manner through routine monitoring at the palm oil mill using the Water Intensity (WI) per ton of fresh fruit bunch (FFB) processed as an operational control tool. As of the reporting date, there were no complaints, fines, or sanctions imposed on the Company related to water resource utilization. DSNG has not yet measured water discharge based on the purpose of its use, except for the wood panel product business unit in the log washing pond, so data related to water discharge cannot be presented in this report in its entirety.

According to the Global Water Risk Atlas published by the World Resources Institute (WRI), four of DSNG's processing units (1 Head Office, 2 Wood Product Units, and 1 Renewable Energy Unit) are located in **High Water Stress Areas**. In light of these conditions, the Company implements efficient water management by limiting groundwater use to minimize the potential for water-use conflicts in its operational areas.

### Total Water Withdrawal Volume by Source in 2025 ($m^3$) [POJK.F.8] [GRI 303-1, 303-3] [SASB FB-AG-140a.1]

| | WP Panel ($m^3$) | WP Floor ($m^3$) | Palm Oil Units ($m^3$) | Renewable Energy ($m^3$) | Head Office ($m^3$) |
|---|---|---|---|---|---|
| Surface water | 3,376,802 | 0 | 0 | 0 | 0 |
| Groundwater | 0 | 77,362 | 45,133 | 2,337 | 0 |
| Seawater | 0 | 0 | 0 | 0 | 0 |
| Water from third parties (PDAM) | 0 | 2,290 | 1,095 | 0 | 25,512 |
| **Total water withdrawal** | **3,376,802** | **79,652** | **46,228** | **2,337** | **25,512** |

### Total Water Consumption in 2025 [GRI 303-5]

| | WP Panel ($m^3$) | WP Floor ($m^3$) | Palm Oil Units ($m^3$) | Renewable Energy ($m^3$) | Head Office ($m^3$) |
|---|---|---|---|---|---|
| Water Consumption | 3,376,802 | 79,652 | 46,228 | 2,337 | 25,512 |
| **Total Consumption DSNG** | 3,530,531 | | | | |

*Note: Increase in total water withdrawal and consumption volume at the WP Panel in 2025 due to obtaining 1 location permit for groundwater withdrawal that is measured and used for operational needs.

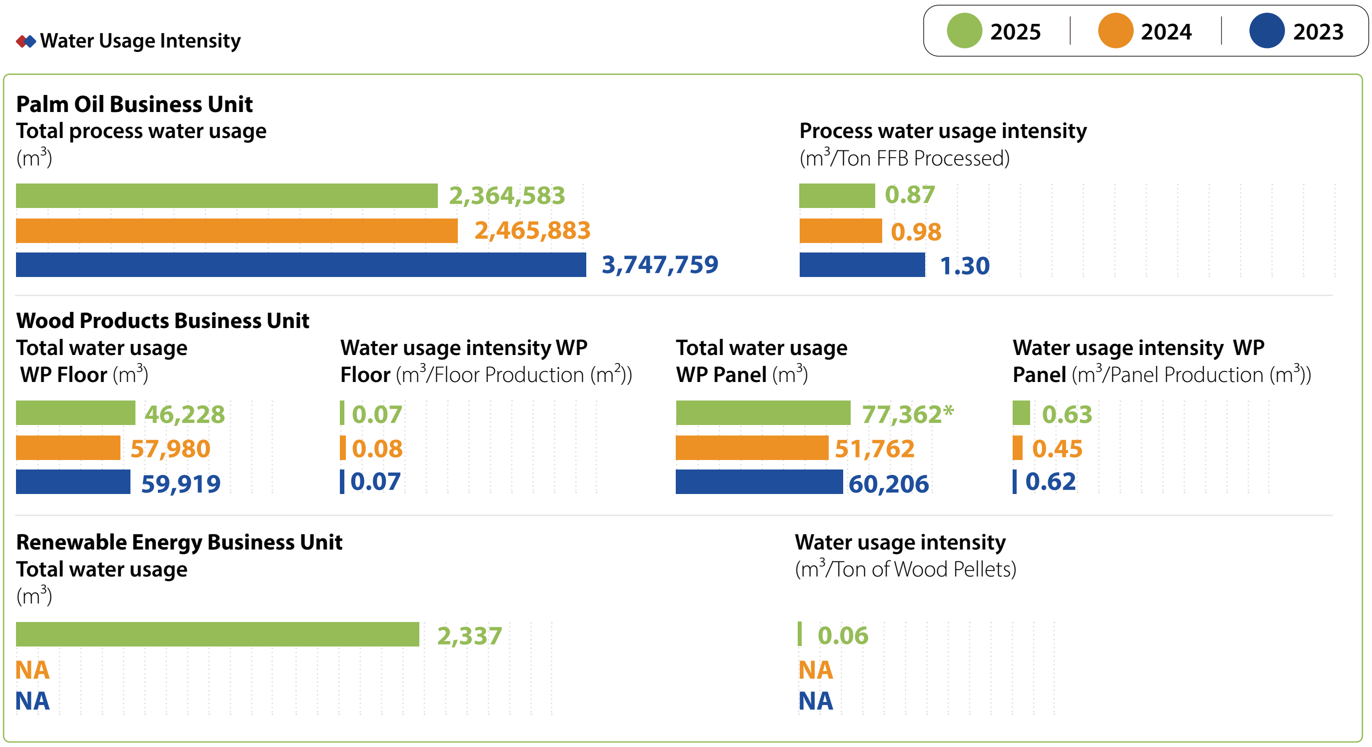
### Achievement of Targets and Actual Water Usage in Palm Oil Mill Units in 2025

| | 2025 Target | 2025 Achievement |
|---|---|---|
| **Water Usage Intensity in Processing** ($m^3$ /Ton FFB processed) | 1.1 | 0.87 |

### Water Data in Boiler Facilities (5ft and 9ft Log Pools) in the DSN WP Panel Business Unit

| | | |
|---|---|---|
| **Groundwater usage volume** ($m^3$) | 35,400 | 29,836 |
| **Volume of water discharged** ($m^3$) | 6,000 | 5,616 |

### Water Usage Intensity



Description:

- *: Increase in WP Panel's production water usage in 2025 due to increased production processes.
- NA: Water usage in renewable energy business units will be operational in 2023 and 2024.

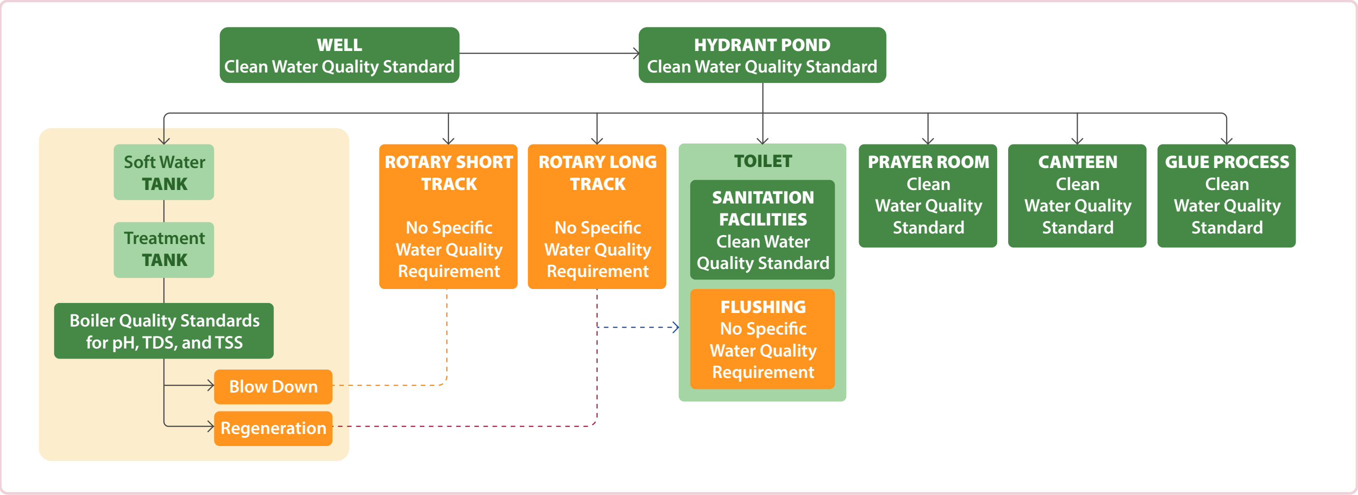
## Implementation of Water Management at GRHA DSN [GRI 303-1]

### Water Management Flow at GRHA DSNG

| 1 Clean Water Consumption | 2 Wastewater Production | 3 IPAL Treatment Results | 4 The Goal | 5 Impact |
|---|---|---|---|---|
| **2,126 $m^3$/month**<br>±2,126,000 liters equivalent to drinking water needs for approximately ±850–1,063 million people per day. | **25-30 $m^3$/month**<br>Discharged to IPAL (capacity 80 $m^3$/day). | **60-70 $m^3$/month**<br>±60,000-70,000 liters equivalent to non-consumption water needs for ±2,800–3,500 people per day, such as for toilets and cleaning. | Reduce the discharge of domestic liquid waste into urban drainage systems, which can be used for watering plants. | Reduced waste load, Meets quality standards, Supports water circularity. |

GRHA DSN applies water-efficiency measures in its chiller system through chemical treatment to maintain water quality stability. This approach extends the water-use cycle, reduces evaporation and blowdown, and minimizes the need for new water refills, thereby improving the efficiency of water consumption in the cooling process.

## Application of Boiler Recycled Water Optimization in DSN WP Panel



In an effort to improve water usage efficiency, the DSNG WP Panel has reoptimized the use of water from the Boiler Steam process by increasing the reuse of regeneration water and blowdown water, which previously had not been utilized to their full potential, based on their characteristics and potential uses, namely:

### Boiler Regeneration Water

Regenerated water is produced through the water treatment system's regeneration process, including system analysis, installation of new pipelines, and replacement of toilet facilities. This water is 100% reused (456 $m^3$/month) for toilet flushing and filling the rotary long pool, thereby reducing the use of clean water and groundwater.

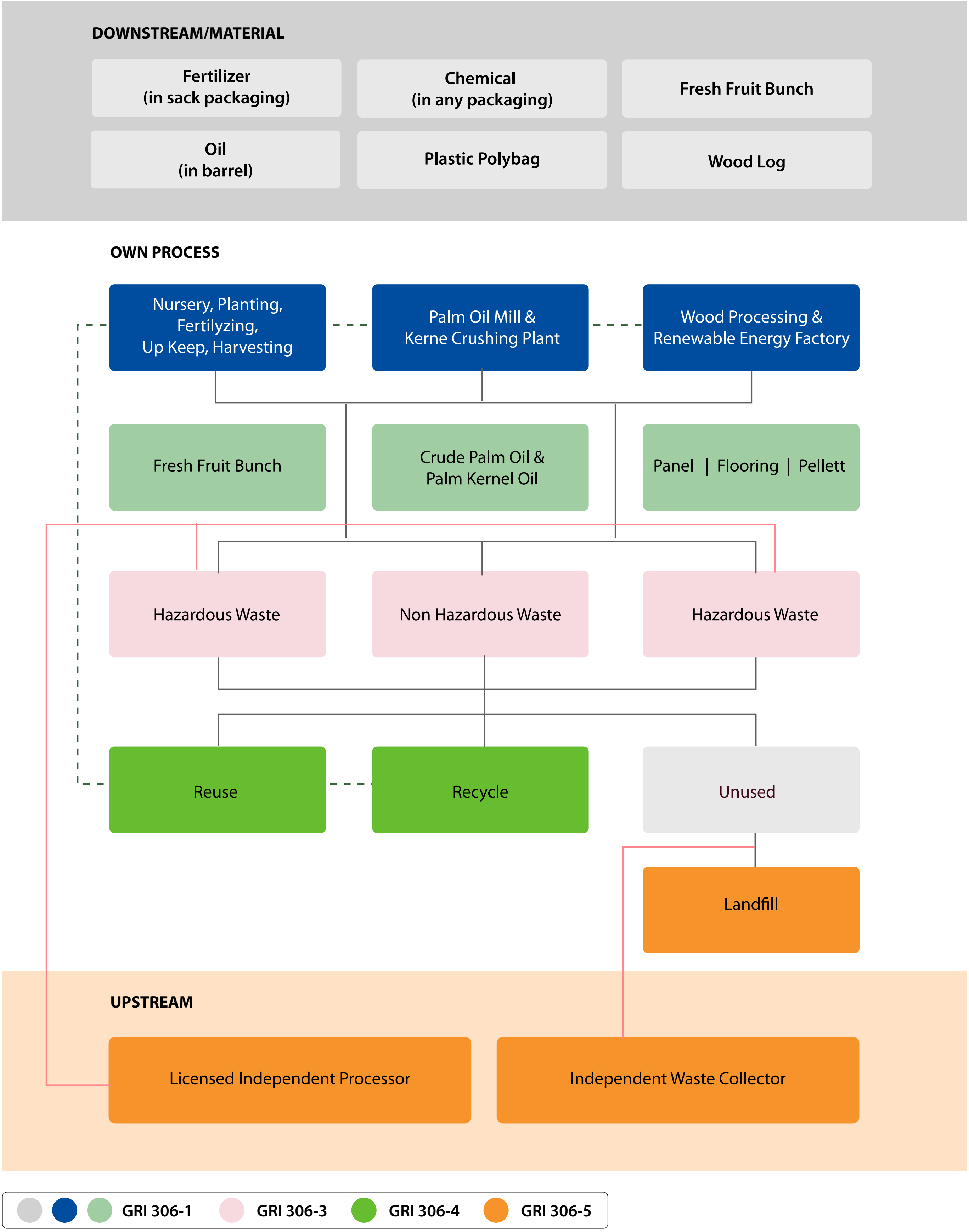
### Boiler Blowdown Water

Blowdown water is boiler discharge water with a higher dissolved solids content that does not meet clean water quality standards. This recycled water is used for the wood log washing process, meeting 62% of the washing needs, or the equivalent of 705 $m^3$/month.

This optimization results in total water savings of 1,161 $m^3$/month, equivalent to more than 230 household water tanks, while reducing the risk of pollution and improving operational efficiency. All measures have been standardized through SOP updates to ensure consistency and sustainability.

# Waste Management [POJK B.2.c]

The waste flow management process at DSNG covers the entire process chain, from incoming materials (downstream/materials) and internal company processes (own processes) to handling by external parties (upstream).



## Liquid Waste Management [GRI 303-4]

The Company carries out operational wastewater management across all business units, including its headquarters, in accordance with government quality standards to prevent environmental pollution.

## Liquid Waste Management Program [GRI 303-1, 303-2, 303-4, 306-2]

- The Company ensures wastewater management competence through training and certification of Wastewater Treatment Operations Managers (POPA) and Water Pollution Control Managers (PPPA) in order to meet regulatory requirements and support environmental compliance.
- It provides liquid waste treatment ponds in all palm oil mills and wood processing units to ensure that waste is treated according to standards as part of pollution control efforts prior to final disposal.
- The Company monitors and controls liquid waste quality to ensure that all effluent discharged meets environmental quality standards, including Biochemical Oxygen Demand (BOD) and Chemical Oxygen Demand (COD) parameters, in accordance with applicable laws and regulations, which are in line with industrial requirements.
- Liquid waste (POME) is processed in treatment ponds and reused as organic fertilizer through a licensed Land Application scheme with environmental monitoring in accordance with regulations. In line with climate change mitigation efforts, several POM units also operate methane capture facilities to reduce $CH_4$ emissions from POME.
- The wood products business unit integrates a circular water management system into its operational processes as a resource efficiency measure. Log washing water is reprocessed for reuse in subsequent production stages, while wastewater treatment is carried out without the use of chemicals, using residual heat from boiler condensate pipes to the area outside the production area. This implementation not only reduces clean water consumption but also reduces chemical costs in glue waste management by 55% compared to before the innovation.
- In the renewable energy business unit, treated liquid waste is reused circularly as wash water for filtering residues and ash particles in the wood pellet production process. This utilization aims to reduce the ash content in wood pellets and support particulate emission control, thereby improving the quality of biomass fuel.
- The Company regularly reports wastewater management and quality monitoring results to the local Environmental Agency twice a year through RKL-RPL reports.
- Liquid waste classified as Hazardous and Toxic Waste (B3) is managed and utilized by third parties who have waste management permits in accordance with the provisions of the applicable laws and regulations in Indonesia.

## Liquid Waste Generated in 2025 [GRI 303-1, 306-3, 306-4, 306-5] [POJK F.13, F.14]

Liquid waste in metric tons (t)

Company's Liquid Waste

| Hazardous Waste | WP Panel | | WP Floor | | Palm Oil | | Renewable Energy | | DSNG Head Office | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Outside the Company | Inside the Company | Outside the Company | Inside the Company | Outside the Company | Inside the Company | Outside the Company | Inside the Company | Outside the Company | Inside the Company |
| Reused Waste | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.68 | 0 | 0 |
| Other Treatment Options | 6.8 | 0 | 0.1 | 0 | 38.77 | 0 | 0 | 0 | 0.31 | 0 |
| **Total Hazardous Waste** | **6.8** | **0** | **0.1** | **0** | **38.77** | **0** | **0** | **0.68** | **0.31** | **0** |

| Non-Hazardous Waste | WP Panel | | WP Floor | | Palm Oil | | Renewable Energy | | DSNG Head Office | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Outside the Company | Inside the Company | Outside the Company | Inside the Company | Outside the Company | Inside the Company | Outside the Company | Inside the Company | Outside the Company | Inside the Company |
| Reused Waste | 0 | 0 | 0 | 71.70 | 0 | 0 | 0 | 0 | 0 | 0 |
| Recycling | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,080 | 0 | 0 |
| Other Treatment Options | 0 | 864 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total Non-Hazardous Waste** | **0** | **864** | **0** | **71.70** | **0** | **0** | **0** | **1,080** | **0** | **0** |

### Results of Wastewater Treatment Quality Measurements for the Palm Oil Business Unit [GRI 303-2]

| Parameters | Quality Standards | 2025 | 2024 | 2023 |
|---|---|---|---|---|
| Biological Oxygen Demand (BOD) | **5,000 mg/L** | **100-4,800** | 3,571 | 1,580 |
| Chemical Oxygen Demand (COD) | - | **1,000-10,000** | 10,146 | 4,513 |
| Acidity Level (pH) | **6-9** | **6.1-8.2** | 7.3 | 7.2 |

*Standards refer to the provisions of the Ministry of Environment and Forestry of the Republic of Indonesia.
*The measurement results for 2025 are the results of the measurement range from wastewater sampling from POM 2-12.

### Results of Wastewater Treatment Quality Measurements for the DSN WP Panel Business Unit [GRI 303-2]

| Parameters | Quality Standards | 2025 | 2024 | 2023 |
|---|---|---|---|---|
| Biological Oxygen Demand (BOD) | **75 mg/L** | **50** | 44 | 762 |
| Chemical Oxygen Demand (COD) | **125 mg/L** | **100** | 91 | 2,284 |
| Acidity Level (pH) | **6-9** | **7.3** | 7.46 | 9.08 |
| TSS | **400 mg/L** | **20.3** | 14 | 230 |

Description : *2023 data obtained during the IPAL construction process

### Results of Wastewater Treatment Quality Measurements for the DSN WP Floor Business Unit [GRI 303-2]

| Parameters | Quality Standards | 2025 | 2024 | 2023 |
|---|---|---|---|---|
| Biological Oxygen Demand (BOD) | **50 mg/L** | **14.04** | 34.75 | 34.36 |
| Chemical Oxygen Demand (COD) | **100 mg/L** | **42.83** | 104.46 | 108.12 |
| Acidity Level (pH) | **6-9** | **7.44** | 7.70 | 7.48 |
| TSS | **200 mg/L** | **13.60** | 82 | 86 |

During 2025, the Company did not experience any incidents related to liquid waste spills on the surface. [POJK F.15]

## Innovation in Liquid Waste Treatment Using Distillation Technology

To improve the efficiency of liquid waste management and reduce reliance on chemicals, the DSN WP Panel Temanggung developed an innovative waste treatment process using distillation technology. Previously, liquid waste treatment was carried out at a Wastewater Treatment Plant (WWTP) using chemicals such as HCl for pH adjustment, coagulants, and flocculants to separate water from sludge. The high demand for these chemicals led to higher operational costs.

Through the innovation of a distiller, the waste treatment process is carried out without the use of chemicals, instead using the residual heat from the boiler condensate pipe to the area outside the production area, so it does not interfere with boiler performance or the production process. This distiller can hold up to ±3 $m^3$ of wastewater and is operated continuously, with an evaporation system that maximizes the separation of water and residue.

The implementation of the distiller has had a positive impact, including:

**A 55% reduction in the frequency of chemical purchases compared to before the innovation was implemented.**

**Acceleration of the waste treatment process due to fewer process stages.**

**Increased efficiency in handling sludge glue, which dries faster and is easier to manage.**

This innovation reflects the Company's commitment to promoting resource efficiency, reducing hazardous chemicals, and implementing sustainable environmental management practices.

## Solid Waste Management [POJK F.13, F.14] [GRI 306-1, 306-2, 306-3, 306-4, 306-5]

DSNG adopts the principles of the Circular Economy by optimizing resource use, increasing waste reuse, and reducing emissions through environmentally friendly solutions. This commitment is reinforced by the application of a waste management system that complies with applicable regulations, from waste collection to routine monitoring, ensuring compliance to all environmental regulations.

### Hazardous Waste Management Efforts

- The DSN WP Panel Business Unit implements a distillation process to dry sludge from red liquid waste treatment, aiming to improve the efficiency of hazardous waste management. This initiative has a storage capacity of up to ±3 $m^3$ of wastewater and has reduced the frequency of chemical purchases by 23% compared to before the innovation was implemented.
- All DSNG business units collaborate with third parties in implementing responsible hazardous waste management in accordance with Indonesian laws and regulations. This management includes the use of licensed storage facilities, documented recording and reporting, and the transportation and processing of waste by third parties with official licenses.

## Efforts to Reduce Non-Hazardous Solid Waste

### Reduction

- Reducing the use of disposable plastic bottles by providing refillable drinking water facilities.
- Limiting disposable plastic bags by promoting and distributing reusable shopping bags.
- Limiting the use of newspapers in the GRHA DSN office area according to functionality and needs.

### Recycling

- Collaborating with local businesses in Muara Wahau to manage and sell economically valuable waste sorted from employee housing.
- Collaborating with local businesses in the wood products business unit to manage solid wood waste into animal bedding.
- Organizing waste recycling education and exhibitions at Dharma Utama School to raise environmental awareness from an early age.
- Utilizing metal waste through third parties, with a total of 52 tons of material utilized throughout 2025.

### Utilization

- Throughout 2025, the Company utilized biomass in the form of shells, fiber, and total meal totaling 746,569 tons and wood waste totaling 36,491 tons as boiler fuel to support energy efficiency and reduce the use of fossil fuels.
- Recycling of organic waste at GRHA DSN, with 20.21 tons used for composting and 7.25 tons for the Biopori system.
- Utilization of organic waste from the cafeteria as poultry feed by the community around the DSNG WP Panel Floor factory, totaling 20.45 tons.
- Use of boiler ash as fill material utilized by the community around the DSNG WP Floor factory.

### Sorting

- Providing education on sorting organic, non-organic, and residual waste in all business units, including offices, factories, and housing areas, by employees as an effort to increase employee awareness and participation in responsible waste management.
- The Jakarta Head Office implements a seven-category waste sorting system (organic, paper, plastic, glass, cardboard, metal, and residue) that is consistently carried out by all employees.

### Landfill

- The collection and transportation of residual waste is carried out controllably for safe disposal at designated final disposal sites.
- Residual waste from the Jakarta Head Office is managed through third-party carbonization to achieve the Zero-Landfill target.

### Solid Waste Generated in 2025 [POJK F.13][GRI 306-3, 306-4, 306-5]

Solid waste in metric tons (t)

Company's Solid Waste

| | WP Panel | | WP Floor | | Palm Oil | | Renewable Energy | | DSNG Head Office | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Outside the Company | Inside the Company | Outside the Company | Inside the Company | Outside the Company | Inside the Company | Outside the Company | Inside the Company | Outside the Company | Inside the Company |
| **Hazardous Waste** | | | | | | | | | | |
| Reused Waste | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Treatment Options | 45.08 | 0 | 4.05 | 0 | 25.28 | 0 | 0.53 | 0 | 1.22 | 0 |
| **Total Hazardous Waste** | **45.08** | **0** | **4.05** | **0** | **25.28** | **0** | **0.53** | **0** | **1.22** | **0** |
| **Non-Hazardous Waste** | | | | | | | | | | |
| Reused Waste | 0 | 0 | 0 | 0 | 0 | 506,083 | 0 | 0 | 0 | 0 |
| Recycling | 1,832 | 20 | 0 | 207.90 | 0 | 0 | 1,445 | 0 | 0 | 27.46 |
| Other Treatment Options | 0 | 41,357 | 0 | 5.68 | 0 | 535,786 | 0 | 1,596 | 7.51 | 0 |
| **Total Non-Hazardous Waste** | **1,832** | **41,377** | **0** | **213.58** | **0** | **1,041,869** | **1,445** | **1,596** | **7.51** | **27.46** |

## Implementation of Waste Management at GRHA DSN [POJK F.14]

By 2025, GRHA DSN will be able to manage approximately 70% of on-site organic waste. This practice reinforces the 3R principle (Reduce, Reuse, Recycle), reducing emissions and waste management costs, and improving soil quality as an added benefit. Organic waste management, consisting of leaves, twigs, and coffee grounds, is carried out using the composting method, while food waste is managed using the Biopori system, with the following implementation:

### 1. Leaf & Branch Waste Composting

**Composting Program**

**11,785 kg** Fresh Leaves → Grinding & Chopping → **10,152 kg** Chopped Leaves → Composting Process → **6,649 kg** Compost Equivalent to Fertilizing **±133** Young Sengon Trees → **2,207 kg** Used for Internal Fertilization → Creating a Circular Economy: Leaf Waste -> Soil Nutrients

**2. Development of 76 Biopore Holes**

In addition to composting, the Company also implements a biopori system in the GRHA DSN area to address routine organic waste management. Throughout 2025, this biopori method will manage around 7,250 kg of organic waste, providing nutrients for ±135-160 young trees per year (assuming that 1 tree requires ±40–50 kg of compost per year). The natural decomposition process in biopores also improves soil structure, land fertility, and the surrounding area's water-absorption capacity.

## Efficiency Training Program for Employees

The Working Group (Pokja) is a cross-departmental team formed to support the achievement of the factory's Annual Plan as a whole. In the context of capacity building, Pokja serves as a forum for training collaboration in various operational aspects, including production performance, occupational safety, quality, and sustainability.

Through the Working Group, the Company identifies competency needs relevant to the factory's targets, designs and coordinates training programs integrated with improvement projects, and ensures that learning outcomes are directly applied in daily work activities. This cross-functional approach allows training to be integrated rather than partial, while increasing the effectiveness of solution implementation in the field.

With a monitoring mechanism based on project achievements and Annual Plan indicators, the Working Group serves not only as the executor of strategic programs but also as a vehicle for knowledge transfer, strengthening human resource capabilities, and driving a culture of continuous improvement in the factory environment.

## Environmental Cost [POJK F.4]

In 2025, the Company spent IDR 15.41 billion on environmental and conservation activities in its palm oil, wood products, and renewable energy business units. The funds were allocated for activities such as:

- Monitoring environmental parameter quality
- Orangutan conservation
- Procurement and training on the SMART Patrol application for monitoring and K3L inspections
- LB3 management
- Eco-friendly housing competition
- Wildlife conflict control
- SHE dissemination to the employee and community
- Procurement of seedlings for restoration
- Environmental management certification training
- Forest fire control certification training
- Procurement of traffic signs
- Integrated waste management (TPST)
- Nursery
- Conservation monitoring collaboration with Independent Assessors

## PROPER Environment and Compliance

In 2025, DSNG will continue to strive to maintain environmental compliance by implementing management systems aligned with national regulations and sustainability standards. The Company's environmental performance is reflected in achieving 9 POM units with a Green PROPER rating at the provincial level. By the end of the reporting period, no POM had received a PROPER Red rating.

In addition to PROPER ratings, the Palm Oil Business Unit undergoes independent external audits of environmental and social aspects in line with national and international standards, including the IFC Performance Standards (PS) and Environmental, Health, and Safety (EHS) Guidelines. These audits are conducted by Ramboll Pte Ltd (Ramboll), which carries out independent annual assessments of the Environmental and Social (E&S) Guidelines, available at **the following link**.

The Company also undergoes annual audits for RSPO, ISPO, and SCCS certification covering POM, KCP, and bulking facilities to ensure compliance with sustainable palm oil production and management practices.

# GRHA DSN Performance in Green Building Compliance

DSNG seeks to advance sustainable practices through the adoption of green building concepts in the new GRHA DSN building, now serving as the Company's headquarters. The building has been designed with consideration for reducing environmental impact throughout its operational cycle, including energy efficiency, water management, and the use of environmentally responsible materials. This initiative reflects DSNG's ongoing effort to uphold responsible business practices while contributing to long-term environmental and social sustainability.

## Certification Achievements

Throughout 2025, several green building certification initiatives were carried out in parallel, including Excellence in Design for Greater Efficiencies (EDGE), Greenship Building Certification (GBC), and Leadership in Energy and Environmental Design (LEED). These efforts underscore DSNG's commitment to delivering buildings that provide tangible benefits through energy efficiency, occupant comfort, and reduced carbon footprint.

### EDGE Certificate

**Advance Level**

**Design and construction certification achievements:**

- 52% Energy savings
- 56% Water savings
- 25% Less energy is contained in materials
- 1,038.25 tCO2/year in operational CO2 savings

The EDGE standard is applied once during the early construction phase to ensure that sustainability aspects are structurally embedded in the building design and form the basis for more efficient, long-term sustainable building operations.

**International Finance Corporation green building certification**

### Greenship Certificate

**Platinum Level**

**New building operations phase certification achievements:**

- Energy management
- Indoor air quality
- Environmentally friendly materials
- Water & waste management
- Building environmental management
- Construction compliance

GREENSHIP Building certification is verified every 3 years to ensure operational sustainability and building performance, including energy efficiency, water management, waste, indoor environmental quality, and overall environmental management, in accordance with applicable green building standards.

**The green building certification system developed by the Green Building Council Indonesia (GBCI)**

### LEED Certificate

**Silver Level**

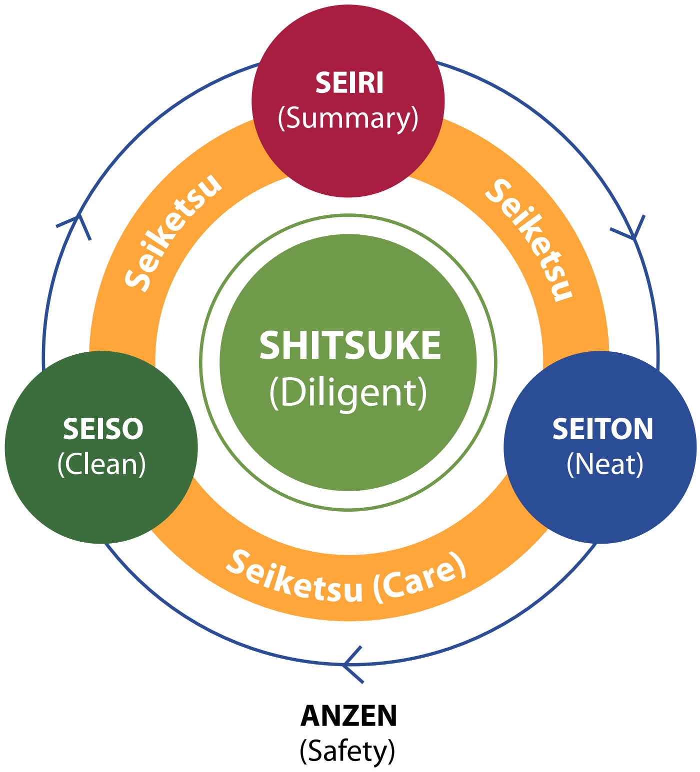
**New building operations phase certification achievements:**

- Energy efficiency assessment
- Water conservation planning
- Selection of environmentally friendly materials
- Indoor air quality plan

LEED certification is verified every 3 years to reduce negative impacts on the environment and improve human health through resource efficiency, such as energy and water, climate change mitigation, and the promotion of a better quality of life.

**A global rating system for green buildings managed by the U.S. Green Building Council (USGBC)**

## Implementation of the 5R + Safety Program



GRHA DSN applies the 5R + Safety Program (5R+K) as part of its efforts to control occupational accident risks, protect data security, increase productivity, promote its corporate values, and enhancing working conditions. The program is evaluated annually.

Based on the 2025 evaluation results, there was a significant improvement in 5R+K performance compared to 2024, as reflected in a 79.6% decrease in the Inactive category (not implementing 5R+K), a 25% increase in the Partially Active category (fairly good & needs improvement), and a 37.5% increase in the Active category (good implementation). These results demonstrate the program's effectiveness in encouraging continuous improvement and changes in work behavior.

# Community Pillar

DSNG recognizes communities and employees as key stakeholders and important partners in supporting business sustainability. In line with this, DSNG carries out various programs in education, health, safety, cultural preservation, and economic development. Through these initiatives, DSNG seeks to encourage greater self-reliance as well as helping to improve the quality of life of its employees, their families and the surrounding communities in its operational areas.

# Target and Progress

## Employment

| Total Employees | Total Safe Working Hours | Training Hours | Average Training Hours |
|---|---|---|---|
| **19,161** People | **41,683,081** Hours | **140,706** Hours | **22.7** Hours/Employee |

## Community Engagement

### Total Assets Credit Union (CU)

| Members | Total Assets |
|---|---|
| **4,896** People | **137.91** Rp billion |

| CSR Expenditure | CSR-Assisted Cooperatives |
|---|---|
| **37.5** Rp billion | **55** Palm Oil Business Unit |

## Occupational Health & Safety (OHS) Program

### OHS Training & Awareness Programs

| | |
|---|---|
| **36** Activities | **12,267** Total Participants |

### Disease Prevention Programs

| | |
|---|---|
| **6,077** Activities | **111,076** Total Participants |

## Key Programs

| | | |
|---|---|---|
| **Education** | Reducing the number of school dropouts in Wahau through data collection programs, administrative assistance, education, and monitoring of children's education. → | **Zero recorded school dropouts among school-age children.** |
| **Health** | Provision of Supplementary Feeding (PMT) and Vitamin A for employees' children. → | **1,020 child beneficiaries.** |
| **Social** | The Gender Committee is responsible for leading campaigns, awareness initiatives, as well as preventive and responsive measures concerning the protection of women, children, and families. → | **356 members involved.** |
| **Economy** | Company rice procurement in collaboration with the village-owned enterprise Bumdes Miau Baru. → | **351 tons of rice were supplied, involving 300 local farmers.** |
| **Environmental** | Processing wood production waste into livestock bedding in partnership with PT Upoyo Mandiri Sejahtera. → | **1,832 tons of bark waste successfully repurposed.** |

## Achievements in Jabon Seedling Distribution in 2025

**1,000 Farmers**
Beneficiaries

**190,000** White Jabon Seedlings

**374,000** Red Jabon Seedlings

Total **564,000**

## Human Rights and Employment Practices [POJK F.19] [GRI 406-1, 407-1, 408-1, 410-1]

DSNG demonstrates its commitment to respecting Human Rights and labor standards through the implementation of several key policies, including the Anti-Discrimination Policy, Sustainability Policy, Women Protection Policy, and Child Protection Policy. These policies aim to foster a non-discriminatory work environment and promote fair and equal treatment across all levels of the organization.

Through its Sustainability Policy, DSNG ensures the fulfillment of workers' rights in accordance with applicable national regulations while also aligning with international standards, including the Universal Declaration of Human Rights, ILO Conventions, the United Nations Guiding Principles on Business and Human Rights (UNGP), and IFC Performance Standards (PS 2, PS 7, and PS 8). This commitment is reflected in the implementation of gender equality principles, child protection measures, diversity promotion, and the creation of a safe and child-friendly working environment.

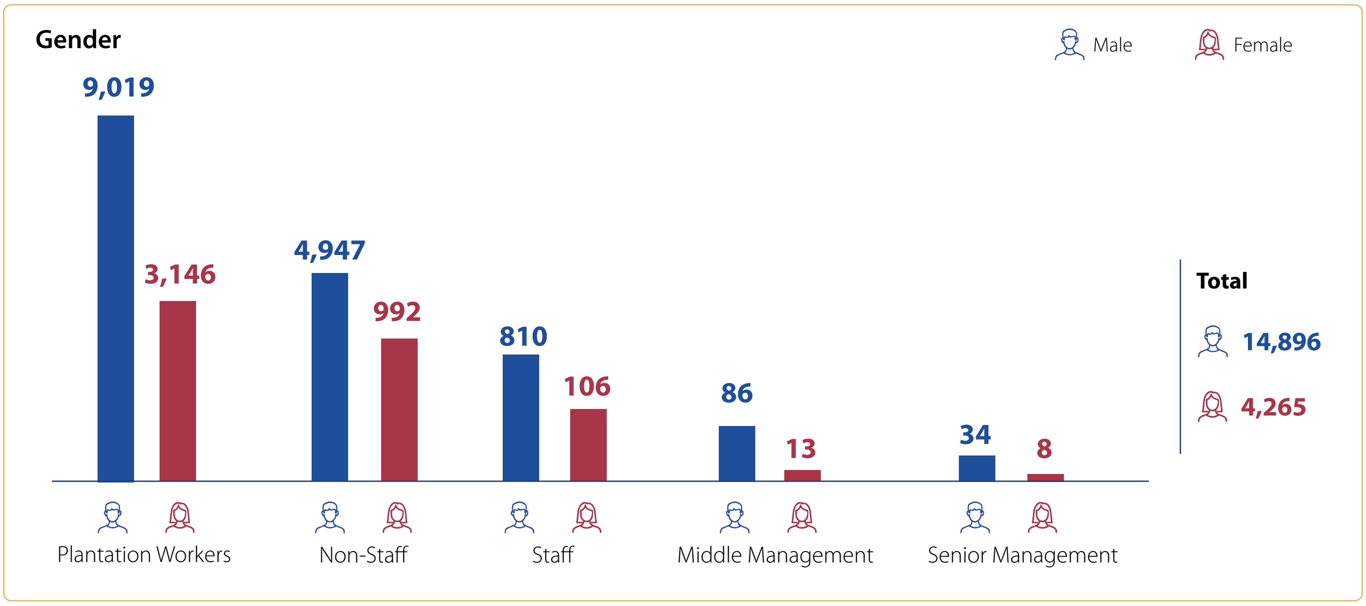
The Company's zero-exploitation commitment is demonstrated through initiatives to improve employee and community welfare, strengthen occupational health and safety practices, and generate positive economic impacts through various social programs. To support women's protection, DSNG provides lactation rooms and separate sanitation facilities across operational areas. Child protection is enforced through a zero-tolerance policy on child labor and measures to ensure the safety of children living around operational sites. DSNG also collaborates with institutions such as the Partnership for Action Against Child Labor in Agriculture (PAACLA), reflecting the Company's broader commitment to advancing responsible practices across its business units.

As part of its human rights implementation framework, the Company provides training on human rights policies and security procedures in accordance with applicable regulations to 100% of security personnel, including both employees and non-employees (contractors), across all DSNG business units. The training covers proportional use of force, respect for community rights, and grievance handling mechanisms.

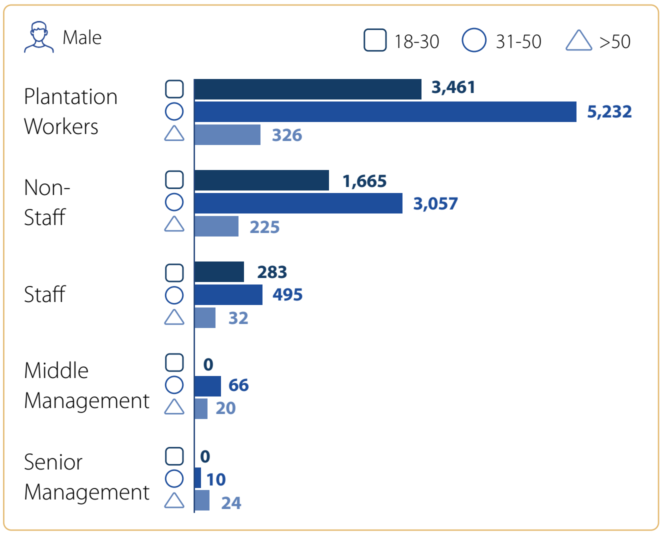
To strengthen policy implementation, the Company has established Gender Committees across all operational areas. Respect for human rights is regarded as a shared responsibility and an integral part of corporate governance and company culture. The Gender Committee plays a key role in monitoring the implementation of human rights-related policies, including anti-discrimination measures. During the reporting period, no incidents of discrimination were recorded.

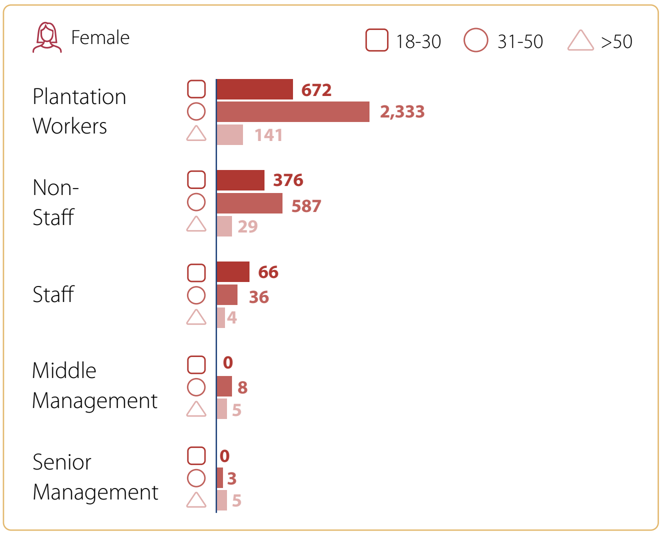
# Employee Overview

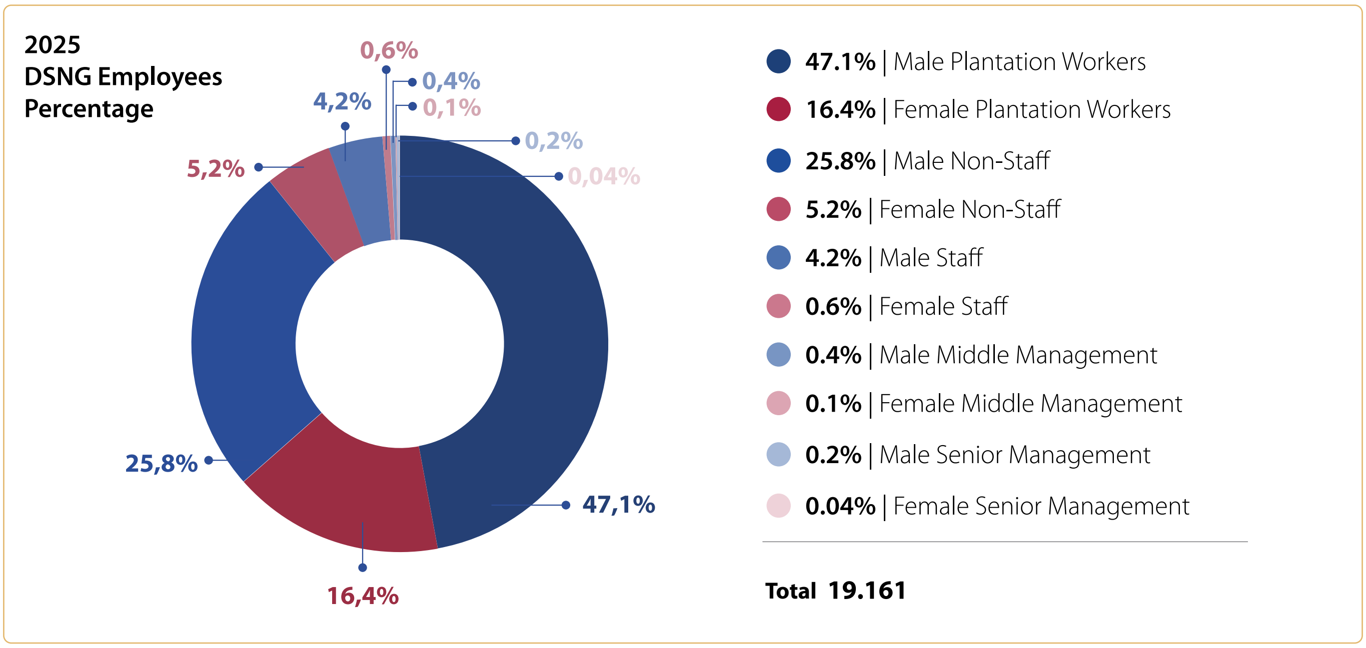
**Number of DSNG Employees in 2025 by Gender and Age Group** [POJK C.3.b][GRI 2-7, 405-1, 13.15.2]



## Kelompok Usia



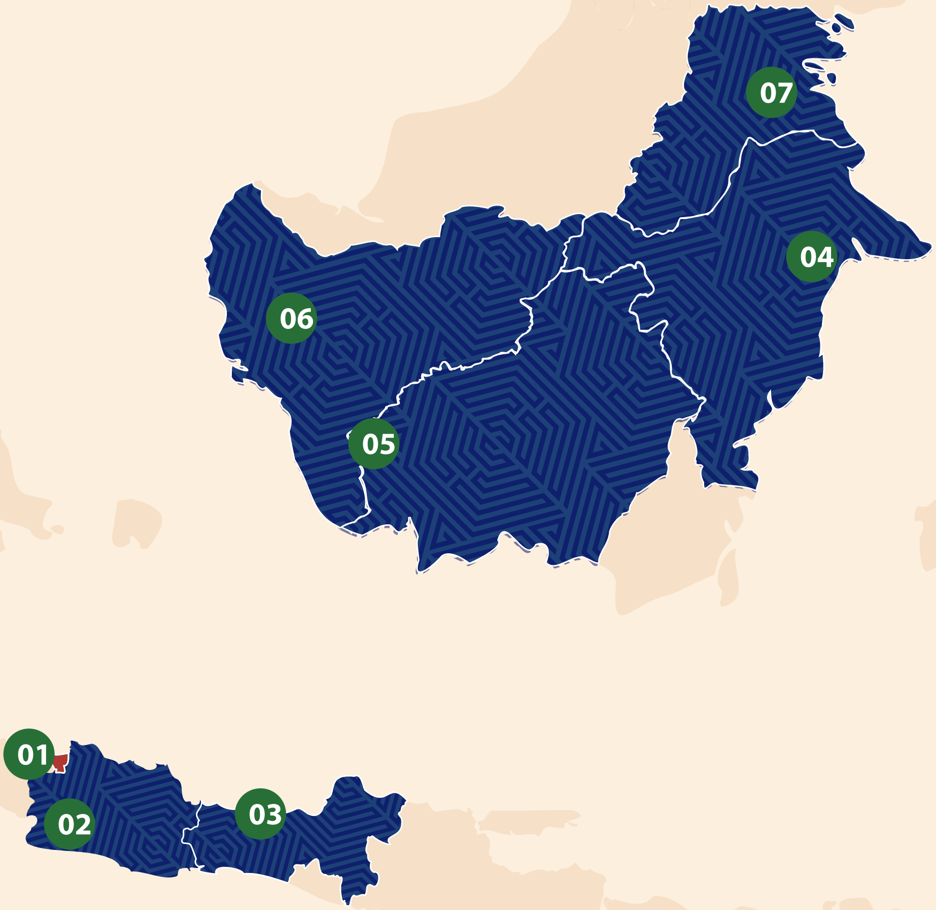




● 2025 | ● 2024 | ● 2023

## Number of Permanent Employees by Gender and Placement Area

[GRI 2-7, 202-2]



### 01. Jakarta

| | | | |
|---|---|---|---|
| ♂ | 143 | 145 | 144 |
| ♀ | 65 | 64 | 64 |
| Total: | 208 | 209 | 208 |

### 02. West Java

| | | | |
|---|---|---|---|
| ♂ | 16 | 7 | - |
| ♀ | 0 | 0 | - |
| Total: | 16 | 7 | - |

### 03. Central Java

| | | | |
|---|---|---|---|
| ♂ | 873 | 910 | 960 |
| ♀ | 247 | 254 | 264 |
| Total: | 1,120 | 1,164 | 1,224 |

### 04. East Kalimantan

| | | | |
|---|---|---|---|
| ♂ | 9,553 | 9,686 | 10,295 |
| ♀ | 2,759 | 2,903 | 2,957 |
| Total: | 12,312 | 12,589 | 13,252 |

### 05. Central Kalimantan

| | | | |
|---|---|---|---|
| ♂ | 1,563 | 1,595 | 1,673 |
| ♀ | 502 | 567 | 603 |
| Total: | 2,065 | 2,162 | 2,276 |

### 06. West Kalimantan

| | | | |
|---|---|---|---|
| ♂ | 1,666 | 1,812 | 1,676 |
| ♀ | 278 | 287 | 283 |
| Total: | 1,944 | 2,099 | 1,959 |

### 07. North Kalimantan

| | | | |
|---|---|---|---|
| ♂ | 405 | 405 | 435 |
| ♀ | 127 | 124 | 138 |
| Total: | 532 | 529 | 573 |

### Others

| | | | |
|---|---|---|---|
| ♂ | 4 | 4 | 15 |
| ♀ | 0 | 0 | 2 |
| Total: | 4 | 4 | 17 |

### Total

| | | | |
|---|---|---|---|
| ♂ | 14,223 | 14,564 | 15,198 |
| ♀ | 3,978 | 4,199 | 4,311 |
| Total: | 18,201 | 18,763 | 19,509 |

### DSNG Contract Employees

| | | |
|---|---|---|
| 960 | 636 | 765 |

Number of Non-Permanent Employees at DSNG [GRI 2-8]

### DSNG Outsourced Employees

| | | |
|---|---|---|
| 136 | 733 | 261 |

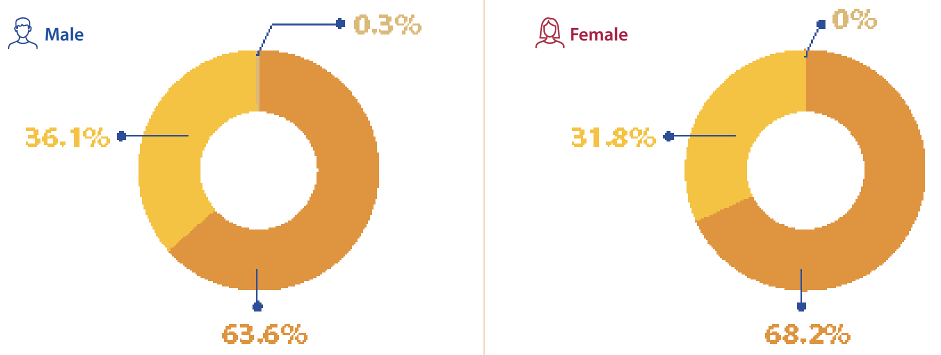
## Recruiting and Retaining Talent [GRI 401-1, 13.20.1]

DSNG adopts an Anti-Discrimination Policy in its recruitment and employee development processes to ensure equal employment opportunities for all individuals, without distinction based on ethnicity, religion, gender, race, social background, or any other characteristics protected under applicable laws. In practice, the Company also prioritizes providing employment opportunities to communities surrounding its operational areas, in accordance with their skills and the Company's needs.

**In the recruitment process:**

- Job vacancy advertisements or publications provide clear and transparent information, enabling prospective applicants to assess the alignment between their qualifications and competencies and the requirements of the position offered.
- The content of job advertisements does not indicate preferences for specific groups of applicants, unless there are particular requirements that are objectively related to the characteristics or demands of the role.
- The Company utilizes various recruitment channels, including participation in job fairs, publication of vacancies through social media and professional platforms such as LinkedIn and Instagram, as well as other digital channels.
- The Company collaborates with universities through campus hiring programs as an effort to attract qualified talent and support human capital development.

### Number of New Employees in 2025 by Gender and Age Group [GRI 401-1]



**Total:** 3,153

**Total:** 368

**Total**

18-30: 2,257

31-50: 1,254

>50: 10

**Total:** 3,521

### Number of New Employees in 2025 by Gender and Regional Placement [GRI 401-1]

| Placement Region | Male | Female | Total |
|---|---|---|---|
| Jabodetabek | 27 | 23 | 50 |
| West Java | 180 | 19 | 199 |
| Central Java | 164 | 95 | 259 |
| East Kalimantan | 2,238 | 194 | 2,432 |
| Central Kalimantan | 351 | 6 | 357 |
| West Kalimantan | 34 | 7 | 41 |
| North Kalimantan | 139 | 11 | 150 |
| Others | 20 | 13 | 33 |
| **Total** | **3,153** | **368** | **3.521** |

## Number of Employees Leaving the Company by Gender and Position [GRI 401-1]

| Description | Level | 2025 | | | | 2024 | | | | 2023 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Male | Female | Total | % | Male | Female | Total | % | Male | Female | Total | % |
| **Resignation** | Staff | 64 | 15 | 79 | 7.6 | 80 | 4 | 84 | 8.0 | 78 | 5 | 83 | 8.2 |
| | Non-Staff | 428 | 59 | 487 | 8.4 | 367 | 61 | 428 | 7.5 | 341 | 74 | 415 | 7.3 |
| | Plantation Workers | 2,181 | 350 | 2,531 | 20.4 | 2,854 | 40 | 3,314 | 25.3 | 4,305 | 603 | 4,908 | 36.2 |
| **Termination** | Staff | 25 | 1 | 26 | 2.5 | 47 | 2 | 49 | 4.7 | 66 | 5 | 71 | 7.0 |
| | Non-Staff | 100 | 12 | 112 | 1.9 | 118 | 34 | 152 | 2.7 | 243 | 115 | 358 | 6.3 |
| | Plantation Workers | 488 | 16 | 504 | 4.1 | 479 | 37 | 516 | 3.9 | 996 | 48 | 1,044 | 7.7 |
| **Retirement** | Staff | 7 | 1 | 8 | 1 | 11 | 0 | 11 | 1.1 | 13 | 0 | 13 | 1.3 |
| | Non-Staff | 37 | 4 | 41 | 0.7 | 73 | 11 | 84 | 1.5 | 92 | 16 | 108 | 1.9 |
| | Plantation Workers | 88 | 32 | 120 | 1 | 76 | 22 | 98 | 0.7 | 40 | 11 | 51 | 0.4 |
| **Other Reasons** | Staff | 10 | 1 | 11 | 1.1 | 2 | 0 | 2 | 0.2 | 2 | 0 | 2 | 0.2 |
| | Non-Staff | 44 | 27 | 71 | 1.2 | 8 | 0 | 8 | 0.1 | 9 | 1 | 10 | 0.2 |
| | Plantation Workers | 26 | 6 | 32 | 0.3 | 13 | 8 | 21 | 0.2 | 16 | 1 | 17 | 0.1 |
| **Total** | | **3,498** | **524** | **4,022** | | **4,128** | **639** | **4,767** | | **6,201** | **879** | **7,080** | |

## Total Employee Turnover in 2025 by Gender and Age Group [GRI 401-1]

| Age Group | Male | | Female | | Total |
|---|---|---|---|---|---|
| | Total | % | Total | % | |
| 18-30 | 1,757 | 50.2 | 205 | 39.1 | 1,962 |
| 31-50 | 1,582 | 45.2 | 283 | 54 | 1,865 |
| >50 | 159 | 4.5 | 36 | 6.9 | 195 |
| **Total** | **3,498** | **100** | **524** | **100** | **4,022** |

## Number of Employees Leaving in 2025 by Gender and Placement Region [GRI 401-1]

| Placement Region | Male | Female | Total |
|---|---|---|---|
| Jabodetabek | 27 | 8 | 35 |
| West Java | 28 | 8 | 36 |
| Central Java | 99 | 47 | 146 |
| East Kalimantan | 2,512 | 356 | 2,868 |
| Central Kalimantan | 459 | 80 | 539 |
| West Kalimantan | 213 | 17 | 230 |
| North Kalimantan | 160 | 8 | 168 |
| Others | 0 | 0 | 0 |
| **Total** | **3,498** | **524** | **4,022** |

The employee data was obtained from the Human Capital Information System (HCIS) application, based on the required reporting format.

## Employee Training and Development [POJK F.22] [GRI 404-1, 404-2, 404-3]

DSNG places human capital development as a strategic priority in building a competent and adaptive workforce capable of responding to future challenges. Through the Human Capital Department, the Company delivers structured and continuous training programs covering technical competencies, leadership development, and soft skills, both through internal and external initiatives. By providing sustainable learning facilities, the Company encourages employees to remain relevant amid industry dynamics, foster innovation, and contribute optimally to organizational performance.

**In implementing training and career development programs:**

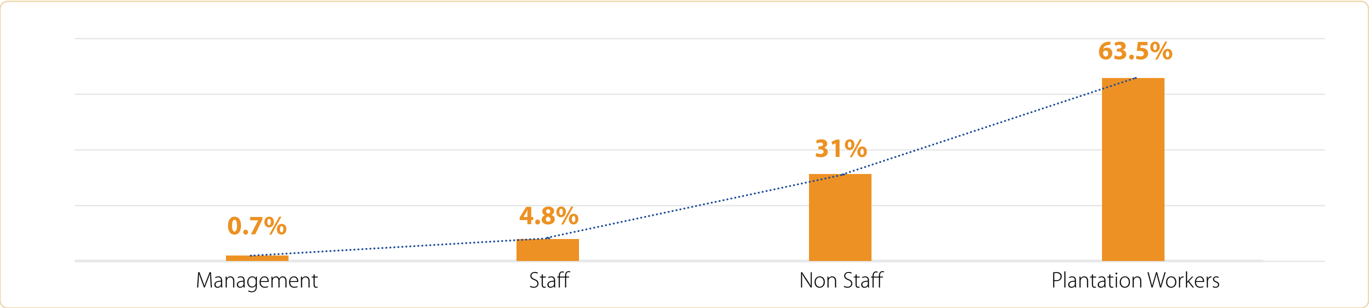
- All employees are provided with equal opportunities and are treated fairly in accessing training and career development programs without exception.
- Employees are encouraged to actively discuss their career goals and competency development needs with their direct supervisors.
- The Company carries out structured development programs such as the Senior Management Development Program (SMDP), General Management Development Program (GMDP), Mandor Development Program (MDP), and the Performance Management System (PMS) to identify and nurture employee potential.
- Leadership enhancement programs are conducted to strengthen managerial capabilities, including Becoming Effective People through Essential Habits and Leader as Coach.
- Field-based training programs are carried out to improve work quality, standardization, and occupational safety practices. These include Dojo programs for harvesting and maintenance activities, aimed at enhancing productivity, skills, and discipline across the workforce.
- The Company organizes on-site training programs to improve work quality, standardize procedures, and promote workplace safety. These programs aim to enhance the productivity, skills, and discipline of all employees involved in activities such as harvesting, maintenance, and other operations. In addition, the Company provides guidance and recognition for employees approaching retirement.

To further strengthen learning effectiveness, the Company has developed a Learning Management System (LMS) to facilitate efficient and accessible training management. The LMS supports training information searches, particularly for online learning programs, including access to an e-library. Training records are fully integrated, allowing monitoring through a dedicated training dashboard within the system.

During the reporting period, the Company conducted regular performance evaluations based on mutually agreed performance targets. The assessment process involves both direct supervisors and peer evaluations to ensure objectivity. The results serve as the foundation for career development planning aligned with organizational needs and workforce composition.

**People Management System**

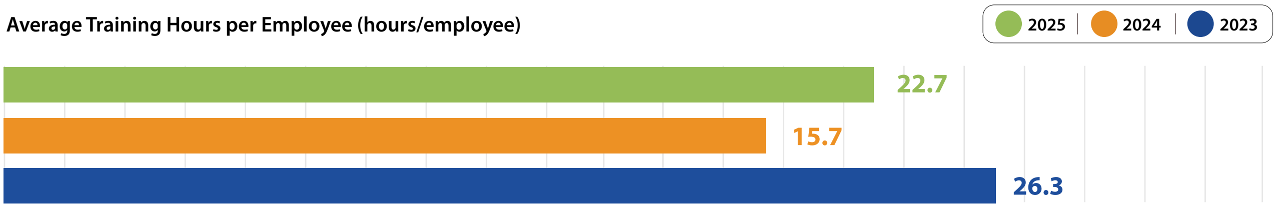
**Management Level Composition**



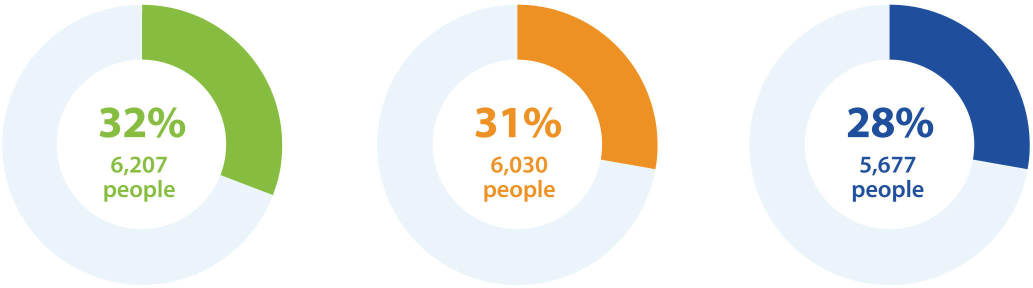
### ◆ Total Training Hours by Employee Category / Management Level in 2025 [GRI 404-1]

| Employee Categories | Male | | Female | | Total | |
|---|---|---|---|---|---|---|
| | Participants | Hours | Participants | Hours | Participants | Hours |
| Board of Directors | 14 | 323 | 3 | 125 | 17 | 448 |
| Management | 111 | 5,333 | 16 | 744 | 127 | 6,077 |
| Staff | 859 | 49,442 | 136 | 7,589 | 995 | 57,031 |
| Non Staff | 2,073 | 51,782 | 425 | 7,560 | 2,498 | 59,326 |
| Plantation Workers | 2,042 | 14,782 | 528 | 3,043 | 2,570 | 17,825 |
| Total | 5,099 | 121,646 | 1,108 | 19,060 | 6,207 | 140,706 |
| Average Training Hours per Participant | 23.86 | | 17.20 | | 22.67 | |

**Average Training Hours per Employee (hours/employee)**



**Percentage Number of Employees Participating in Training Programs**



Note: The decrease in the average training hours per employee reflects the increase in the total number of employees participating in training programs.

# Employee Welfare and Well-Being [GRI 202-1, 401-2, 405-2]

## Maternity Leave [GRI 401-2, 401-3]

The Company provides maternity leave of 90 calendar days for female employees and grants 2 calendar days of paternity leave for male employees to accompany their spouses during childbirth.

**Maternity Leave**

| Number of Male Employees (Paternity Leave) | Number of Female Employees |
|---|---|
| 34 | 8 |

**Number of employees who returned to work after maternity leave**

| Number of Male Employees (Paternity Leave) | Number of Female Employees |
|---|---|
| 34 | 7 |

## Benefits Received [GRI 401-2]

In accordance with applicable laws and regulations, the Company does not differentiate benefits based on employment status. All DSNG employees receive various facilities and benefits, including transportation, social security coverage, healthcare services, holiday allowances, leave entitlements, as well as educational, health, sports, housing, and childcare facilities. These benefits are accessible to all employees, permanent, contract, and outsourced, subject to the applicable terms and regulations. Several facilities are provided to support employee welfare and well-being, including:

| **Sports** | **Housing** | **Education** | **Health** |
|---|---|---|---|
| **17** football fields, **42** volleyball courts, **17** badminton courts, and **19** futsal courts. | **2,308** official residences, employee dormitories and barracks, as well as approximately **300** other supporting buildings, including places of worship, offices, and other functional facilities. | **5** learning centers, **9** kindergartens, **7** elementary schools, and **1** junior high school. | **5** primary clinics and **29** additional clinics accessible to employees, their families, contractors, and surrounding communities. |

## Employee Pension Fund [GRI 201-3]

In accordance with applicable laws and regulations, the Company is committed to ensuring that all employees are registered with and receive social protection from the BPJS Ketenagakerjaan program. This program provides the following types of insurance: Work Accident Insurance (JKK); Death Insurance (JKM); Old Age Security (JHT); Pension Insurance (JP); and Job Loss Insurance (JKP).

Contributions are paid regularly on a monthly basis, with cost-sharing arrangements between the Company and employees in line with regulatory requirements. JHT contributions amount to 5.7% of wages, consisting of 3.7% paid by the Company and 2% by employees. Meanwhile, JP contributions total 3% of wages, with 2% borne by the Company and 1% by employees, subject to the applicable wage ceiling. Contributions for JKK and JKM are fully covered by the Company, with rates adjusted according to occupational risk levels.

BPJS Ketenagakerjaan is responsible for managing employee benefits and retirement-related rights in accordance with government regulations. Throughout 2025, the Company fulfilled its BPJS Ketenagakerjaan membership contribution obligations, paying a total of IDR 95.88 billion across all DSNG business units.

## DSN Fit & Well-Being Program [GRI 403-6]

Through the DSN Fit & Well-Being program, DSNG promotes a workplace environment that supports employees' health, safety, and productivity. The Company provides various fitness facilities to encourage regular physical activity, including gyms and sports areas. In addition, initiatives to raise calorie awareness are implemented to build understanding of the importance of an active lifestyle, including encouraging walking as part of daily routines.

Beyond physical well-being, the Cooking Community serves as a platform for sharing nutritional knowledge while strengthening social connections among employees. Altogether, these initiatives foster a healthy, inclusive, and sustainable work culture aligned with the Company's commitment to employee well-being.

# Human Rights and Labor Standards

## Human Rights Focus Area

DSNG places the fulfillment of human rights as an integral part of the Company's commitment to fostering a fair work environment that respects the dignity of every individual. The Company's human rights focus areas include:

- Respecting workers' rights
- Ensuring fair and equal wages for equal work
- Protecting children's rights by enforcing strict policies against child exploitation and ensuring their safety around operational areas
- Ensuring that no worker is subjected to human trafficking or forced labor
- Recognizing the importance of the rights of Indigenous peoples and local communities, and maintaining harmonious relationships through open dialogue and respect for cultural heritage.

## Respecting Workers' Rights [POJK F.18]

In line with the Anti-Discrimination Policy, Women's Protection Policy, and Child Protection Policy, DSNG upholds workers' rights as the foundation for building a fair, safe, and respectful working environment. The Company is committed to ensuring that every employee is treated equally without discrimination, receives fair remuneration and benefits in accordance with their contributions, and works under safe and healthy conditions.

DSNG also protects the physical and emotional well-being of its workers through the implementation of robust occupational health and safety standards. In addition, the Company promotes employee capacity and career development through various training programs and competency enhancement opportunities, ensuring that each individual has the opportunity to grow and contribute optimally to the Company's long-term sustainability.

Program

- **Vacation Reward**
  As a form of appreciation, DSNG organizes the Vacation Reward program to recognize the best harvesters and foremen from the Palm Oil Business Unit. This year's destinations include the Derawan Islands, Bontang City Tourism & Beras Basah Island, and a river cruise at Tanjung Puting National Park. This program is one of the Company's initiatives to acknowledge the hard work and strong dedication of employees in supporting productivity, quality, and discipline within DSNG's Palm Oil operations. Winners are selected based on productivity achievements that exceed targets, high-quality Fresh Fruit Bunches (FFB) meeting the 92–8 criteria (minimum 92% ripeness and maximum 8% loose fruit), as well as consistent attendance and discipline.

  **Family Bonding Week (FBW) 2025** is a biennial program held as a form of appreciation for Level 4Up employees and their immediate families. Conducted across four operational regions with various destinations, FBW aims to strengthen family togetherness, promote the values of synergy, empathy, integrity, and foster awareness of harmony between people and nature, in line with the spirit of "We Are DSNG."

- **Provision of Field Toilets (Palm Oil Blocks)**
  By 2025, the Company has built 16 permanent toilets in its palm oil plantation areas. The construction of these facilities aims to create a healthier working environment, reduce the risk of disease caused by open defecation, and prevent harassment or sexual violence. Separate toilets are provided for male and female employees as part of the Company's commitment to protecting female workers.

## Fair Wage [POJK F.20] [GRI 202-1, 405-2, 13.21.1]

The Company provides fair and competitive remuneration in accordance with the applicable Provincial Minimum Wage (UMP) and Regency/City Minimum Wage (UMK) in each operational area, as well as the INANI living wage standard (RSPO). There is no wage differentiation based on gender for entry-level positions across all significant operational units. The following presents a comparison between entry-level employee wage standards and the applicable minimum wages in the Company's significant operational locations.

The remuneration offered is competitive and aligned with job grades and responsibilities. The Company also rewards employees who contribute to improving corporate performance through remuneration packages that exceed the minimum regulatory requirements. These packages consist of basic salary, allowances, and incentives.

| Placement Region | Entry Level Employee Salary Ratio to Minimum Wage |
|---|---|
| Jabodetabek | 102% |
| West Java | 100% |
| Central Java | 100% |
| East Kalimantan | 101% |
| Central Kalimantan | 100% |
| West Kalimantan | 100% |
| North Kalimantan | 100% |

**Ratio of Female to Male Wages**

| Senior Management | Middle Management | Staff | Non Staff | Plantation Workers |
|---|---|---|---|---|
| 0.99 | 1.01 | 0.96 | 0.87 | 1.00 |

## Human Trafficking and Forced Labor [POJK F.19] [GRI 408-1, 409-1]

DSNG is committed to preventing all forms of human trafficking and forced labor across its operations. The Company upholds human rights principles by ensuring that all workers are recruited and employed voluntarily, without coercion, exploitation, or any form of involuntary labor.

In line with the Child Protection Policy, DSNG provides appropriate protection for children, particularly those living around its operational areas, and strictly prohibits the employment of individuals under the age of 18.

## Children's Rights and Protection

DSNG collaborates with local communities and relevant stakeholders to support children's access to education, healthcare services, and a safe environment through various programs, including the following:

- As part of its support for children's nutrition, the Muara Wahau Police Sector (Polsek Muara Wahau), together with CSR DSN Group and the Wahau Baru Village Government, distributed free nutritious meals at MI Muhajirin School, Wahau Baru Village, on February 19, 2025. A total of 100 meal packages were provided to students and teachers. This activity reflects DSNG's commitment to supporting the health and growth of the younger generation from an early age.
- In 2025, the Primary Inpatient Clinic of PT Swakarsa Sinarsentosa (DSNG) once again organized a Supplementary Feeding Program (PMT) and Vitamin A distribution for children, targeting 1,020 beneficiaries. The program was categorized by age group: supplementary food was provided for children over 6 years old, blue Vitamin A capsules for infants aged 6–11 months, and red Vitamin A capsules for children aged 12–59 months.
- On 27 May 2025, the Ministry of Population and Family Development (BKKBN) launched the Taman Asuh Sayang Anak (TAMASYA) Program at a childcare facility built and operated by DSNG in East Kutai. This program highlights DSNG's role as a pioneer in promoting a family-friendly workplace by providing safe childcare services that enable parents to work productively.
- Through the Primary Clinic of PT Swakarsa Sinarsentosa, DSNG conducted a capacity-building training for 45 daycare caregivers on October 13–14 at the DSNG Learning Center Kaltim 1 & 2. The training, under the Healthy Living Community Movement (GERMAS) initiative, covered child growth stimulation, childcare management, effective communication, and emergency response. The program aimed to enhance the quality of safe, educational, and professional childcare services for employees' children.
- Through the CSR team in Muara Wahau, DSNG organized a Wehea Cultural Heritage awareness campaign in schools around its operational areas during July–August 2025. This interactive program involved more than 400 students and aimed to foster early awareness of the importance of preserving Dayak Wehea culture as part of local identity and social sustainability.
- In addition, DSNG, through DSN WP Panel Temanggung, implemented the "*DSN Mengajar*" program at SDN 2 Kramat in support of the Adiwiyata (Green School) initiative, in collaboration with the Environmental Agency of Temanggung Regency. The program included the provision of school support facilities and environmental education. On May 14, 2025, DSN WP Panel conducted an interactive session on waste segregation and waste management for 31 students from grades 4, 5, and 6, which was enthusiastically received by both students and teachers.

# Diversity and Inclusion

## Diversity and Inclusion in the Workplace [GRI 2-30, 202-2, 405-1, 407-1][POJK F.18]

DSNG upholds diversity and believes that an inclusive workplace is a key foundation for innovation and long-term success. The Company is committed to creating a work environment that respects every individual and provides equal growth opportunities, regardless of background, gender, race, religion, or other status. This commitment is reflected in the development of an inclusive work culture, supported by various programs that encourage employee participation and training initiatives to enhance understanding and appreciation of diversity.

DSNG also respects employees' rights to form or join labor unions as strategic partners in achieving the Company's objectives. As of 2025, a total of 9,304 employees (49%) are members of 15 labor unions governed by Collective Labor Agreements (CLA) and registered with the local Manpower Office. For non-union employees, the Company applies its Company Regulations while maintaining open and effective two-way communication through the Bipartite Cooperation Institution (LKS Bipartit).

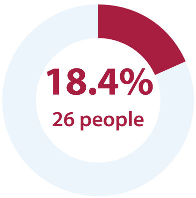
Notably, Senior Management refers to employees who hold positions as Division Heads and Directors, or those with equivalent levels of responsibility and authority. Meanwhile, "local employees" are those who reside in the same region as their workplace, whether in plantation or factory areas or other Company operational locations.

**Women in Worker positions**

**Women in Non-Staff position**

**Women in in Staff position**

**Percentage of Management (Middle and Senior) from Local Communities**



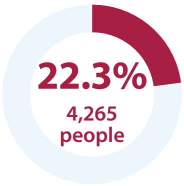
## Gender

The Company provides equal opportunities for women to be directly involved in all business operations, including field activities. This participation reflects the Company's commitment to gender equality by ensuring that both male and female employees have equal roles and responsibilities.

## Gender Diversity in our Workplace [GRI 405-1][POJK F.18]

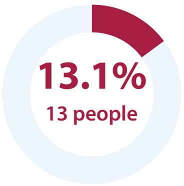
All DSNG employees are entitled to equal opportunities and fair treatment, regardless of gender. In 2025, the Company proudly recorded the following achievements:

**Total number of female employees out of the overall workforce**



**Women holding management positions (middle and senior management)**

**Women in middle management positions**

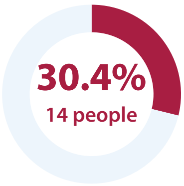


**Women in senior management positions**

**Women serving on the Board of Directors**

**Women serving on the Board of Commissioners**

**Women in revenue-generating (Commercial) management functions**



**Women in science, technology, engineering, and mathematics (STEM)**

## Protecting Women's Rights

DSNG is committed to upholding its Women Protection Policy by providing facilities and support that contribute to the well-being of female employees and their families, while seeking to ensure the fulfillment and protection of women's rights across its operational areas. This commitment is reflected in a range of programs undertaken, including:

| | Objective | Target | Achievement |
|---|---|---|---|
| **Provision of Lactation Rooms** | To support the well-being of female employees, the Company provides safe, comfortable, and breastfeeding-friendly lactation rooms. | Ensures that lactation rooms are properly maintained to remain safe, comfortable, and fully functional. | Lactation rooms have been established and equipped at every childcare facility across all DSNG subsidiaries. |
| **Gender Committee** | To strengthen women's empowerment and promote an inclusive and equitable workplace. | To serve as a platform for reporting and addressing gender-related issues, particularly those affecting female employees, in order to foster a fair working environment. | The Company has established approximately 356 Gender Committee members, consisting of both female and male representatives from all DSNG subsidiaries. |
| **Maternity Leave** | The Company grants maternity leave in accordance with Article 82 of Law No. 13 of 2003 to support the health of mothers and babies, strengthen the mother-child bond, and ensure employees are ready to return to work productively. | Female employees are entitled to 1.5 months of leave before childbirth and 1.5 months after childbirth, based on recommendations from an obstetrician or midwife. | The Company ensures that maternity leave is implemented in line with the Collective Labor Agreement (CLA). During the reporting period, 34 male employees took paternity leave to accompany their spouses during childbirth, and 7 female employees utilized maternity leave. |

# Occupational Health and Safety Policy

[POJK F.21] [GRI 403-1, 403-9, 403-10, 13.19.1, 13.19.2, 13.19.10, 13.19.11]

In 2025, DSNG continued to strengthen its Occupational Health and Safety Management System (SMK3) through an Occupational Health, Safety, and Environment (HSE) Policy that applies to all operational activities. The Company acknowledges that certain resource constraints remain; therefore, current data recording is primarily focused on internal employees. Nevertheless, the Company is committed to ensuring that all operational activities are free from exploitation and that the safety and well-being of all workers, including employees and contractors, are safeguarded. This commitment is carried out in compliance with national regulations and with reference to international standards, including the Universal Declaration of Human Rights, the ILO Core Conventions, the UN Guiding Principles on Business and Human Rights, and IFC Performance Standard 2 on Labor and Working Conditions.

## Occupational Health and Safety Committee [GRI 403-4, 13.19.5]

The implementation of the Occupational Health and Safety (OHS) policy is coordinated by the HSE Department through hazard identification, risk assessment and control (HIRADC), safety training, monitoring, compliance reporting, and emergency response simulations. These programs are carried out in accordance with OHS regulations and are continuously improved through system enhancements and innovation. As part of regulatory compliance, DSNG has established an OHS Committee registered with the local Manpower Office at the regency level. The Committee oversees the implementation of OHS programs, conducts regular meetings, and continuously reviews occupational safety performance.

## Hazard Identification and Risk Assessments [GRI 403-2, 403-9, 403-10, 13.19.3, 13.19.10, 13.19.11]

In 2025, DSNG conducted periodic risk assessments through the Hazard Identification, Risk Assessment, and Determining Control (HIRADC) process. This approach is used to identify potential hazards, evaluate risk levels, and implement mitigation measures to prevent workplace accidents and occupational health incidents. The assessment process is carried out across all operational units, including plantations, mills, and offices, involving employees and business partners to ensure consistent and sustainable safety standards implementation. Furthermore, the Company grants employees the right to stop or leave work if they believe some conditions could potentially lead to a workplace accident. These conditions must be reported to their superiors, who will then forward them to the Safety, Health, and Environment team for follow-up according to established procedures.

### Hazard Identification Process

**01**
Identify occupational hazards (OHS risks) and environmental impacts

**02**
Risk assessment based on Severity, Probability, and Overall Risk Levels

**03**
Existing control measures identification

**04**
Determine significant impacts based on risk level assessment

**05**
Plan operational control (risk control, elimination, substitution, engineering, administration control, Personal Protective Equipment/PPE)

**06**
Monitoring and review evaluation results to assess severity, probability, and risk level concerning implemented control measures

In the event of a work-related accident resulting in a lost time injury (LTI), the Company conducts a formal investigation led by a competent investigation team. The findings of the investigation are used to identify the root causes of the incident and to formulate corrective and preventive actions to avoid recurrence in the future. These recommendations are subsequently incorporated into the evaluation and improvement of the occupational health and safety (OHS) program, including refinements to the HIRADC process (Hazard Identification, Risk Assessment, and Determining Control), safe work procedures, and the development of broader OHS initiatives.

## Safety Program [GRI 403-4, 13.19.5]

### ① Optimizing OHS Culture through the Occupational Health and Safety Committee (P2K3)

As part of its commitment to reducing workplace incidents, DSNG has strengthened the role of the Occupational Health and Safety Committee (P2K3) to enhance accident prevention and promote a strong safety culture across all operational units through the following initiatives:

- **OHS training for DSNG employees** to improve basic safety understanding, attended by staff and non-staff employees, with an average of approximately ±50 participants per session.
- **Regular P2K3 meetings** held every month to discuss accident prevention efforts and follow up on unsafe conditions and actions in the mill and plantations. Every decision made during these meetings is followed up with corrective measures to support the effective implementation of the occupational health and safety program.
- **Increased hazard reporting by employees**, including near-miss incidents, unsafe conditions, and unsafe actions.
- **Ongoing OHS campaigns** to raise awareness and vigilance among all employees.
- **OHS inspections** using the SMART Patrol system, which has been implemented in nearly 100% of operational units.

Beyond P2K3, efforts to strengthen the OHS culture are also carried out through the following internal initiatives:

- **Training of Trainer (ToT) at the DSNG Learning Center** to enhance fundamental OHS competencies among safety champions in each work unit.
- **Daily Safety Talk** during morning briefings conducted by OHS officers or assistants, covering potential hazards and safe work practices.
- **Safety Campaign** through internal communication channels, including digital platforms.
- **Genba OHS** to ensure compliance with safety procedures.
- **Hazard reporting programs** to reinforce a culture of ownership and responsibility for workplace safety.

The increase in employee hazard reports reflects growing safety awareness and demonstrates the effectiveness of the Company's OHS programs.

### ② Strengthening Safety through the Implementation of the 5R Program

DSNG seeks to reinforce workplace safety through the application of the 5R program, with Safety as a core focus in fostering a secure work environment that supports employee well-being:

- **Safety Awareness Culture**
  Preventive measures include regular safety briefings, the provision of pedestrian pathways, installation of hazard signs in machine areas (e.g., pinch-point risks), and implementation of Lock Out Tag Out (LOTO) procedures. These measures aim to increase awareness and minimize workplace accident risks.
- **Quality of Life in Employee Housing Areas**
  The 5R program also extends to employee housing complexes and childcare facilities. The application of cleanliness and orderliness principles supports a healthy and livable environment, contributing to employee satisfaction and compliance with social standards in sustainability audits.
- **Work Standardization**
  Clear visual work instructions and road markings are provided in operational areas to reduce human error and systematically mitigate safety risks.

### ③ Strengthening the OHS System in Collaboration with Phitagoras

DSNG collaborates with PT Phitagoras as an OHS consultant to enhance its management system and strengthen technical OHS aspects across all operations. This partnership aims to reinforce existing OHS programs. In August 2025, PT Phitagoras conducted field reviews at palm oil mills, plantations, and bulking facilities in the Wahau area, East Kalimantan, as part of the evaluation and continuous improvement of OHS implementation.

## Health Program [GRI 403-3, 403-6, 403-7, 13.19.4, 13.19.7, 13.19.8 ] [POJK F.21]

The Disease Prevention Program is carried out through a range of initiatives, including mosquito larvae control (Jumantik), chronic disease awareness sessions, Health Talks, environmental health education, immunization programs, and other promotive and preventive activities. Throughout 2025, a total of 6,077 activities were conducted, reaching 111,706 participants.

Routine medical check-ups (MCU) were provided to 12,096 participants. In addition, specialized medical examinations, such as spirometry, audiometry, and cholinesterase tests, were conducted for 10,881 participants.

The Company operates 34 healthcare facilities, consisting of 5 primary clinics and 29 supporting clinics, accessible to employees, contractors, families, and surrounding communities.

Clinic operations are supported by 9 doctors and 94 healthcare personnel, with a total of 85,142 patient visits recorded in 2025, covering both employees and non-employees.

DSNG provides publicly accessible health coverage through the BPJS Kesehatan website, with total contributions in 2025 reaching IDR 46.45 billion, covering services for common illnesses and occupational diseases such as exposure to chemicals, noise, allergies, and irritation.

## Occupational Health and Safety Training and Certification [GRI 403-5, 13.19.6]

In 2025, Occupational Health and Safety (OHS) training and awareness programs were attended by 12,267 participants across 36 sessions. The training covered workplace safety, 5R implementation, safety signage, the use of fire extinguishers (APAR) and personal protective equipment (PPE), pesticide management, fire emergency response, and understanding of ISO, ISPO, and RSPO standards.

A total of 493 participants obtained OHS certification during the year as part of workforce competency development.

Occupational Health Training Programs were also conducted through various initiatives, including first aid (P3K) training for employees, health education for childcare (TPA) caregivers, maternity classes, tropical disease awareness sessions, Clean and Healthy Lifestyle (PHBS) socialization, and Healthy Talks, reaching a total of 64,001 participants.

Comprehensive information on training programs and participants is available in the Company's OHS training list at **the following link**.

## Health and Safety Performance [GRI 403-8, 403-9, 403-10, 13.19.9, 13.19.10, 13.19.11] [SASB FB-AG-320a.1]

In 2025, 12 DSNG subsidiaries within the palm oil business unit recorded zero workplace accidents. This achievement is reflected in the reduction of lost work hours in the palm oil business unit, from 3,798 hours in 2024 to 3,640 hours in 2025, indicating improved operational risk control. The calculation of OHS performance statistics, including the Severity Rate and Frequency Rate, is conducted using a standardized approach per 1,000,000 working hours, in line with occupational safety measurement standards. Information related to occupational health and safety performance has been verified internally and externally through RSPO and ISPO certification activities to ensure its accuracy and validity.

The Severity Rate reflects the frequency of workplace accidents that occurred during the reporting period and indicates the effectiveness of the Company's implementation of its occupational health and safety (OHS) system. According to the monitoring results, workplace accidents were primarily caused by operational factors in both the factory and the plantation areas. In the palm oil, wood product, and renewable energy mills, most accidents were caused by machinery and slippery work surfaces. In the plantation areas, meanwhile, accidents frequently occurred during the oil palm harvest, including injuries from fronds, pollen, falling palm fruit, and thorns. Occupational health and safety performance monitoring is conducted through the SMART Patrol application, which has been integrated across all business units. This information is analyzed to evaluate and ensure employee safety and security.

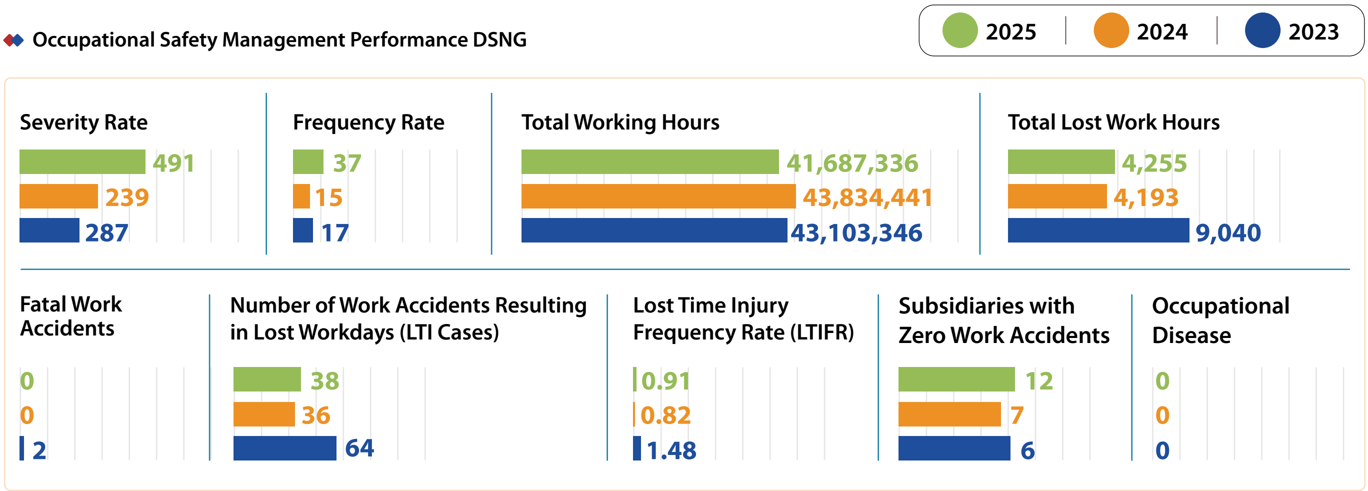
These results indicate that most workplace accidents are related to routine operational risks, requiring strengthened control through increased discipline in using personal protective equipment (PPE), safe work training, field supervision, and improvements to standard work procedures to reduce the severity level in the next reporting period.

### Occupational Safety Management Performance Achievements for Employees DSNG in 2025

| Parameter | WP Panel | WP Floor | Palm Oil | Renewable Energy |
|---|---|---|---|---|
| Severity Rate | 102 | 18 | 25 | 346 |
| Frequency Rate | 0.65 | 21.50 | 1.46 | 11.54 |
| Total Working Hours | 35,626,928 | 511,425 | 4,793,092 | 173,243 |
| Total Lost Work Hours | 3.640 | 72 | 120 | 420 |
| Fatal Work Accidents | 0 | 0 | 0 | 0 |
| Number of Work Accidents Resulting in Lost Workdays (LTI Cases) | 23 | 6 | 7 | 2 |
| Lost Time Injury Frequency Rate (LTIFR) | 0.65 | 11.73 | 1.46 | 11.54 |
| Subsidiaries with Zero Work Accidents | 12 | 0 | 0 | 0 |
| Occupational Disease | 0 | 0 | 0 | 0 |

Note: Calculations are based on 1,000,000 working hours.

### Occupational Safety Management Performance DSNG



## Occupational Health and Safety Performance Achievements

Throughout 2025, DSNG strengthened its commitment to implementing Occupational Health and Safety (OHS) across all operational units. In recognition of this achievement, DSNG received ten Zero Accident Awards at the East Kalimantan Provincial level. The DSNG subsidiaries that received the awards are:

**PT. Swakarsa Sinar Sentosa (SWA)**
1 Palm Oil Mills (POM)

**PT. Dharma Satya Nusantara**
4 Palm Oil Mills (POM 2, POM 3, POM 4, and POM 6)

**PT. Karya Prima Agro Sejahtera**
Plantation & POM 7

**PT. Bima Palma Nugraha (BPN)**
Plantation

**PT Bima Agri Sawit (BAS)**
Plantation & POM 10

**PT Dharma Intisawit Nugraha (DIN)**
Plantation & POM 11

**PT. Dharma Agrotama Nusantara (DAN)**
Plantation

**PT Gemilang Utama Nusantara (GUN)**

This achievement reflects the continued efforts of DSNG's subsidiaries to apply the OHS management system effectively, with operations recording no fatalities, fatal accidents, or permanent disabilities.

## Improving Product Quality and Safety

[POJK F.17, F.27, F.28, F.29] [GRI 416-1, 416-2] [SASB IF-EN-250a.1 IF-EN-250a.2]

DSNG's three main business units, palm oil, wood products, and renewable energy, serve both domestic and international markets through various supply chains. Therefore, all products must comply with quality, safety, and health standards in accordance with customer requirements and the regulations of destination countries.

The Company seeks to maintain comprehensive quality control across the entire production process, supported by internal testing and certifications that are subject to regular review by independent auditors. In the palm oil unit, food safety is a key priority, including strict control of Free Fatty Acid (FFA) levels, moisture content, and impurities. These parameters are monitored through daily internal testing and verified by independent surveyors prior to shipment. Based on testing results, the Company's products have consistently met the established quality standards, providing assurance of quality to customers.

DSNG's palm oil products are certified under RSPO, ISPO, and ISCC standards. Its wood products comply with national standards and are certified under SVLK, as well as international standards such as FloorScore, CARB, JAS, and FSC. Renewable energy products have also obtained SVLK certification. All products are tested periodically to ensure consistent quality and compliance with specifications. Any non-conformity is followed up through investigation and corrective actions, accompanied by procedural updates and continuous employee training.

Throughout 2025, there were no product recalls or sanctions related to product safety. All DSNG products are manufactured in accordance with the specific characteristics of each business unit and are marketed to both domestic and international markets.

As part of its commitment to quality and service excellence, DSNG provides an official customer grievance channel accessible through **the Company's website**. During the reporting period, the Company did not receive any complaints related to product quality or service performance.

In addition, DSNG regularly conducts customer satisfaction surveys as a basis for evaluation and continuous improvement of product quality and services. Based on the survey results, the majority of customers expressed a high level of satisfaction with the Company's products and services.

**Customer Satisfaction Survey Results by Parameter** [POJK F.30]

● 2025 | ● 2024 | ● 2023

**Palm Oil Business Unit**

| | 2025 | 2024 | 2023 |
|---|---|---|---|
| Palm Oil Business Unit | 4.53/5.00 | 4.50/5.00 | 4.60/5.00 |

**Wood Product Business Unit**

| | 2025 | 2024 | 2023 |
|---|---|---|---|
| DSN WP Panel Business Unit | 86.6% | 96.5% | 96% |
| DSN WP Floor Business Unit | 99% | 98% | 98% |

**Renewable Energy Business Unit**

100%

# Community Development

## Environmental and Social Impact Assessment [GRI 413-1, 413-2]

Since the beginning of its operations, community engagement has been an integral part of the Company's participatory social and environmental impact assessments. These assessments form part of the preparation of the Environmental Impact Assessment (AMDAL) documents by each subsidiary and are integrated with the Environmental and Social Management System (ESMS), referring to the IFC Performance Standards as the framework for managing environmental and social risks and impacts. As of the end of the reporting period, all (100%) subsidiaries have obtained valid Environmental Permits.

Through its CSR function, the Company actively involves local communities in managing potential negative impacts through participatory and consultative approaches. DSNG also carries out various empowerment programs aimed at supporting public health and expanding economic opportunities, particularly for youth, vulnerable groups, and low-income families. In 2025, the CSR function further strengthened its focus on conducting an annual Social Impact Assessment (SIA) to evaluate the Company's impact on surrounding communities and to identify their needs within operational areas.

## Negative Impact Risk Management 2025 [GRI 406-1, 408-1, 413-2, 13.12.3, 13.17.2]

| Identified Risk | Impact | Mitigation Plan |
|---|---|---|
| **Non-Palm Economic Program** | Low productivity and limited value-added activities outside the palm oil sector remain key challenges in surrounding communities. | Local Community empowerment initiatives focus on strengthening non-palm economic sectors such as coffee, honey, fisheries, and poultry farming, as well as air-conditioning repair services, environmental maintenance services, MSME (micro, small, and medium enterprises) development, and community-based arts and ecotourism groups. These initiatives aim to create sustainable and inclusive economic benefits. By strengthening community self-reliance and diversifying income sources in areas surrounding its concessions, DSNG seeks to reduce dependency on the palm oil sector while enhancing long-term local economic resilience inclusively and sustainably. |
| **Lack of employee awareness and capacity regarding children's rights** | Violations of children's rights | • Conducting a child protection campaign through dissemination to all employees.<br>• Forming a Child Forum as a pioneer and reporter of child protection actions<br>• Running a program to reduce school dropout rates |
| **Limited access to health services and disease prevention** | Gender discrimination | • Implementing the Gender Committee program<br>• Conducting a women's protection campaign |
| **Limited access to health services and disease prevention** | The risk of public health increasing | DSNG continues to support the Healthy Living Community Movement (GERMAS) program in collaboration with local health centers, as part of its efforts to contribute to improved public health in the communities surrounding its operational areas. |

- DSNG is committed to continuously managing social impact through Social and Environmental Responsibility (TJSL) activities in accordance with the fulfillment of Law No. 40 of 2007 concerning Limited Liability Companies, as well as Government Regulation No. 47 of 2012 concerning Social and Environmental Responsibility.
- The mitigation plan based on the Social Impact Assessment (SIA) has been implemented in the CSR's social and environmental responsibility program.
- Regarding the complaint reporting system, it is available in the Complaint Reporting System on page 132

## Social and Environmental Impact [POJK F.23, F.25] [GRI 203-1]

Through the implementation of sustainable Social and Environmental Responsibility (TJSL) programs, DSNG seeks to balance business growth, community welfare, and environmental preservation in order to generate long-term positive impacts for sustainability. In 2025, DSNG allocated IDR 37.5 billion to TJSL programs, benefiting 49,888 individuals. This represents a 27% increase compared to the previous year. The funds were directed toward community empowerment initiatives, including health services, education, waste management, support for vulnerable groups, renewable energy development, and environmental conservation through the implementation of the NDPE (No Deforestation, No Peat, No Exploitation) policy. Through collaboration with government institutions and continuous engagement with local communities, DSNG contributes to the achievement of the Sustainable Development Goals (SDGs) while fostering harmonious relationships with surrounding communities and the environment.

**Overview of Our Corporate Social Responsibility (CSR) Program**

Total CSR spend (2025)

**IDR 37.5 billion**

individuals benefited

**49,888 People**

# DSNG's CSR Priorities

## Education

In 2025, DSNG carried out a range of educational programs aimed at strengthening the character, health, and capabilities of young people. These initiatives included environmental education, the promotion of cultural values, the provision of free meals for students, and occupational health and safety training for vocational learners. These efforts reflect DSNG's commitment to enhancing access to quality education and supporting the communities surrounding its operational areas.

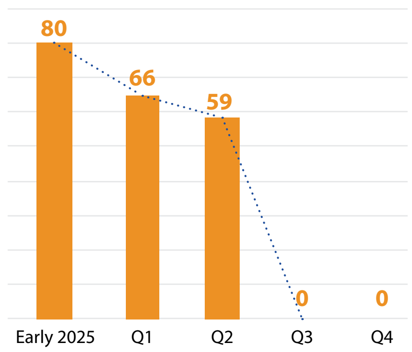
## Reduction in School Dropout Rates in Wahau

Through its CSR initiatives within the palm oil business unit, DSNG has carried out a program involving multiple stakeholders aimed at reducing the occurrence of children dropping out of formal schooling. The program focuses on comprehensive data collection, support for civil registration documentation, and education for parents and children to encourage school re-enrollment. Key activities include:

1. Ensuring complete administrative documentation for new employees and their families.
2. Awareness campaigns led by the Gender Committee on the importance of children's education.
3. Monthly monitoring and reporting of school dropout status.
4. Clear deadlines and policies: if a school-aged child not enrolled in formal or non-formal education is identified on-site, families are given a grace period until the 30th of the following month to register the child.

The program has achieved significant results. By the end of 2025, there were no school-aged children who were not enrolled in school. This reduction reflects improved administrative compliance, discipline, and the effectiveness of collaboration between schools, parents, and the Company.

School Dropout Data as of the end of 2025



## Health and Well-Being

### Stunting Prevention through Supplementary Feeding and Vitamin A Distribution

Through the PT Swakarsa Sinarsentosa Primary Care Clinic, the Company provides a Supplementary Feeding (PMT) and Vitamin A distribution program for employees' children as part of its efforts to support their health and nutrition. In 2025, the program targets 1,020 child beneficiaries. Activities include distributing age-appropriate food supplements and vitamins: supplementary feeding for children above six years old, blue Vitamin A capsules for infants aged 6-11 months, and red capsules for children aged 12-59 months.

The program also involves monitoring children's growth through regular weight and height measurements. Held every three months, the initiative is part of the Company's commitment to prevent stunting and improve child nutrition. Through this program, DSNG aims to support the creation of a healthy, productive generation, while enhancing family well-being and long-term workforce productivity.

### IVA Tests and Breast Self-Examination (SADARI) Awareness for Early Cancer Detection

As part of its commitment to women's health, the Company, through the PT Swakarsa Sinarsentosa Primary Care Clinic, organized Visual Inspection with Acetic Acid (IVA) tests and Breast Self-Examination (SADARI) awareness sessions. The event was attended by 40 participants, consisting of female employees and employees' spouses. The program aims to raise awareness and promote early detection of cervical and breast cancer, two of the leading causes of cancer-related deaths among women in Indonesia.

Participants received education on the importance of regular check-ups and underwent IVA examinations conducted by the clinic's medical team. Through this initiative, the Company reinforces its commitment to improving women's reproductive health in the workplace. The program also aligns with the clinic's long-term goal to conduct early cancer screening for 1,000 women of reproductive age, supporting both prevention and awareness among employees' families.

## Child Protection and Women's Empowerment

### Support the Taman Asuh Sayang Anak (TAMASYA) Child Care Program

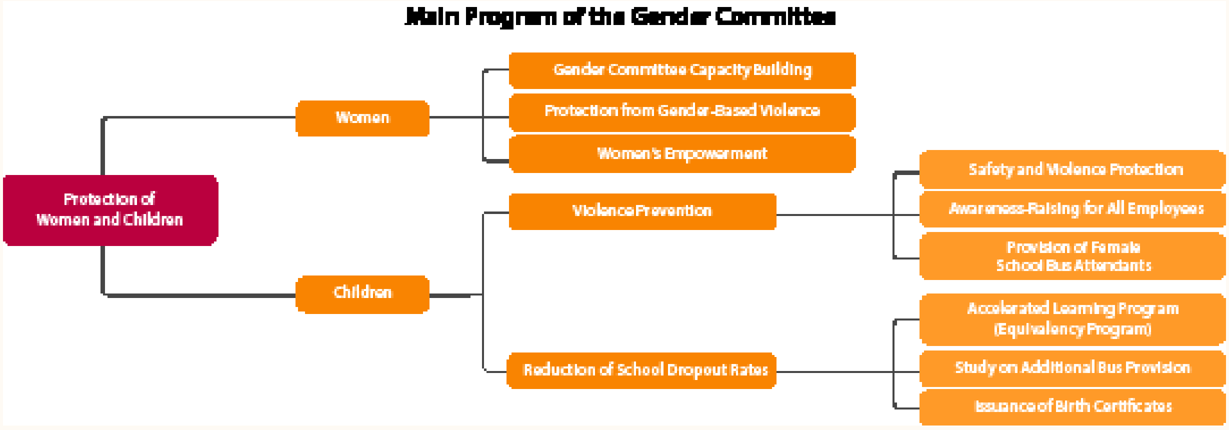
DSNG supported the launch of the Taman Asuh Sayang Anak (TAMASYA) program, initiated by BKKBN in collaboration with relevant ministries. The inauguration took place on May 27, 2025 at the company-owned childcare center in Kutai Timur and was attended by the Head of BKKBN, the Vice Governor of East Kalimantan, the Regent of East Kutai, DSNG's Board of Directors, and local government representatives. TAMASYA aims to provide safe and supportive childcare for working parents, particularly in the industrial sector, ensuring children receive proper care for their growth and development.

Following the launch, DSNG held the Child Development Report Month at TAMASYA on 8 November 2025, a semi-annual activity to monitor children's physical, cognitive, and social development. This initiative strengthens collaboration among caregivers, healthcare professionals, and parents to support children's optimal growth. By providing clinical facilities, healthcare personnel, and adequate support resources, DSNG strives to ensure that every child in its assisted communities receives proper developmental monitoring. The Company's involvement in this program aligns with DSNG's commitment to promoting work-family balance and fostering an inclusive and sustainable workplace for its employees.

### Gender Committee

The Gender Committee serves as both a reporter and a driver of initiatives related to the protection of women, children, and families. Its role encompasses campaigns, awareness-raising, prevention, management, and mitigation activities. These efforts are carried out through various channels, including morning assemblies, youth classes, mother groups at the *afdeling* level, childcare centers (TPA), and programs aimed at reducing school dropout rates.

Concrete activities include violence prevention awareness, capacity building for committee members, assistance with birth certificates, guidance and counseling, education on prohibiting inappropriate contact with children, and training for supervisors on violence prevention and handling.



By 2025, the Gender Committee had engaged 356 members, supported by regular monitoring and evaluation every 2–3 months, along with documentation and annual evaluations, reflecting the Company's commitment to creating a safe, inclusive, and sustainable environment. For example, the Muara Wahau Gender Committee organized a Mandala Art Therapy Psychoeducation session on 18 December 2025 at the KBB Learning Center. The event involved 112 participants, representing the Association of Agro Staff Wives (PISA) and the Gender Committee, highlighting the Company's focus on the critical role of women, especially mothers. Through psychoeducation and art-based approaches, the activity provided a safe and supportive space for mothers to express emotions, practice self-care, and strengthen mental well-being while managing their dual responsibilities.

## Economic Independence

### Non-Palm Economic

DSNG promotes community economic independence through the development of non-palm businesses and the strengthening of local institutions. The company supports various initiatives, including transportation services, Miau rice production, traditional crafts, and horticulture. These programs are complemented by business mentoring, management training, and facilitation of economic access for community groups.

### Program Beneficiaries - 2025

| Transportation Services | Miau Rice | Traditional Craft | Horticulture (Pineapple) | Layer Chickens | Plantation (Sugar Palm) | AC Service | MSMEs | Traditional Culinary | Total |
|---|---|---|---|---|---|---|---|---|---|
| 1,284 | 700 | 32 | 12 | 12 | 12 | 2 | 14 | 2 | 2,058 |

### Establishment and Support of Credit Unions

DSNG established the Mitra Mandiri Credit Union in Muara Wahau in 2009 to enhance community financial literacy, provide credit union training, and support the development of small and medium enterprises (SMEs). By 2025, the credit union had grown to 2,781 members with total assets of IDR 67.5 billion. The success of Mitra Mandiri has served as a model for the establishment of other credit unions, such as CU Satu Hati, which currently serves 353 members. Through these initiatives, DSNG contributes to financial inclusion, strengthens local entrepreneurship, and supports sustainable economic growth in the communities where it operates.

### Sustainable Economic Partnerships

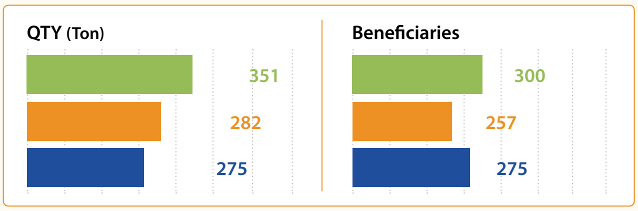
Through PT Mitra Nusa Sarana (MNS), DSNG conducted the eighth phase of profit-sharing with six partner cooperatives on May 5, 2025. This initiative reflects the Company's commitment to transparency and the welfare of farmers through a fair and sustainable partnership model. The six cooperatives involved met the required performance and governance standards in line with applicable regulations.

## Food Security

● 2025 | ● 2024 | ● 2023

### Collaboration with BUMDes

DSNG collaborated with BUMDes Miau Baru to strengthen the local rice supply chain, reduce logistics costs, and lower emissions. In 2025, 13% of the Company's rice needs were met by 300 local farmers, providing them with income opportunities across cultivation, milling, and distribution activities.



### Poultry Farming

To strengthen local economic opportunities, DSNG conducted training in layer chicken farming for communities in East Kalimantan. Training covered all stages, from breeding, coop management, marketing, to production management. By the end of 2025, 12 participants in Muara Wahau produced 222 bundles of eggs (IDR 318,00 per bundle), generating a total revenue of IDR 12.37 million.

## Supporting Sustainable Supply Chains

### Distribution of Jabon Seedlings

To strengthen a sustainable supply chain, preserve the environment, and support climate change mitigation, DSN WP Panel has distributed 3,805,000 jabon seedlings in Central Java between 2020 and 2025, benefiting a total of 12,964 recipients.

**Total Distribution of Jabon Seedlings in Central Java (2020–2025)**

| | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | Total |
|---|---|---|---|---|---|---|---|
| **Jabon Distribution** | 372,000 | 505,040 | 700,000 | 817,300 | 807,000 | 564,000 | **3,765,340** |
| **Farmer Beneficiaries** | 1,999 | 3,093 | 2,445 | 1,631 | 1,986 | 1,000 | **12,964** |

This program is implemented in collaboration with local farmers to enhance community understanding of ecosystems. The initiative also contributes to improving farmers' livelihoods while generating long-term environmental benefits.

### Farmer Capacity Development

DSNG implemented the Climate-Resilient Agroforestry Capacity Building Project in Wonosobo, Magelang, and Temanggung. The initiative aims to promote climate-adaptive agroforestry practices, strengthen farmer organization capacity, and enhance financial and sustainability literacy. The project also includes pilot trials at the farmer level.

Through this program, 25 farmers are trained as pioneers and trainers, sharing knowledge with their peers. The program is expected to increase participation in jabon planting and lay the foundation for FSC-FM certification readiness.

## Environment and Innovation

### Utilization of Wood Production Waste as Livestock Bedding

DSNG partnered with PT Upoyo Mandiri Sejahtera to manage wood bark waste from industrial activities. Previously discarded, the waste is now shredded and repurposed as livestock bedding. This initiative follows circular economic principles, ensuring that waste retains value. Using wood bark improves hygiene and comfort in animal enclosures, reduces odor, and minimizes the risk of foot injuries caused by hard or damp flooring. The partnership was inaugurated on June 2, 2025, marking a tangible step in turning waste into a valuable resource. By the end of 2025, 1,832 tons of wood bark waste had been successfully repurposed as livestock bedding.

## Indigenous Cultural Heritage Preservation

### Cultural and Economic Empowerment of Indigenous Communities

DSNG carries out a range of integrated programs to support the preservation of the cultural heritage of Dayak indigenous communities, including the **Indigenous Peoples Development Program (IPDP), Cultural Heritage Program, Livelihood Restoration Program (LRP)**, and **Social Impact Assessment (SIA)**.

Cultural preservation is carried out by supporting women's groups and traditional Dayak Kayan artists in Miau Baru. Through Umaq Lekan Batik training, 16 Dayak Kayan women enhanced their skills, gained intellectual property protection, and accessed economic opportunities based on cultural heritage. The Lekan Maran traditional dance program involved six local dancers to maintain performance continuity. These activities align with IFC Performance Standard (PS) 7 on Indigenous Peoples, combining cultural preservation with local economic value creation.

Through the Culture Heritage Program under IFC PS 8, DSNG organized exhibitions showcasing Dayak Wehea and Dayak Kayan heritage in Nehas Liah Bing and Miau Baru, engaging women's groups and local MSMEs to expand cultural product promotion and support sustainable livelihoods. Economic empowerment is further strengthened through the LRP by supporting sugar plum and pineapple farmers, local food processing, and culinary training for MSMEs. These efforts diversify non-palm income sources and increase long-term earnings. All initiatives are guided by Social Impact Assessment (SIA) aligned with IFC PS 1, based on public consultations in six villages, ensuring social impact management and reinforcing relationships with indigenous communities.

## Infrastructure Development

### Enhancing Infrastructure to Improve Community Mobility

Throughout 2025, DSNG implemented various infrastructure development and maintenance programs in its assisted villages, reflecting the Company's commitment to improving community well-being, strengthening operational connectivity, and supporting sustainable village development. All of these activities were carried out with a total infrastructure investment of IDR 6.67 billion.

Activities included village road maintenance and construction, drainage improvement, and support for public and social facilities. These efforts enhanced community transportation access, facilitated smooth distribution of Fresh Fruit Bunches (FFB) to mills, opened access to new settlements, and improved logistics and social mobility. In addition, DSNG supported the development of educational, religious, and economic infrastructure through site clearing, village reservoir maintenance, and air transport infrastructure improvements.

## Rights of Indigenous People [GRI 411-1]

DSNG respects the rights of indigenous peoples and local communities in accordance with its NDPE Policy and monitors conservation areas to protect ecosystems. As a member of RSPO, the Company implements a No Deforestation commitment in line with the RSPO 2018 Principles and Criteria. DSNG also partners with local communities through empowerment programs, the application of the Free, Prior, and Informed Consent (FPIC) principle, and the preservation of cultural sites around its operational areas. Throughout the reporting period, there were zero cases or reports of violations involving the rights of indigenous peoples, so there are no follow-up plans. This approach strengthens a mutually respectful, inclusive, and sustainable relationship between communities and the Company.

### Stakeholder Communication

As part of its commitment to inclusive, sustainable development, DSNG places open, participatory, and respectful communication at the core of building long-term relationships with stakeholders, particularly indigenous communities. Well-maintained communication is reflected in the absence of incidents involving indigenous peoples.

### Enhancement of Cultural Education Capacity

In collaboration with village authorities, DSNG provides contextual education for the Dayak Punan community and manages six Learning Centers, currently supporting 134 students. This initiative ensures that indigenous communities have access to education that is relevant, inclusive, and aligned with their cultural values.

### Support for Cultural Heritage

DSNG carries out various initiatives to support local culture, indigenous institutions, and community welfare. In the area of cultural preservation, DSNG supports local traditions such as Lom Plai and Ufah, provides training to 455 participants, and contributes to the publication of cultural heritage books for the Dayak Kayan and Kenyah communities.

The Company also organizes Hudoq Mask training for Dayak Wehea for 25 women from the Dayak Wehea artisan group. The production of the Dung Eba vest was carried out through four stages, starting from cutting tree bark, sewing cotton fabric on the inner and edge sections of the vest, and finishing with decorative wool threads and mountain beads on the outer layer. Through this training, the participants successfully produced 25 vests, which were later marketed during the Lom Plai Traditional Festival.

## Human Rights Due Diligence

In 2025, DSNG conducted internal Human Rights Due Diligence (HRDD) through a self-assessment based on the PRISMA Due Diligence framework to identify and prevent potential human rights violations in its operational activities. The assessment covered 12 key aspects, including labor, working conditions, freedom of association, non-discrimination, privacy, environment, grievance mechanisms, supply chain, and risk management. The process was carried out collaboratively with an independent human rights consultant and involved CSR, Capital, and Risk Management functions to ensure a comprehensive and integrated evaluation.

The self-assessment results indicated that DSNG is supported by various policies and practices, including NDPE, worker protection measures, RSPO/ISPO grievance systems, standard operating procedures, and supplier monitoring. Identified gaps were analyzed and translated into a phased corrective action plan, which serves as the foundation for developing and enhancing social management practices, thereby strengthening sustainable human rights governance across all operations and the supply chain.

| PRISMA FRAMEWORK DUE DILIGENCE | DSNG SELF ASSESSMENT |
|---|---|
| **Human Rights** | The Company has implemented several key policies, including NDPE, Sustainability Policy, Child Protection, Women Protection, Equal Employment Opportunity, and a special memo on women's and children's rights protection. These policies have been communicated to employees and suppliers, most recently between September and November 2022. |
| **Workforce** | Written contracts, compliance with minimum wage, BPJS coverage, regulated overtime, annual leave, and benefits are provided. |
| **Working Conditions** | SHE procedures, SHE training, and emergency procedures are available. |
| **Freedom of Association** | Workers are allowed to form/join trade unions, collective agreements exist, and dialogue with management is permitted. |
| **Privacy** | NDA completion, CCTV at offices/entrances, and separate toilets for men and women are in place. |
| **Non-Discrimination** | Facilities for female workers are provided (maternity, training, promotion, violence prevention). |
| **Environment** | Emergency SOPs and AMDAL have been conducted, land permits are available, and two disputes were resolved through dialogue, with reporting to the government. |
| **Social Responsibility** | CSR is integrated into the sustainability policy; programs include support for communities and smallholder farmers. |
| **Grievance Mechanism** | Internal and external channels, grievance mechanisms, are available, related to RSPO/ISPO compliance. |
| **Supply Chain** | NDPE compliance, training, and supplier monitoring were conducted (2022–2024). |
| **Risk Management** | Identified risks (environment, safety, overtime, health) have mitigation procedures applied. |
| **Company Liability** | Risk identification (fire, overtime, HSE) is mitigated through SOPs, policies, and compliance systems. |

# Sustainability Governance

Sustainable governance practices is a key foundation of our operations, as we consistently aim to ensure that our business processes are conducted transparently and responsibly, in line with ESG (Environmental, Social, and Governance) principles.

# Sustainability Governance Structure

[POJK E.1] [GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-15, 2-19, 2-20]

In accordance with Law No. 40 of 2007 concerning Limited Liability Companies, DSNG's sustainability governance is structured into three main bodies: a General Meeting of Shareholders (GMS), a Board of Commissioners, and a Board of Directors. The GMS is the ultimate authority in strategic decision-making, while the Board of Commissioners provides oversight and advice to the Board of Directors, who are responsible for the company's strategic and operational management.

DSNG ensures the integrity and professionalism of its corporate governance by implementing policies on conflict of interest. Detailed information on the structure, roles, and responsibilities of each governance body is disclosed in the 2025 Annual Report.

DSNG's sustainability governance structure is designed to ensure that all business decisions are aligned with ESG principles. The Board of Directors appoints a Chief Sustainability Officer (CSO), who works closely with the Sustainability Department and the ESG Committee, comprising key representatives from each of the main operating divisions and the corporate functions from DSN Group's headquarters. This Committee's task is to execute, monitor, and report our Sustainability Initiatives, as well as to embrace the concept of sustainable improvement throughout our operations, supply chain, and the communities around our operations.

Reporting to the President Director, the CSO oversees the implementation of ESG principles throughout the operational chain and coordinates the company's sustainability initiatives. The Sustainability Advisory Board (SAB) is responsible for ensuring good corporate governance and sustainable business practices. The SAB chairman is appointed and approved by the DSN Board of Directors. Members are selected based on approval from the relevant Board of Directors and the SAB Chairman.

More information on DSNG's sustainability governance structure can be found on **the DSNG official website**.

◆ Membership of the Sustainability Advisory Board of 2025

Datuk Darrel Webber
*Chairperson*

Michael Schlup
*Member*

Timotheus Arifin C.
*Member*

Denys Collin Munang
*Member*

Gita Syahrani
*Member*

## SAB Monitoring Visit

On October 12–15, 2025, the Sustainability Advisory Board (SAB) conducted a monitoring visit to DSNG's operational areas in West Kalimantan as part of its evaluation of the implementation of sustainability practices and the provision of strategic input to DSNG management. The visit covered PT Agro Andalan (PT AAN) and PT Dharma Sawit Nusantara (PT DPS).

The scope of the visit included:

1. The Rimba Engkulong Customary Forest in the Benawas Dayak Sub-Tribe area is collaboratively managed by the community and PT AAN. Management and monitoring are carried out by the community, with assistance from the PT AAN Conservation Team, to support the preservation of customary forests and cultural values.
2. The Setawar Village Layer Chicken Farm, established by PT AAN and managed through the Setawar Village Cooperative to empower the community economically, encourage business independence, and improve community access to basic needs.
3. PT AAN employee facilities, including a polyclinic, housing, childcare, and sanitation infrastructure, demonstrate that the Company provides employees with facilities. Several suggestions were given to improve aspects related to comfort and optimal utilization.
4. PT DPS's plantation operations ensure the use of effective methods for managing palm oil, which helps to control environmental and community impacts.

The visit concluded with a discussion with the management of PT AAN and PT DPS on identifying potential sustainability issues and alternative follow-up actions to be implemented in a coordinated manner to support sustainable management and monitoring. The Company consistently monitors and manages environmental and social impacts through various programs aimed at mitigating these effects.

## Performance Evaluation [GRI 2-18, 3-3]

In quarterly meetings of the Sustainability Advisory Board and Management Review, the Company evaluates how effectively its sustainability policies are applied across management, operations, supply chain, climate change issues, and updates on global sustainability topics.

## Sustainability Competency Development [POJK E.2] [GRI 2-17]

To strengthen governance and sustainability leadership, the Company facilitates capacity building for the Board of Commissioners, Directors, SAB, ESG Committee, and Business Unit Directors through various ESG-focused training, seminars, and benchmarking programs.

| Sustainability Capacity Building Category | Total Hours |
|---|---|
| Benchmarking Study | 0 |
| Seminar & Training | 508 |

Total Training Hours

**508 Hours**

Average Training Hours

**31.7 Hours**

Number of Training Days

**21 Days**

Information on ongoing competency development training can be found at this **link**.

## Sustainability Financing [POJK F.3]

In 2020, DSNG became the first palm oil company to obtain a USD 30 million loan from Stichting andgreen fund (&Green) with a 10-year tenor. This commitment continued in 2023 with a sustainable loan of USD 15 million and a technical grant worth USD 500,000 from the Asian Development Bank (ADB), as well as financing support from Bank BCA and Bank Mandiri.

Of the total loan facility, 30.2% is a sustainability-linked loan. DSNG ensures compliance with IFC-PS, EHS Guidelines, NDPE, and ESMS as conditions of the loan. The 2025 annual audit showed no findings or non-conformities based on the audit results. The audit report is published openly on the official **websites of &Green and DSNG**.

Through an ADB technical grant, DSNG supports education and training for 4,000 farmers, including 1,200 women, to develop sustainable agricultural practices that are resistant to climate change through the cultivation of sengon and jabon.

As of the end of 2025, the Company, in collaboration with the Rainforest Alliance, has conducted outreach and training programs in six villages in the Temanggung area on climate-resilient agroforestry systems, financial literacy, and FSC (Forest Stewardship Council) certification. The program reached 290 farmers, comprising 173 men and 117 women.

# Stakeholders Engagement [POJK E.4] [GRI 2-29]

DSNG is committed to maintaining proactive, transparent, and inclusive communication and engagement with its key stakeholders in accordance with the IFC Performance Standards (IFC-PS). The Stakeholder Engagement Plan is designed to identify and implement effective engagement strategies for individuals and groups who are directly or indirectly affected by the Company's operations. Through this approach, the Company ensures that feedback from all relevant parties is appropriately addressed, enabling decisions and actions that minimize negative impacts while maximizing benefits for all stakeholders.

**Below are the stakeholders and engagement methods adopted by the Company:**

**Consumer and End Consumer**
Communication through regular meetings, site visits, direct feedback, and transparent product information provided through various channels.

**Employees**
Engagement through regular meetings, open communication platforms, training programs, discussion forums, and career development and welfare initiatives to ensure continuous two-way dialogue

**Media**
Active media relations through press releases, interviews, and various corporate communication channels.

**Local Communities**
Community empowerment programs, consultation forums, and direct dialogue regarding the social impacts of operational activities.

**Vulnerable Group**
Targeted empowerment programs such as skills training and access to resources for women, children, persons with disabilities, and Indigenous communities.

**Industry and Business Association**
Active participation in seminars, conferences, and association meetings to share best practices and sustainability policies.

**Government and Regulators**
Transparent dialogue, regulatory compliance, and collaboration in sustainability-related programs.

**Financial Institution**
Regular meetings to report on the Company's financial and sustainability performance.

**Civil Society**
Coordination with NGOs in social and environmental programs, as well as open dialogue forums.

**Suppliers and Smallholders**
Technical training programs, capacity-building initiatives, and sustainability audits throughout the supply chain.

**Certification Bodies**
Regular audits and assessments by certification bodies to ensure compliance with international sustainability standards.

**Shareholders and Investor**
KOpen communication through annual reports, shareholders' meetings, and Q&A sessions related to sustainability performance.

**Strategic Stakeholders**
Strategic dialogue with the Sustainability Advisory Board and &Green partners to support the development of sustainability policies and initiatives.

## Stakeholder Engagement Forum

DSNG held its fourth annual Stakeholder Engagement Forum (SEF) on October 8, 2025, at the Mercure Kemayoran Hotel in Jakarta. With the theme "Nature-Based Business," the forum highlighted DSN Group's commitment to nurturing business practices that align with natural ecosystems and balance economic output with ecological conservation. The event gathered 54 participants from 29 civil society organizations, three financial institutions, two government agencies, and one research institution. Attendance increased by 31% compared to 2024, reflecting DSNG's intention to broaden the range of insights gathered from its diverse stakeholders.

| | 🏛 | 👥 |
|---|---|---|
| SEF 1 - May 25, 2022 | 13 | 19 |
| SEF II - July 4, 2023 | 27 | 35 |
| SEF III - December 3–12, 2024 | 30 | 37 |
| SEF IV - October 8, 2025 | 35 | 54 |

🏛 Total Institution

👥 Total Participants

By applying the Advancing Sustainable Futures mandala framework, the forum identified eight organizational behavior aspects to understand the balance between DSN's values, practices, and strategic priorities alongside its partners. Initiatives such as Tree Island development, Bio-CNG deployment, wildlife conservation efforts, and broader community involvement within DSN's supply chain reflect how sustainability can operate in tandem with business efficiency. The forum featured two discussion panels: (1) Panel Discussion 1: Nature-Based Solution - Forest; and (2) Panel Discussion 2: Nature-Based Solution - Climate & Community. By hearing insights from practitioners and government representatives, stakeholders were introduced to hands-on practices and cross-sector partnerships that combine natural conservation efforts with sustainable business practices.

## Interactive Discussion and Impact Evaluation

Through the Stakeholder Engagement Forum (SEF), DSNG creates a space for stakeholders to share their views, concerns, and expectations regarding the implementation of corporate sustainability. During the interactive discussion session, participants highlighted various strategic issues, ranging from the balance between profit and sustainability commitments to conservation challenges such as water management and species protection, to the need for more potent synergy among DSNG, local governments, and conservation agencies. The interactive discussion also emphasized the importance of measurable impact evaluation, including economic benefits for the community, the effectiveness of conservation programs, and sanction mechanisms for parties that damage the environment. Participants requested greater transparency into developments in traceability for independent farmers, as well as the long-term impact of CSR and conservation programs on livelihoods and ecosystem sustainability. In addition, the forum highlighted opportunities to expand community and employee engagement, strengthen HSE and sustainability competencies, and build new collaboration models to preserve biodiversity and accelerate the circular economy. The discussion demonstrated a high level of enthusiasm among stakeholders to ensure that DSNG programs have a real and sustainable impact on the environment and communities around the operation area.

In the discussion segment, participants explored DSNG's sustainability from three key perspectives:

**Insight:**
Highlighting the balance between profit and sustainability, the challenges of water management in operational areas, and the need for policy support from local governments to strengthen the Company's ESG commitments.

**Impact:**
Reviewing the tangible results and measurable impacts experienced by communities through various sustainability programs, ranging from local economic improvements and community involvement in conservation to the enforcement of sanctions for environmental violations.

**Innovation:**
Examining how DSNG expands traceability to include independent farmers, embeds the principles of People, Planet, and Prosperity throughout its operations, and mobilizes both employees and local communities in conservation initiatives and the Community Action Plan (CAP).

## Other Stakeholder Engagement Activities

### Osaka World Expo 2025

On June 15, 2025, DSN Group Chief Executive Officer (CEO) Andrianto Oetomo and Chief Sustainability Officer (CSO) Denys Munang attended the Osaka World Expo 2025 at the Blue Ocean Dome, Japan, as part of efforts to expand stakeholder engagement at the global level.

This participation was a distinct honor, as the opportunity to be invited and present sustainability practices at this international forum was extended only to a select number of companies. The forum served as a global platform to share solutions and visions for a more sustainable future. During the discussion session, DSN Group's CSO emphasized that DSN's relationship with nature and society is the foundation for responsible growth in creating business value while protecting the environment, empowering communities, and responding to the challenges of the climate crisis. DSNG also emphasized that progress is not only about productivity but also about the dignity and respect inherent in every step of the Company's journey.

### RT RSPO Malaysia

PT Dharma Satya Nusantara Tbk

DSNG once again demonstrated its commitment to sustainable palm oil practices by actively participating in the annual Roundtable on Sustainable Palm Oil (RT RSPO) 2025 event held in Kuala Lumpur, Malaysia, on November 3–5, 2025. This international event brings together various stakeholders from the global palm oil industry, including producers and buyers, certification bodies, and environmental organizations, to discuss the future direction of sustainability in the industry Under the theme "Building the Next 20: Sustainability in Action," DSNG showcased the implementation of sustainability principles across both upstream and downstream sectors, while strengthening cross-border collaboration on deforestation-free policies and ESG practices.

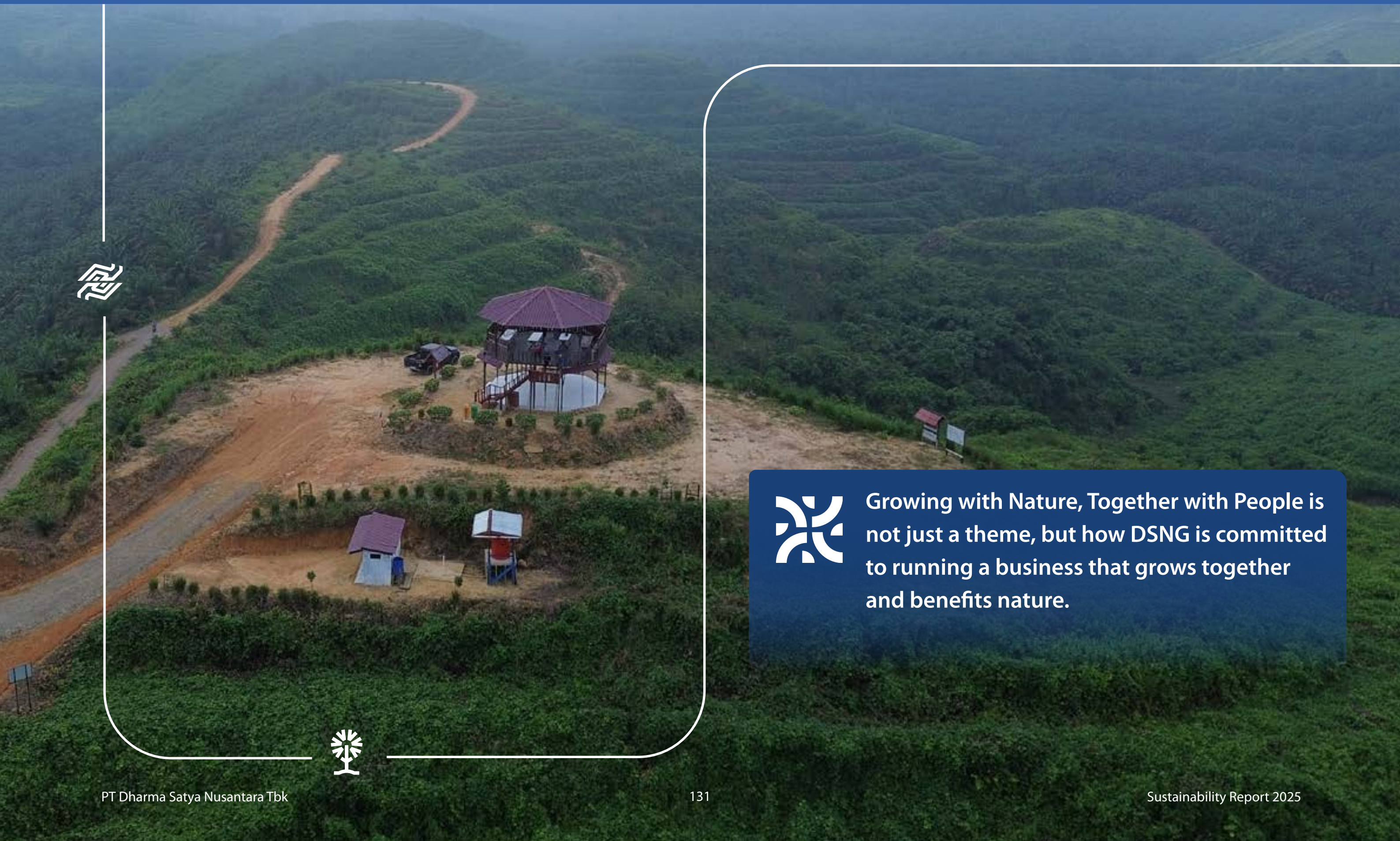
CSO Denys Munang spoke at the main session and emphasized the importance of data-driven industrial transformation, innovation, and partnerships. He outlined various DSNG initiatives, such as satellite-based deforestation monitoring, clean energy development through bio-CNG, and community conservation and empowerment programs. This participation demonstrates DSNG's commitment to complying with global regulations, including those on deforestation-free supply chains, while strengthening its position as a responsible palm oil company at the international level.

## Supplier Engagement Sinarmas

DSN Group actively participated in the 11th SMART SEED supplier forum, organized by Sinar Mas Agribusiness and Food, on November 11, 2025, in Medan. As one of more than 100 invited suppliers, DSN Group participated in various discussion sessions and knowledge exchanges focused on strengthening sustainability practices across the supply chain. With the theme "Driving Collaborations to Achieve Lower Value Chain Emissions," the forum emphasized the importance of collaboration across the supply chain to strengthen sustainability practices. The event focused on several key objectives:

- Communicating GAR's sustainability developments and targets through the Collective for Impact framework;
- Aligning suppliers with NDPE (No Deforestation, No Peat, No Exploitation) policies;
- Recognizing suppliers who demonstrate excellent sustainability performance; and
- Building a shared commitment to a responsible, traceable, and inclusive palm oil supply chain.

DSN Group's presence at SMART SEED XI demonstrates the Company's commitment to actively participating in cross-stakeholder sustainability dialogues, strengthening collaboration, and contributing to efforts to build a more responsible and competitive palm oil supply chain.

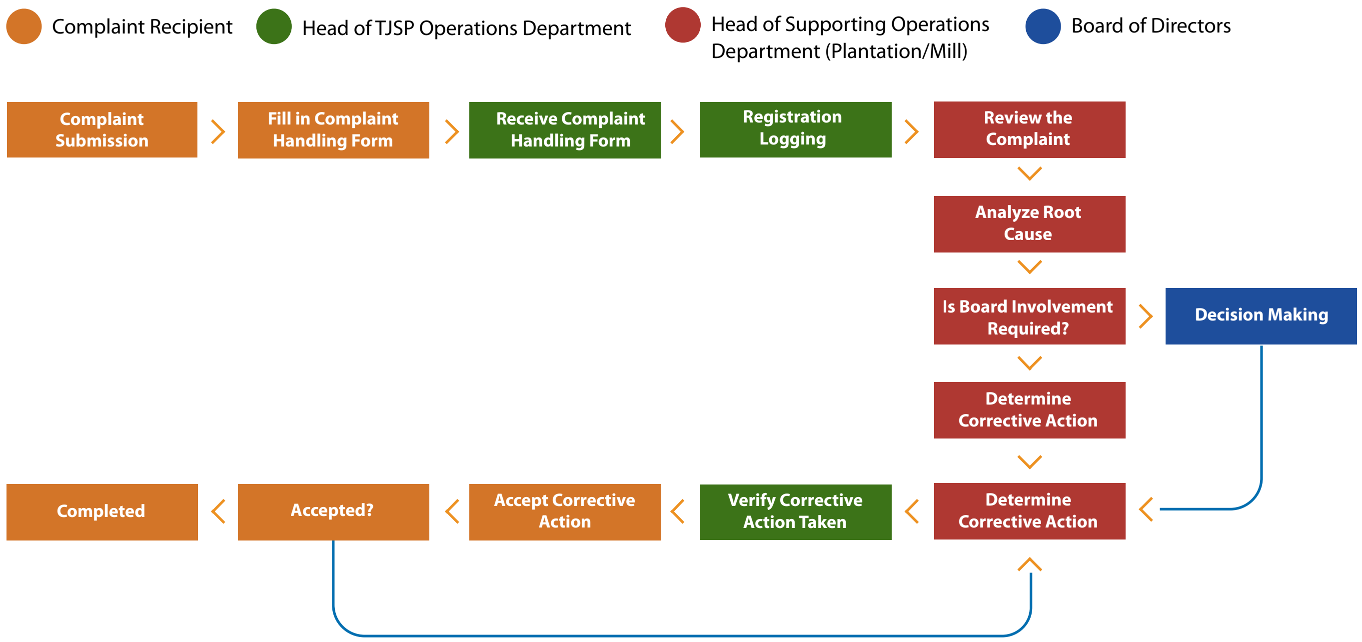


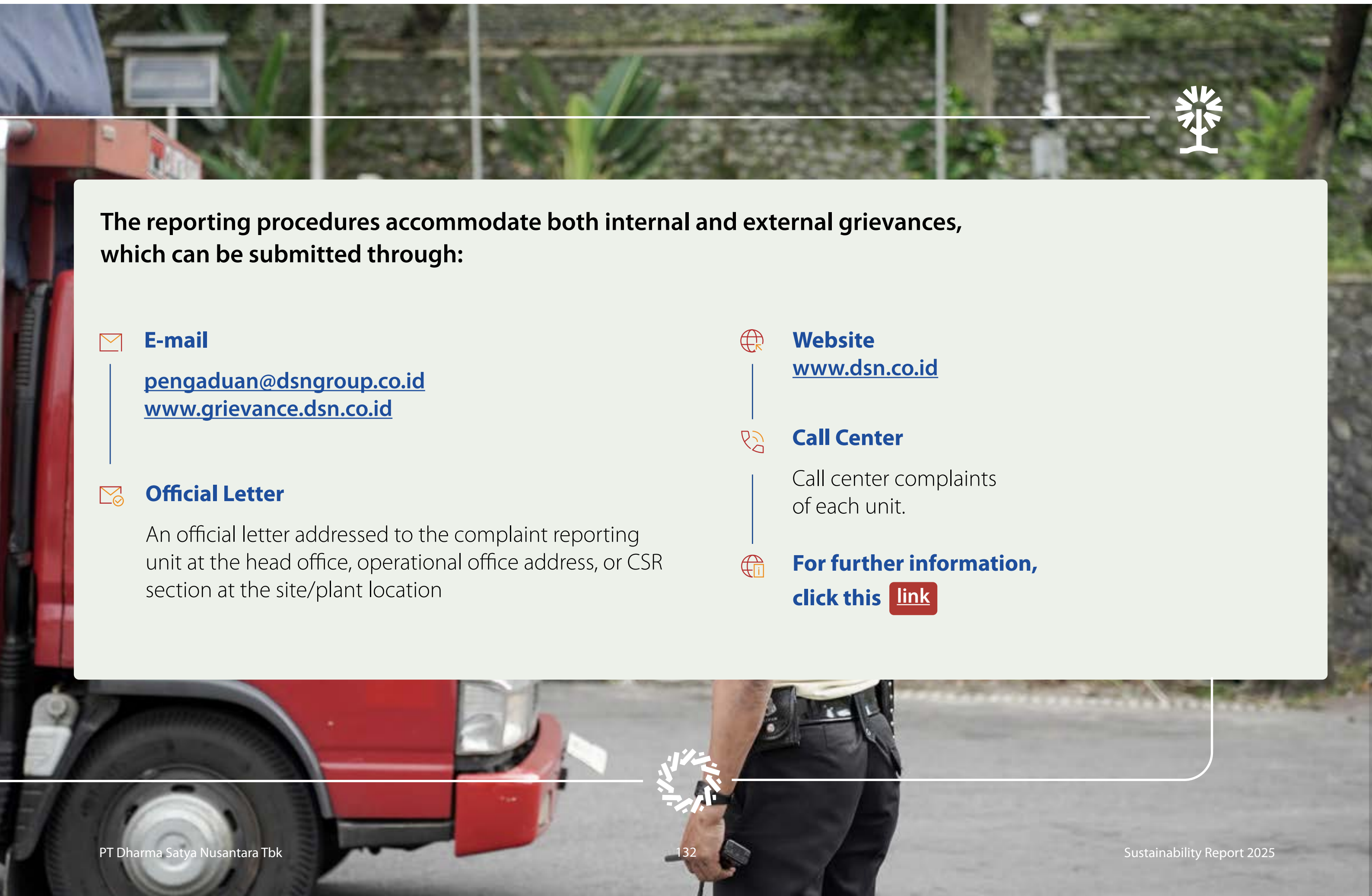
**Growing with Nature, Together with People is not just a theme, but how DSNG is committed to running a business that grows together and benefits nature.**

## Grievance Reporting System [POJK E.3, F.24] [GRI 2-16, 2-25, 2-26, 413-1]

The Company continues to strengthen the implementation of the Whistleblowing System (SPP) Policy No. 042/DSN/CHC/III/2021 as part of its commitment to transparent and accountable governance. This mechanism serves to receive, follow up on, and systematically resolve complaints from stakeholders. The Company ensures confidentiality and protection for whistleblowers and witnesses while guaranteeing that every report is handled objectively and involves relevant parties to prevent violations that may harm stakeholders. The evaluation also included a review of internal monitoring and reporting mechanisms, where the management has established clear procedures to detect and address potential issues or violations.

## Grievance Mechanism Flow





### The reporting procedures accommodate both internal and external grievances, which can be submitted through:

**E-mail**

pengaduan@dsngroup.co.id
www.grievance.dsn.co.id

**Official Letter**

An official letter addressed to the complaint reporting unit at the head office, operational office address, or CSR section at the site/plant location

**Website**

www.dsn.co.id

**Call Center**

Call center complaints of each unit.

**For further information, click this link**

## Number of Internal and External Complaints (Public) in 2025 [POJK F.16]

Throughout the reporting year, the Company received no complaints or reports related to violations of customer privacy, including the loss, theft, or misuse of customer data. The Company continues to strengthen its internal controls and data protection measures to support information security and maintain stakeholder trust.

In 2025, a total of 293 internal grievance reports were submitted through the Whistleblowing System (SPP), of which 283 cases have been resolved, and 10 cases remain in progress. Through the CSR Department, the Company also engages in continuous communication with local communities and provides multiple channels for submitting grievances. As of 2025, the Company has received 335 community grievances, the majority of which relate to infrastructure, employment opportunities, and partnership programs. Of these, 331 grievances have been resolved, while 4 grievances remain under review, as detailed in the adjacent table.

| Complaint | 2025 | | | |
|---|---|---|---|---|
| | Total | % | Status | |
| | | | Solved | Unsolved |
| Deforestation | 4 | 1.19% | 4 | - |
| Infrastructure | 28 | 8.36% | 28 | - |
| Environmental | 7 | 2.09% | 6 | 1 |
| Social* | 194 | 57.91% | 191 | 3 |
| Operational* | 102 | 30.45% | 102 | - |
| **Total** | **335** | **100%** | **331** | **4** |

Keterangan :

* = Social Complaints consist of complaints regarding health, education, territorial boundaries, land claims/GRTT, cooperative partnerships, contractors, and CSR empowerment programs.

* = Operational Complaints consist of complaints regarding plantation and palm oil mill operational processes, labor, and fruit theft.

## Status, Type, and Number of Complaints from Suppliers, Buyers, and Other Stakeholders in 2025

| Supply Chain Name | Company Name | Type of Grievance | Grievance Location | Area (ha) | Status |
|---|---|---|---|---|---|
| Consumer | PT Dharma Intisawit Lestari (DIL) | Deforestation in concession areas | PT DIL Estate | 15.77 | Closed |
| | PT Dharma Intisawit Lestari (DIL) | Deforestation in concession areas | PT DIL Estate | 53.88 | Closed |
| **Total** | | | | **69.65** | |

## Communication of Critical Issues and Reporting Mechanisms [POJK E.3, F.24] [GRI 2-16]

As part of its Environmental and Social Management System (ESMS), the Company has established a Stakeholder Engagement Plan (SEP). The Stakeholder Engagement Forum (SEF) provides a platform for stakeholders to periodically communicate key concerns. The insights and issues raised are compiled by the Chief Sustainability Officer (CSO) and reported to the President Director. Throughout 2025, 15 main issues were received from stakeholders through the SEF.

**Throughout 2025, the Company received 2 grievances from the suppliers, the majority of which pertained to deforestation, all of which have been verified and resolved. Full details regarding the grievances can be accessed through the following link.**

# Business Ethics and Compliance

[GRI 2-20, 2-21, 2-23, 2-24, 2-27, 205-1, 205-2, 13.26.3, 13.26.4]

## Corporate Governance

DSNG seeks to uphold transparent, accountable, and high-integrity corporate governance, grounded in principles aligned with applicable laws and regulations. The Company's governance structure consists of three main bodies: the General Meeting of Shareholders (RUPS), the Board of Commissioners, and the Board of Directors. These bodies complement one another in ensuring that the Company is managed effectively and efficiently. The Board of Commissioners performs supervisory functions and provides strategic direction to the Board of Directors, while the Board of Directors is responsible for operational management and the implementation of the Company's business strategies. Throughout the reporting period, the Company did not commit any legal violations, including those related to corruption and bribery, monopolistic practices or other anti-competitive behavior, non-compliance with environmental regulations, or violations of applicable social and economic regulations.

The Company's commitment to implementing Good Corporate Governance (GCG) is reflected through risk management systems, information transparency, and the implementation of policies that support sustainable business practices. To ensure consistent implementation of GCG, the Company regularly conducts socialization of corporate policies, including anti-corruption policies, women and child protection policies, social media ethics, and other relevant policies. These communications are delivered through various channels, including digital media, printed posters, morning briefings, and the role of the Gender Committee across business units. Throughout 2025, the Company will ensure that 100% of employees receive information through this channel, with 386 of employees participating in direct dissemination, and the remainder through other communication channels, as part of strengthening the culture of integrity and compliance.

The Company also remains committed to supporting corruption prevention efforts by ensuring compliance with all applicable regulations. This commitment is implemented through the enforcement of gratuity control policies, conflict of interest prohibitions, and the strengthening of the Whistleblowing System. In addition, awareness of business ethics continues to be reinforced across all organizational levels. During 2025, the Company conducted periodic corruption risk assessments across all operational business units through integrated monitoring and internal control mechanisms.

The assessment process included identifying potential corruption risks within operational activities, evaluating the effectiveness of existing controls, and monitoring compliance with anti-corruption policies and procedures. As part of its commitment to good governance, the Company ensures that all high-risk functions have attended anti-corruption training and that all vendor contracts include anti-bribery clauses. Throughout 2025, no confirmed incidents of corruption were recorded within the Company, and therefore no disciplinary actions or termination of business relationships related to corruption cases were required.

Further information regarding the organizational structure, internal policies, nomination and appointment mechanisms for governance bodies, anti-bribery policy and anti-corruption mitigation, remuneration policies, and annual compensation ratios can be found in **the 2025 Annual Report**.

## Policies and Guidelines

DSNG seeks to support public policies that align with the Company's long-term objectives, while taking into account the interests of society and the environment. We strive to actively participate in dialogues that align with the principles of sustainability, transparency, and social responsibility. In carrying out public policy activities, DSNG ensures that all decisions made reflect the Company's commitment to ethics, integrity, and the responsible management of natural resources.

The Company has established a set of policies and guidelines to ensure business ethics and compliance with applicable regulations, including:

- Anti-Bribery and Corruption Policy [link]
- Political Engagement Policy [link]
- Anti-Discrimination Policy [link]
- Creditor Rights Compliance Policy [link]
- Supplier and Vendor Selection and Capacity-Building Policy [link]
- Insider Trading Prevention Policy [link]
- Affiliate Transactions and Conflict of Interest Policy [link]
- Tax Policy [link]
- Women Protection Policy [link]
- Child Protection Policy [link]
- Dividend Policy [link]
- Green Procurement Policy [link]
- Occupational Health and Safety Policy [link]

## Risk Management for Sustainability Implementation [POJK E.5]

The Audit Committee plays a key role in overseeing the Company's risk management processes, supported by the Board of Commissioners, which monitors the implementation of risk management by the Board of Directors. The responsibilities of the Audit Committee include evaluating the Risk Management policies, assessing the accountability of the Board of Directors, and providing approval for specific transactions that require authorization from the Board of Commissioners. DSNG periodically identifies risks that may affect performance using the Enterprise Risk Management (ERM) methodology, with further details available in **the 2025 Annual Report**.

To support sustainable performance, DSNG identifies ESG-related risks that may affect operational activities. The ESG risk identification is documented within the Environmental and Social Management System (ESMS), developed in 2021 and updated/revised in 2023. The ESMS is aligned with IFC Performance Standards (IFC-PS), ADB Safeguard Policy Statement (SPS), and the Company's sustainability policies.

**The ESMS document includes:**

The ESMS is a dynamic document that is updated regularly to reflect project developments and input from stakeholder engagement processes.

1 Introduction

2 Policies

3 Risk Identificaition and Impact Assessment

4 Management Program

5 Environmental and Social Framework

6 Organizational Capacity and Competence

7 Emergency Preparedness and Response

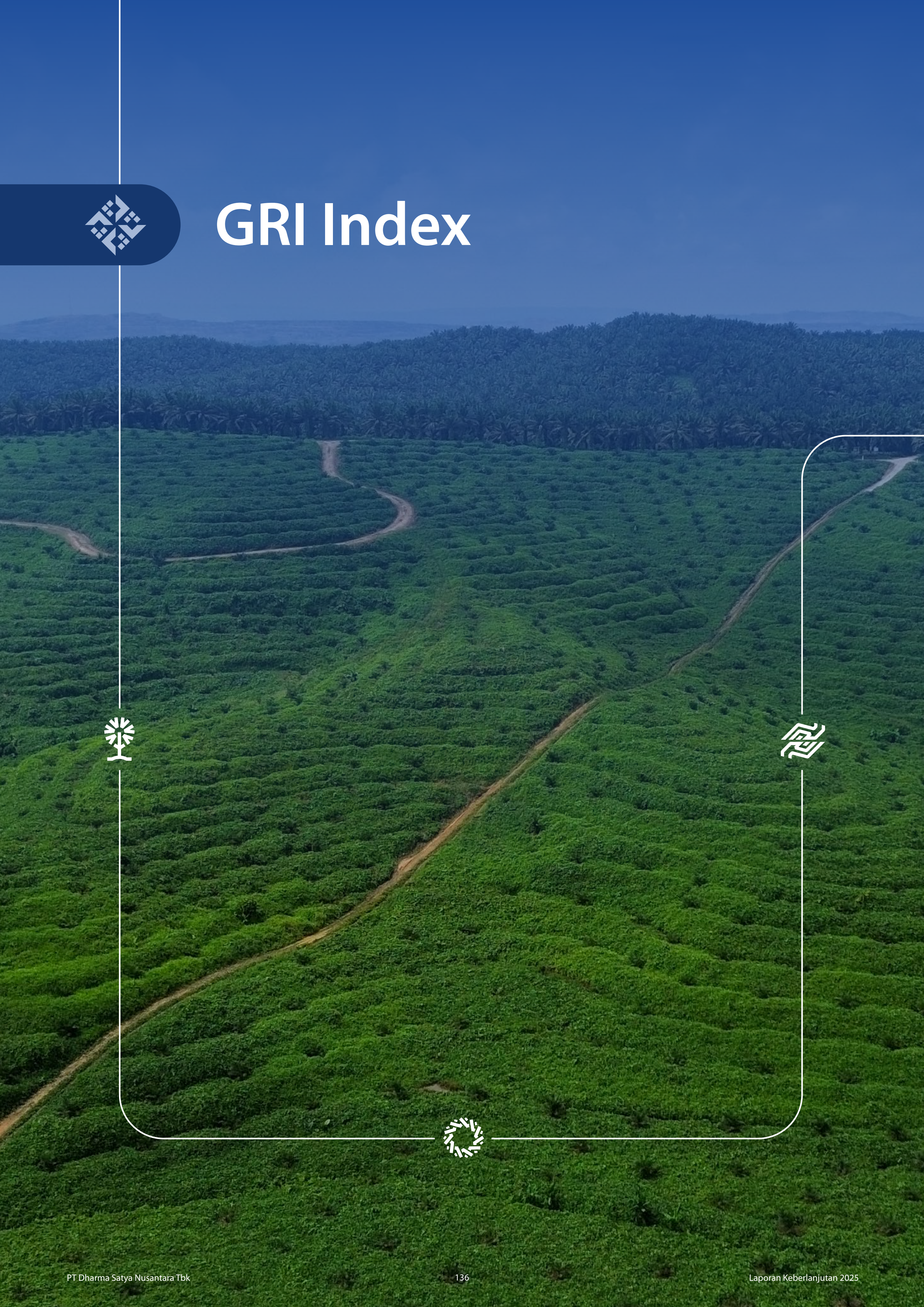
8 Stakeholder Engagement

9 Communication and External Grievance Mechanism

10 Continuous Public Reporting

11 Monitoring and Reporting

# GRI Index



## Statement of Use

PT Dharma Satya Nusantara Tbk has reported in accordance with the GRI Standards for the period 1 January 2025 to 31 December 2025.

GRI Standards Applied:
**GRI 2: Foundations 2021**

Applicable GRI Sector Standard(s):
**GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022**

| GRI 2: General Disclosures 2021 | Disclosure | Location | Omission | | | GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022 |
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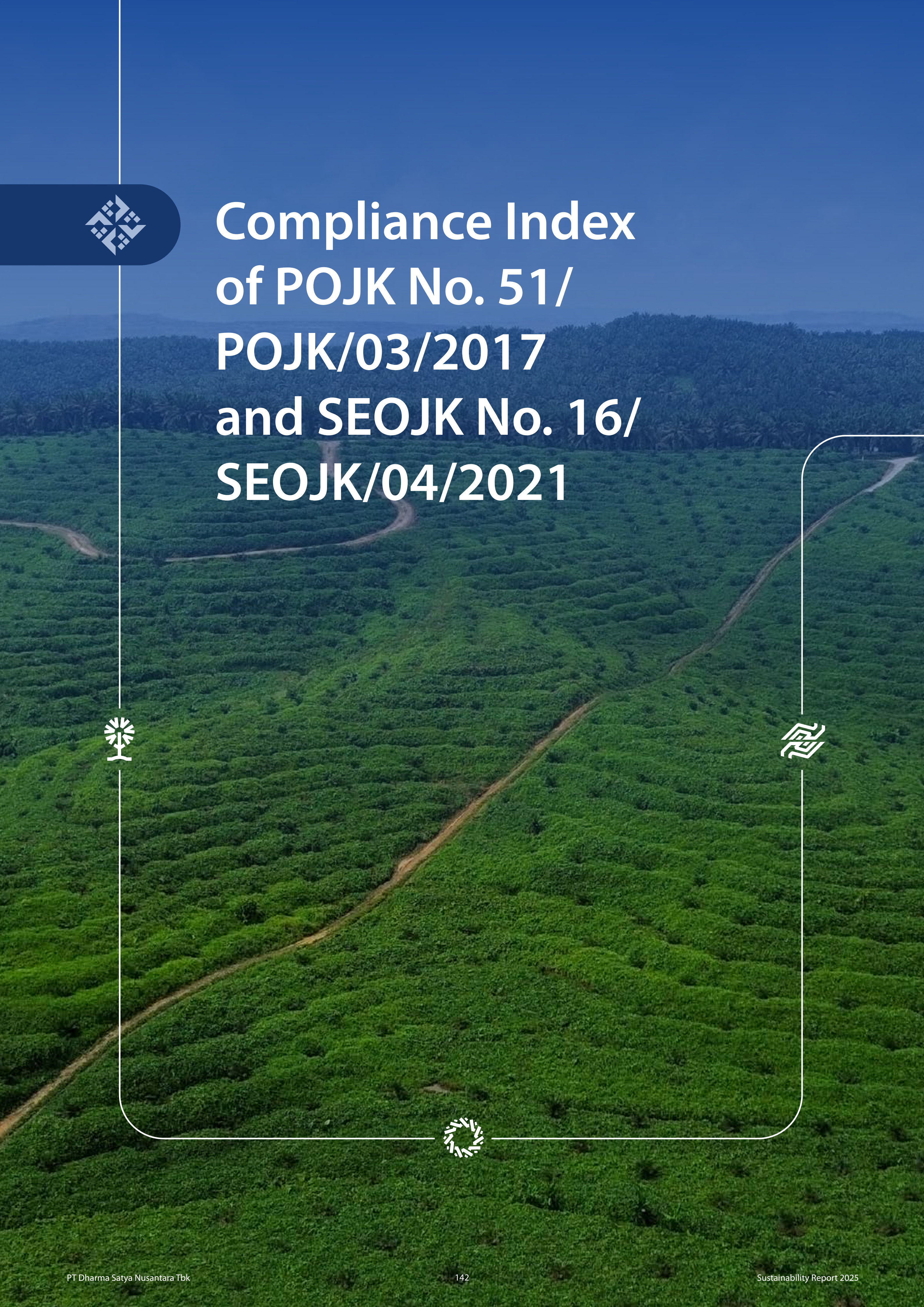
# Compliance Index of POJK No. 51/ POJK/03/2017 and SEOJK No. 16/ SEOJK/04/2021



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# SASB Index

# SASB Index

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|---|---|---|---|---|
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| | FB-AG-110a.2 | Discussion of long-term and short-term strategies or plans to manage Scope 1 emissions, emissions reduction targets, and analysis of performance against those targets | 74, 76-79 | DSNG has set an emission reduction target of 44% by 2030 from the 2019 baseline. The main strategy includes the implementation of the Energy Self-Sufficiency Roadmap through optimization of Bio-CNG and biomass utilization (shell & fiber), which successfully reduced emissions by 76,451 tCO2e in 2025. Emission intensity decreased to 0.57 tCO2e/ton CPO. |
| | FB-AG-110a.3 | Fleet fuel consumed and percentage of renewable energy | 81 - 82 | Transportation used in palm oil operations produced 11,369 GJ. The first mill generated 5,473,200 kWh of biomethane-based electricity (equivalent to 19,704 GJ) and 2,226,638 $Nm^3$ Bio-CNG (equivalent to 22,749 GJ). The second mill produced 4,293,600 kWh (equivalent to 15,457 GJ) and 2,184,707 $Nm^3$ Bio-CNG (equivalent to 22,321 GJ). |
| **Energy Management** | FB-AG-130a.1 | 1. Total operational energy consumed,<br>2. percentage of grid electricity, and<br>3. percentage of renewable energy | 74 - 75,<br>81 - 82 | Total energy consumption in 2025 was 13,289,101 GJ. Electricity accounted for 0.9% (from non-renewable sources totaling 124,718 GJ). Renewable energy contributed 95%, totaling 12,568,523 GJ. |
| **Water Management** | FB-AG-140a.1 | 1. Total water withdrawn,<br>2. total water consumed, and the percentage of each in regions with High or Extremely High Baseline Water Stress | 84 | Total water withdrawal in 2025 was 3,530,531 $m^3$. Based on the WRI Water Risk Atlas, 4 units (1 Head Office, 2 Wood Product Units, and 1 Renewable Energy Unit) are located in High Water Stress Areas. |
| | FB-AG-140a.2 | Description of water management risks and discussion of strategies and practices to mitigate those risks | 83 | The Company manages water risks through regular monitoring using Water Intensity (WI) indicators and identifying high-risk areas using the WRI Water Risk Atlas. Mitigation strategies include groundwater use limitation, optimization of boiler water recycling at WP Panel (saving 1,161 $m^3$/month), and improving chiller efficiency at GRHA DSNG. |
| | FB-AG-140a.3 | Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations | 83 | As of the reporting period, there were no complaints, fines, or legal sanctions imposed on the Company related to water withdrawal or wastewater discharge across all operational units. |
| **Food Safety** | IF-AG-250a.1 | Global Food Safety Initiative (GFSI) audit results:<br>1. non-conformance rate and<br>2. associated corrective action rate for (a) major and (b) minor non-conformances | Not Applicable | The Company does not produce or market ready-to-eat food products directly to end consumers. |
| | IF-AG-250a.2 | Percentage of agricultural products sourced from suppliers certified under a Global Food Safety Initiative (GFSI) recognized food safety certification programme | | |
| | FB-AG-250a.3 | 1. Number of recalls issued and<br>2. total amount of food product recalled | | |
| **Workforce Health & Safety** | FB-AG-320a.1 | 1. Total recordable incident rate (TRIR)<br>2. fatality rate, and<br>3. near miss frequency rate (NMFR) for (a) direct employees and (b) contract employees | 113 - 114 | In 2025, the Company recorded 0 fatality cases and 0 occupational disease cases. The Lost Time Injury Frequency Rate (LTIFR) was 0.91, with a total of 38 LTI cases out of 41,687,336 working hours. A total of 12 subsidiaries in the palm oil business unit successfully achieved Zero Accidents. |

|  |  |  |  |  |
|---|---|---|---|---|
| **Environmental & Social Impacts of Ingredient Supply Chain** | FB-AG-430a.1 | 1. Percentage of agricultural products sourced that are certified to a third-party environmental or social standard, and<br>2. percentages by standard | 41-42 | The Company achieved a consolidated plantation traceability rate of 97.76%. 7 out of 12 palm oil mills (PKS) reached 100% traceability. For the Kernel Crushing Plant (KCP), 100% of palm kernel supply was sourced internally (TTM), with traceability to plantation (TTP) reaching 99.48%. |
|  | FB-AG-430a.2 | Supplier environmental and social responsibility audits:<br>1. non-conformance rate and<br>2. associated corrective action rate for (a) major and (b) minor non-conformances | 44 - 45 | A total of 100% of suppliers (82 units) have been registered and are classified as "Controlled". Of these, 43.9% (36 units) have achieved "Compliant" status with NDPE standards based on MRV audit results with scores ≥ 75%. All external suppliers (IPC, cooperatives, and agents) underwent the MRV verification process in 2025. |
|  | FB-AG-430a.3 | Discussion of strategy to manage environmental and social risks arising from contract growing and commodity sourcing | 44 - 45 | The Company's strategy includes supplier registration, data collection, and regular MRV (Measurement, Reporting, and Verification) audits every two years. Risk mitigation is carried out through the Field School program, which in 2025 reached 5,420 participants (62% cooperatives, 34% agents), providing education on Good Agricultural Practices (GAP), Occupational Health & Safety (OHS), and anti-deforestation and peatland policies. |
| **GMO Management** | FB-AG-430b.1 | Discussion of strategies to manage the use of genetically modified organisms (GMOs) | Not Applicable | The Company does not use, develop, or trade GMO-based commodities. All oil palm cultivation utilizes conventional varieties in accordance with applicable national regulations. |
| **Ingredient Sourcing** | FB-AG-440a.1 | Identification of principal crops and description of risks and opportunities presented by climate change | Not Available | The data is currently under development. |
|  | FB-AG-440a.2 | Persentase produk pertanian yang bersumber dari wilayah dengan Tekanan Air Dasar Tinggi atau Sangat Tinggi |  |  |

## Task Force on Climate-related Financial Disclosures (TCFD)

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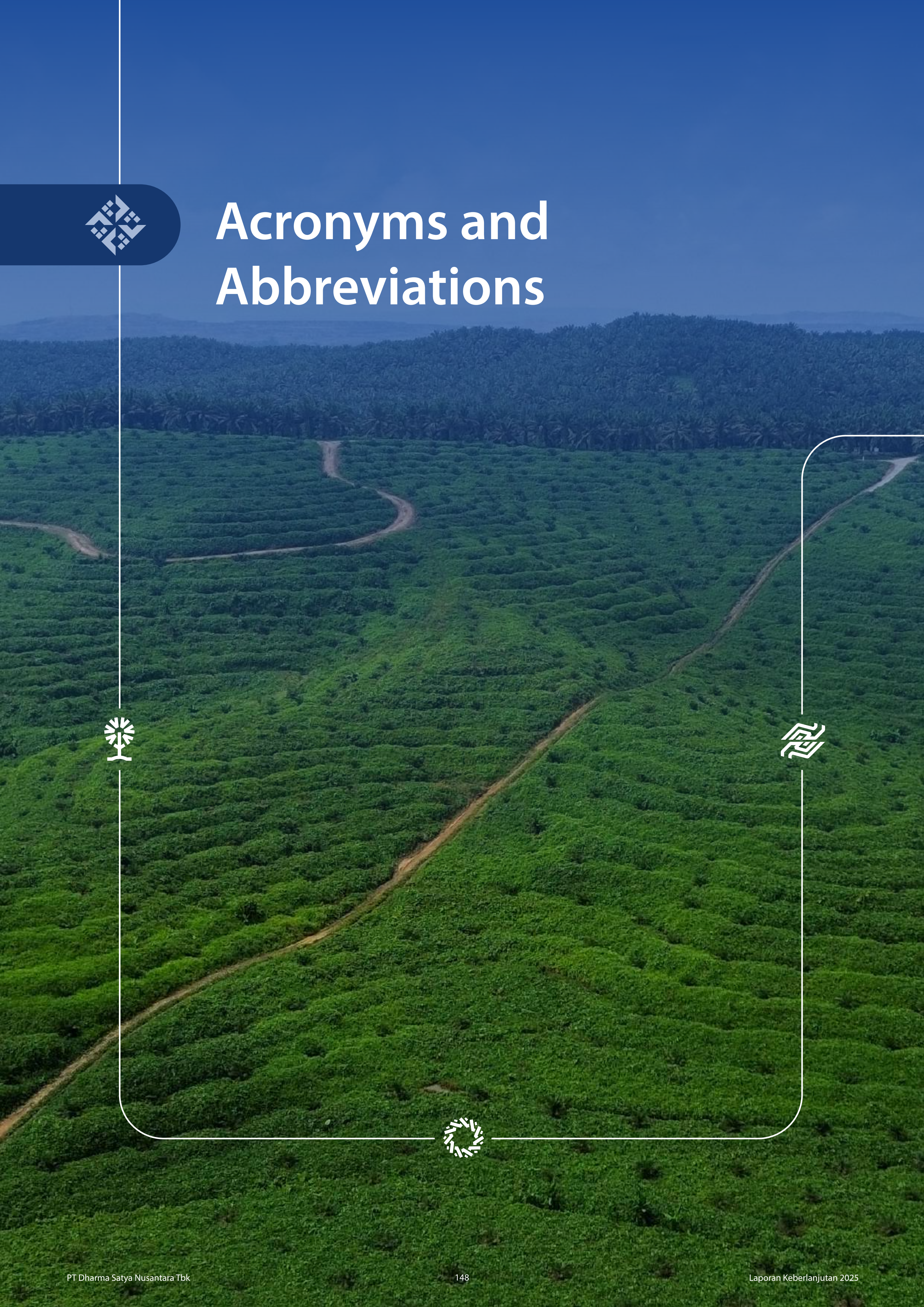
# Acronyms and Abbreviations



## Acronyms and Abbreviations

| Acronyms | Full Names |
|---|---|
| 3R | Reduce, Reuse, Recycle |
| 5R | Ringkas, Rapi, Resik, Rawat, dan Rajin |
| AMDAL | Environmental Impact Assessment (EIA) |
| APAR | Fire Extinguisher |
| APD | Personal Protective Equipment (PPE) |
| AQI | Air Quality Index |
| B3 | Hazardous and Toxic Materials |
| BEI | Bursa Efek Indonesia |
| Bio-CNG | Bio-Compressed Natural Gas |
| BKSDA | Balai Konservasi Sumber Daya Alam |
| BUMBDes | Badan Usaha Milik Desa |
| CAP | Climate Action Plan |
| CAP | Community Action Plan |
| CARB | California Air Resources Board |
| CEO | Chief Executive Officer |
| CPO | Crude Palm Oil |
| CRA | Climate Risk Assessment |
| CSA | Corporate Sustainability Assessment |
| CSO | Chief Sustainability Officer |
| CSR | Corporate Social Responsibility |
| CU | Control Union |
| DAS | Drainage Basin |
| DLH | Environmental Agency |
| DSNG | Dharma Satya Nusantara Group |
| EDGE | Excellence in Design for Greater Efficiencies |
| ERM | Enterprise Risk Management |
| ESG | Environmental Social and Governance |
| ESMS | Environmental and Social Management System |
| EUDR | European Union Deforestation Regulation |
| FBW | Family Bonding Week |
| FFA | Free Fatty Acid |
| FSC | Forest Stewardship Council |
| FSC-FM | Forest Stewardship Council Forest Management |
| GBC | Greenship Building Council |
| GCG | Good Corporate Governance |
| GGL | Green Gold Label |

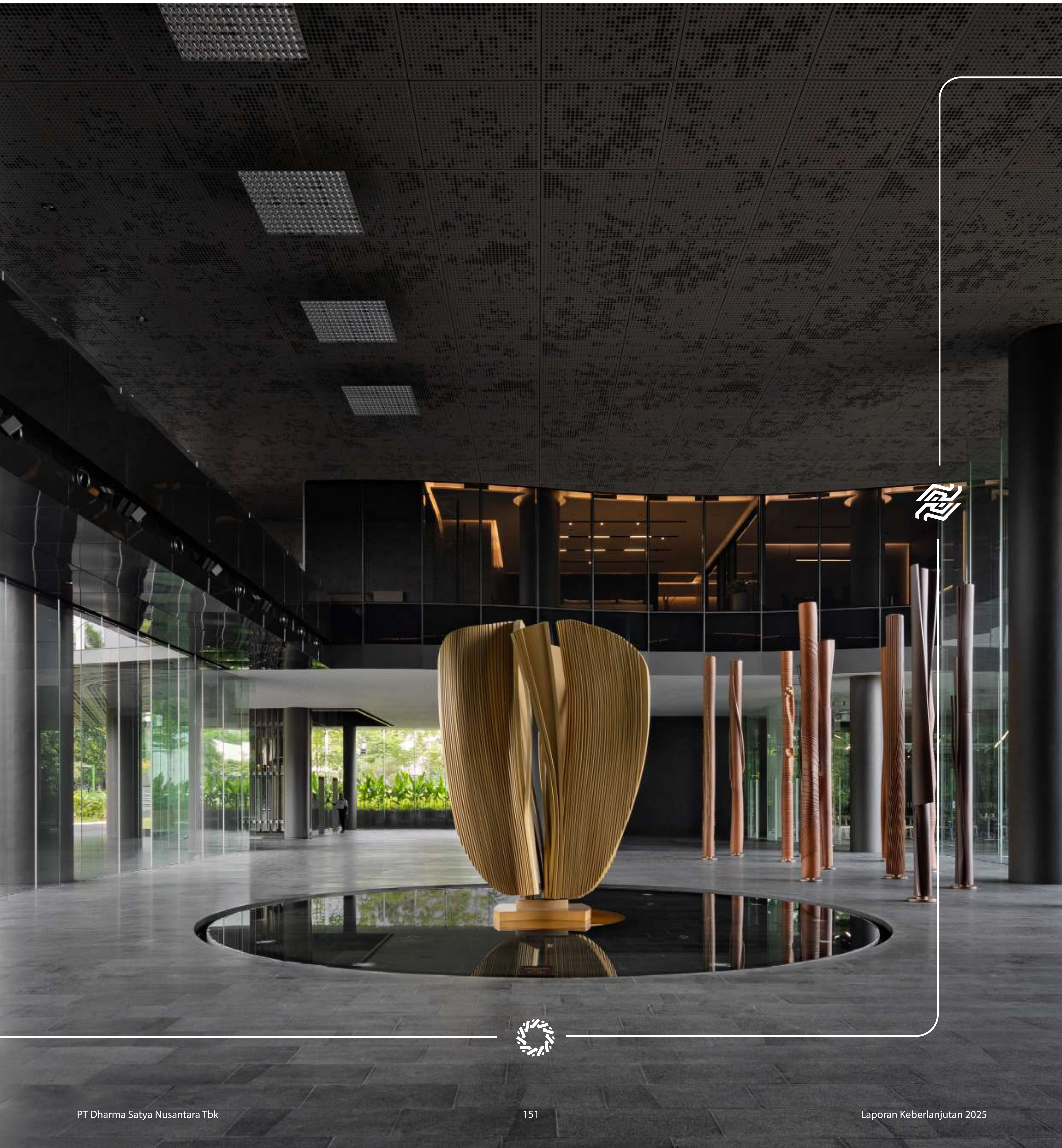
| Acronyms | Full Names |
|---|---|
| GJ | Giga Joule |
| GMDP | General Management Development Program |
| GMO | Genetically Modified Organism |
| GRI | Global Reporting Initiative |
| GRK | Gas Rumah Kaca |
| Ha | Hektare |
| HAM | Human Rights |
| HCS | High Carbon Stock |
| HCV | High Conservation Value |
| HCVRN | High Conservation Value Resource Network |
| HGU | Hak Guna Usaha |
| HIRADC | Hazard Identification, Risk Assessment, and Determining Control |
| HR | Human Resources |
| HRDD | Human Right Due Diligence |
| HSE | Health, Safety, and Environment |
| IFC | International Finance Corporation |
| IKE | Intensitas Konsumsi Energi |
| IPAL | Instalasi Pengolahan Air Limbah |
| IPC | Independent Plantation Company/ Integrated Pest Control |
| IPCC | Intergovernmental Panel on Climate Change |
| IPDP | Indigenous Peoples Development Program |
| IPM | Integrated Pest Management |
| ISCC | International Sustainability and Carbon Certification |
| ICO | International Organization for Standardization |
| ISPO | Indonesia Sustainable Palm Oil |
| ISSB | International Sustainability Standards Board |
| JAS | Japan Agriculture Standard |
| JHT | Old Age Security (OAS) |
| JP | Pension Security |
| K3 | Occupational Health and Safety (OHS) |
| KCP | Kernel Crushing Plant |
| KTPA | Kelompok Tani Peduli Api |
| LEAP | Locate, Evaluate, Assess, dan Prepare |
| LEED | Leadership in Energy and Environmental Design |
| LKS Bipartit | Lembaga Kerjasama Bipartit |

| Acronyms | Full Names |
|---|---|
| LMS | Learning Management System |
| LRP | Livelihood Restoration Program |
| LSM | Non-Governmental Organization (NGO) |
| LTDS | Light Tank Dirt Separator |
| LUC | Land Use Change |
| MCU | Medical Check Up |
| MDP | Mandor Development Program |
| MRV | Measurement Reporting and Verification |
| NA | Not Available |
| NDA | Non-Disclosure Agreement |
| NDC | Nationally Determined Contribution |
| NDPE | No Deforestation, No Peat, No Exploitation |
| NKT | Nilai Konservasi Tinggi |
| NPP | High Conservation Value (HCV) |
| ODS | Ozone Depleting Substances |
| P2K3 | Occupational Safety and Health Advisory Committee |
| PAACLA | Partnership for Action Against Child Labour in Agriculture |
| PADIATAPA | Free, Prior and Informed Consent (FPIC) |
| PBB | United Nations (UN) |
| PEFC | Programme for the Endorsement of Forest Certification |
| PHT | Integrated Pest Management (IPM) |
| PISA | Agricultural Staff Wives Association |
| PKB | Collective Labor Agreement (CLA) |
| PKO | Palm Kernel Oil |
| PKS | Palm Oil Mill (POM) |
| PLTS | Solar Photovoltaic (PV) Power Plant |
| PMS | Performance Management System |
| PMT | Supplementary Feeding Program |
| POJK | Financial Services Authority Regulation |
| POKJA | Kelompok Kerja |
| POME | Palm Oil Mill Effluent |
| POPA | Wastewater Treatment Plant Supervisor |
| PPPA | Water Pollution Control Person-in-Charge |
| PROPER | Company Performance Rating Program for Environmental Management |
| PT | Limited Company (Ltd.) |
| QCC | Quality Control Circle |

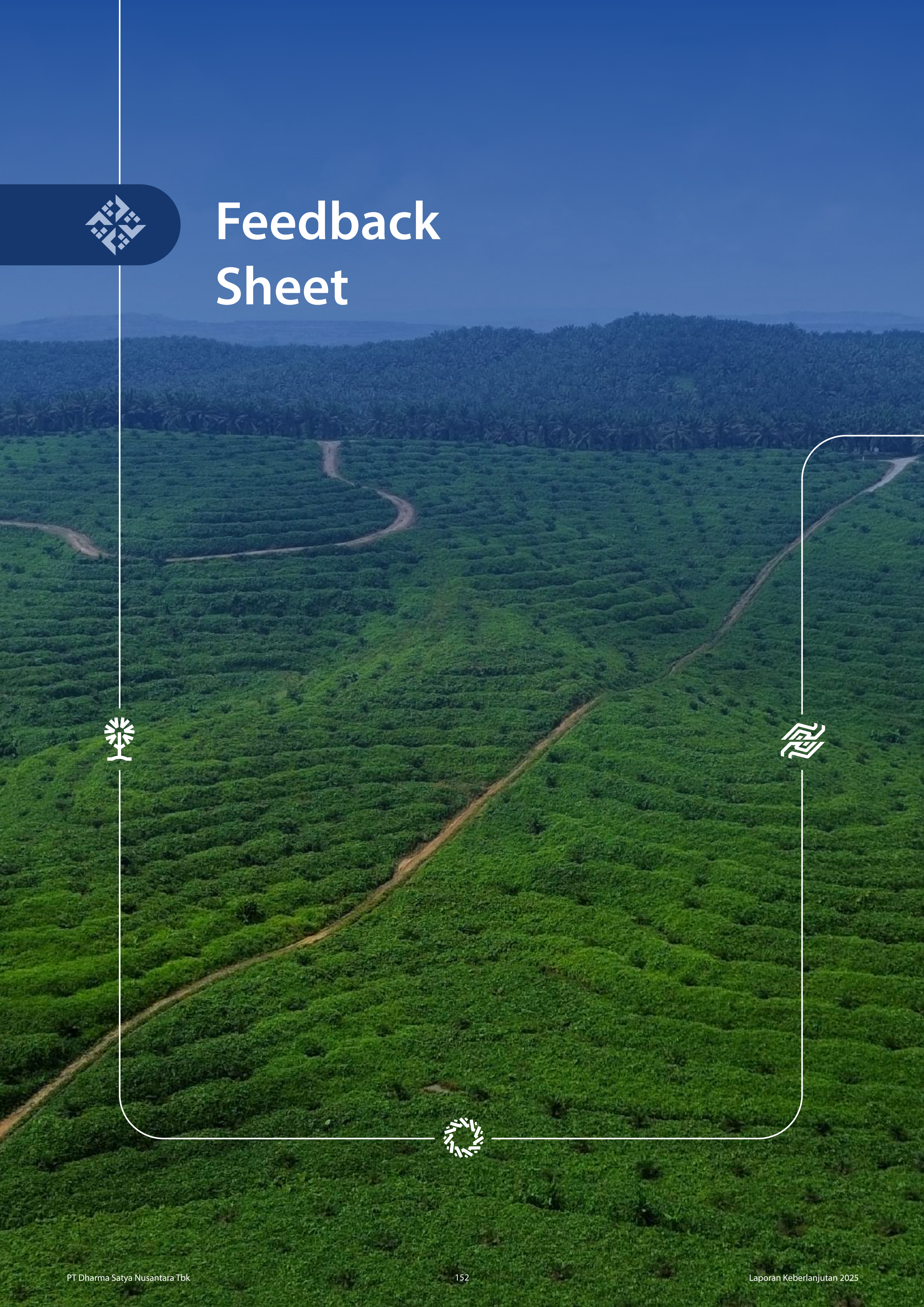
| Akronim | Full Names |
|---|---|
| QCP | Quality Control Project |
| RaCP | Remediation and Compensation Procedure |
| RCP | Representative Concentration Pathway |
| RSPO | Roundtable on Sustainable Palm Oil |
| RTE | Rare, Threatened, and almost Endangered |
| RUPS | General Meeting of Shareholders |
| S&P | Standard & Poor's |
| SAB | Sustainability Advisory Board |
| SADARI | Breast Self-Examination (BSE) Awareness |
| SAPRODI | Sarana Produksi Pertanian |
| SASB | Sustainability Accounting Standards Board |
| SBU | Strategic Business Unit |
| SDGs | Sustainable Development Goals |
| SDM | Human Resources |
| SEF | Stakeholder Engagement Forum |
| SEP | Stakeholder Engagement Plan |
| SIA | Social Impact Assessment |
| SINTAS | Save Indonesian Nature & Threatened Species |
| SMDP | Senior Management Development Program |
| SMK3 | Occupational Health and Safety Management System (OHSMS) |
| SPKS | Indonesian Oil Palm Farmers Union |
| SPOTT | Sustainability Policy Transparency Toolkit |
| SRI-KEHATI | Sustainable and Responsible Investment - Keanekaragaman Hayati Indonesia |
| SROI | Social Return on Investment |
| SS | Suggestion System |
| SVLK | Timber Legality Assurance System (TLAS) |
| t | Metric Ton |
| TBM | Immature Plants |
| TBS | Fresh Fruit Bunch (FFB) |
| TCFD | Task Force on Climate-related Financial Disclosures |
| $tCO_2e$ | Tons of Carbon Dioxide Equivalent |
| TJSL | Corporate Social Responsibility (CSR) |
| TKMPN | National Quality and Productivity Convention (NQPC) |
| TKTD | Emergency Response Team (ERT) |
| TNFD | Task Force on Nature-related Financial Disclosures |
| TPA | Daycare |
| TPST | Integrated Waste Management Facility |

| Acronyms | Full Names |
|---|---|
| TTM | Traceability to Mill |
| TTP | Traceability to Plantation |
| UMKM | Small and medium enterprises (SMEs) |
| UNGP | United Nations Guiding Principles |

| Acronyms | Full Names |
|---|---|
| WP | Wood Panel |
| WRI | World Resources Institute |
| WWTP | Wastewater Treatment Plant |
| ZSL | Zoological Society of London |



# Feedback Sheet



# Feedback Form [G.3]

Thank you for your attention to our 2025 Sustainability Report.
To improve our service quality, we kindly request your suggestions, feedback, and critiques through the following form. Your responses can be submitted via email or mailed to the address we have provided.

| No. | Questions | Yes | No |
|---|---|---|---|
| 1 | This report provides useful information. | [ ] | [ ] |
| 2 | This report is easy to understand. | [ ] | [ ] |
| 3 | This report has encouraged you to contribute to sustainability efforts. | [ ] | [ ] |
| | | Scale 1 - 10 | |
| 4 | Economic Performance | ☐☐☐☐☐☐☐☐☐☐ | |
| 5 | Social Performance | ☐☐☐☐☐☐☐☐☐☐ | |
| 6 | Environmental Performance | ☐☐☐☐☐☐☐☐☐☐ | |
| | | Essay | |
| 7 | What additional material do you think should be included? | | |
| 8 | What contributions do you think the Company should improve? | | |
| 9 | Other suggestions and feedback | | |

| Stakeholders Profile | |
|---|---|
| **Position/Category** | **Response** |
| Shareholder/Investor | [ ] |
| Employee | [ ] |
| Customer | [ ] |
| Community | [ ] |
| Government | [ ] |
| Business Partner | [ ] |
| Media | [ ] |
| NGO | [ ] |
| Others | [ ] |
| **Personal data** | |
| Gender | |
| Age | |
| Occupation | |
| Latest Education | |

We appreciate your willingness to spare some time to complete this feedback form. Please kindly send the completed form to us using the address provided below:

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**GRHA DSN**

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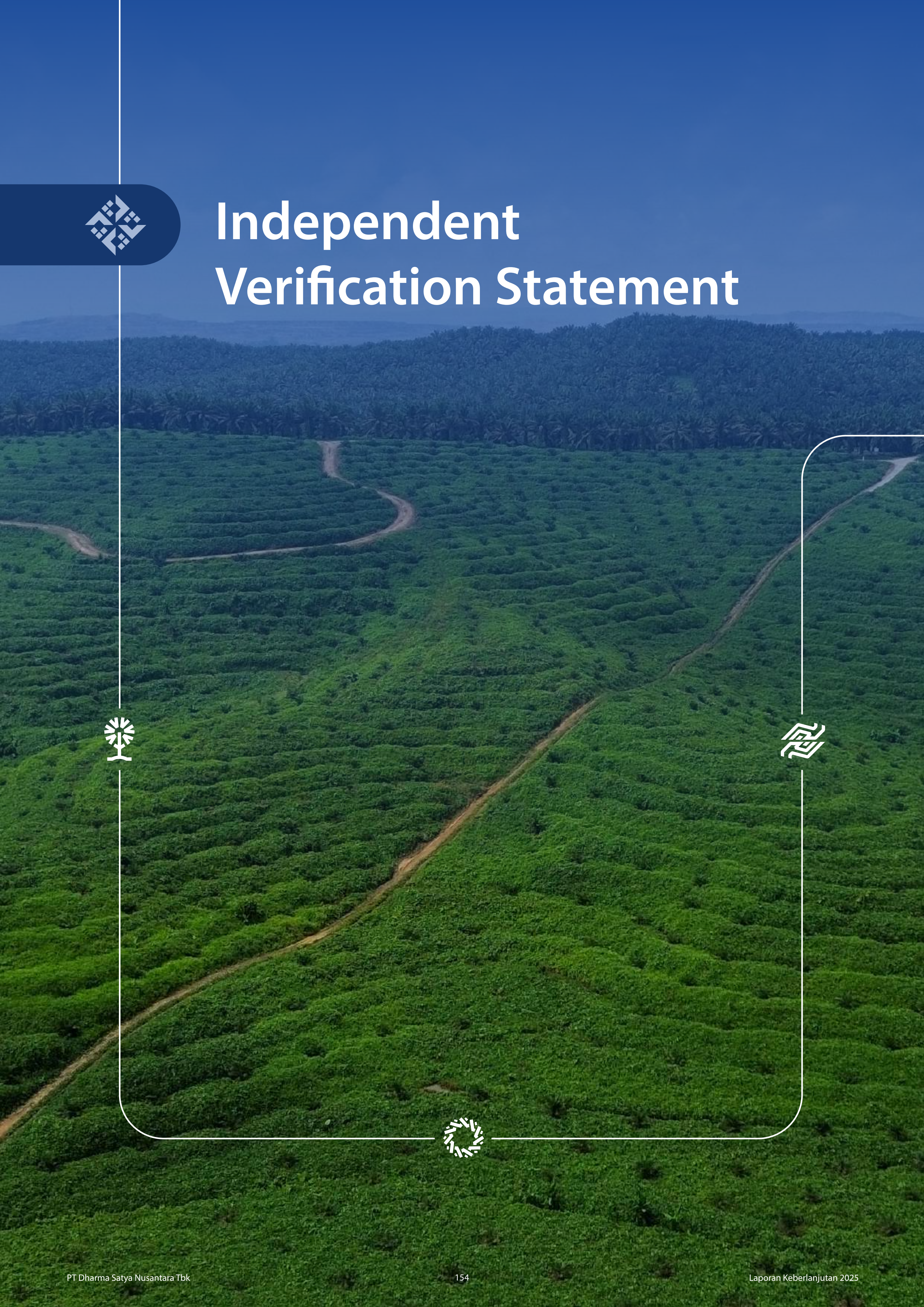

# Independent Verification Statement

# INDEPENDENT ASSURANCE STATEMENT

Control Union (Malaysia) Sdn Bhd (hereinafter referred to as “Control Union”) was commissioned by PT Dharma Satya Nusantara Tbk. (hereinafter referred to as “DSN”) to undertake an independent assurance of Sustainability Statement 2026 for the reporting period 2025.

DSN is responsible for the collection, analysis, and preparation of the information in the Sustainability Statement. Control Union was not involved in the preparation of any material included in the statement, except for issuing this Independent Assurance Statement.

Control Union's responsibility is to verify and provide assurance concerning the information included in the Sustainability Statement within the assurance scope mentioned below, with the purpose of informing all Interested Parties. Control Union’s assurance engagement is based on the verification that all data and information provided is reliable and in good faith.

## Scope of Assurance

The assurance was planned and performed for the applicable sustainability performance disclosures in line with disclosures which have been prepared in accordance with the requirements of the Global Reporting Initiative Standards, including GRI 1 : Foundation, GRI 2 : General Disclosures, GRI 3 : Material Topics, and the applicable GRI Topic Standards, as well as sector-specific guidance under GRI 13 Agriculture, Aquaculture and Fishing Sectors 2022, relevant transparency indicators from SPOTT, Internal sustainability reporting methodologies and policies established by PT Dharma Satya Nusantara Tbk. The scope of our assurance covered selected key sustainability indicators, including:

| | |
|---|---|
| **Environmental Indicators** (SPOTT 302, 303 305, 306) | • Greenhouse Gas (GHG) emissions (Scope 1 and Scope 2 where applicable)<br>• Water withdrawal and consumption<br>• Waste generation and waste management practices |
| **Social Indicators**<br>(SPOTT 403, 405) | • Occupational health and safety performance<br>• Decent living wage initiatives and disclosures relating to employee remuneration and welfare |
| **Traceability Verification** | • Traceability to Plantation (TTP) performance, including the verification of traceability coverage for Fresh Fruit Bunch (FFB) supply chains where data and documentation were made available.<br>• The verification procedures included review of traceability systems, supplier documentation, and sampling of supporting records to assess the accuracy of the reported traceability information. |
| **Development and Impact KPIs** | • **KPI 2:** Number of farmers receiving support for FSC certification in collaboration with Rainforest Alliance<br>• **KPI 3:** Number of farmers receiving extension services, including capacity building and training programs<br>• **KPI 4:** Water conservation initiatives and related performance metrics |

## Responsibility

The disclosures prepared in accordance with the Global Reporting Initiative Standards, including governance of sustainability matters, scope of the sustainability report, materiality assessment process, management approach, performance targets, and reported sustainability performance data, have been reviewed and verified for completeness and consistency with the stated reporting framework under the GRI Standards.

## Methodology

Based on our verification process, the assurance methodology for DSN's Sustainability Report included reviewing the text of the statement (pre-assurance research), examining internal and external documentary evidence, and collecting data at the company, subsidiary, and corporate office levels. This also involved reviewing sample data and selecting internal performance documents, with a specific focus on the GRI Indicators in accordance with the provisions of the Indonesia Stock Exchange (IDX)

Our methodology was conducted in accordance with the requirements of ISAE 3000. A limited assurance engagement involves performing procedures to obtain sufficient appropriate evidence to support a conclusion expressed in negative form. The procedures performed vary in nature and timing and are less in extent than for a reasonable assurance engagement.

This Sustainability Statement discloses DSN's strategies, performance and forward-looking targets in managing material environmental and social matters, enhancing employee well-being, strengthening ethical governance and supporting long-term sustainable value creation for stakeholders.

## Reporting Criteria and Level of Assurance

The level of Assurance is used to determine the extent of procedures that an assurance provider uses to identify if there are material errors, omissions or misstatements. The independent verification process is designed and conducted in line with the requirements of ISAE 3000, **Limited Assurance** engagement. The qualified verifiers have also evaluated the adequacy and consistency of the Sustainability Report against the requirements of the Financial Services Authority (OJK) and Indonesia Stock Exchange (IDX) sustainability disclosure expectations and the reporting framework adopted by the Company, including the Global Reporting Initiative Standards and sector guidance under GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022.

## Independence and Quality Control

Control Union is an accredited Certifications and Assurance body operating in more than 80 countries. These accreditations and recognitions include the need to maintain a comprehensive system of quality control including documented policies and procedures on compliance to ethical and legal requirements as well as objectivity throughout our operations. The verifiers performing the data check were selected appropriately based on our internal qualifications' requirements, training and experience. It is also reviewed by management to ensure that the applied approach and assurance are strictly followed and operated transparently.

## Conclusion

Based on our limited assurance engagement process, nothing has come to our attention that causes us to believe that the scope (subject matter) as detailed above and presented in the Sustainability Statement is not presented fairly in accordance with the criteria. Hence, our work confirms that the information included in the Sustainability Statement is reliable, objective and is presented clearly.

**For and on behalf of Control Union (Malaysia) Sdn Bhd,**

Signed: Ebnu Holdoon Shawal

Date : 16th March 2026
Lead Verifier

Growing with Nature.
Together with People.

DSNGROUP

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