DSNGROUP

SUSTAINABILITY REPORT

2024







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About This Report

[POJK51 G.1, G.3, G.4][GRI 2-2, 2-3, 2-4, 2-5][SPOTT 9, 13]

Report Scope

The Sustainability Report of PT Dharma Satya Nusantara Tbk (DSNG) is published annually and outlines our sustainability strategy, initiatives, and operational performance, including those of subsidiaries in the Palm Oil Business Unit and the Wood Products Unit in key markets, specifically Indonesia. This report details sustainability performance for the period from January 1 to December 31, 2024, and it is included in the DSNG 2024 Annual Report unless otherwise stated. This Sustainability Report has been reviewed by the Chief Sustainability Officer (CSO).

The DSNG 2024 Annual Report is available at

This Link



Exceptions [GRI 2-4]

As of the end of 2024, changes and restatements have been made to information previously presented in earlier reports, including adjustments in the legal status of managed land areas and the presentation of data concerning energy, water, waste, and emissions management.

Reporting Framework [SPOTT 10]

This report has been prepared in reference to:

- Financial Services Authority Regulation (POJK) No. 51/POJK.03/2017
- Global Reporting Initiative (GRI) Standards 2021, adhere to the 'GRI Standards' and GRI 13: Agriculture, Aquaculture, and Fishing Sectors 2022, following the GRI Standards reporting principles
- Sustainability Policy Transparency Toolkit (SPOTT) for Palm Oil
- Task Force on Climate-related Financial Disclosures (TCFD)

Data and External Assurance

The data and information presented in this Sustainability Report have been verified for reliability. Internal verification has been conducted and approved by the Board of Directors. In addition, an independent external party has also performed verification. DSNG has engaged Moores Rowland Indonesia to provide independent and limited assurance for specific data disclosures in this report. Details of the assurance statement from the certification body are available on page 127.

Reporting Contact

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Overview From the Board of Directors

[POJK51 D.1]

I had the distinct pleasure this year to engage in our first stakeholders' engagement forum overseas in February in Utrecht, Netherlands. While the weather was far from warm, the reception we received was very warm and receptive. During our discussions with civil society, academia, and key representatives from both the EU and the Netherlands government, one pressing topic dominated the conversations: the European Union Deforestation Regulation (EUDDR). It struck me as curious that there seemed to be a disconnect between Europe's admirable intentions behind this regulation and the potential unintended consequences that could arise from its implementation. Nevertheless, I remain hopeful that during these sessions, we successfully raised critical concerns and highlighted the on-the-ground challenges we face if this legislation moves forward in its current form.

As we present this year's sustainability report, I feel both pride and a deep sense of accomplishment. This year marks a significant milestone in our journey as a company: after 44 years of determination and effort, we have transitioned into our very own office building. This new space is not just a physical structure, but a testament of our resilience and our roots in nature and forestry. It serves as a hub for our talented, young workforce, and a powerful reminder of our enduring connection to the environment and our community.

I am also excited to share that our focused efforts on sustainability have been reflected in our improved ranking in the ESG SPOTT assessment, now positioned at number 9 globally. We have also improved our S&P Global ESG score to 55. This achievement is a testament to our unwavering commitment to integrating sustainable practices into every facet of our operations, ensuring that our products are both innovative and environmentally responsible. In line with this, we have made significant strides in increasing our RSPO certifications, with a percentage increase from 44.15% in 2022 to 77.49% in 2024, and the number of certified mills has grown from 7 to 9.



This new space is not just a physical structure, but a testament of our resilience and our roots in nature and forestry. It serves as a hub for our talented, young workforce, and a powerful reminder of our enduring connection to the environment and our community.

ANDRIANTO OETOMO
President Director

However, as we look ahead to 2025 and beyond, I must express concern about the evolving global landscape. The progress made under the Paris Agreement and COP initiatives could face challenges in the years to come. We have not seen any abatement in the use of fossil fuels globally and yet the global south continues to bear the brunt of climate change impacts. It is therefore crucial that we remain steadfast in our advocacy for those most affected. We must continue working together to ensure that our sustainability progress does not become overshadowed by a lack of global consensus on key issues.

In addressing the impacts of climate change, we remain committed to our sustainability policy, which encompasses three pillars: forest, climate, and community. These pillars guide our approach to mitigating climate change impacts while fostering long-term environmental and social resilience. We remain dedicated to our climate action plan, which includes a goal of reducing our total emissions by 44% by 2030. Our efforts to mitigate emissions are complemented by milestone projects, such as transforming waste management practices at our sites and conducting research on insects and biodiversity. While these actions may seem small, they are vital as we work toward ensuring that our company thrives with a clear conscience regarding its environmental footprint. Despite a rapidly changing global landscape, our strategy has remained focused on energy independence and fostering innovation to address key transformative challenges. By prioritizing sustainable energy sources and developing cutting-edge solutions, we position ourselves not only as leaders in our industry but also as responsible stewards of the planet. Furthermore, I would like to emphasize our continued commitment to social equality. Our initiatives for gender equality and child protection have expanded, and we are determined to ensure that no woman or child is left behind in our pursuit of a sustainable future. This is not only a moral obligation but also a critical component of the vision we have for a more inclusive, equitable world.

The implementation of Sustainable Finance is a cornerstone of our business model, reflecting our commitment to integrating environmental, social, and governance (ESG) factors into our financial practices. We have been honoured to have sustainable funding from &Green, Asian Development Bank (ADB) and domestic banks to fund initiatives that promote environmental conservation and enhance climate resilience. At the heart of this commitment is our robust Environmental and Social Management System (ESMS), which effectively manages the social and environmental risks associated with our operations. By embracing this approach, we not only enhance our financial performance but also stay true to our dedication to protecting the environment and uplifting local communities, ensuring that our financial decisions contribute meaningfully to our long-term sustainability goals.

As we continue this journey, I want to express my heartfelt gratitude to all our stakeholders for your ongoing support and guidance. While our path has not been without its challenges, and we have certainly learned from our shortcomings and the unintended impacts we have encountered, I remain hopeful that there is enough humility in us to reflect on our actions and strive for improvement. Courage, after all, is not only about venturing into the unknown but also about facing our flaws and evolving for the better.

Thank you, and I sincerely hope you find this sustainability report both informative and engaging.

Sincerely,

ANDRIANTO OETOMO
President Director

While our path has not been without its challenges, and we have certainly learned from our shortcomings and the unintended impacts we have encountered, I remain hopeful that there is enough humility in us to reflect on our actions and strive for improvement. Courage, after all, is not only about venturing into the unknown but also about facing our flaws and evolving for the better.

ANDRIANTO OETOMO
President Director

Open Letter to DSNG



DATUK DARREL WEBBER
Chairman Sustainability Advisory Board

Dear Stakeholders,

This marks my fourth open letter as Chair of the Sustainability Advisory Board (SAB) of Dharma Satya Nusantara Group (DSNG). Each year, I reflect on what I have learned and observed in my role, and 2024 has been no exception. The year has been filled with both challenges and achievements, and it is through such reflections that we can chart the course ahead.

A Challenging Year for Sustainability

The global sustainability agenda faced significant headwinds in 2024. Across many parts of the world, there has been a backlash—what some call a "greenlash"—against Environmental, Social, and Governance (ESG) commitments. Companies that were once praised for their sustainability efforts are now being scrutinised for their financial performance, and short-term gains have started to overshadow long-term sustainability strategies. Governments that previously championed climate action are now shifting their policies in response to economic pressures and political changes.

This greenlash is likely to extend well into 2025, with continued debates on the role of ESG in corporate decision-making. However, I firmly believe that this is just a temporary swing of the pendulum. The long-term trajectory remains clear: sustainability is not optional. It is an economic, environmental, and social necessity. While some regions may pause or even roll back commitments, others—particularly in corporate Asia—are forging ahead. I am proud to say that DSNG is one such example of a company that remains steadfast in its sustainability commitments, even in the face of shifting global sentiments.

The SAB convened four times in 2024, and I am pleased to welcome our newest member, Ibu Gita Syahrahni. She brings with her deep expertise in multi-stakeholder engagement across Indonesia, which will undoubtedly enrich our discussions and help refine DSNG's sustainability strategies.

Key Achievements in 2024

One of the defining moments of the year was our field visit to East Kalimantan. Seeing the deteriorating orangutan habitat, at the landscape level, firsthand was sobering. The scale of deforestation and habitat fragmentation poses a severe threat to the survival of these primates. However, I am encouraged by DSNG's proactive stance in catalysing discussions amongst companies and government agencies to reach a sustainable landscape-wide solution, for the orangutans. A long-term solution is in the works, with a crucial focus on establishing wildlife corridors that will enable orang-utans to migrate safely to larger, more stable forest blocks.

Another major milestone was DSNG's current progress towards climate adaptation. As global temperatures continue to rise, it is clear that companies must not only mitigate their environmental impact but also adapt to the realities of a changing climate. DSNG has taken a

proactive approach by incorporating climate adaptation strategies into its ongoing replanting programme, with specific efforts including:

- Ensuring the plantation is redesigned to allow for greater use of mechanisation.
- Incorporating Designs that will increase water retention to mitigate drought risks.
- Strengthening soil conservation and regeneration efforts.
- Creating better environments that support pollinators, ensuring continued biodiversity resilience.

And many more initiatives under the umbrella of Climate Adaptation.



Additionally, DSNG continues to advance its landscape approach to sustainable agroforestry in Central Java, in the Kedu Banyumas landscape. This initiative aims to integrate agricultural production with conservation efforts, ensuring that both environmental and socio-economic needs are met in a balanced and sustainable manner.

Empowering Women in the Workplace

A particularly inspiring trend has been the increasing participation of women in roles traditionally dominated by men. DSNG has been working hard over the past few years to create a more inclusive work environment, and these efforts are beginning to bear fruit.

We now see women operating heavy machinery—a significant shift in an industry where such roles were historically reserved for men. Women are now confidently handling road rollers, tractors, excavators, and other machinery, demonstrating both skill and resilience. This is not just a matter of gender equity; it is a strategic advantage. Expanding the talent pool to include more women is critical in an industry where finding skilled workers is becoming increasingly challenging.



During my visit to Muara Wahau, DSNG's largest estate, I had the opportunity to meet with representatives of the Gender Committee. I was inspired by their selfless dedication to promoting and protecting the rights of women and children. Their efforts, often undertaken without fanfare, are making a tangible difference in the workplace.



I was also impressed by DSNG's initiatives in cultural preservation. DSNG has a long history of working closely with local communities but I have never really appreciated their work related to cultural preservation of these communities. The publication of a short history of the Dayak Kayan people is a commendable step towards ensuring that the rich heritage of the region is not forgotten. Such initiatives reflect a deep respect for local communities and their traditions. And most certainly bring the company closer to the communities around them.

Another noticeable improvement was the enhanced day-care facilities for young children. Compared to my last visit two years ago, the upgrades were striking. Providing safe, well-equipped childcare services is not just a benefit for working parents; it strengthens the overall well-being of the community.



Areas for Improvement

While there have been many positives, there are still areas that require attention.

One key issue is the environmental management of waterways. It is crucial to recognise that every drain, every watercourse, ultimately feeds into a river, and these rivers are lifelines for surrounding communities, supporting their livelihoods, food security, and cultural traditions. Protecting waterways must go beyond ticking compliance boxes—whether for local regulations, national policies, or international standards.

Instead, we should cultivate a mindset where every team member instinctively asks, no matter the size of the drain/stream, "Is this waterway truly protected?" And if not, "What can we do to prevent harm?" Whether it's a large river, a narrow stream, or even a seemingly insignificant drain, vigilance at every level is essential to safeguarding these critical ecosystems.

Another area for improvement is temporary housing for employees of third-party contractors working within company premises. While DSNG has made significant progress in improving living conditions for its direct workforce, the same high standards might not be applied to the afore temporary facilities. Addressing this issue will enhance DSNG's reputation as a responsible employer and business partner.

Challenges and Concerns

As DSNG continues to push forward, I remain concerned about the rising pressure to prioritise short-term shareholder interests over long-term sustainability commitments. This is a worrying trend, globally. Even in Norway—often seen as a sustainability leader—companies like Equinor are scaling back on renewable energy investments. The risk is that this short-term mindset could spread, stalling genuine progress.

Additionally, I worry that well-intentioned but misinformed (or ill-informed) stakeholders may not fully recognise the efforts of companies that continue to prioritise sustainability, despite broader industry pushback. I urge stakeholders to seek dialogue first before resorting to activism. It is crucial, at this juncture, for the sustainability movement not to alienate its allies.

Looking Ahead to 2025

As we move into 2025, I remain hopeful. I hope that:

- More companies recognise the long-term gains of embedding sustainability into their core strategy.
- Shareholders reward responsible corporate behaviour rather than focusing only on short-term gains.
- DSNG strengthens its engagement with stakeholders, ensuring that both challenges and successes are well-communicated in an increasingly climate-sceptic business environment.

Sustainability is a long game. There will be setbacks, but there will also be breakthroughs. DSNG has shown resilience, and I believe that by staying the course, it will continue to lead by example and, more importantly, make a solid business case for doing the right thing.

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DATUK DARREL WEBBER
Chairman Sustainability Advisory Board

DSNG Sustainability Achievements

Economy [POJK B.1]

2024 2023 2022

Revenue (Rp billion)

10,119 Revenue | **1,251** Net Profit

Revenue of Palm Oil	Revenue of Wood Products	Renewable Energy	Net Profit (Loss)
8,784	1,152	183	1,251
8,354	1,074	70	1,003
8,117	1,517	-	1,353

Palm Oil and Wood Products base Products

Production Volume - Palm Oil Business Unit (Thousand tons)

Crude Palm Oil (CPO)	*Palm Kernel Oil (PKO)*	*Palm Kernel (PK)*
602	38	114
662	40	123
639	38	118

Production Volume of Wood Products Business Unit

Panel (Thousand m^3)	*Engineered Floor (Thousand m^2)*
116	720
98	756
118	1,080

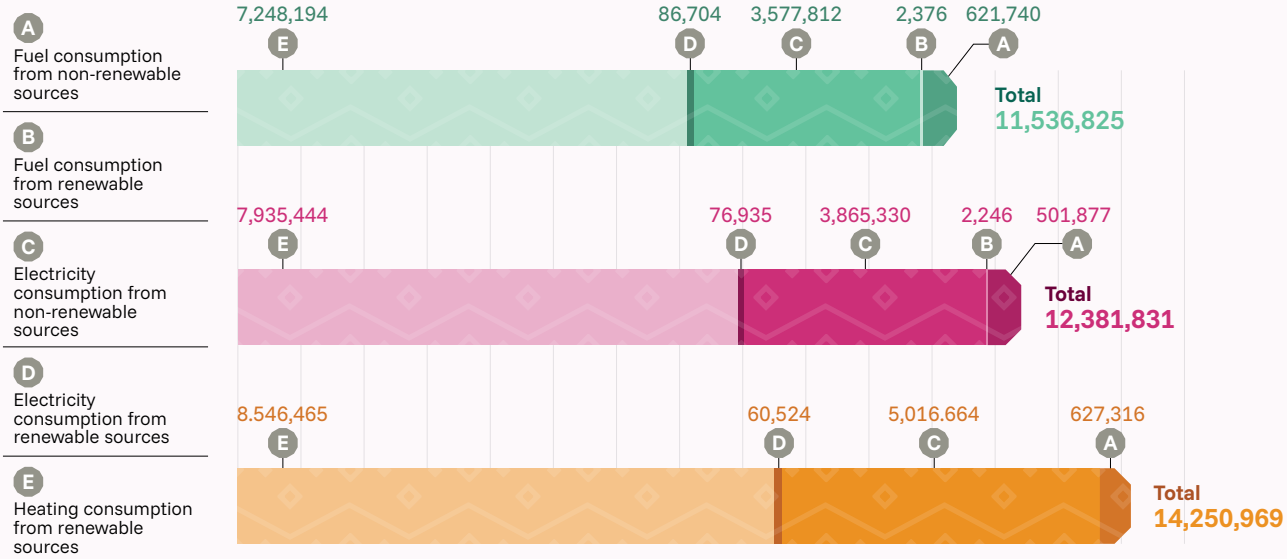
Environment [POJK B.1]

2024 2023 2022

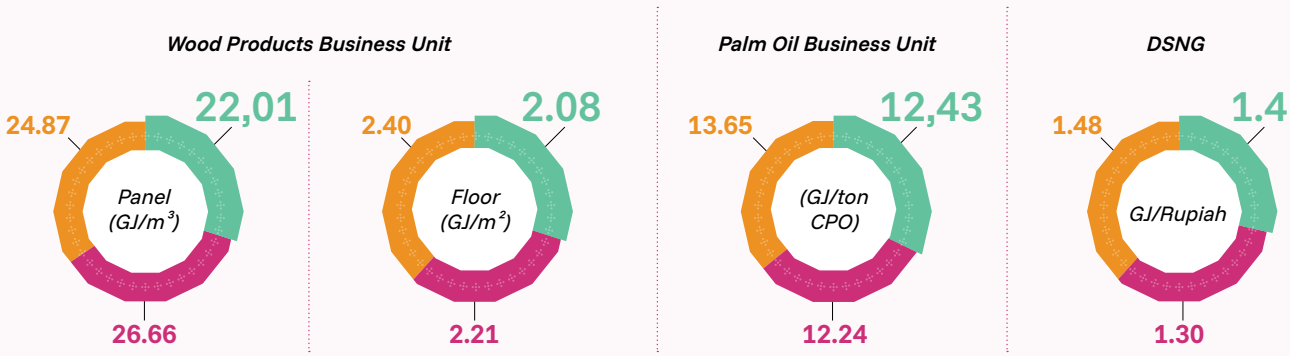
Energy Management

Fuel Consumption (Giga Joule)

11,536,825 GJ Fuel Consumption



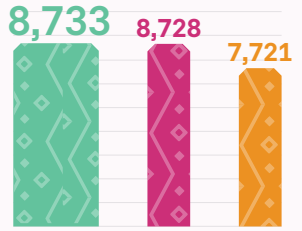
Energy Consumption Intensity



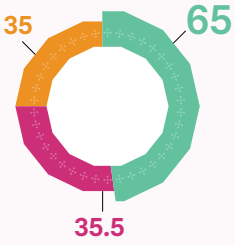
Biodiversity Conservation

8,733 ha
Conservation Area

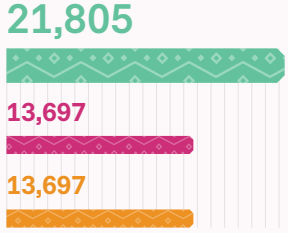
Conservation area within concession (ha)



Forest Restoration (ha)



Partner Farmers (Individuals)



2024 2023 2022

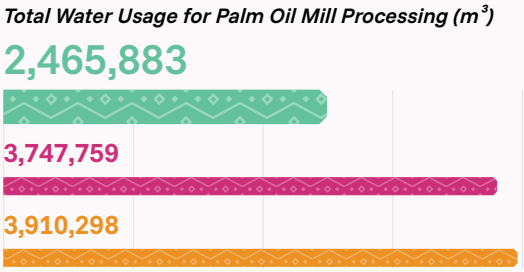
0.98
m³/Ton Processed FFB
Water Usage Intensity for Palm Oil Mill Units

0.08
m³/Production
Water Usage Intensity for Wood Product Floor

0.45
m³/Production
Water Usage Intensity for Wood Product Panel

Palm Oil Business Unit

Total Water Usage for Palm Oil Mill Processing (m³)

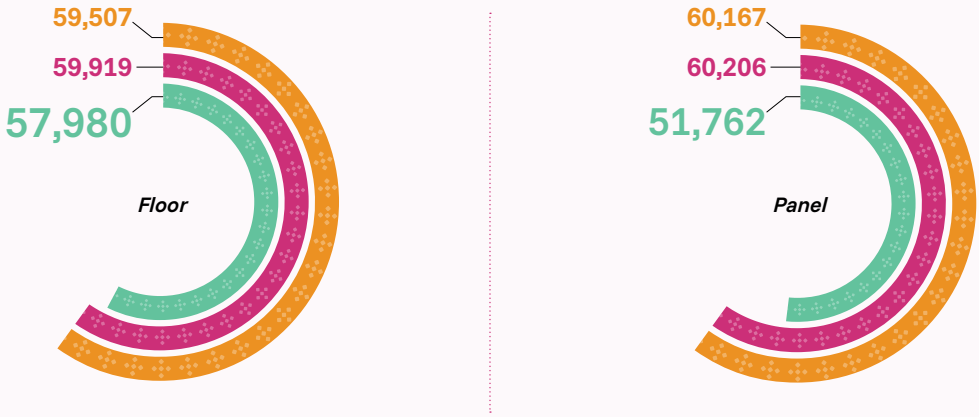


Water Usage Intensity for Palm Oil Mill Processing (m³/Ton Processed FFB)



Wood Products Business Unit

Total Water Usage (m³)



Water Usage Intensity (m³/Production)



GHG Emission Management

2024 2023 2022

GHG Emission Volume for Palm Oil Business Unit (tCO_2e)

Palm Oil Mills (POMs)	*Fertilizers*	*FFB Transportation*	*Total Emissions*
329,465	213,326	10,329	553,120
264,600	143,399	4,500	412,499
304,301	163,314	14,304	481,919

62,97
tCO_2e/Rp billion
GHG Emission Intensity per CPO Sales Value

GHG Emission Intensity

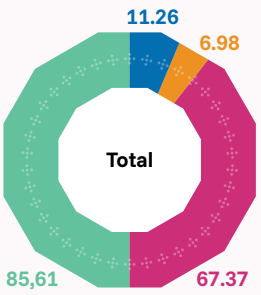
per CPO Production Volume (tCO_2e/Ton CPO)	*per CPO Sales Value (tCO_2e/Rp billion)*
1.06	62.97
0.97	49.38
1.17	59.37

Solid Waste Management 2024 (MT)

WP Panel WP Floor Oil Palm Head Office DSNG

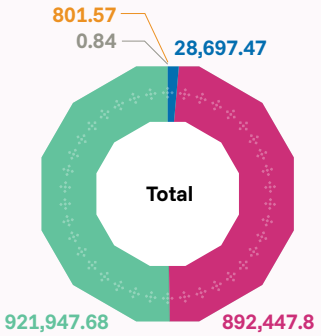
Hazardous Waste

	WP Panel	WP Floor	Oil Palm	Head Office	DSNG
Reused Waste	0	0	0	0	0
Other Treatment Options	11.26	6.98	67.37	0	85.61



Non-Hazardous Waste

	WP Panel	WP Floor	Oil Palm	Head Office	DSNG
Recycled Waste	28,330.1	801.57	892,447.8	0	921,579
Other Treatment Options	367.37	0	0	0.84	368



Social [POJK B.3]

2024 2023 2022

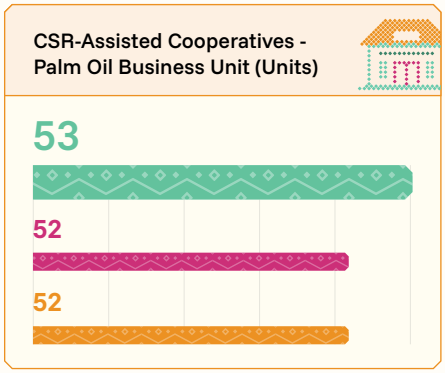
Rp 29.5 billion
CSR Expenditure

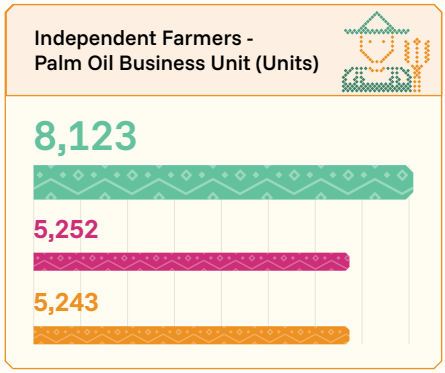
53 Assisted Cooperatives
in the palm oil business unit that received CSR funds

CSR Fund (Rp billion)

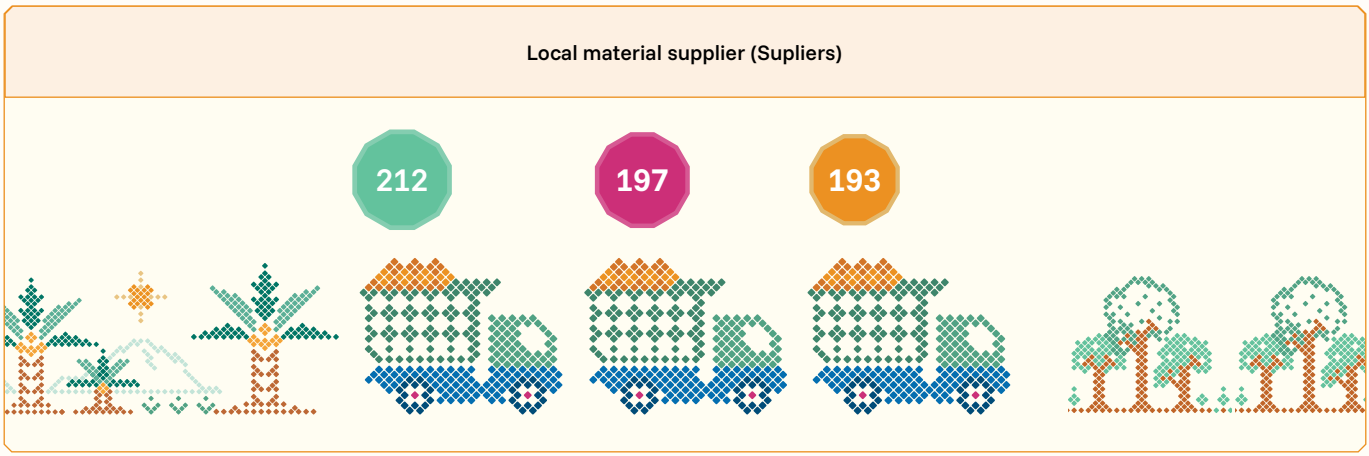


Beneficiaries





Local Engagement



19,399 people
Total Employees

19,399 | 20,274 | 20,210

94,773 hours
Total Training Hours

94,773 | 149,091 | 70,508

43,266,290 hours
Total Safe Working Hours

43,266,290 | 43,065,608 | 36,240,881

Certification

Palm Oil Business Unit

ISPO

100%
ISPO-Certified Palm Oil Mill Units (POM 2-12)

28
ISPO-Certified Plantation Units

94,377.71 ha / 88.75%
ISPO-Certified Land

RSPO

25
RSPO-Certified Plantation Units

82,404.84 ha / 77.49%
RSPO-Certified Land

81.82%
RSPO-Certified Palm Oil Mill Units (POM 2-7 and POM 9-11)

100% On target 1 POM unit

1 POM
Halal-Certified Audit

8 Green PROPER (Provincial Level)

11 Blue PROPER (1 Province & 10 National)

7 Zero Accident

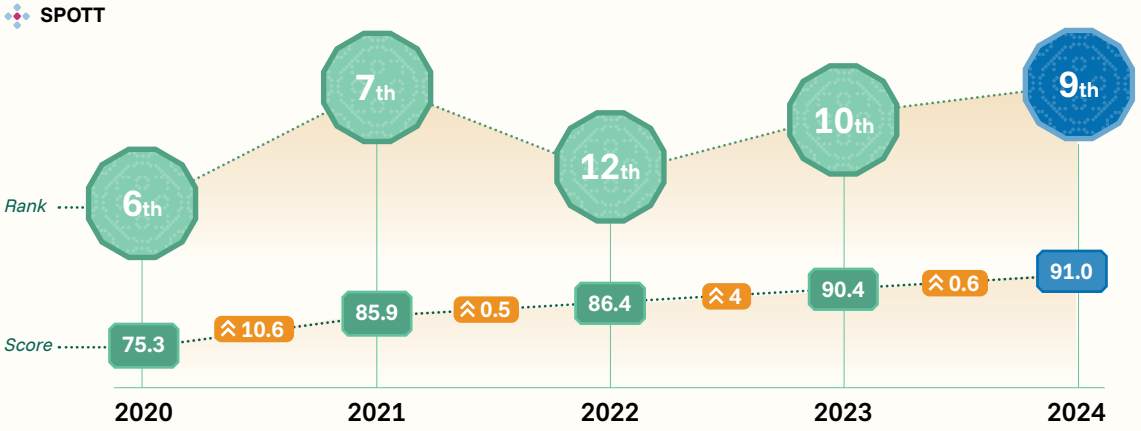
Wood Products Business Unit

Panel
- Certification from the California Air Resource Board (CARB)
- U.S. EPA TSCA TITLE VI
- FSC
- Japan Agriculture Standard (JAS)
- Timber Legality Assurance System (SVLK)

Engineered Floor
- Quality Certification
- Real Wood
- PEFC Chain of Custody
- FSC
- United Kingdom Conformity Assessed (UKCA)
- Lacey Act
- ISO 9001:2015
- Timber Legality Assurance System (SVLK)

ESG Rating

SPOTT



SPOTT

For more details:

This Link

Global ESG Score by S&P in 2024

55

For more information

This Link

SRI Kehati for the Major period (December 2023 – May 2024) and minor period (September – November 2024)

DSNG is included in three sustainability stock indices based on ESG performance from the Indonesia Stock Exchange, namely:

KEHATI

SRI-KEHATI

ESGQ KEHATI

ESGS KEHATI

Awards



Top CEO Indonesia Awards 2024

The Best CEO on Bio-CNG Utilisation as an Alternative Energy Source to Diesel Fuel

Organized by:

TEMPO IDN FINANCIALS



Stellar Workplace Award 2024

Stellar Workplace Recognition in Employee Commitment 2024

Organized by:

ONE GML Kontan



Top 50 Mid Capitalization Public Listed Company

Good governance practices by DSNG

Organized by:

IICD Indonesian Institute for Corporate Directorship



FORTUNE Southeast Asia 500

Top 500 Asian companies in Southeast Asia

Organized by:

FORTUNE



National Level Zero Accident

DSNG received Zero Accident certificates from the Ministry of Manpower of the Republic of Indonesia: SWA, DAN, BPN, DSN – 4 POM units (POM 2, POM 3, POM 6, POM 7)

Organized by:

KEMENTERIAN KETENAGAKERJAAN REPUBLIK INDONESIA



High Dividen Index Tempo-IDN Financial 52

Improving portfolio of financial performance in June 2024 by becoming a constituent of the TEMPO-IDNFinancials 52 index

Organized by:

TEMPO IDN FINANCIALS



Green Elite and Platinum Plus: Best Corporate Transparency and Emission Reduction 2024

Award for transparency in emissions disclosure and Green Elite recognition for emissions reduction in 2023 from Investor Trust in collaboration with Bumi Global Karbon (BGK), an official partner of GRI (Global Reporting Initiative) and TCFD (Task Force on Climate-related Financial Disclosures) in Indonesia

Organized by:

BGK investortrust



A+ Rating Award

Recognition of DSNG's commitment to implementing human rights aspects in the 2023 Sustainability Report

Organized by:

FIHRRST Foundation for International Human Rights Reporting Standards



Active Role in Public Health of East Kutai

Award for Active Contributions in Health for East Kutai's People

Organized by:
East Kutai Regency Health Office



100% Employee and Family Participation in JKN-KIS Program 2024

- Full participation of employees and their families in the JKN-KIS program at PT Bina Palma Nugraha & Bima Agri Sawit
- BPJS Award for being the most active participant in the Kedu region (Central Java), received by PT Dharma Satya Nusantara (Wood Products- Panel Business Unit)

Organized by:

BPJS Kesehatan Badan Penyelenggara Jaminan Sosial



Cooperative Collaboration in Plantation Statistics Data Provision 2024

Recognition for cooperative efforts in providing plantation statistics data by PT Pilar Wanapersada

Organized by:
Central Bureau of Statistics (BPS) of Lamandau Regency



Corporate Social Responsibility and Community Development (TSBLP) Award of West Kalimantan Province 2024

Corporate Social Responsibility and Community Development (TSBLP) Award received by PT Kencana Alam Permai (KAP):

- Silver Category Overall Champion
- Second Place in Top Ten Best Companies
- Second Place in Infrastructure Development Category
- Fourth Place in Education Category
- Second Place in Health Category

Organized by:
Governor of West Kalimantan



PROPER Green Rating for 2023 - 2024

Performance Rating Assessment for Corporate Environmental Management in East Kalimantan with a Green PROPER rating for 2023 - 2024

Organized by:
Governor of East Kalimantan



LKS Bipartite Award, Temanggung Regency 2024

Third Place Winner for the LKS Bipartite Award 2024 in Temanggung Regency (Wood-Panel Business Sub-unit)

Organized by:
Department of Industry and Manpower



Proactive in Providing Statistical Reports 2024

Award from BPS for being a proactive company in submitting statistical reports to the Central Bureau of Statistics of Temanggung Regency (Wood-Floor Business Sub-unit)

Organized by:
Central Bureau of Statistics (BPS) of Temanggung Regency



Platinum Award
Diamond Award
1st and 2nd Winner of Quality & Productivity Quiz

Platform for companies and organizations in Indonesia to showcase innovations and achievements in quality and productivity improvement

Organized by:
Temu Karya Mutu & Produktivitas Nasional (TKMPN) XXVIII National Quality & Productivity Convention (NQPC)

About DSNG

[POJK51 C.2, C.3][GRI 2-1][SPOTT 20]

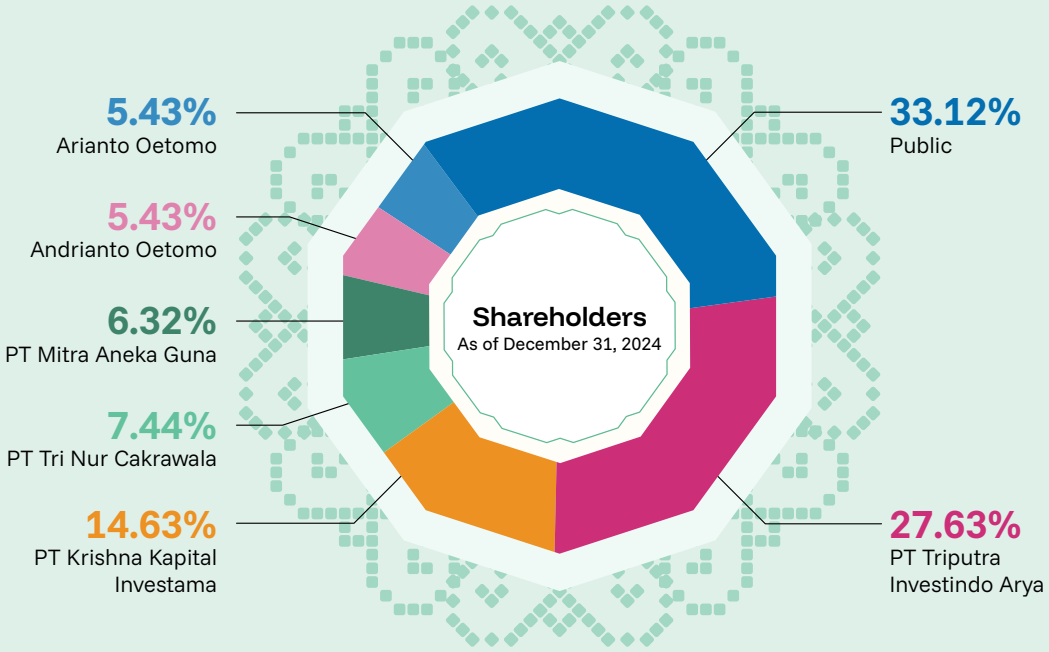
	Company Name	Other Name
DSNGROUP	PT Dharma Satya Nusantara Tbk	DSNG

Legal Entity Status

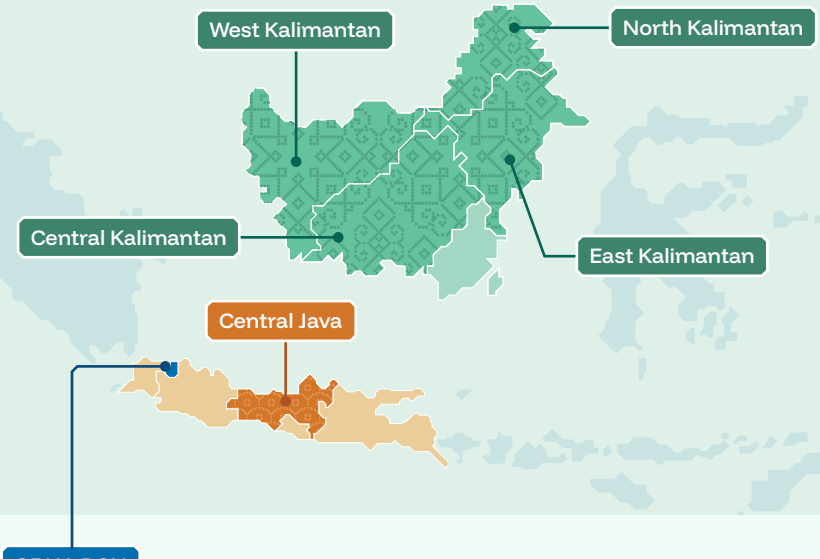
Public Limited Company | Listed on the Indonesia Stock Exchange (IDX) on June 14, 2013 | Stock Code: DSNG

Number of Employees

19,399 employees
As of December 31, 2024



Operational Areas



GRHA DSN
Jl. Pulo Ayang Kav. OR3
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Tel
+62 21 4618135

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Email
corsec@dsn.co.id

Website
www.dsn.co.id

Vision, Mission, and Corporate Values

[POJK51 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.

Company Values [POJK51 F.1]

The company upholds a culture of sustainability across all organizational levels in alignment with its corporate values.

Integrity

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

- Prioritizing the company's interests above individual or group interests.
- Providing fact-based information responsibly.
- Aligning words with actions.

Passion

We act with unrelenting passion.

- Fully focusing on our work.
- Being persistent and resilient in completing tasks thoroughly.
- Acting with enthusiasm and inspiring others.

Strive for Excellence

We strive for excellence.

- Committing to consistently delivering the best performance.
- Demonstrating enthusiasm and openness to learning and sharing knowledge.
- Acting wisely and making thoughtful decisions.

Respect

We respect our employee, society and environment.

- Seeking understanding before taking action.
- Valuing individuals by providing opportunities for collective growth.
- Demonstrating care for the environment.

Synergy and Cohesiveness

We foster synergy and cohesiveness within diversity.

- Cultivating a sense of ownership to achieve collective progress.
- Empowering both individual and team strengths to generate added value.
- Maintaining a productive and family-oriented work environment.

External Initiatives and Association Memberships

[POJK51 C.5][GRI 2-28]

Association Name	Status	Scope
Roundtable on Sustainable Palm Oil (RSPO)	Member	International
Indonesian Sustainable Palm Oil (ISPO)	Member	National
IDX-KEHATI Index	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 Listed Companies Association	Member	National
Partnership for Action on Child Labor in Agriculture	Member	National

Business Scale

[POJK51 C.3]

Palm Oil Business Unit [SPOTT 13, 14, 15, 21, 23, 24]

Total:	106,343 ha	82,820 ha	27,908 ha	15	13

West Kalimantan

Sekadau

PT AAN

7,689 ha
3,175 ha
1,011 ha
1
1 Unit POM

Sintang

- PT KAP
- PT PSA
- PT DPS
- PT MNS

14,003 ha
9,495 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
57,932 ha
19,782 ha
7
9 Unit PKS
1 PKO/KCP

Mahakam Ulu

- PT PUL

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

North Kalimantan

Bulungan

PT DIL

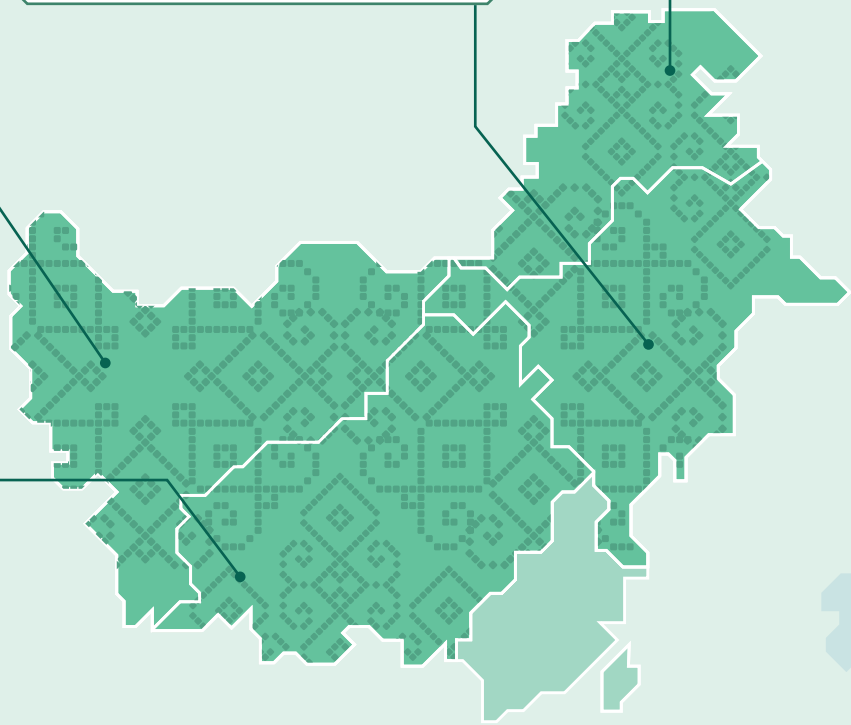
3,366 ha
2,887 ha
1,202 ha
1
-

Central Kalimantan

Lamandau

PT PWP

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



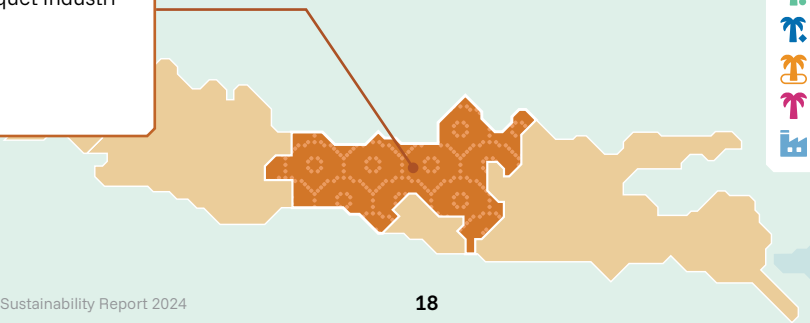
Wood Products Business Unit

Central Java

Temanggung

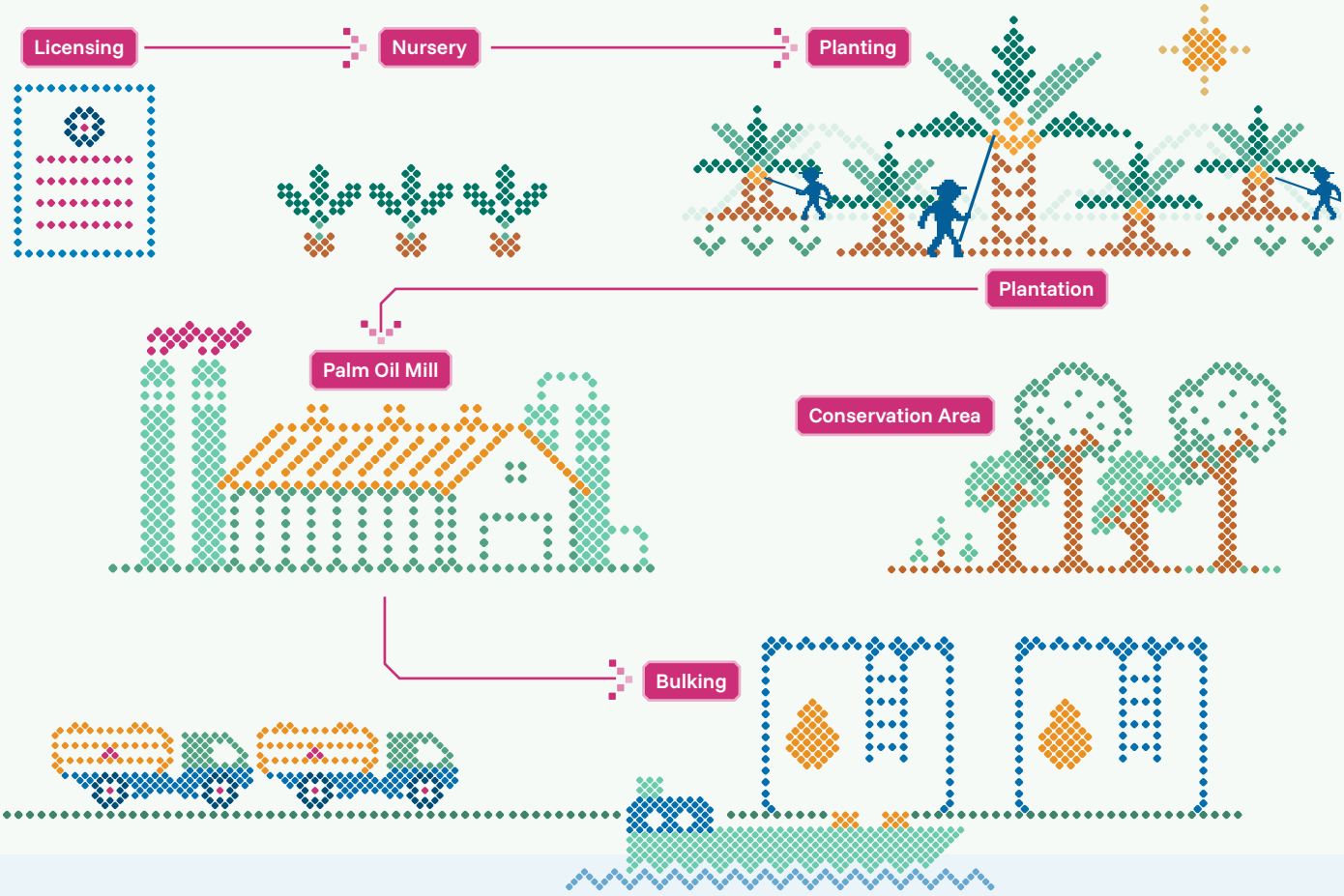
- PT Dharma Satya Nusantara – Temanggung (DSN WP Panel)
- PT Tanjung Kreasi Parquet Industri (DSN WP Floor)

2 Unit Plant



- Nucleus Managed Area
- Nucleus Plantation Area
- Managed Partnership Plantation
- Total Plantations
- Total POM/Plant

Palm Oil Business Unit Segment Profile



Wood Products Business Unit Segment Profile

Panel

Raw Material
- Sengon
- Jabon

Production Capacity
12,000 m^3/month

Product
Block Board, Plywood, Bare Core

Market Share
100% Export
10% Other countries
90% Japan

Engineered Floor

Raw Material
- Imported Oak
- Other Local Wood

Production Capacity
150,000 m^2/month

Product
TEKA

Market Share
9% Domestic Market
Teka Showroom
Alam Sutera, Jl. Jalur Sutera Kav. 298 No. 36-37
91% Export
Europe, Canada, USA, New Zeland, Asia

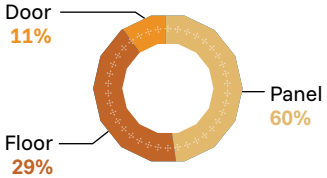
Engineered Door

Joint Ventures with DAIKEN

Product
Engineered Door

Market Share
100% Export to United Kingdom

Sales Contribution



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

Description	Unit	2024	2024 Target	%
CPO Production				
Production Realization	Thousand Tons	602	731	82
Sales Realization	Thousand Tons	601	731	82
	Rp billion	7,687	7,307	105
Non-CPO Production: Palm Kernel (PK)				
Production Realization	Thousand Tons	114	142	80
Sales Realization	Thousand Tons	24	33	73
	Rp billion	175	179	98
Non-CPO Production: Palm Kernel Oil (PKO)				
Production Realization	Thousand Tons	38	47	82
Sales Realization	Thousand Tons	39	47	83
	Rp billion	686	513	134

Note: The change in CPO production in 2024 is due to fluctuations in Fresh Fruit Bunch (FFB) production.

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

Description	Unit	2024	2024 Target	%
Panel Production				
Production Realization	Thousand m^3	116	127	92%
Sales Realization	Thousand m^3	116	127	92%
	Rp billion	670	763	88%
Floor Production				
Production Realization	Thousand m^2	720	930	77%
Sales Realization	Thousand m^2	627	930	67%
	Rp billion	325	410	79%

Production and Sales Realization

Business Unit	Product	Production Volume 2024 (Thousand Ton/ m^3/m^2)	Sales Value 2024			
			Domestic		Export	
			Rp Billion	%	Rp Billion	%
Palm Oil Business Unit ❖ Palm Oil Plantation ❖ Palm Oil Mill ❖ Kernel	Crude Palm Oil (CPO)	602	7,687	100	0	0
	Palm Kernel Oil (PKO)	38	686	100	0	0
	Palm Kernel	114	175	100	0	0
Wood Products Business Unit	Panel	116	36	5.42	634	94.58
	Engineered Floor	720	55	16.86	270	83.14

Volume, Percentage, and Source of FFB Supply (Ton)

Source of Supply	2024		2023		2022	
	Total	%	Total	%	Total	%
Nucleus Plantation	**1,604,880**	**63.81**	1,765,280	61.59	1,741,895	62.70
Partnership Plantation	**428,268**	**17.03**	472,830	16.50	448,409	16.14
External	**481,893**	**19.16**	628,019	21.91	587,889	21.16
Total	**2,515,040**	**100**	2,866,129	100	2,778,193	100

CPO Sales Volume (Ton) [SPOTT 49]

Sales Scheme	2024	2023	2022
CSPO & ISCC			
Segregated	**195,700**	189,400	112,450
Mass Balance Scheme	**44,000**	32,600	18,400
ISCC Mass Balance Scheme	**23,500**	39,050	33,900
Sub Total	**263,200**	261,050	164,750

Realization of Production and Sales in the Wood Products Business Unit

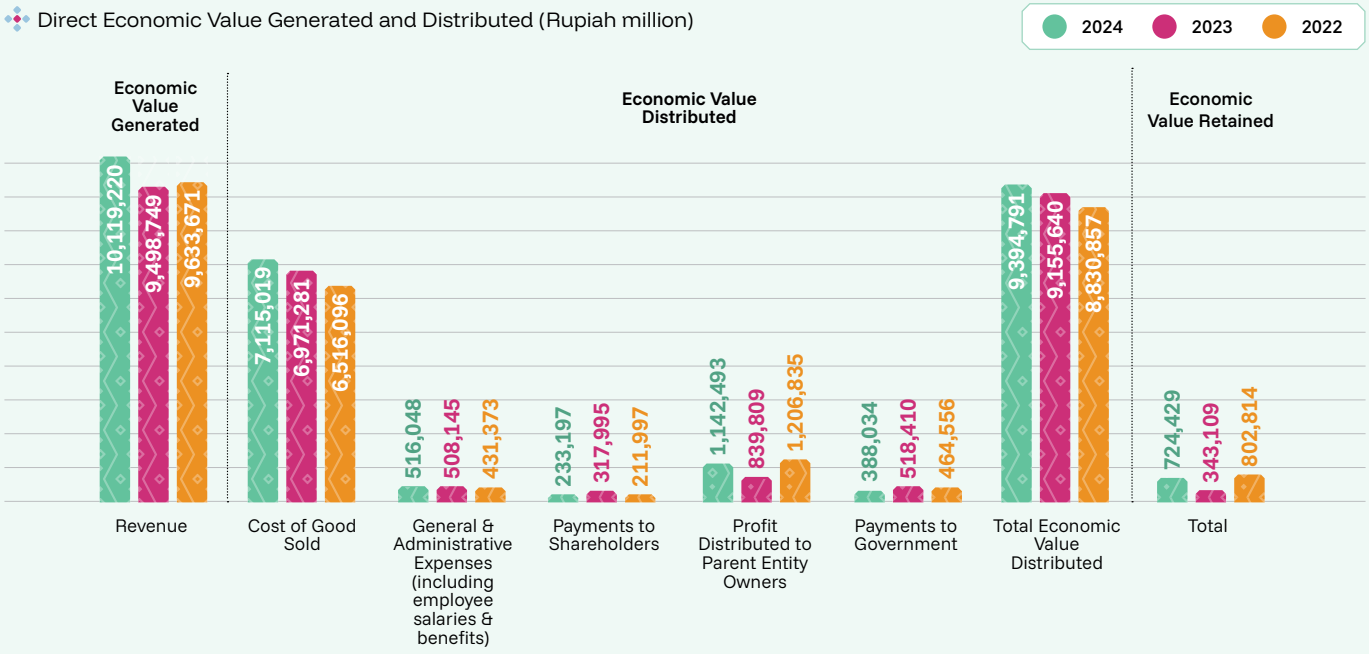
Description	Unit	2024	2023	2022	%	
		1	2	3	1:2	2:3
Panel Production						
Production Realization	Thousand m^3	**116**	98	118	119%	83%
Sales Realization	Thousand m^3	**116**	100	116	117%	86%
	Rp billion	**670**	617	852	109%	72%
Floor Production						
Production Realization	Thousand m^2	**720**	756	1,080	95%	70%
Sales Realization	Thousand m^2	**627**	739	1,117	85%	66%
	Rp billion	**325**	340	495	96%	69%

Direct Economic Value Generated and Distributed [GRI 201-1]

In 2024, the Company generated revenue of Rp10.1 trillion, marking a 6,53% increase from the previous year's revenue of Rp 9.5 trillion. The largest contribution to revenue came from palm oil sales (87%), followed by wood products (11%), and renewable energy (2%). Revenue growth occurred across all business sectors, including palm oil, wood products, and renewable energy, with each sector experiencing an increase of 5%, 7%, and 160%, respectively, in 2024 compared to the previous year.

Throughout 2024, DSNG did not receive any financial assistance from the Government. The Company's economic value was solely derived from sales of wood products, palm oil products, and renewable energy. A portion of the generated economic value was distributed to stakeholders through dividends, employee remuneration, community investments, taxes, and other allocations, in accordance with corporate policies and applicable legal procedures.

Direct Economic Value Generated and Distributed (Rupiah million)



Business Activities and Other Relevant Business Relationships

[POJK51 B.1, C.4][GRI 2-6]

The Company's operations in 2024 remain unchanged from the prior year and include the production and sale of palm oil, palm kernel and palm kernel oil, wood products and renewable energy products.

Sustainability Strategy

[POJK C.1]

DSNG's Sustainability Vision

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

Our Sustainability Strategy [GRI 2-22][POJK A.1]

The Company's sustainability strategy is implemented in alignment with its sustainability vision and the Group's Sustainability Policy, focusing primarily on managing the impacts of the Company's operational activities in three priority areas and adhering to three key principles and policies:

Forest | Climate | Community

The Company's sustainability policy applies to all subsidiaries and the supply chain, aligning with the United Nations 2030 Agenda and the Paris Agreement. Additionally, the Company ensures compliance with both national and international regulations and certification standards.

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

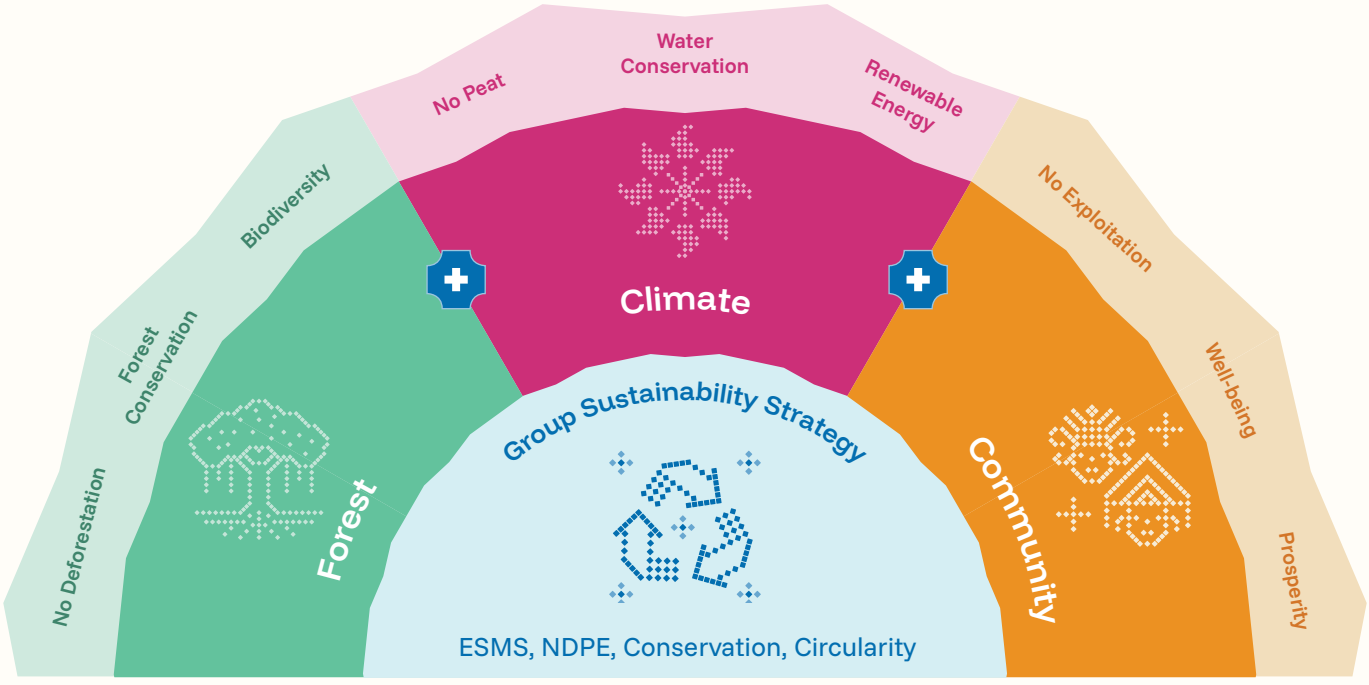
This Link

DSNG has an NDPE policy, which is accessible at:

This Link

Group Sustainability Policy Matrix

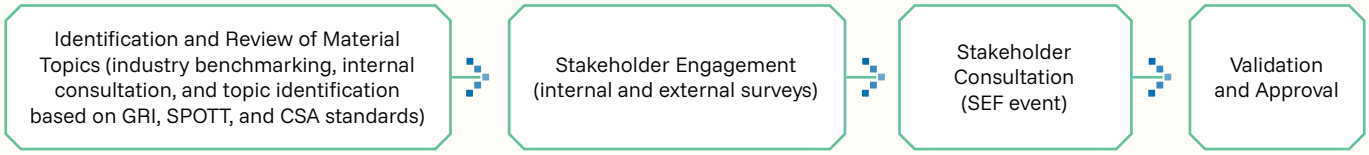
Focus Area

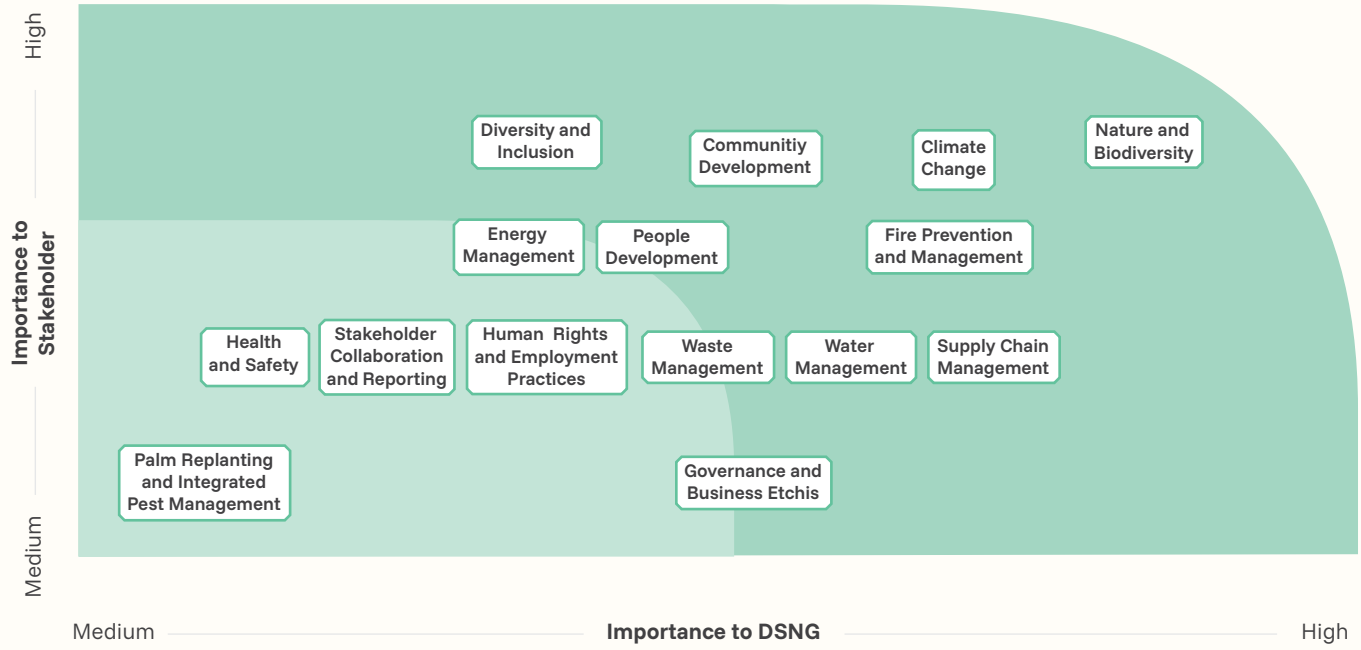


Material Topics

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

Determination of Material Topics





DSNG identifies sustainability topics relevant to its business sector, assesses both actual and potential impacts, evaluates their significance, and prioritizes the most important ones for reporting.

During the third annual Stakeholder Engagement Forum (SEF) on December 12, 2024, DSNG invited stakeholders from civil society organizations, investors, financial analysts, international development agencies, academics, and research institutions. This forum allowed DSNG to present its sustainability performance, collect stakeholder feedback, and establish material topic priorities, which are continually validated.

These material topics align with DSNG's three sustainability pillars: Forests, Climate, and Communities, which are rooted in Good Corporate Governance. They also integrate material topics with the company's commitment to No Deforestation, No Peat, and No Exploitation (NDPE), while supporting the Sustainable Development Goals (SDGs) by prioritizing aspects that reflect the company's business sector and values.

Materiality Matrix

Forest Pillar Material Topics

DSNG is dedicated to forest conservation, protecting biodiversity, and ensuring environmental compliance throughout its supply chain, upholding the No Deforestation principle.

- Supply Chain Management
- Biodiversity and Conservation
- Replanting and Integrated Pest Management
- Fire Prevention and Management

Climate Pillar Material Topics

DSNG is concerned with carbon emissions and therefore prohibits any peatlands development, conserves water, manages emissions, develops renewable energy, and manages waste and effluents to prevent carbon release.

- Climate Action Plan
- Energy Management
- Water Management
- Waste Management

Community Pillar Material Topics

DSNG maintains a No Exploitation policy by honoring human rights, managing labor practices, promoting well-being, ensuring occupational health and safety (OHS), and creating positive economic impacts through social initiatives.

- Human Rights (HR) and Labor Practices
- Community Development
- Diversity and Inclusion
- Occupational Health and Safety (OHS)

Governance Material Topics

DSNG operates with transparency, supports anti-corruption initiatives, and generates widespread economic benefits for stakeholders.

- Sustainability Governance
- Stakeholder Engagement
- Business Ethics and Compliance

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

Forest Pillar

Program Target	2024 Achievements
Protection of High Conservation Value Areas within the Concession	❖ Protection of Conservation Areas Covering 8,733 Hectares within the concession. ❖ Collaboration with the Natural Resources Conservation Agency (BKSDA) of Central Kalimantan and Orangutan Foundation-UK Indonesia to conduct biodiversity surveys and assess orangutan populations (*Pongo pygmaeus wurmbii*) in PT PWP's conservation area. ❖ Management of the RaCP Conservation Program in Laman Satong Village, Matan Hilir Utara District, Ketapang Regency (covering 645 hectares) and Sepakat Jaya Village, Nanga Trayap District, Ketapang Regency, West Kalimantan (covering 6,967 hectares). ❖ Training for Community-Based Forest Guardians to strengthen conservation efforts. ❖ NPP Verification of PT BPN partnership with an area of 172.33 hectares.

(Continuation)

Program Target	2024 Achievements
Implementation of Biodiversity Conservation Monitoring	❖ Continuous monitoring of conservation areas is conducted using SMART Patrol applications and camera traps. ❖ Deforestation monitoring across the entire concession area and supplier regions using GFW Pro and Satelligence. ❖ A total of 755 animal species and 887 tree species have been recorded in conservation areas in East Kalimantan and Central Kalimantan. ❖ Training provided for 30 personnel of the Orangutan Task Force (Satgas Orangutan). ❖ Restoration of the Danau Padang Ecosystem. ❖ Construction of wildlife corridors in Forest Block Afd 1 ME1 and areas around Danau Padang at PT BPN. ❖ Implementation of the Integrated Orangutan Conservation Program (PKOT) in the Keraitan Landscape.
100% Supplier Compliance with DSNG's NDPE Policy and Full Traceability by 2025	❖ 100% of 4 IPC suppliers, 24 cooperatives, and 51 agents have signed the NDPE Commitment. ❖ NDPE Implementation on IPC Suppliers (100%), Independent Cooperatives at (99.9%), and Agents at (70.4%). ❖ Traceability to Plantation for total supply across all POMs reached 96.2% from January to December 2024. ❖ Productivity enhancement programs were conducted for all suppliers through Field Schools, benefiting 3,142 farmers.
Farmers Benefiting from Seed Distribution and Forest Stewardship Council (FSC) Certification Programs	In 2024, total 1,040 farmers will benefit from the Jabon seed distribution program, and 341 farmers will receive specialized training, including 86 women farmers. In addition, 7 farmer groups, 3 in Temanggung and 4 in Banjarnegara totaling 150 farmers received FSC certification support.
DSNG's palm replanting program	916 hectares of palm oil plantations were replanted in 2024.

Climate Pillar

Program Target	2024 Achievements
Adapting DSNG's Business & Operations to Climate Change	❖ Development of water conservation projects at PT BPN. ❖ Study on the Diversity and Abundance of Pollinating Insects, Pests, and Predators in Palm Oil Due to Climate Risk ❖ Water recycling installation in the wood product business unit.
Mitigation Targeting a 44% GHG Emission Reduction by 2030 (70% Scope 1, 28% Scope 2, 23% Scope 3)	2024 emission intensity reduced by 10% from 2022 levels through various measures. **Palm Oil Business Unit:** ❖ Developed an energy independence roadmap. ❖ Established Integrated Waste Management Facilities (TPST). ❖ Utilized organic waste for fertilizer and energy production. **Wood Product Business Unit:** ❖ Purchased 200 MWh renewable electricity from the Cirata Hydroelectric Power Plant (PLTA). ❖ Implemented energy-saving technology and machine modifications. ❖ Converted 8 diesel forklifts to electric forklifts.
Energy self-sufficiency through in-situ renewable energy	2 plants of Biogas and Bio-CNG operated in 2024, generating 7,976,300 kWh of electricity and reducing 2,747,792 liters of diesel consumption (Bio-CNG fueled generators and vehicles). This reduced emissions by POME & fossil fuel 136,991 tCO_2e.
Reduction or maintenance of water Use Intensity to <1.1 m^3/ton FFB	❖ Water use intensity at Palm Oil Mill unit in 2024 is 0.98 m^3/ton FFB. ❖ Water use intensity at DSN WP Panel is 0.45 m^3/m^3, and at DSN WP Floor is 0.08 m^3/m^2.

Community Pillar

Program Target	2024 Achievements
Improving best practices capacity for independent farmers	3,142 people participated in Field Schools in 2024, representing 39.9% of independent farmers supplying FFB through Cooperatives and Agents.
The local communities around the operational areas are empowered through livelihood improvement activities.	Collaboration with 212 local suppliers
Ensuring healthy and prosperous lives	❖ 7 DSNG entities received the Zero Accident certificates. ❖ Implementation of 562 mosquito larvae eradication programs. ❖ Regular medical check-ups (MCU). ❖ Training and Socialization on Certification and Occupational Health & Safety (OHS) Implementation.
Support for healthcare facilities Within and Around Operational Areas	DSNG has built 33 clinics equipped with 8 doctors, 87 medical personnel, and adequate healthcare facilities.
Equal Employment Opportunities for Local Communities	❖ Established and supported Credit Union Mitra Mandiri since 2009, serving 2,640 members as of 2024. ❖ Partnership with Bumdes Miau Baru, supplying 13% of DSNG's rice needs.
Protection and Fulfillment of Women's and Children's Rights	❖ Gender assessment conducted in 2024 in collaboration with SRI Institute, involving 452 participants. ❖ Gender Committee training on gender equality, violence prevention, and response.
Indigenous Community Development and Cultural Heritage Protection and Management	DSNG launched the book "Warisan Dayak Kayan" (Heritage of the Dayak Kayan) and held various cultural programs, including traditional crafts training programs, Dayak Kayan motif carving competition, educational capacity-building initiatives, and support for religious and social activities.

Material Topic Impact Boundaries

Impact on the Company	Company Response and Commitment
FOREST: Protecting Forests and Biodiversity	
❖ Influences plantation management and development ❖ Provision of conservation areas and protection of key protected species, including orangutans	❖ Complying with RSPO processes for NPP and HCV area management. ❖ Protect the conservation of key species based on Government Policy and the IUCN Red List
FOREST: Supply Chain Practices	
Impacts the implementation of the Company's NDPE (No Deforestation, No Peat, No Exploitation) commitment within the supply chain	Supporting the implementation of NDPE policies across the supply chain, particularly for external suppliers and independent farmers
CLIMATE: GHG Emissions and Carbon Footprint	
The operations of palm oil plantations and wood product processing have both direct and indirect impacts on increasing GHG emissions, contributing to climate change. ❖ Energy consumption, especially fossil fuels, has direct and indirect effects on the Company's GHG emissions. ❖ Waste generated from palm oil and wood product operations has the potential to cause environmental pollution.	❖ Implementing best sustainability practices in plantation development and palm oil and wood product production. ❖ Reducing GHG emissions. ❖ Implementing energy efficiency policies and developing renewable energy sources. ❖ Increasing energy efficiency and the use of renewable energy.

(Continuation)

❖ Water usage from our operations impact local water bodies and water reserves.	❖ Managing waste generation through reuse to support DSNG's circular economy initiatives. ❖ Reducing waste disposal into the environment. ❖ Utilizing water efficiently. ❖ Conducting water conservation. Effluent, particularly POME, is treated in the Bio-CNG plant. ❖ Maintaining water availability in nature and reusing effluents and waste.
PEOPLE: Working Conditions	
Prioritizing worker health and safety to ensure uninterrupted operational and production activities	❖ Implementing operational safety and employee health standards ❖ Preventing incidents from workplace accidents or occupational diseases
PEOPLE: Workers' Rights	
❖ Providing job opportunities for surrounding communities ❖ Upholding the principle of equality to provide fair recruitment opportunities for local communities	❖ Engaging local workers as DSNG employees or through suppliers, ensuring compliance with labor regulations ❖ Providing equal employment opportunities and career advancement, respecting workers' rights, and eliminating all forms of workplace discrimination
PEOPLE: Local Communities	
Impacting support for plantation and mill operations, as well as corporate social responsibility fulfillment, including indigenous communities and wealth distribution	❖ Community empowerment and development programs ❖ Respecting community rights, including Indigenous Community Development Plans and Cultural Heritage Conservation
GOVERNANCE: Good Corporate Governance	
Influences decision-making processes that prioritize stakeholder and company interests while ensuring corporate governance based on GCG principles	❖ Conducting business with integrity and responsibility ❖ Maintaining transparency in disclosure and communication with stakeholders following regulations and reporting standards ❖ Implementing anti-corruption and anti-bribery policies
GOVERNANCE: Prosperity and Inclusive Growth	
❖ Affects the sustainability of Fresh Fruit Bunches (FFB) and log supply as raw materials for production, as well as sustainable financing ❖ Involves local communities in the supply chain ❖ Community empowerment and development programs impact local support for the company's operations and production continuity	❖ Developing sustainable palm oil plantations and community forests ❖ Establishing No Deforestation, No Peat, and No Exploitation (NDPE) palm oil plantations ❖ Operating and producing in an environmentally friendly manner ❖ Engaging local businesses in the company's supply chain while empowering and developing local economic potential ❖ Encouraging local businesses to employ as many local workers as possible ❖ Supporting the development of cooperatives (credit unions) as financial institutions for community economic development

Certification Progress

Indonesian Sustainable Palm Oil (ISPO)

88.75%
of Plantations Certified

100%
of POM units Certified

DSNG is gradually obtaining ISPO certification for all its palm oil mill units (PKS) and supplier plantations. As of 2024, 11 palm oil mill units and 11 plantations (PT SWA, PT DAN, PT DIN, PT DWT, PT PWP, PT BPN, PT KPS, PT KAP, PT AAN, PT DIL, and PT BAS) have received ISPO certification. In addition, 7 partnership plantations (smallholder schemes) have also been certified ISPO.

Roundtable on Sustainable Palm Oil (RSPO)

77.49%
of Plantations Certified

81.82%
of POM units Certified

As an RSPO member, DSNG has conducted RSPO certification for palm oil mill units and nucleus plantations. Starting from RSPO certification of POM 1 unit with PT Swakarsa Sinarsentosa plantation in 2013, until July 2024 it has increased to 9 POM units with 9 plantations (PT SWA, PT DAN, PT DIN, PT BPN, PT BAS, PT PWP, PT KPS, PT DIL, and PT DWT) as its suppliers.

The total area of RSPO-certified plantations has grown from 77,204.89 hectares to 82,404.84 hectares (total 77.49% certified). The number of RSPO-certified POM units has risen to 9, accounting for 81.82% of the company's mills. In addition, 10 partnership plantations (smallholder schemes) have also achieved RSPO certification.

Roundtable on Sustainable Palm Oil (RSPO)

100%
SCCS RSPO

DSNG operates one Kernel Crushing Plant (KCP) and Bulking Labanan, both of which have held SCCS RSPO certification since 2015. The KCP is integrated into DSNG's palm oil mill units in Wahau, East Kalimantan, specifically POM unit 4. Meanwhile, Bulking Labanan functions as a storage facility for CPO located near the port.

100%
On target
1 POM unit

Another certification that we participated in is the ISCC Certification which only applies to 1 POM unit, namely POM 4.

9.09%
of Halal Certified

In line with DSNG's commitment to compliance with regulations and providing products that align with halal values, the Company carried out its first halal certification process at PKS 11, situated in Muara Wahau. On October 18, 2024, the Indonesian Ulema Council (MUI) announced that POM unit 11 met the halal requirements and officially granted Halal Certification. Furthermore, DSNG has appointed four Halal Supervisors to oversee compliance at both the Jakarta headquarters and operational sites.

89%
Green PROPER Rating
at the Provincial Level

100%
Blue PROPER Rating
at the National Level

As part of DSNG's commitment to adhering to government policies and enhancing its environmental management performance in line with regulations, DSNG achieved Green PROPER ratings for 8 palm oil mill units (1, 2, 3, 4, 6, 7, 9, and 10) at the Provincial Level, a Blue PROPER rating for 1 palm oil mill units (11) at the Provincial Level, and Blue PROPER ratings for 10 palm oil mill units (1, 2, 3, 4, 5, 6, 7, 9, 10, and 12) at the National Level in 2024.

The Wood Product Panel business unit received Occupational Health and Safety Management System (OHSMS) certification from the Indonesian Ministry of Manpower on August 6, 2024, achieving an 85.93% compliance rate in the initial-level category.

Building a Culture of Sustainable Innovation

A Culture Of Sustainable Innovation [POJK F.26]

The Company continually enhances productivity and cost efficiency through technological innovation, the adoption of renewable energy, and a culture of ongoing improvement. This commitment is further emphasized by the DSN Award Convention, an annual event that honors improvement initiatives across various operational areas, including plantations, palm oil mill units, heavy equipment, infrastructure, the wood products business unit, supporting functions, and sustainability.

In 2024, a total of 919 teams/themes registered, with 873 participating until the convention. Out of these, 41 teams advanced to the DSNG level at the national convention. The top contributors were rewarded with monetary prizes and trophies, earning the opportunity to qualify for the National Quality and Productivity Work Meeting (TKMPN) XXVII, scheduled for December 2–6, 2024, at the Bali Nusa Dua Convention Center.

Below are some of the top innovations and their impact on the company that we have identified:

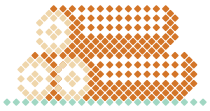
Forms Of Innovation and Their Impact on the Company [SPOTT 120]

Palm Oil Business Unit



Winning Innovation	Impact on the Company
QCC: Eliminating Oil Spillage in Vibrating Press Area	Improved workplace safety and increased machine productivity.
QCC: Reducing Workplace Accidents by Enforcing PPE Compliance at BP-3 Estate, PT Pilar Wanapersada	Improved workplace safety and reduced accident rates.
QCC: Designing Standardized Fabrication Quality Checks at the Central Workshop	Improved production quality, reduced waste, and cost savings.
QCC: Reducing School Dropout Rates in 2024 at PT DSN, Muara Wahau Site	Improved handling and prevention of school dropouts.
SS: Addressing CPO Transfer Pump Clogging with Filter Innovation at Tank 300, Miau Baru Station	Cost savings, improved unloading productivity, and enhanced workplace safety.

Wood Product Business Unit



Winning Innovation	Impact on the Company
QCC: Reducing Fruit Peel Waste Disposal in Canteen Areas	Optimized waste utilization.
SS: Preventing Oil Overflow in Boiler 07	Improved workplace safety and increased machine productivity.
QCC: Reducing Material Waste During Length-Cutting Process for Square Type Grand Palais Products	Improved processing time productivity, cost savings, and workforce efficiency.
QCC: Reducing pH Levels in Red Glue Waste to Meet Regulatory Standards	Reduced environmental pollution through pH control in wastewater.
SS: Reducing Blower Transfer Costs in Parquet Area	Cost savings and improved workplace safety.

Innovation Culture Leads to Efficiency

[POJK F.26]

DSNG continues to utilize technology to improve operational efficiency, promote environmental conservation, and ensure workplace safety. Examples of technological innovations in our palm oil plantations and wood product mills include:

- In the palm oil business unit, we have successfully used boiler ash waste to produce concrete blocks for construction. Both coarse and fine boiler ash are incorporated into a paving block mixture, with 40-60 kg of ash needed to create 1 m^2 of paving blocks. This initiative helps prevent water, soil, and air pollution, lowers emissions and costs of cement mixture, and supports a circular economy. This innovation also reduces paving block prices by 17% compared to standard paving blocks.
- In the DSN WP Panel business unit, we have established a water reuse system to minimize wastewater discharge from boilers, repurposing it for log washing processes. This initiative not only reduces wastewater production but also neutralizes water acidity levels and optimizes water resource use in production. After being utilized for log washing, the wastewater is further treated at a water recycling facility, ensuring it is clean and reusable for production. This initiative has led to water savings of 200 m^3 per month.
- In the DSN WP Floor business unit, we have developed an innovative approach to managing canteen wastewater by treating it through a filtering system before repurposing it for plant irrigation. This initiative has saved IDR 754,200 annually in PDAM water costs. Additionally, this program has reduced wastewater complaints, minimized sediment buildup and odors, and decreased excessive water usage.

Shared Prosperity

Our Investments Toward Circular Economy

DSNG remains dedicated to promoting circular economy practices by embedding sustainability principles into every stage of its operations. We leverage production waste as a valuable resource to enhance efficiency and minimize environmental impact. A crucial initiative involves converting empty palm fruit bunches which functions as organic fertilizer, partially replacing the need for chemical fertilizers. In 2024, DSNG processed 533,347 tons of empty fruit bunches, averaging 36 tons per hectare.

Furthermore, palm oil mill effluent (POME) is repurposed as both organic fertilizer and renewable energy through biogas systems, which helps reduce greenhouse gas emissions and promotes environmentally friendly practices. In 2024, DSNG utilized 2,367,332 tons of liquid waste, averaging 214 tons per hectare.

Solid biomass waste from palm oil and wood processing operations is used for fuel combustion, supporting DSNG's operational needs. This initiative reduces waste volume, improves energy efficiency, decreases carbon emissions, and advances the company's long-term sustainability goals.

Our commitment to the circular economy is also evident in sustainable investment management. DSNG is developing eco-friendly technologies and infrastructure, including efficient systems for water and energy management. Investing in research and development fosters innovation to optimize resources, reduce waste, and promote sustainability throughout the supply chain. These efforts not only enhance the company's competitiveness but also position DSNG as a strategic partner in the transition to a low-carbon, inclusive, and sustainable economy.

Managing Indirect Economic Impacts [GRI 203-2]

DSNG is committed to promoting sustainable development in the communities surrounding its operational areas, adhering to the principle of shared prosperity. The company not only includes local communities in its business value chain but also enhances their economic resilience and sustainability. This engagement encompasses roles for communities as suppliers of raw materials, agricultural equipment, vehicle and construction services, and food providers for employees and their families.

Since 2022, DSNG has created business opportunities for local entrepreneurs and provided training for local youth to address both community needs and company goals. Through partnerships with BUMDES Muara Wahau and BUMDES Uyeng Lahai in Miau Baru Village, DSNG has supported farmers and local businesses in areas such as food supply, air conditioning repair services, employee housing, lawn maintenance, and community-based ecotourism. The company has also offered capacity-building programs for BUMDES administrators to enhance their business skills.

In 2023, DSNG collaborated with BUMDES Uyeng Lahai in Miau Baru Village to support local businesses by purchasing rice valued at Rp3.8 billion for employee food supplies. The Company also offered capacity development for BUMDES administrators. In partnership with the local Department of Agriculture, DSNG is aiming to expand rice fields to 300 hectares and boost rice productivity from 6 tons per hectare to 7 tons per hectare by 2024.



Other Significant Indirect Impacts

DSNG is committed to supporting local suppliers as part of its efforts to empower the economy of communities surrounding its operational areas.

Proportion of Supplier Engagement Based on Number of Enterprises

Description	2024		2023		2022	
	Total	%	Total	%	Total	%
Local Supplier	212	41.81	197	42.73	193	39.72
National Supplier	290	57.19	257	55.75	282	58.02
Global Supplier	5	0.99	7	0.02	11	2.26
Total	**507**	**100**	**461**	**100**	**486**	**100**

Proportion of Supplier Engagement Based on Procurement Value [GRI 204-1]

Description	Unit	2024		2023		2022	
		Total	%	Total	%	Total	%
Local Supplier	million	310,411	45	371,741	56	296,616	25
National Supplier		385,397	55	289,985	44	879,576	75
Total (Local+National)		**695,808**	**100**	**661,726**	**100**	**1,176,192**	**100**
International Supplier	USD	10,411,514		13,222,240		18,786,229	-

The company also generates significant indirect impacts by creating local job opportunities and stimulating the local economy through tax contributions and procurement spending with local suppliers.

For tax payments, the company refers to the tax policy available on our website.

Other Significant Indirect Impacts [GRI 203-2]

Description	Unit	2024	2023	2022
Local Economic Stimulus				
Payment to the Government	million	388,034	518,410	464,556
Procurement spending for local supplier		310,411	371,741	296,616

Total Assets of Credit Union (CU)

Name	2024		2023		2022	
	Number of Members	Total Asset (billion)	Number of Members	Total Asset (billion)	Number of Members	Total Asset (billion)
CU Mitra Mandiri	2,640	58.88	2,390	54.23	2,390	50.06
CU Blom Bea Ling	1,234	46,26	1,113	43	1,030	37.90
CU Satu Hati	359	8.36	327	7.22	326	6.23
CU Padulangan Bersatu	405	4.1	343	3.5	282	3

DSNG, through its Credit Union (CU) initiatives, generates indirect but significant impacts on the broader society and communities. Below are key examples of these impacts:

- Strengthening the local economic ecosystem
- Replication of successful models
- Strengthening social networks (women's empowerment and gender equality)
- Enhancing community competency and sustainability
- Symbiotic relationship between communities and the company
- Inclusive and sustainable development
- Multiplier effect on regional welfare improvement
- Reducing dependence on natural resources



Overall, the indirect impact of these initiatives leads to significant and sustainable social, economic, and environmental transformations, providing broader benefits for communities and society as a whole.

Forest Pillar

Forests are a central focus of the Company's sustainability strategy, with a commitment to conservation and active restoration that extends beyond the No Deforestation principle both within and outside concession areas. The Company promotes sustainability by sharing best practices with suppliers, including independent farmers, to enhance productivity while minimizing environmental and social impacts.

Biodiversity Conservation Effort

Palm Oil | Wood Product | DSNG

Conservation Area Within the Concession	Conservation Area Outside the Concession
8,733 ha	7,612 ha

Flagship Conservation Programs

Danau Padang Ecosystem Restoration

The normalization process for Padang Lake starts with raising the bank heights, eliminating weeds, and directing river water into the lake, aiming for a total area of 23 hectares. By December 2024, the normalization progress has reached 4.5 hectares.

Orangutan Conservation Management

DSNG, through PT BPN and PT BAS, actively engages in the Integrated Orangutan Conservation Program (PKOT) within the Keraitan Landscape. This landscape comprises the Keraitan Protected Forest, spanning 14,648.50 hectares. This expansive forest area aims to support the population and movement of orangutans in the region.

Supply Chain – Palm Oil Business Unit

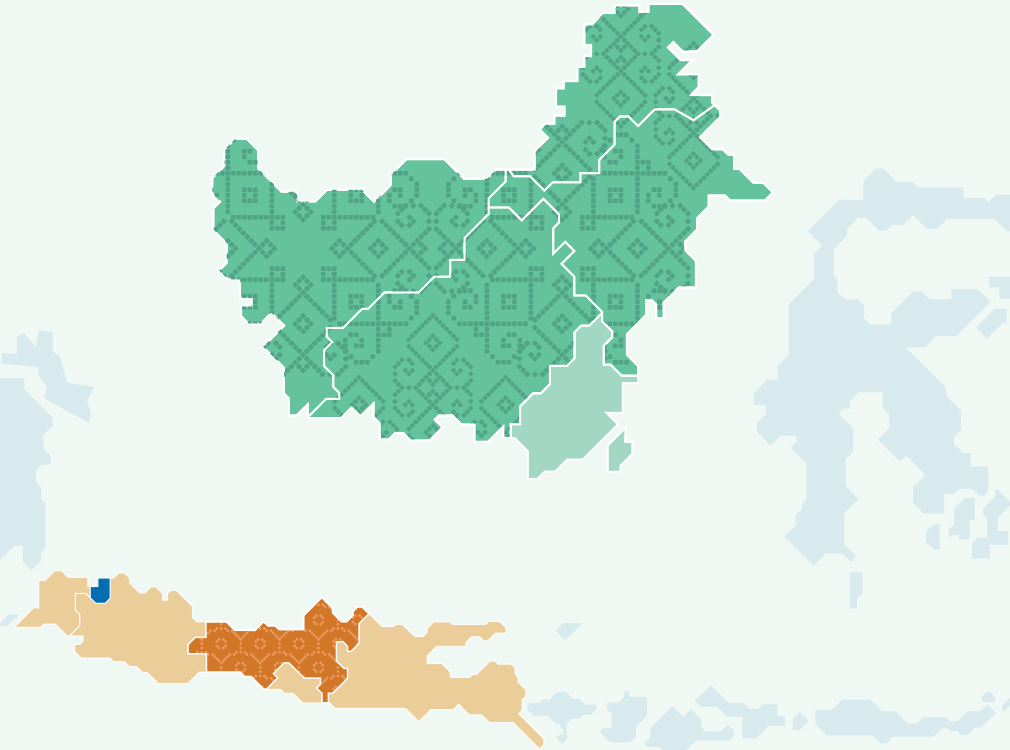
96.2 %
Traceability to Plantation of FFB

100 %
Kernel Traceability to POM

97.5 %
Traceability to Plantation of Kernel

100 %
Supplier has engaged and signed the NDPE

96.2 %
Supply Volume of Deforestation and Conversion Free



Supply Chain – Wood Products Business Unit

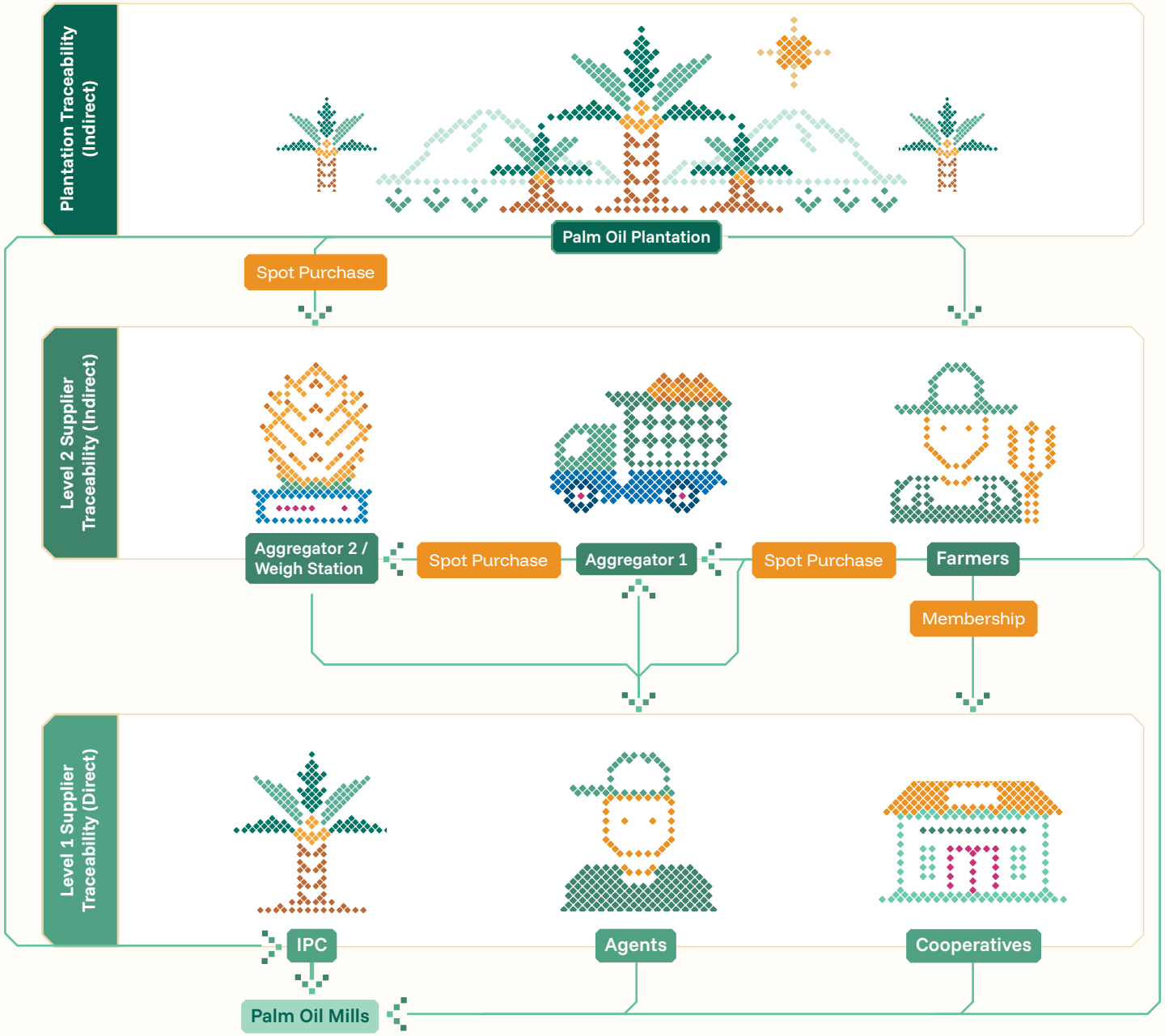
Distribution of Jabon Seedlings	Training Support for FSC Certification for Farmers
1,040 Farmers	150 Farmers

Supply Chain Management

[GRI 2-25]

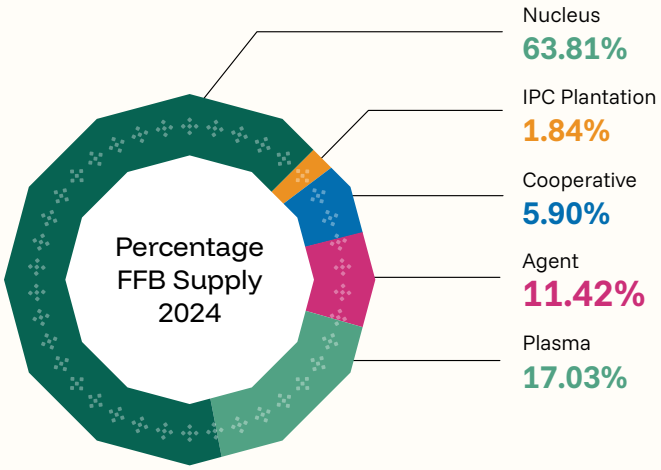
Supply Chain in the Agro-Palm Oil Business Unit

DSNG is committed to implementing the NDPE policy as a core principle across all its operations. This policy encompasses the protection of forests and peatlands, ensuring responsible business practices that do not exploit employees, communities, or other stakeholders involved in the supply chain. NDPE applies not only to assets owned and directly managed by DSNG but also to plasma plantations, subsidiaries, joint ventures, and all suppliers and contractors.



Traceability

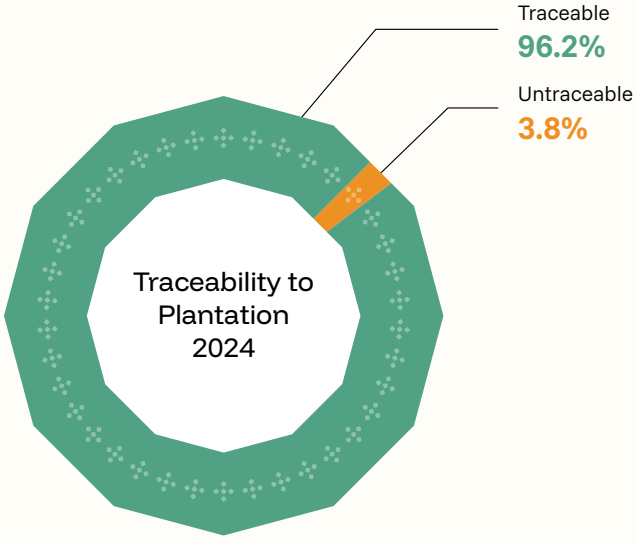
As of 2024, The Company operates 1 unit of Kernel Crushing Plant (KCP) and 12 units of palm oil mill, with 1 unit of palm oil mill is undergoing major maintenance and will not operate since January 2024. Three mills received Fresh Fruit Bunches (FFB) solely from core and partnership plantations, while the remaining mills accept FFB from core, partnership, and external plantations. External plantations include those from Independent Plantation Companies (IPC), independent farmers through cooperatives, and independent farmers through agents. The supply of FFB to the Company's mills is illustrated in the following chart:



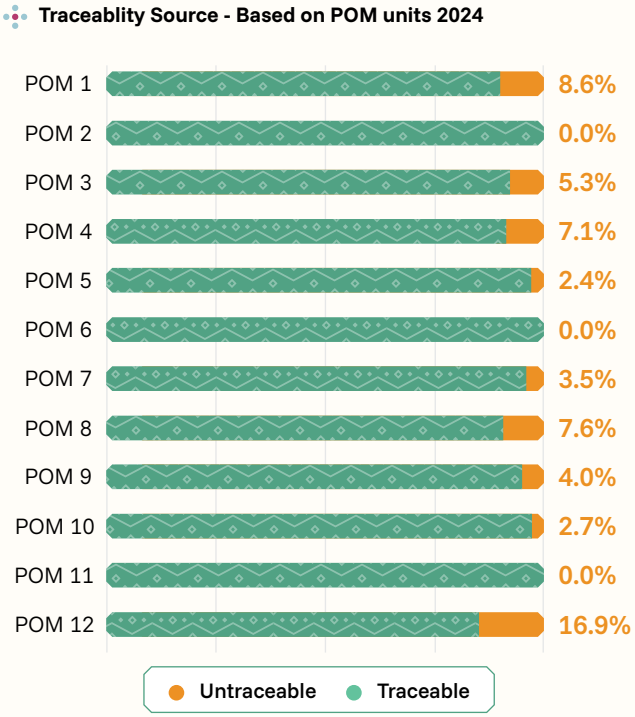
The Company's policy stipulates that the implementation of NDPE also extends to primary suppliers, specifically those supplying FFB to the Company's mills. Therefore, NDPE applies to all supplies. Internal supply consists of core and partnership plantations, while external supplies comprise IPC, cooperatives, and agents.

Traceability to Plantation

From January to December 2024, the traceability achievement to plantations for the total supply across all mills was 96.2%, with 3.8% of the supply remaining untraceable.



When detailed by each mill, the traceability rates are as follows:



DSNG also tracks kernel production obtained from processing FFB at several mills in the Muara Wahau, Kongbeng, Karangan, and Bengalon regions of East Kalimantan, which will be further processed into Palm Kernel Oil (PKO). In 2024, all our kernel production is traceable 100% to the mill and 97.5% to the plantation. Details on kernel production traceability can be found in the NDPE Report at this link.

NDPE

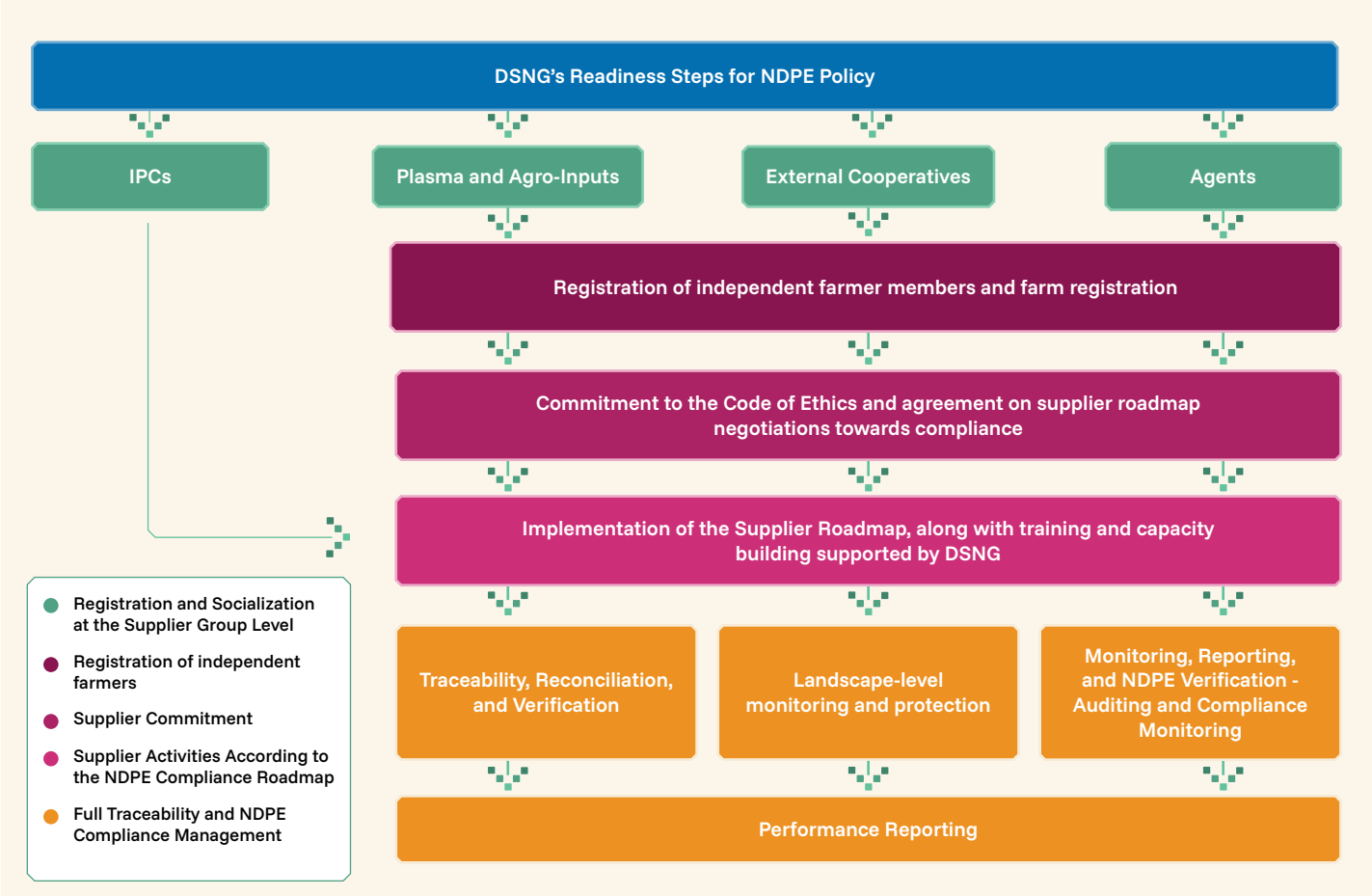
1. NDPE Policy

The Company has adopted the NDPE policy since March 31, 2020, across all operational activities, subsidiaries, joint ventures, and productive assets owned, managed, or invested in, including plasma plantations managed and operated by DSNG for the benefit of plasma farmers. DSNG will implement this policy throughout its supply chain, including suppliers of Fresh Fruit Bunch (FFB) and other contractors involved in DSNG's palm oil activities. This policy, along with its commitments and implementation roadmap, has been publicly published on the Company's website for full transparency at this link.

The implementation of the NDPE policy is designed to be gradual until 2025, with a target of achieving 100% compliance and traceability for palm oil and its derivatives. Admittedly there are both logistical and implentation challenges to this effort especially with small holders. These relate to difficulties in FFB agents purchasing methods, land ownership & tenurial documentation, amongst others.

2. NDPE Implementation Strategy

NDPE Implementation Approach Flow



3. NDPE Compliance

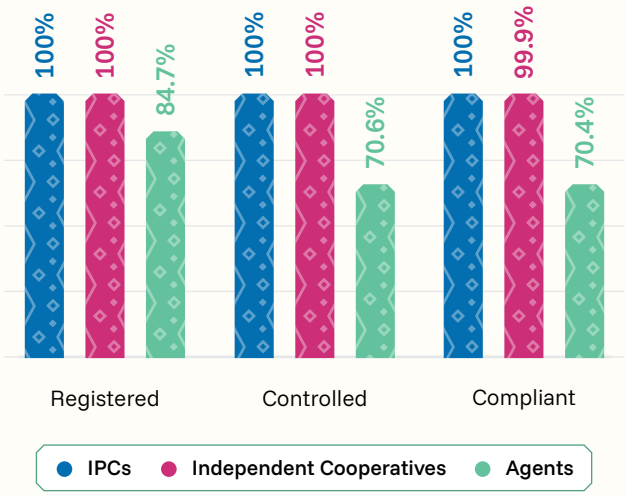
The Company is committed to implement the NDPE Program, where each supplier registers and signs the Ethical and NDPE Commitment. As of 2024, 100% of suppliers have engaged and signed the agreement to implement this Code of Ethics and NDPE. These suppliers include 4 IPC suppliers, 24 cooperatives, and 51 agents. To ensure NDPE compliance for each supplier, the Company conducts Monitoring, Reporting, and Verification (MRV). The Company has dedicated Supplier Engagement staff at each supply chain location to support the implementation of NDPE for external suppliers.

Currently, the Company has 7 Supplier Engagement staff, coordinated by 3 Sustainability Operations Managers, each located in different regions. Implementation verification is conducted by Supplier Audit staff to ensure the achievement of the three stages of NDPE implementation: Registered, Controlled, and Compliant. From the MRV activities conducted, the NDPE implementation results among suppliers reached 100% for IPCs, 99.9% for independent cooperatives, and 70.4% for agents.

In addition, by 2024, 96.2% of all supply volumes we receive have been verified to be free from deforestation and conversion. The remaining supply is untraceable and therefore unverifiable.

For more details on the Monitoring, Review, Verification (MRV), and Reporting program please refer to this link.

NDPE Achievement Ytd 2024



Achievement NDPE Implementation

External Supplier	Target	Registered		Controlled		Compliant	
		Total	%	Total	%	Total	%
IPC	4 Units	4	100	4	100	4	100
Independent Cooperative	3,967 Farmers	3,967	100	3,967	100	3,963	99.9
Agent	4,906 Farmers	4,156	84.7	3,463	70.60%	3,455	70.4

The 2024 NDPE Program progress is detailed in the NDPE Report at this link.

Programs to Support Palm Oil Farmers

The suppliers of DSNG's POM units consist of two types of farmers: **Partnership** and **Independent Smallholders**. The profiles of these suppliers is as follows:



Supplier Farmer Supplier

Smallholder Type	Group Type	Number of Cooperatives/Groups	Number of Farmers	Land Area (Ha)
Partnership	Plasma Scheme Partnership*	47	12,569	24,902
	Agricultural Input Partnership**	11	1,113	3,006
Independent	Independent Cooperative	24	3,967	10,672
	Agent	51	4,156	19,069

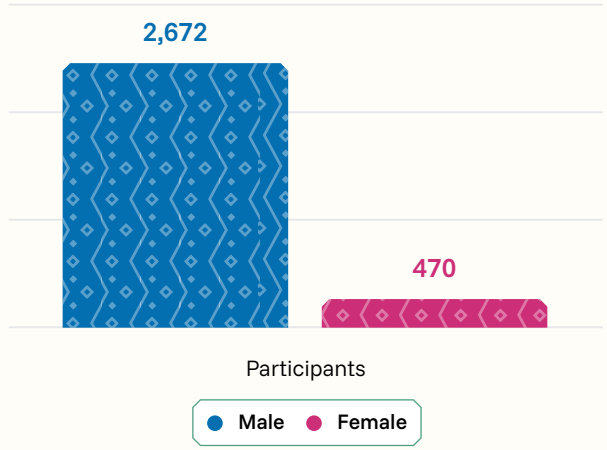
Note:
** Plasma Scheme Partnership : fully operated by company*
*** Agricultural Input Partnership : not fully operated by company*

Collaboration between the Company and its Partnership Smallholders is facilitated through cooperatives. One of the initiatives to support scheme partnership smallholders is the RSPO certification program. As of 2024, a total of 2,951 scheme partnership smallholders have successfully achieved certification. This represents 23.5% of total scheme partnership smallholders or 13.5% of all smallholders supplying FFB to the Company.

Additionally, the Company supports smallholders by providing Field Schools (Sekolah Lapang) on best practices for oil palm cultivation for Independent Smallholder Groups that supply FFB to the Company's mills. These programs aim to enhance productivity and help mitigate deforestation within the Company's supplier areas.

In 2024, the Company conducted Field Schools in all regions with a total of 3,142 participants or equivalent to 38.7% of the total independent smallholders, which accounts for 14.4% of all smallholders supplying FFB to the Company.

Implementation of Field Schools for Independent Smallholders 2024





External Collaborations

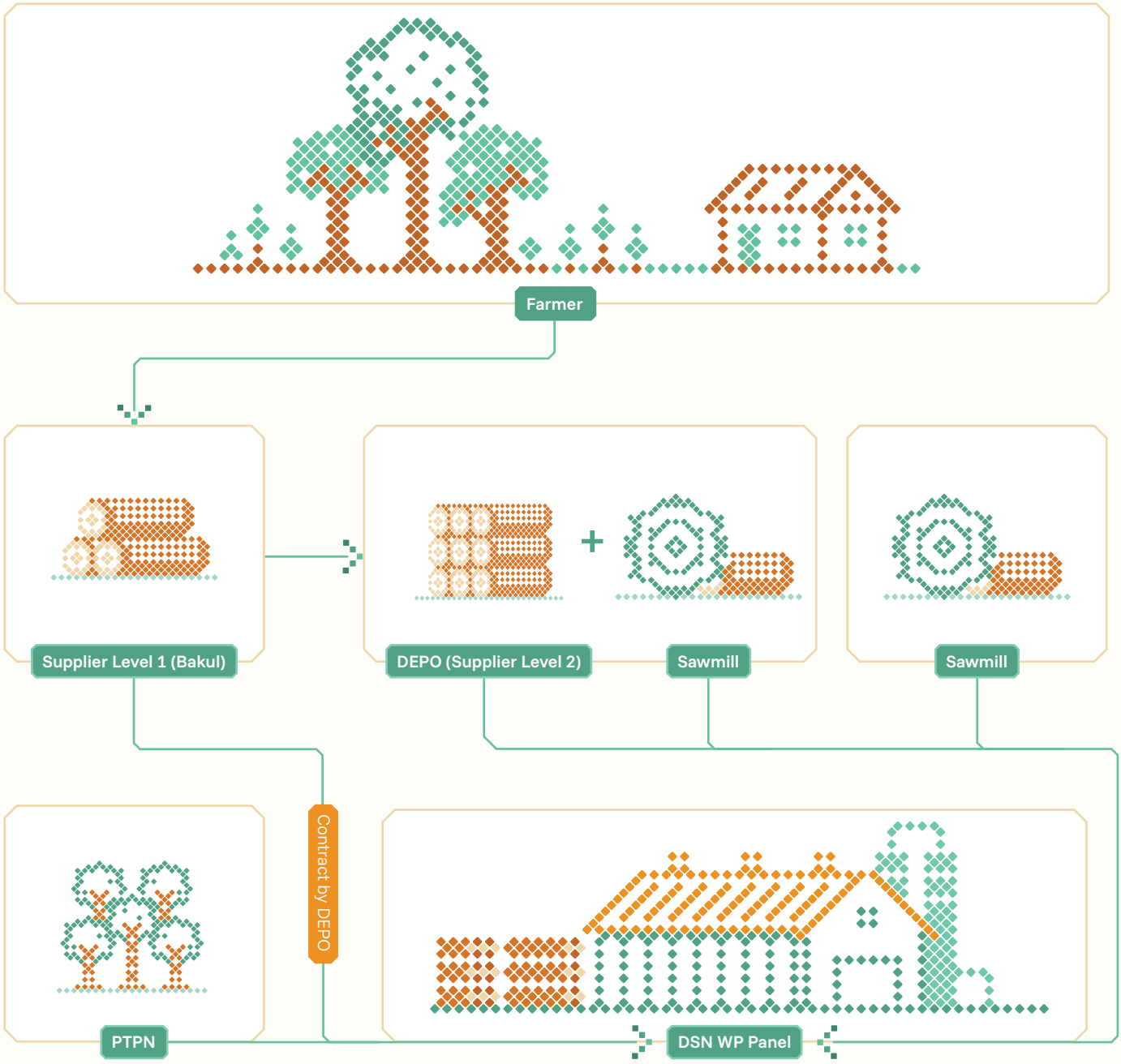
To enhance the development of Independent Smallholder suppliers for DSNG's POMs, the Company collaborates with external partners on various initiatives, including:

1. Data collection on farmers, compliance with the Cultivation Registration Certificate (STDB), capacity building, and preparation for location certification in Lamandau with Solidaridad. This achievement targets suppliers located within a 10-30 km radius of the mill.

2. The establishment of cooperatives, legal compliance, capacity building, and preparation for ISPO-RSPO certification at the Bengalon site with the German Agency for International Cooperation (GIZ).

3. Currently, nine cooperatives have been established in the supply areas of PT BPN in Bengalon and Rantau Pulung, with ongoing reviews for supply cooperation under the SUSTAIN KUTIM framework.

Supply Chain in the Wood Products Business Unit



In the Wood Products Business Unit, DSNG partners with sengon (albizia) farmers and aggregators to source sustainably managed sengon wood from Community Forests. This supply complies with the Timber Legality Verification System (SVLK) standards and comes from traceable sources, ensuring the sustainability of raw materials for our wood products.

Looking ahead, the Company will conduct land mapping and monitoring to ensure a deforestation-free supply chain. With the support of external stakeholders, the DSNG's Wood Panel Products Business Unit plans to develop a landscape approach to promote sustainable, deforestation-free agroforestry in Central Java in the coming years.

In 2024, a toal 1,040 farmers will benefit from the Jabon seed distribution program, and 341 farmers will receive specialized training, including 86 women farmers. Additionally, seven farmer groups—three in Temanggung and four in Banjarnegara, to a total of 150 farmers—received support for FSC certification.

DSN WP Panel

Traceability of Wood Logs in the Wood Products (Panel) Business Unit

Traceable Volume 2024 | Traceable Volume 2023 | Traceable Volume 2022

Community Agroforestry (m^3)	*PTPN (m^3)*	*Total (m^3)*
124,093	27,000	151,093
97,681	38,324	136,005
180,137	-	180,137

Wood Supply for Wood Products (Panel) Business Unit

2024 | 2023 | 2022

Total Supplier (Individuals)

Local	*Import*	*Total*
36	0	36
48	0	48
47	0	47

Wood Volume (m^3)

Log Sengon	*Log Jabon*	*STBR Sengon*
141,240	9,853	41,959
126,569	9,436	33,967
171,793	8,344	30,690

STBR Jabon	*Sub Total*
0	193,052
0	169,972
1.123	211,950

DSN WP Floor

Log Traceability in Wood Products (Floor) Business Unit

Volume Total | Traceable Volume | Untraceable Volume

Industrial Forest (m^3)	*Other Suppliers (m^3)*	*Total (m^3)*
132	22,641	22,773
132	22,641	22,773
0	0	0

Wood Supply for Wood Products (Floor) Business Unit

2024 | 2023 | 2022

Total Supplier (Individuals)

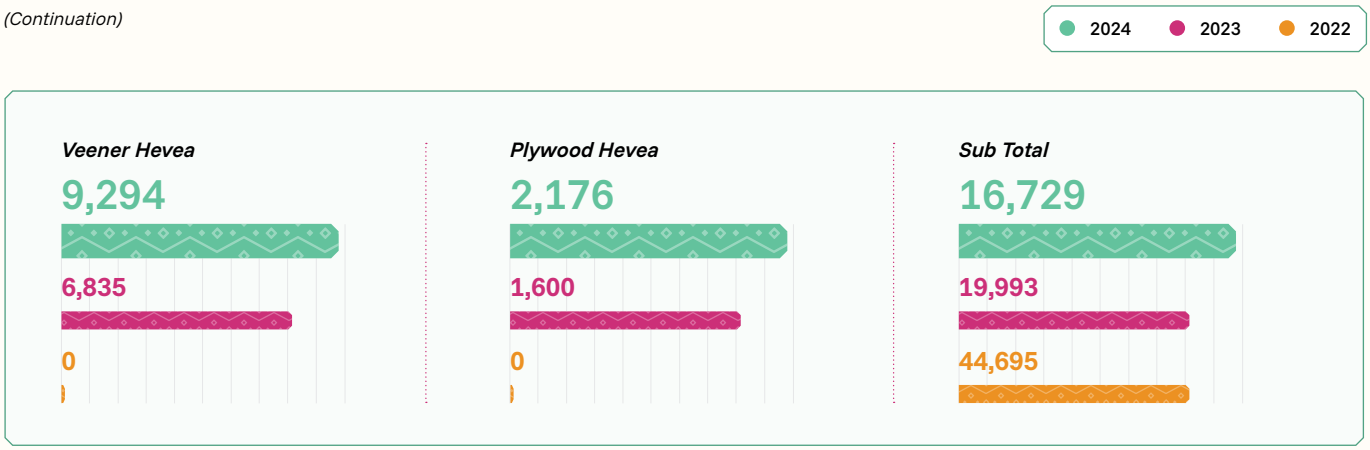
Local	*Import*	*Sub Total*
29	11	40
31	9	40
22	23	45

Wood Volume (m^3)

White Oak Logs	*White Oak Block*	*White Oak Lumber*	*White oak/Walnut*
143	0	260	286
109	0	291	2,037
9,680	1,950	9,263	937

Sengon Log	*Rubber Log*	*STBR Jabon*	*STBR Havea*
0	0	0	4,490
0	0	8	9,033
618	22,157	0	0

(Continuation)



Nature and Biodiversity

Through its Sustainability and NDPE Policy, DSNG is committed to identifying and protecting High Conservation Value (HCV) areas and High Carbon Stock (HCS) forests across its concessions. This commitment helps preserve conservation areas and watersheds, protect wildlife corridors, maintain water quality, and prevent erosion. Riparian areas are safeguarded, and conservation strategies are developed in collaboration with experts. By the end of 2024, all of the Company's planted areas are on mineral soil (non-peat).

Our commitment also includes the restoration of degraded HCV areas within concessions. Since 2015, we have only developed plantations after conducting assessments of HCV, Social and Environmental Impact Assessments (AMDAL), and other mandatory studies in accordance with regulations and RSPO policies. Four DSNG plantations have received a "satisfactory" status from HCVRN after conducting HCSA studies, which are listed on the HCSA website.

To implement these commitments, DSNG has established a procedure for "Conservation of Protected Flora and Fauna" based on the IUCN Red List, applicable in our HCV/HCS conservation areas. Awareness campaigns are conducted through the installation of warning signs, images of protected species, and meetings with employees, students, and local communities. We also prohibit testing on animals within the Company. In addition, we continue to maintain 8,733 hectares of conservation areas in our concessions and restore degraded forest areas.

DSNG is dedicated to protecting species listed under Indonesian government regulations and the IUCN Red List. We prohibit employees from hunting, distributing, trading, breeding, harming, or killing any species within the plantations, except for local communities hunting for subsistence without compromising the species' populations. We do not use genetically modified organisms (GMOs) and do not conduct any animal testing.

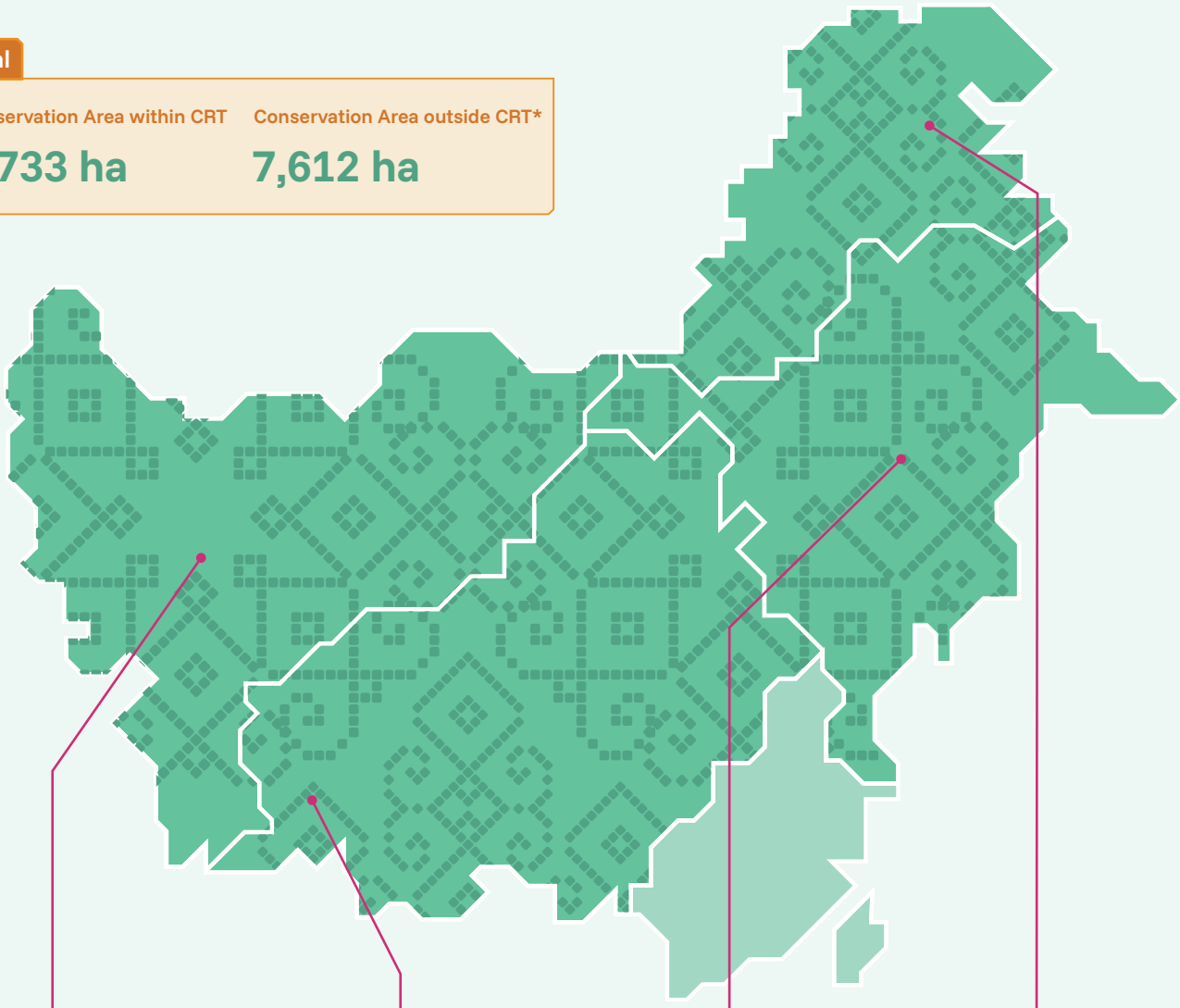
The Company's sustainability commitments include the protection of HCS and HCV areas within its concessions. We adhere to RSPO, ISPO, and IFC Performance Standard 6 (PS 6) principles, employing responsible practices to maintain environmental balance and biodiversity.

Our commitment to protecting biodiversity is reflected in the clear, timebound targets we have set to safeguard key species, including orangutans and proboscis monkeys. We focus on wildlife monitoring, habitat restoration, and collaboration with multiple stakeholders. The targets outlining our key actions to protect and enhance biodiversity up to 2026 can be further accessed here.



Conservation Management [GRI 304-1]

By the end of 2024, the Company managed a conservation area of 16,345 hectares, covering both conservation forests within and outside its concessions. This area accounts for 15% of the total concessions area of the Company's palm oil plantations. The Company has two off concession locations for its Remediation and Compensation Plan Program with RSPO, namely Laman Satong and Lemmanis.



Total

Conservation Area within CRT	Conservation Area outside CRT*
8,733 ha	7,612 ha

West Kalimantan

Conservation Area within CRT
2,183 ha

Conservation Area outside CRT*
7,612 ha

Central Kalimantan

Conservation Area within CRT
2,274 ha

Conservation Area outside CRT
0

East Kalimantan

Conservation Area within CRT
4,267 ha

Conservation Area outside CRT
0

North Kalimantan

Conservation Area within CRT
10 ha

Conservation Area outside CRT
0

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

Monitoring Nature and Biodiversity Program

Nature Program

1 The Company has implemented a Landscape Protection Plan (LPP) as part of its sustainability roadmap. The LPP includes:

- Forest Protection (ER 1)
- Productive Land Intensification (ER 2)
- Forest Restoration (ER 3)
- Social Inclusion (SI)

Description	Conserved Forest (ER1)	Sustainable Incentive Land (ER2)	Forest Restoration (ER3)	Smallholder Benefits (SI)
	ha	ha	ha	Farmer
Planned target by 2030	>7,550*	>85,750	110	>8,025
Realization by 2024	4,203	109,294	65	21,805
Realization by 2023	4,084	79,110	35.5	13,697
Realization by 2022	7,221*	77,208	35	13,697

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).*

2 RaCP Conservation Program Management:

The Company implements a Community-Based Forest Conservation Program as part of the Remediation and Compensation Plan (RaCP) mechanism established by RSPO at two locations:

- The first location is in Laman Satong Village, Matan Hilir Utara District, Ketapang Regency, West Kalimantan. This initiative follows a "Hectare to Dollar" financing model, covering 1,070 hectares over a 10-year period. Funded by PT DAN, PT DWT, and PT DIL, the Manjau Forest Management Institution (LPHD) has managed a protection zone of 645 hectares, involving intensive patrols and reforestation activities with the planting of 650 saplings, including petai, durian, and gaharu. This effort aims to preserve biodiversity and conserve freshwater sources for future generations.



- The second location is in Sepakat Jaya Village, Nanga Tayap District, Ketapang Regency, West Kalimantan. This initiative uses a "Hectare to Hectare" financing model, covering an area of 6,967 hectares over a 25-year period. Funded by PT BPN, PT BAS, PT PWP, PT AAN, and PT MNS, this conservation program focuses on managing community forests in Sepakat Jaya, overseen by LPHD Lemmanis, to mitigate climate change impacts through deforestation prevention and environmental conservation.



As an integral part of the RaCP, DSNG collaborates with Community Forest Ecosystem Services (CFES) and Fauna & Flora Indonesia (FFI) to ensure the successful implementation of both programs. CFES manages funding and stakeholder coordination, while FFI provides technical assistance to LPHD in executing conservation programs in line with RSPO standards.

3 Deforestation Monitoring

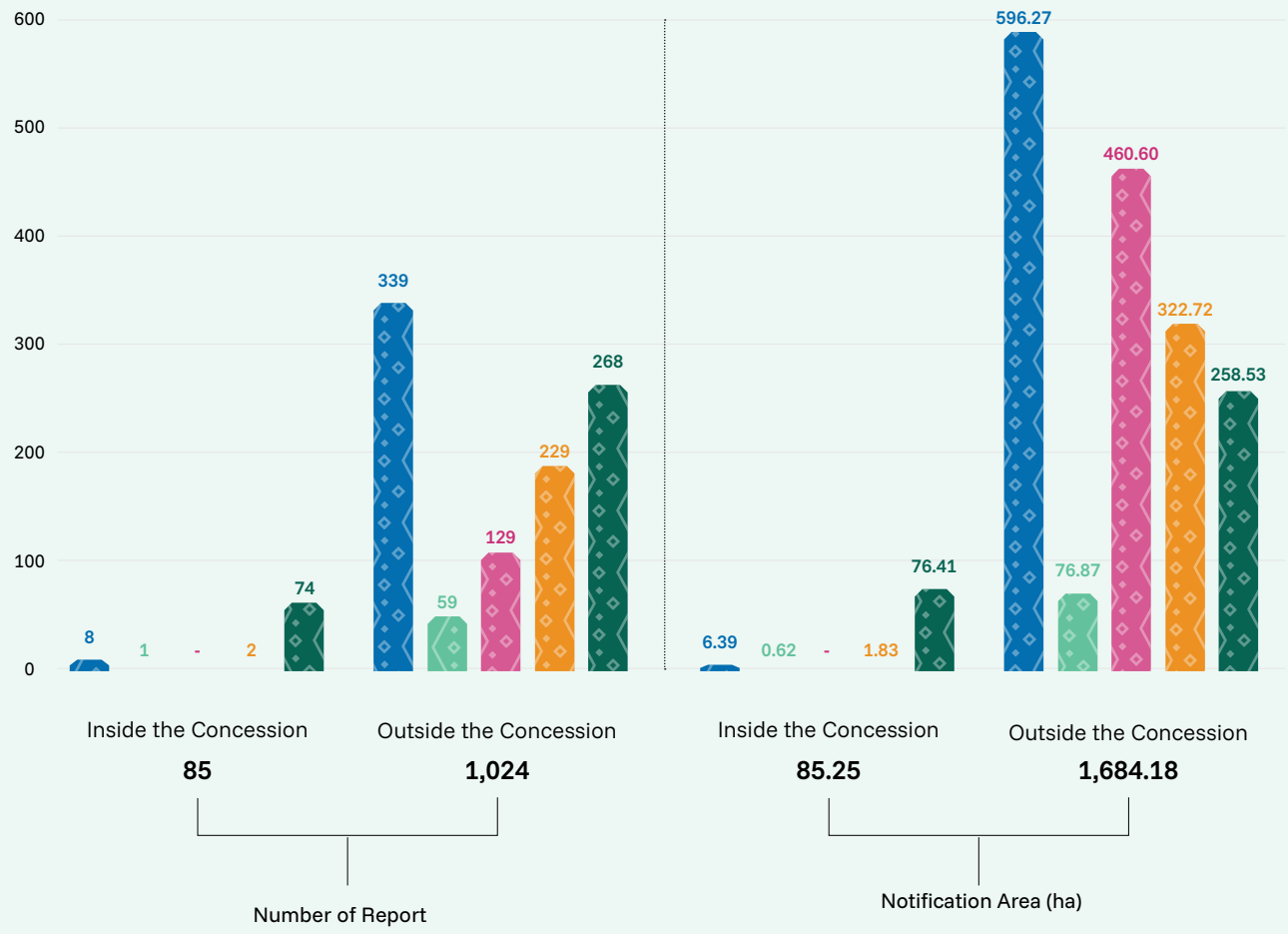
DSNG monitors deforestation related to plantation operations using remote sensing, GIS, and field surveys. Areas under monitoring include core plantations, plasma plantations, independent smallholder supplier farms, and conservation areas. We assess threats to conservation areas and conduct outreach with local communities and supply chains near our operations. Since November 2021, DSNG has been registered with Global Forest Watch (GFW) Pro for early deforestation alerts. Additionally, we collaborate with Satelligence to monitor deforestation in our areas.

We have provided maps and boundary data for plasma and core plantations to RSPO as part of transparency requirements. This data is available in shapefile format through the GeoRSPO platform, an interactive mapping system developed by RSPO in collaboration with the World Resources Institute (WRI). GeoRSPO offers access to concession maps of RSPO members to support certification and transparency. For more information, visit this link.

Landscape monitoring is conducted across DSNG's landscape using the Satelligence platform in real-time for greater accuracy. Collaborative views of Satelligence with DSNG in operational areas in Kalimantan and examples of supplier boundary landscapes can be accessed via this link.

More information about landscape monitoring can be accessed at this link.

Number of Reports and Total Area of Deforestation Notification - 2024



4 NDPE Implementation in Conservation Areas



Conservation management involves local community engagement. In the Company's concession area in Muara Wahau, conservation efforts are coordinated with Village-Owned Enterprises (BUMDes) and the Dayak Wehea Indigenous Institution. The community group is named "Petkuq Mehuay," meaning "Forest Guardians" in Wehea. Similarly, in Lamandau and Sintang, collaboration with Indigenous communities in "Rimba Gopung" follows customary frameworks for forest conservation.

Biodiversity Program

Our biodiversity program is guided by the clear, timebound targets we have set to protect key species and ecosystems. By implementing initiatives such as biodiversity monitoring, habitat restoration, and conservation partnerships, we ensure that our efforts contribute directly to achieving these goals. This program plays a crucial role in safeguarding biodiversity, maintaining ecosystem balance, and supporting long-term environmental sustainability. More details can be found here.

1 Patrolling Program

- We have established a camera trap program (totaling 15 units) and smart patrols. Regular biodiversity monitoring is conducted in the concession area using the SMART Patrol application, which also incorporates monitoring for environmental health and safety. This application has been developed in collaboration with several international conservation organizations. Its benefits include enhanced digital monitoring of biodiversity (fauna, flora, patrol), leading to improved database management and faster Information Access: SMART Patrol monitoring results are available in SMART Conservation Tools, and camera trap documentation can be accessed through the DSNG website.

- Protected Species Monitoring: We conduct regular monitoring of species on the IUCN Red List using 10 camera traps in HCV areas over periods of 1–3 months, recording the presence of birds, mammals, and reptiles.



2 Training and Education

Training is provided to community groups involved in forest conservation, such as the Petkuq Mehuey Group in East Kalimantan, as well as in areas like Bukit Bulou, Bukit Tempurung, and Rimba Bris.

3 DSNG Cooperation with East Kalimantan Natural Resources Conservation Agency

DSNG collaborates with the East Kalimantan Natural Resources Conservation Agency (BKSDA) to mitigate conflicts between humans and wildlife, particularly orangutans. This initiative includes 30 personnel from the Orangutan Task Force, representing multiple companies such as PT Swakarsa Sinarsentosa, PT Dharma Intisawit Nugraha, PT Dharma Agrotama Nusantara, PT Dewata Sawit Nusantara, and PT Karya Prima Agro Sejahtera. The capacity-building training aims to minimize human-wildlife conflicts specifically for orangutans across these five companies.

4 Enhancing Wildlife Habitat To improve wildlife movement and habitat connectivity

We have undertaken several activities, including establishing wildlife corridors in Block Hutan ME1 and around Lake Padang PT BPN. These efforts include creating seed storage areas, procuring seedlings, planting and maintaining saplings, and monitoring biodiversity enhancement.

Biodiversity Monitoring

Number of Protected Species Based on the IUCN Red List [GRI 304-3]

Year	Conservation Status				
	Critically Endangered (CR)	Endangered (EN)	Vulnerable (VU)	Near Threatened (NT)	Least Concern (LC)
2024	3	4	22	9	76
2023	1	4	15	4	82
2022	1	2	6	1	62

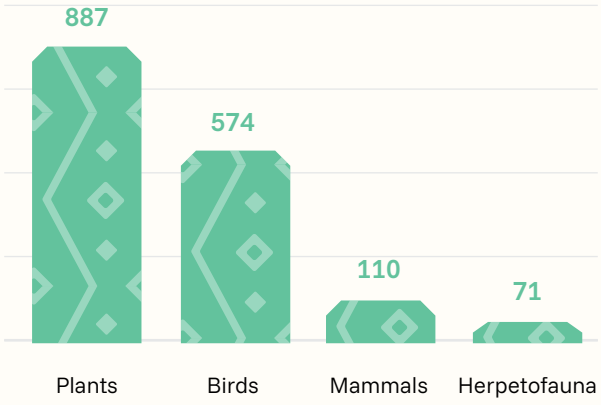
List of Endemic, RTE, and Protected Species [GRI 304-4]

We undertake various initiatives to preserve biodiversity, particularly for the ecosystems and flora-fauna surrounding our operational areas.

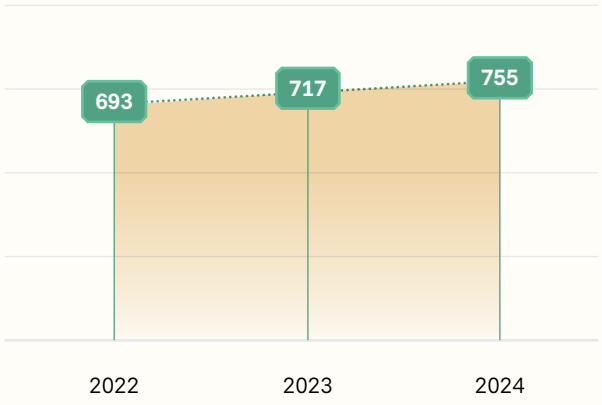
In 2024, the Company designated a conservation area of 8,733 hectares for biodiversity protection. This area is marked with conservation signs and supports a variety of flora and fauna, including RTE (Rare, Threatened, or Endangered) species such as Keruing, Meranti merah, Sengkuang, Bornean orangutans, and Bornean clouded leopards. We maintain records of species listed according to the IUCN Red List which can be accessed here.

Number of Species Encounters and Cummulative of Animal Encounters in 2024

Number of Species Encounters



Cummulative of Animal Encounters



We have undertaken activities supporting the Company's commitment to environmental preservation and sustainable palm oil production.

In 2024, we recorded a total encounter of 574 bird species, 110 mammal species, and 71 reptile and amphibian species. Additionally, 887 tree species were documented in the conservation areas of East and Central Kalimantan. The 2024 wildlife monitoring results show an increase from 717 species in 2023 and 693 species in 2022. This diverse species count reflects the high biodiversity and health of the ecosystem in the area.

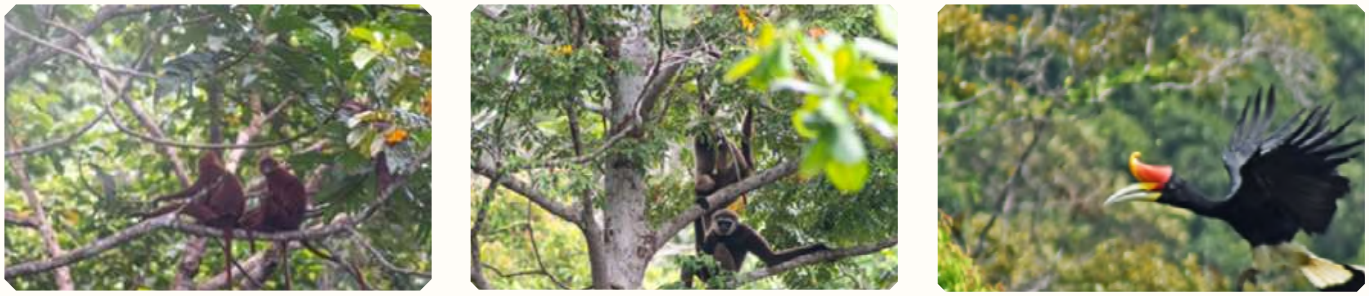


Photo of Red Leaf Monkey (Left), Bornean Gibbon (Center) with Its Offspring, and Rhinoceros Hornbill in Bukit Pendulangan PWP Conservation Area



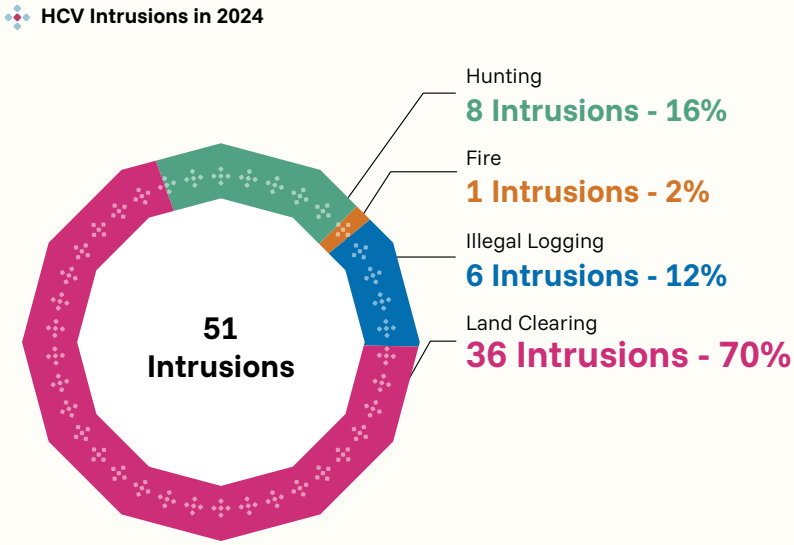
Photo of Bukit Pendulangan PWP Conservation Forest (Left) and Dipterocarpaceae in Bukit Pendulangan and Bukit Bulao PWP (Right)



Camera Trap Results for 2024: Captured images (Bornean Orangutans at DWT, Sun Bears at DAN, and Proboscis Monkeys at PWP)

HCV Intrusions in 2024

Conservation areas require monitoring through patrols to prevent disturbances, ensuring the preservation of biodiversity. We utilize the SMART Patrol application for comprehensive and user-friendly conservation monitoring. An additional advantage of using SMART is its database and statistical analysis capabilities, allowing us to analyze trends and other management-related data concerning conservation areas and their fauna.

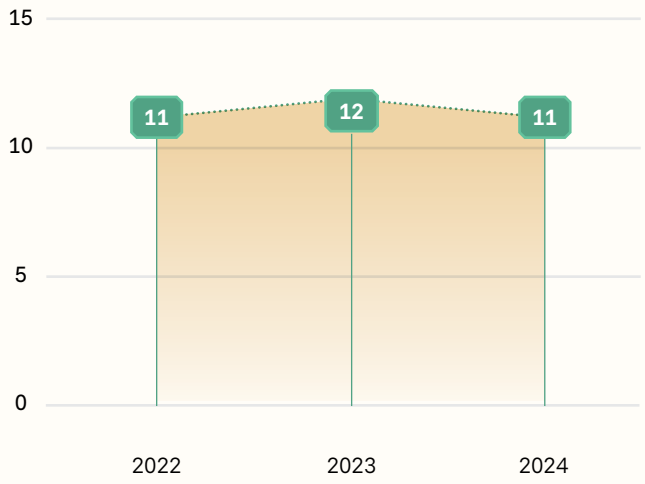


Protection of Watersheds and Water Quality

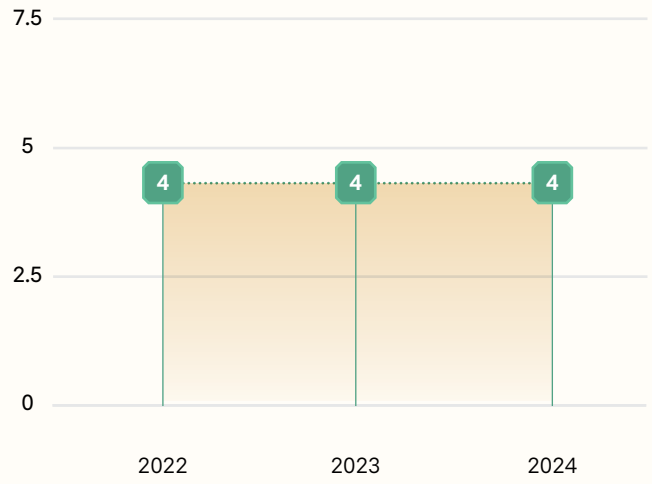
Water is the most vital natural resource on Earth, supporting all living organisms. Thus, we prioritize the protection of watersheds and maintaining water quality to support aquatic life and prevent river pollution. Our SHE Conservation team continuously monitors water quality across all DSNG entities. We use aquatic biodiversity indicators, such as those in PT Swakarsa Sinarsentosa (SWA).

Invertebrate samples were collected from the Bengalon River within the PT SWA plantation and conservation area. In 2024, we recorded 11 types of phytoplankton and 4 types of zooplankton.

Phytoplankton Species of Wahau River Downstream



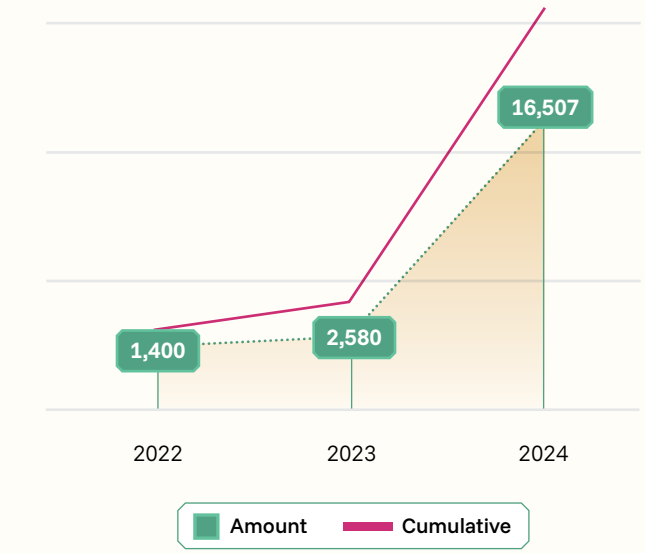
Zooplankton Species of Wahau River Downstream



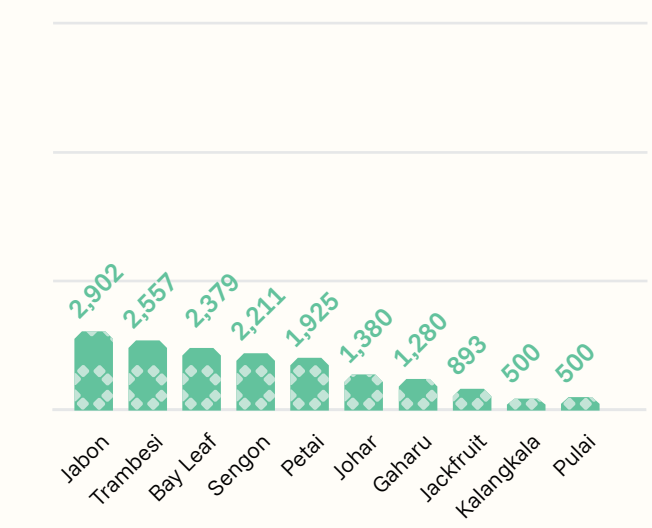
Tree Planting and Rehabilitation of Conservation Areas

In 2024, we planted 16,507 trees in degraded areas as part of our rehabilitation program, aiming to restore ecosystem conditions through initiatives such as tree islands, remediation, and enrichment.

Tree Planted from 2022 - 2024



Tree Types Planted in 2024



Stakeholder Collaboration at PT PWP

We collaborate with the Central Kalimantan Natural Resources Conservation Agency (BKSDA) and Orangutan Foundation-UK Indonesia to conduct biodiversity surveys and orangutan population assessments (Pongo pygmaeus wurmbii) in the PT PWP conservation area from March 4 to 9, 2024. The survey results indicated a nest density of approximately 41.66 nests/km^2 and an orangutan density of about 0.15 individuals/km^2, demonstrating that the PT PWP conservation area is a suitable habitat for Bornean orangutans, with a Shannon-Wiener diversity index of 4.04 and 60% availability of food plants.

Throughout 2024, joint patrols involving local government, Indigenous communities, and security personnel have been conducted at PT PWP to safeguard the conservation area from disturbances or activities that could harm its integrity.



Conservation Monitoring Story

Orangutan Conservation Management

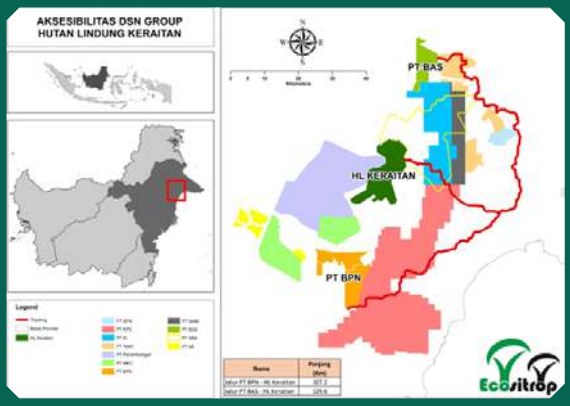


To effectively monitor biodiversity preservation, DSNG collaborates with expert partners to oversee biodiversity within its concession areas., DSNG To effectively monitor biodiversity preservation, DSNG collaborates with expert partners to oversee biodiversity within its concession areas. In East Kalimantan, orangutan monitoring in DSNG's concession is conducted in partnership with ECOSITROP. Assessments by ECOSITROP estimate that approximately 40 Bornean orangutans (*Pongo pygmaeus*) inhabit a 715-hectare habitat at PT BPN, while another 64 Bornean orangutans (*Pongo pygmaeus*) live in a 1,102-hectare forest area within and surrounding PT BAS.

The conservation teams at DSNG's subsidiaries conducts regular population monitoring through various activities, including orangutan patrols, the construction and maintenance of corridor bridges over water bodies, planting and nurturing food trees (including fig trees/Ficus spp.), raising community awareness about the importance of orangutan protection, and setting up camera traps to gather encounter data in high conservation value (HCV) areas.

Through PT BPN and PT BAS, DSNG also supports the Integrated Orangutan Conservation Program (PKOT) in the Keraitan Landscape. This landscape encompasses a protected forest area of 14,648.50 hectares, which is connected to high conservation value areas at PT PNB (3,865.50 hectares) and PT SBA (10,730.60 hectares), as well as to HCV corridors across various other companies. This extensive forest area is expected to support populations and movement of orangutans across the landscape.

The Integrated Orangutan Conservation Program (PKOT) in the Keraitan Landscape was initiated by the East Kalimantan Natural Resources Conservation Agency (BKSDA) and is technically supported by Ecositrop, involving 14 companies operating in the area. To ensure the habitat's carrying capacity is sufficient for the orangutan population, ecological surveys , landscape accessibility assessments, and community and social impact surveys will be conducted in early 2025. The objective of this study is to gather supporting data and analyze the habitat's carrying capacity, the potential for orangutan populations, and the ecological and social impacts in the Keraitan Protected Forest and its surroundings. The study is scheduled for completion by June 2025.



Restoring Danau Padang Ecosystem - Restoring Life



Danau Padang, located near PT BPN in Tepian Langsat Village, Bengalon District, East Kutai, East Kalimantan, spans 58 hectares and serves as a vital ecosystem for the local community. The lake provides a habitat for fish, which are a source of local food, contributes to natural environmental balance, regulates water flow, and offers recreational opportunities for residents.

However, in 2021, the lake experienced severe drought, leading to its being choked with invasive vegetation and resembling a barren meadow.



To tackle this challenge, DSNG partnered with the local community of Tepian Langsat Village, engaging them as local contractors. In early 2024, the process of normalizing Padang Lake began by **adjusting the height of the lake banks, clearing weeds, and draining river water into the lake with a total normalization target of 23 ha.**



This normalization process has gradually yielded positive results, marked by a significant increase in water flow in Padang Lake, creating a healthier and more sustainable ecosystem. **Adjusting the height of the banks and removing weeds in the middle of the lake also helped to increase the water flow. As of December 2024, the normalization progress that has been made covers an area of 4.5 ha.**

Fire Prevention and Management

DSNG consistently implements a no-burn policy in land management, in line with NDPE principles and its commitment to sustainability in all land development processes.

As part of its responsibility for controlling forest and land fires, DSNG actively engages in prevention and mitigation efforts. These initiatives include preventive measures such as routine patrols, community education to raise awareness, and the provision of supporting infrastructure.

Prevention efforts

- **Development of Fire Prevention Work Plans:** A fire risk map has been created as a primary guide.
- **Establishment Formation of Emergency Response Readiness Preparedness Teams (TKTD):** Each company business unit has has formed a TKTD to ensure preparedness.
- **Provision of Fire Management Resources:** Necessary Ensuring firefighting equipment facilities and infrastructure have been provided in accordance with comply with Ministry of Agriculture Regulation No. 5 of 2018.
- **Monitoring of Hotspots:** Hotspots are monitored within a 1-kilometer radius outside the concessions using Sipongi satellites (from Ministry of Environment Forestry) and NASA's Modaps.
- **Patrols, Training, and Simulations:** Routine patrols, training sessions, and suppression simulations are conducted; including the formation of Fire Awareness Groups (KTPA).
- **Collaboration with Suppliers:** The no-burn policy is enforced throughout the supply chain.
- **Collaboration with Manggala Agni:** Participated in fire control preparedness drills, prevention outreach, and achieved a certification rate of 85% for the TKTD team in 2024, along with inspections of firefighting facilities.

Fire Management

Fires are promptly addressed and reported to authorities, including village heads, district leadership forums, and relevant agencies.

Post-Fire Management

Assessing the causes of fires, improving procedures, and rehabilitating affected areas



Implementation of No-Burn Policy in Land Management

Palm Oil Replanting

The no-burn policy is an integral part of the replanting program. The program is DSNG's continuous agenda which aims to maintain and improve the productivity of palm oil plantations, particularly for older or less productive trees. Mechanical methods are used throughout the replanting process, allowing the wood debris to decompose naturally, restoring soil nutrients, reducing the use of inorganic fertilizers and minimizing greenhouse gas emissions

In 2023, the company initiated a replanting program by planting its first oil palm seedlings across an area of 500 hectares in the PT SWA block, Muara Wahau. In 2024, DSNG continued its replanting efforts, covering an additional 916 hectares.

The replanting process includes seedling preparation, felling and chipping of old oil palm trees, and root removal. Debris and roots are used as natural fertilizers to maintain soil nutrients and biomass balance. After land clearing, soil conditioning is carried out by planting legume cover crops to enhance organic matter, aeration, and moisture. Ready-to-plant seedlings are then gradually planted in the rejuvenation area.

Monitoring Hotspots

Number of Identified Fire Hotspots in Company Plantation Areas (In and Out of Concession Areas)

1 West Kalimantan

Concession Area

158 Number of Detected Hotspots

47 Total Affected Area (ha)

158 Number of Actual Fires

Within 1 Km Outside Concession Area

248 Detected

248 Number of Actual Fires

2 North Kalimantan

Concession Area

1 Number of Detected Hotspots

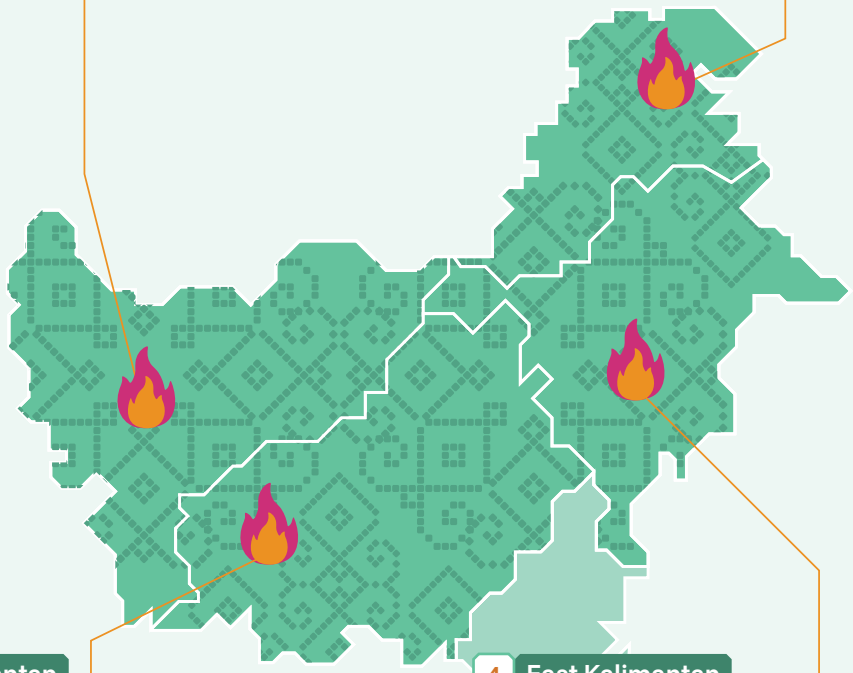
0 Total Affected Area (ha)

1 Number of Actual Fires

Within 1 Km Outside Concession Area

7 Detected

7 Number of Actual Fires



3 Central Kalimantan

Concession Area

1 Number of Detected Hotspots

0 Total Affected Area (ha)

1 Number of Actual Fires

Within 1 Km Outside Concession Area

19 Detected

19 Number of Actual Fires

4 East Kalimantan

Concession Area

17 Number of Detected Hotspots

17 Total Affected Area (ha)

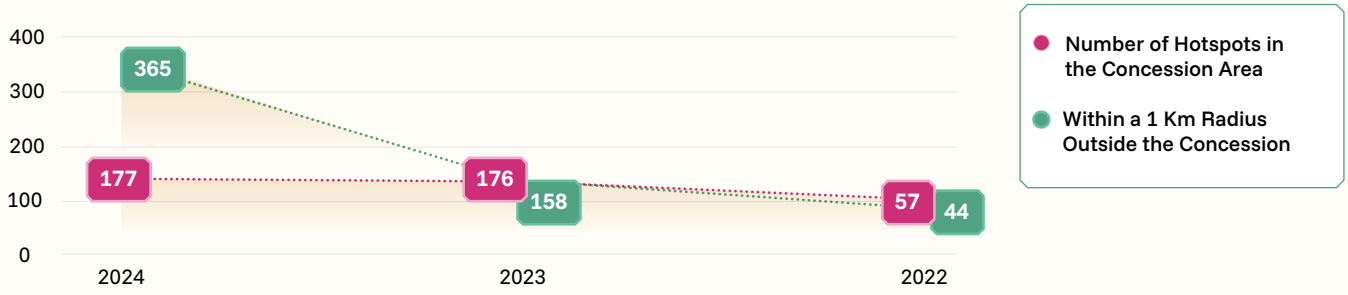
17 Number of Actual Fires

Within 1 Km Outside Concession Area

91 Detected

91 Number of Actual Fires

Number of Fires in and around Concessions (2022–2024)



Integrated Pest Management

[GRI 2-25, 304-2]

Chemical Use

In alignment with indicator 7.2.5 P&C RSPO 2018, the company prohibits the use of paraquat and WHO Class 1A or 1B pesticides, except in emergency situations. DSNG actively shares best practices in plantation management with the supply chain, including independent oil palm farmers, to support more sustainable solutions.

To that end, DSNG is committed to the responsible use of chemicals to support environmental sustainability and soil health. Integrated management practices prioritize natural solutions, such as bio-insecticides and natural predators, while chemical use follows safety standards to minimize environmental impact. Regular training for farmers and employees ensures efficient, safe practices that promote sustainable agriculture. In 2024, 15 types of pesticides were used at a total rate of 28.07 kg of active ingredient per hectare.

Alternatives to Pesticide Use

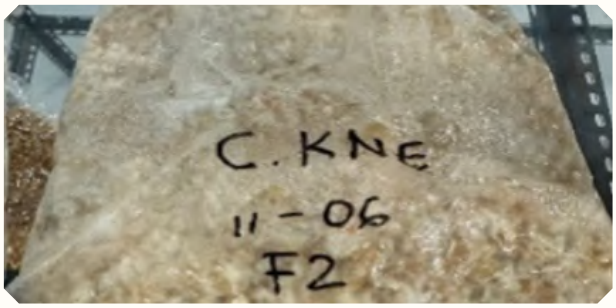
In our operations and storage practices, we strive to minimize the risk of contamination and pollution from fertilizers, pesticides, and other chemicals. Reducing agricultural chemical use focuses on maintaining soil fertility and optimal productivity. Currently, we are working towards adopting 100% of bio-insecticides and natural predators for pest control.

Biological control methods are employed using predators, parasitoids, entomopathogens, and fungi as natural enemies to maintain pest and disease population balance without harming the environment. Some of the programs include:

1. **Development of *Trichoderma* sp. biofungicide.** Aimed at preventing Ganoderma disease in young palm oil plants (replanting). In 2024, we produced and distributed 42.99 tons of Trichoderma fungi.



2. **Development of Bioinsecticide *Cordyceps* sp.** The production of *Cordyceps* sp. Bioinsecticide is aimed as a pest control measure for oil palm leaf eating caterpillars (UPDKS). *Cordyceps* sp. is effective in infecting the caterpillars' stadia towards the pupa. During 2024, the total production of Cordyceps development was 0.489 tons and 0.438 tons were distributed to potential UPDKS pest areas.



3. **Development of Bioinsecticide *Beauveria* sp.** Aimed at controlling UPDKS (Coconut Leaf-Eating Caterpillars). *Beauveria* sp. is effective during the adult stage of the caterpillar. In 2024, we produced 438 kg of *Beauveria* sp., distributing 422.5 kg to plantations in need.



4. **Development of Natural Enemies: Barn Owls (*Tyto alba*)**
To reduce the use of rodenticides for controlling rat pests, we continue to deploy and promote Barn Owls to control rodent pests population. Barn owls are natural predators of these pests in palm oil plantations.



5. **Conservation Area Development for Host Plants**
Development of host plant conservation areas of predators and parasitoids as a natural propagation effort in the process of increasing predators and parasitoids. Some of the plant species used are *Antigononon leptopus, Turnera subulata, Turnera ulmifolia, Euphorbia heterophylla, Nephrolepis sp., Celosia sp.* and *Cratoxylum spp*



The implementation of DSNG's Integrated Pest Management (IPM) system is available at our website.

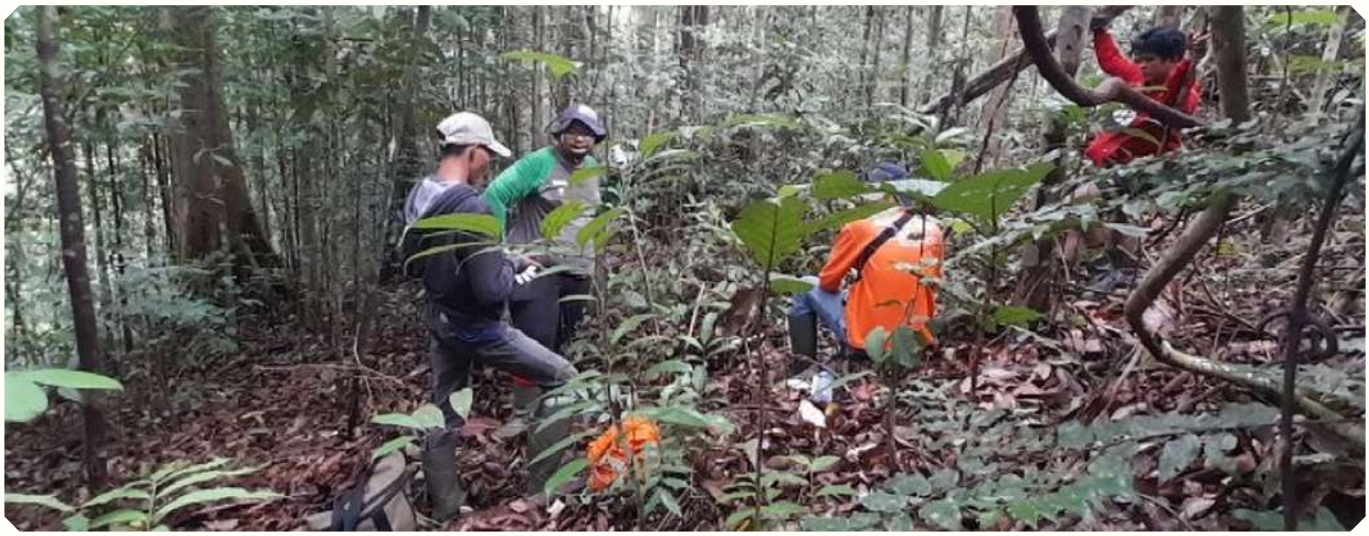
Partnership and Multi-Stakeholder Initiaties

1

DSNG, in collaboration with the East Kalimantan Natural Resources Conservation Agency (BKSDA), a training program on wildlife conflict management, specifically focusing on orangutans, on May 20 to 21, 2024. The program included both classroom sessions and outdoor activities, with 30 personnel from the Orangutan Task Force participating, representing PT Swakarsa Sinarsentosa, PT Dharma Intisawit Nugraha, PT Dharma Agrotama Nusantara, PT Dewata Sawit Nusantara, and PT Karya Prima Agro Sejahtera.

2

DSNG's West Kalimantan area partnered with Manggala Agni Daops Kalimantan XI/Sintang, under the Ministry of Environment and Forestry (KLHK), to provide technical guidance and training on forest and land fire control from June 3 to 8, 2024. The training was attended by 60 personnel from the Emergency Response Readiness Team (TKTD) of PT Agro Andalan, PT Kencana Alam Permai, PT Dharma Persada Sejahtera, and PT Prima Sawit Andalan. We also held training at PT MNS on July 16-18, 2024 which was attended by 20 TKTD personnel.



Climate Pillar

The DSNG Climate Pillar is dedicated to addressing climate change through both mitigation and adaptation efforts. This commitment is realized through the implementation of sustainability practices across the entire business chain.

Energy

Palm Oil | Wood Product | DSNG

Energy Consumption Intensity

22.01 GJ/m³
Wood Production Business Unit - Panel

2.08 GJ/m²
Wood Production Business Unit - Floor

12.43
GJ/ton CPO
Palm Oil Business Unit

1.14
GJ/IDR Billion
DSNG

6,857,865 GJ
92% Renewable Energy Consumption - Agro

377,976 GJ
15% Renewable Energy Consumption - Panel

101,433 GJ
7% Renewable Energy Consumption - Floor

Palm Oil Business Unit in East Kalimantan - 2 biogas plants is capable of producing electricity
7,976,300 kWh

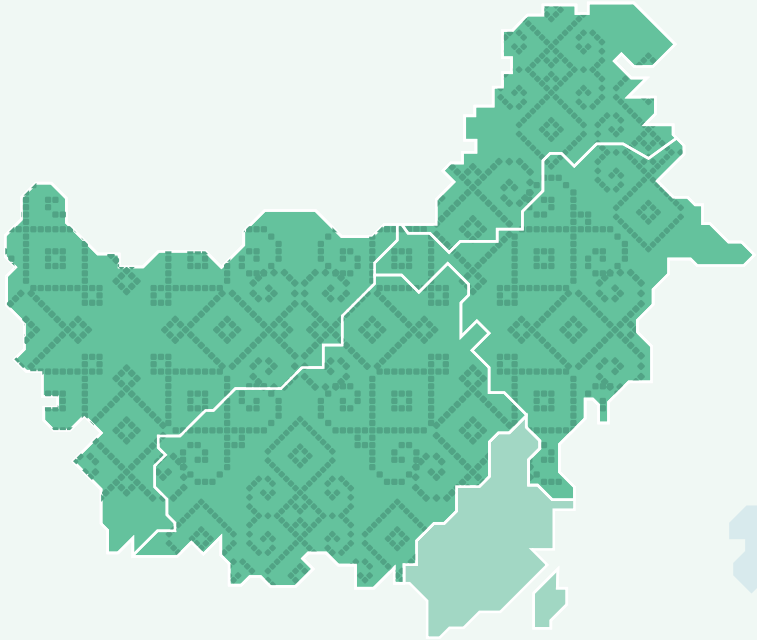
Palm Oil Business Unit in East Kalimantan -Bio-CNG-fueled generators and vehicles can save as much diesel as
2,747,792 liters

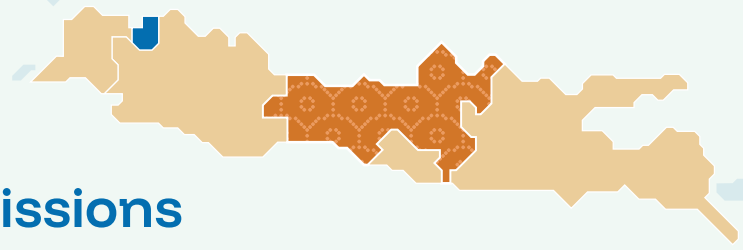
Water Management

0.98
m³ /Ton FFB Processed
Water Usage Intensity of POM Process

0.08
m³ /Flooring Production (m²)
Water Usage Intensity WP- Floor

0.45
m³ /Panel Production (m³)
Water Usage Intensity WP-Panel





GHG Emissions

1.06 tCO_2e/Ton CPO
GHG Emission Intensity per CPO Production Volume

Climate Change Adaptation and Mitigation Programs in 2024

- Plantation Water Management
- Beneficial Insects
- Zero Landfill Integrated Waste Management Program

Climate Change Mitigation and Adaptation

Alignment with TCFD Recommendations

DSNG's Approach to TCFD's Core Pillars [GRI 201-2]

TCFD Core Pillars

Governance

DSNG's Approach

The President Director of DSNG, together with the Chief Sustainability Officer (CSO), is responsible for overseeing the implementation of sustainability policies, including climate risk management. The Sustainability Advisory Board (SAB) provides strategic guidance and holds quarterly meetings to evaluate and provide recommendations on sustainability issues. The results of SAB discussions are reported to the Board of Directors for review and as the basis for strategic planning and corporate performance management.

In response to climate change risks, DSNG is committed to implementing innovative adaptation and mitigation measures. In 2024, DSNG appointed a Climate Action Unit Head responsible for implementing climate change adaptation and mitigation programs. Additionally, the SAB Committee held four meetings to discuss the transition strategy toward a low-carbon economy. Recommendations from the SAB Committee are further reviewed by the Board of Directors to support strategic decision-making. More information about DSNG's climate change efforts can be accessed at this link.

TCFD Core Pillars

Strategy

DSNG's Approach

In September 2021, DSNG began calculating greenhouse gas (GHG) emissions and assessing climate risks in collaboration with external parties, using 2019 data as a baseline. The calculations are conducted every three years to establish and evaluate a data-driven climate strategy, supporting future business and operational planning. Updates are made according to new guidelines, including the Science-Based Target Initiative (SBTi) and the draft GHG Protocol Land Sector and Removals Guidance (LSRG).

DSNG has identified climate-related risks, including physical, transitional, and opportunity risks relevant to its operations in Indonesia. The five major physical risks, mitigation measures, and estimated handling costs are available in page 62 - 63 of the Sustainability Report.

The company integrates sustainability into its business model by considering climate scenarios, including transitioning to a low-carbon economy. A strategic step taken is the development of the Climate Action Plan (CAP) 2030. In the palm oil business unit, 10 priority projects are monitored quarterly at the directorate level. These projects include Methane Capture, Biogas Electrification, Bio-CNG Utilization, Zero Landfill Waste Processing Facility (TPST), Biogenic Sequestration, Fertilizer Efficiency, Soil Organic Management, Plantation Water Management, Mill and Housing Water Management, and Beneficial Insects.

Detailed action plans and emission reduction targets through 2030 are available at this link.

TCFD Core Pillars

Risk Management

DSNG's Approach

DSNG developed a Climate Risk Assessment (CRA) in collaboration with Asia Biogas and ERM in 2022. This assessment covers various types of climate-related risks, including Current Regulations, Emerging Regulations, Technology Risks, Legal Risks, Market Risks, Reputation Risks, Acute Physical Risks, and Chronic Physical Risks. The climate risk assessment covers the medium- and long-term periods. The full report can be accessed at this link.

Through the Audit Committee, DSNG has identified environmental risks, including climate risks, and implemented mitigation measures based on baseline GHG emissions and past climate risk assessments. To support this risk management, DSNG adopts the Environmental and Social Management System (ESMS) aligned with IFC-PS standards.

The ESMS system is applied comprehensively across all DSNG business aspects, including in Strategic Business Units (SBU). Climate change risk is a top priority within the corporate risk management framework. More details on ESG risk management through ESMS are available in page 114 of the sustainability report.

TCFD Core Pillars

Metrics and Targets

DSNG's Approach

DSNG has established a GHG emissions baseline for Scopes 1, 2, and 3, using 2019 as the reference year and setting a target to reduce emissions by 44% by 2030 compared to that baseline.

The emission reduction scenarios to meet this target can be seen in the: following infographic.

Our targets include:

- 44% GHG emission reduction by 2030 (70% reduction of scope 1, 28% of scope 2, and 23% of scope 3).
- Emission reduction of 1,400 tCO_2e through Zero Landfill TPST management
- Implementation of Energy Independent Roadmap
- Utilization of organic waste to support emission reduction.

2024 marks the first year of implementing the Climate Action Plan (CAP) 2030, with all projects progressing from planning to execution phases. The key realized initiatives in CAP 2024:

- Zero Landfill Waste Processing Facility (TPST): A pilot project with 4 tons/day capacity in Muara Wahau, East Kalimantan, initiated on June 26, 2024, and commissioned on December 19, 2024.
- Independent Energy Roadmap, optimized through methane gas utilization from Palm Oil Mill Effluent (POME) into biogas and bio-CNG at two plants in 2024, with a potential emission reduction of 136,991 tCO_2e.
- Utilization of Organic Waste, with empty fruit bunch (EFB) application up to 36 tons/ha per year and POME with BOD <5,000 up to 215 tons/ha.

Identified Physical and Transitional Risks Due to Climate Change and Their Financial Impacts [GRI 201-2]

Identified Risk	Main Impact	Estimated Implementation Period	Mitigation Actions	Estimated Implementation Cost or Impact
Physical Risks				
Water Availability	Insufficient water supply for operations, employee housing, and surrounding communities	2 Years	Increasing efficiency in mill processes & water use	USD 50 million per mill
			Increasing awareness through water conservation socialization	
			Enhancing water recycling in all processes that use water	
	Water scarcity makes crops more vulnerable to diseases, reducing palm oil yields	3 Years	Enhancing soil moisture retention through cover crops and biomass coverage	USD 100,000 per plantation
			Investing in various irrigation systems that are technically viable	USD 50,000 per plantation for land applications
Flooding and High Rainfall Intensity	Extreme rainfall risks causing river overflow, disrupting operations	2 Years	Improving water management in flood-prone areas. Installing and building water reservoirs and pumps to control and manage excess water	USD 1.5 million per plantation
	Soil nutrients wash away from plantations, reducing essential nutrients			
	Disruptions in transportation processes			
Extreme Heat	Sharp temperature increases may cause land degradation, forest fires, groundwater depletion, and hinder plant growth	3 Years	Strengthening community engagement in fire prevention	Less than USD 10,000 per plantation
	Adverse effects on insect pollination and crop yields		Considering alternative pollination methods	USD 50,000 per plantation
	Employee heat exhaustion affects productivity		Educating employees on heat exhaustion, providing protective clothing, adjusting work hours, and supplying hydration supplements	
Landslides	Soil movement due to topography and excessive rainfall exceeding land carrying capacity	3 Years	Expanding ground cover plant areas	USD 5 million per plantation
	Disrupts operations and risks reducing crop yields		Avoiding planting on specific topographies in the future	
			Improving roads and infrastructure in operational areas	
Windstorms	Strong winds lasting for hours or days may hinder plant growth and disrupt operations	5 Years	Planting windbreaks at operational sites	Less than USD 50,000 per plantation
			Implementing/updating safety and environmental procedures (K3LH) for work activities during storms	

Identified Risk	Main Impact	Estimated Implementation Period	Mitigation Actions	Estimated Implementation Cost or Impact
Transitional Risks				
Policy & Regulation - Carbon Tax	❖ Increased production costs for Wood and Palm Oil Products ❖ Leverage point for BioCNG	-	❖ Calculating internal carbon pricing based on regulations in Indonesia and target market countries. ❖ Identifying opportunities for BioCNG to leverage renewable power generation	Financial impact of this risk has not yet been measured
Policy & Regulation - Foreign Trade Restrictions	❖ Limiting DSNG's access to international markets ❖ More efforts needed to improve product sustainability to comply with import bans	-	❖ Establishing a clear climate strategy to address this issue ❖ Mapping market expansion and assessing its requirements	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	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	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	Financial impact of this risk has not yet been measured

Climate Action Plan

Our efforts to address climate change align with the Group Sustainability Policy, which focuses on three key areas: forests, climate, and society. The DSNG Sustainability Policy serves as the main policy roadmap that integrates climate-related issues into the company's goals and business strategies.

In pursuit of its aspiration to achieve Net Zero by reducing emissions, adapting to climate change risks, as well as aligning with the Indonesian Government's efforts to meet its Nationally Determined Contribution (NDC) commitments, DSNG has developed a Climate Action Plan and a transition roadmap toward a low-carbon and climate-resilient future. The DSNG Climate Action Plan outlines strategic steps for climate change mitigation and adaptation, focusing on a 44% reduction in greenhouse gas (GHG) emissions by 2030, compared to the 2019 baseline year.

Climate Change Adaptation Program in 2024

1 Water Conservation Project Development at PT BPN in the Palm Oil Business Unit



Plantation Water Management

DSNG inititated a water management program in Estate DP1, PT BPN, East Kalimantan to mitigate drought risks, ensure water availability for oil palm trees, and improve fresh fruit bunch (FFB) production. Water is pumped from the PKS 9 reservoir to the main trench at the highest point and then flows by gravity to sub-trenches. This project began operations on September 12, 2024 with coverage area of 205 hectares. Production monitoring is conducted to compare results between the land application block and the control block near the water conservation area.

2 Pollinator, Pest, and Predator Insect Diversity and Abundance Study Project in the Palm Oil Business Unit



Beneficial Insects

This study aims to optimize the ecosystem of beneficial insects in oil palm plantations affected by climate change. Conducted in collaboration with the Palm Oil Research Center (PPKS), the research took place from May to November 2024 using fogging, traps, and direct observation methods. Results indicate that immature plant areas (TBM) have the highest insect abundance, while conservation areas near planting blocks increase the number of palm oil pollinating insect *Elaeidobius kamerunicus* (EK). Beneficial plants such as Turnera and Antigonon serve as buffers for pest predators and parasitoids. Additionally, the population dynamics of EK emphasized the impact of environmental factors and the availability of male flowers. The study results were presented at a workshop in December 2024, discussing pre- and post-border monitoring methods, pest outbreaks, and pollinator insects.

3 Water Recycling Installation in the Wood Products Business Unit



Water Recycling Installation

To conserve water and mitigate any potential future supply shortages, a water recycling machine has been installed to reuse wastewater from production processes. In 2024, total water usage from production processes reached 31,623 m^3 per year, a reduction of 10% (approximately 3,501 m^3) compared to 2023, which recorded 35,124 m^3 per year.

Climate Change Mitigation Program: GHG Emission Reduction Efforts [POJK51 F.12] [GRI 305-5]

Zero Landfill Waste Treatment Facility (TPST) Project

A domestic waste treatment program for employees in Muara Wahau, East Kalimantan, with a capacity of 4 tons/day, aims to manage waste without landfill disposal by transitioning waste treatment upstream using the Tiny-bite method and the stick & carrot approach, while downstream processing involves mechanical sorting and pyrolysis machines. This project has the potential to reduce emissions by 1,400 tCO_2e while preventing pollution and disease risks. The TPST Pilot Project began construction on June 26, 2024, and reached the commissioning stage on December 19, 2024.



Energy Self-Sufficiency Roadmap

- As an effort to achieve energy self-sufficiency in Wahau, the Palm Oil SBU has developed a roadmap using the Energy Balance Scenario and Techno-Economic Analysis approach. Continuously, we optimize ongoing efforts toward energy self-sufficiency by utilizing methane gas from POME to produce biogas and bio-CNG at two plants.
- In 2024, the operation of two biogas and bio-CNG plants utilized captured methane gas as a renewable fuel. These plants successfully captured methane from 305,675 m^3 of POME to generate 7,976,300 kWh of electricity, and Bio-CNG as biofuel (for generators and truck) that reducing 2,747,792 liters of diesel consumption. This initiative potentially reducing emissions by approximately 136,991 tCO_2e by preventing greenhouse gases (GHG) from being released into the atmosphere.



Utilization of Organic Waste & Its Practices

- Empty fruit bunches (EFB), liquid waste (POME), solid waste, fiber, and shells are repurposed as natural fertilizers, biomass fuel, or raw materials for Bio-CNG and biogas plants.
- POME is also processed to generate electricity and renewable fuel for operations and used as mulch.
- Mulch from oil palm biomass, obtained during replanting, is reapplied to enhance soil nutrients.
- The use of mulch and infiltration pits is regularly promoted across the supply chain to support integrated sustainable practices.

Recycling and Resource Conservation

Wood flooring recycling program aimed at reducing the demand for new raw wood materials, with the recycled products repurposed for furniture.

Utilization of Biomass and Renewable Energy

- Shell and fiber are used as boiler fuel 440,943 tons during 2024 as biomass for biofuel.
- The company's operations leverage renewable energy sources such as biogas, Bio-CNG, and biomass to enhance energy efficiency and fulfillment the use of fossil fuel.

GHG Emissions

DSNG's GHG Emissions in 2024

DSNG collaborates with independent institutions to calculate emissions every three years. The next group-level emission calculation is scheduled for 2025. Meanwhile, in 2024, GHG emissions for DSNG's palm oil business unit were calculated using the RSPO's PalmGHG Calculator. The results showed a total emission of 553,120 tCO_2e, reflecting a 34% change compared to the previous year.

A reduction in emission intensity was achieved in palm oil mill operations, driven by the operation of two Methane Capture Units, Bio-CNG Plants, and increased fuel efficiency. These initiatives successfully lowered emissions from Palm Oil Mill Effluent (POME) while reducing reliance on fossil fuels by utilizing biogas and Bio-CNG for electricity generation, transport trucks, and heavy equipment.

GHG Emission Volume of the Palm Oil Business Unit

Emission Source	Volume (tCO_2e) [GRI 305-1, 305-2, 305-3]		
	2024	2023	2022
Palm Oil Mills	**329,465**	264,600	304,301
Fertilizer	**213,326**	143,399	163,314
FFB Transportation	**10,329**	4,500	14,304
Total Emissions	**553,120**	412,499	481,919
Total Emissions/Revenue (tCO_2e/IDR Billion)	**62.97**	49.38	59.37

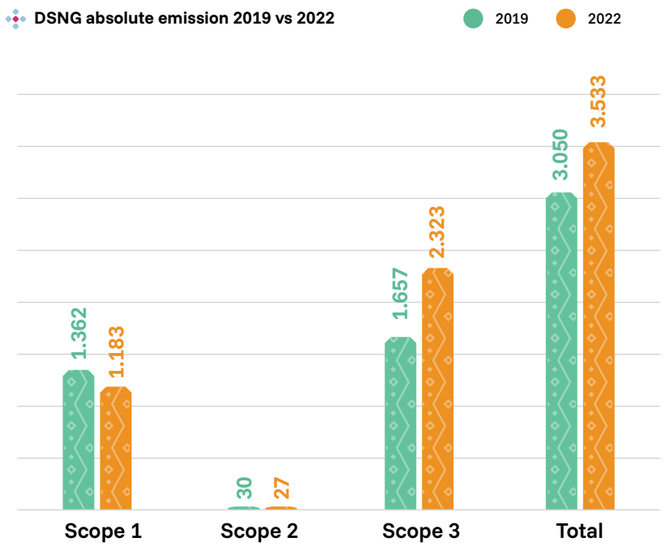
Notes:
Calculation is based on the PalmGHG Calculator from RSPO.
The assessment of GHG emission volumes in 2024 has changed due to the increased number of RSPO certifications.

GHG Emission Intensity [GRI 305-4]

Category	Unit	2024	2023	2022
Palm Oil Mill (POM)	tCO_2e/Ton CPO	**0.63**	0.621	0.741
Fertilizer	tCO_2e/Ha	**1.017**	0.612	0.697
FFB Transportation	tCO_2e/Ton TBS	**0.0047**	0.002	0.008
Total Intensity	tCO_2e/Ton CPO	**1.06**	0.97	1.17

Notes:
Calculation is based on the PalmGHG Calculator from RSPO.
The GHG emission intensity assessment in 2024 has changed due to an increase in the number of RSPO certifications.

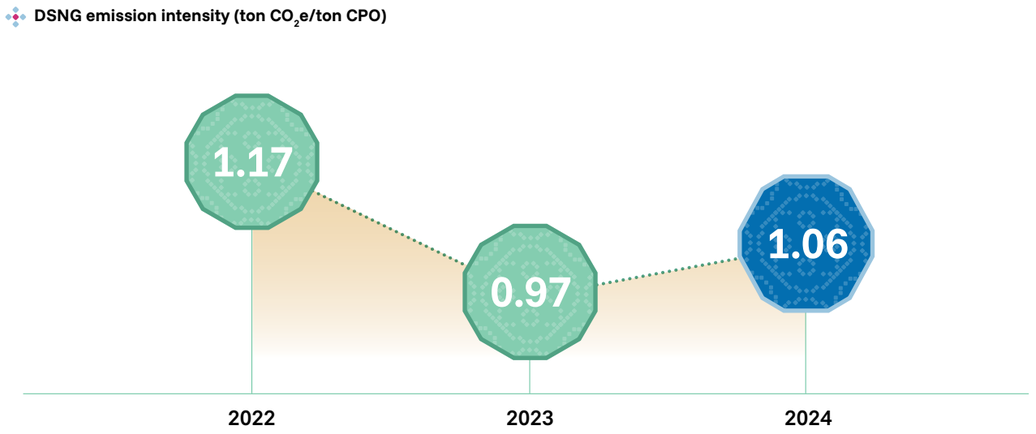
Our Progress towards our 2030 Emissions Target



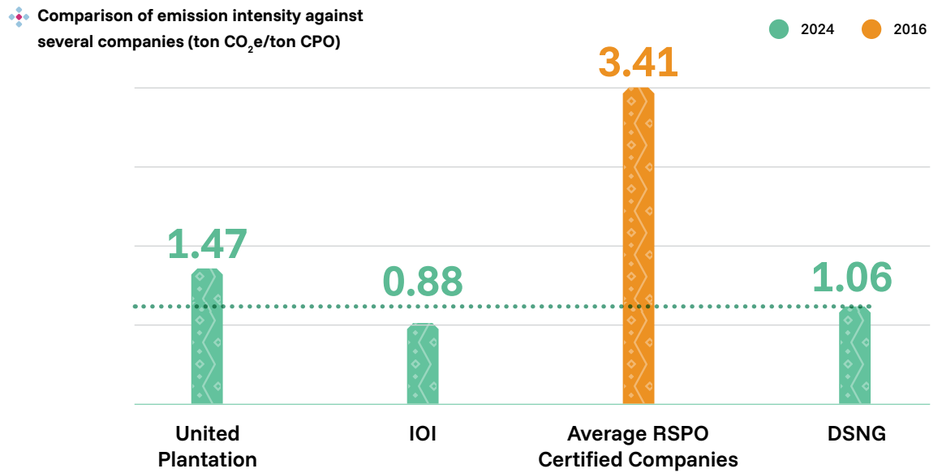
DSNG has conducted a triennial emission calculation in collaboration with an independent institution to monitor the achievement of its emission reduction target of 44% by 2030, compared to the 2019 baseline. Several interventions lead to the absolute decrease in Scope 1 and 2 emission by 13%.



The overall increase in emissions, primarily driven by Scope 3, is mainly due to increased production and the need for external FFB supply. This correlates with a 20% reduction in emission intensity relative to the company's revenue.



In 2024, the emission intensity is 1.06 tons CO_2e per ton of CPO. This represents a 9.4% decrease since 2022, when it was 1.17 tons CO_2e per ton of CPO. The decline was due to the implementation of methane capture plant operations and improved diesel and biomass efficiency through the use of biogas and Bio-CNG. The annual emission intensity in the oil palm sub-unit is calculated using the RSPO Palm GHG Calculator 4.0.



We compared emissions in the palm oil sub-unit with several peer companies in the palm oil industry. The graph shows that DSNG's emission intensity of 1.06 tons CO_2e per ton of CPO in 2024 in between the other companies, that is 0.88 and 1.47 tons CO_2e per ton of CPO. This figure is even significantly lower than the average for RSPO-certified companies. The comparative graph was compiled using the RSPO Palm GHG Calculator methodology for 2024 based on each company's SR publication. The average value of RSPO certified companies in 2016 is based on the publication by Schmidt and De Rosa in 2020.

Energy Management

[POJK51 F.6, F.7]

In line with its Sustainability Policy, DSNG is committed to optimizing the use of renewable energy and improving energy efficiency across all its operations. DSNG has developed an Energy Independence Roadmap using the Energy Balance Scenario approach and Techno-Economic Analysis.

Efforts to Reduce Energy Consumption

1 Renewable Energy Sources

- **Methane Capture for Biogas and Bio-CNG**
  Since 2021, we have operated the first Biogas and Bio-CNG plant, and built the second plant in Muara Wahau in 2022. By 2024, both plants had utilized 305,675 m^3 of POME to generate 7,976,300 kWh of electricity for plant, office and residential operations. The two plants also produced 3,195,107 Nm^3 of Bio-CNG to fuel generators and trucks or the equivalent of reducing diesel consumption by 2,747,792 liters, resulting in cost savings of Rp 33.7 billion (based on an average diesel price of Rp 12,274/liter).
- **Renewable Energy Electricity Purchases**
  By the end of 2024, the Wood Product Business Unit has purchased 200,000 kWh of green-certified electricity from PLN, accounting for 16% of the unit's monthly electricity consumption, sourced from the Cirata Hydroelectric Power Plant (PLTA Cirata).
- **Bio-CNG-Powered Vehicle Transition**
  operational vehicles. After successfully implementing a technology that converts diesel trucks to run on 100% Bio-CNG at an efficient fuel consumption and reasonable cost, we continue our commitment to replicate the conversion. By 2024, 48 Bio-CNG-fueled trucks were in operation using 62519 Nm^3 Bio-CNG, saving 53766 liters of diesel, and reducing emissions by 139.07 tCO_2e.
- **Biomass Utilization**
  We use shells and fibers to fuel boilers that will generate 6,778,622 GJ of renewable energy consumption in 2024.

2 Implementation of an Energy Saving Lifestyle

- **Energy-Efficient Equipment Usage**
  We utilize energy-efficient equipment and lighting across operations to minimize energy consumption and reduce environmental impact. In the Wood Product Business Unit, a dedicated working group focuses on efficiency initiatives through automation technology and machine modifications. One such initiative includes automatic on-off modifications for machines to optimize electricity use. Additionally, by 2024, we have converted eight diesel forklifts to electric forklifts, with three units at DSN WP Floor and five units at DSN WP Panel.
- **Promoting Energy-Saving Habits (Energy-Saving Campaigns)**
  To raise awareness and encourage sustainable practices, we conduct energy-saving campaigns through posters, banners, and internal meetings. These campaigns educate and inspire employees and stakeholders to adopt energy-efficient practices in both their personal and professional lives.

Investment in Innovation for Energy Consumption Reduction [POJK51 F.3]

Investment Type	Investment Objective	Investment Cost	2024 Achievement
Bio-CNG 1	The company's commitment to implementing sustainable practices by utilizing palm oil mill effluent (POME) as a renewable energy source	Total Investment Cost: IDR 62.74 billion	Produced 1,958,858 Nm^3 of Bio-CNG, equivalent to a reduction of 1,684,618 liters of diesel.
Biogas 1		Total Investment Cost: IDR 42.19 billion	Generated 5,628,400 kWh of electricity
Bio-CNG 2		Total Investment Cost: IDR 72.69 billion	Produced 1,236,249 Nm^3 of Bio-CNG, equivalent to a reduction of 1,063,174 liters of diesel.
Biogas 2		Total Investment Cost: IDR 62.79 billion	Generated 2,347,900 kWh of electricity
Bio-CNG Truck Converter	Technology to convert existing diesel-fueled trucks and generators to be Bio-CNG, in order to reduce GHG emission, fluctuation risk of fossil fuel price, and maintenance expenses.	Total converter unit cost: IDR 4.94 billion	Converted 48 diesel-fuel trucks to Bio-CNG, that reduced diesel consumption by 53,766 liters.
Bio-CNG Generator Converter		Total converter unit cost: IDR 3.74 billion	Converted 44 diesel fuel generators to Bio-CNG, that reduced diesel consumption by 455,300 liters.
Electric Forklifts in Wood Products Business Unit	Electric forklifts eliminate the use of diesel fuel, to reduce GHG emission, fluctuation risk of fossil fuel price, and maintenance expenses.	IDR 525 million per unit	The operational of 8 electric forklifts have reduced 264 liters of diesel consumption per day (or IDR 1.34 million per month)

Energy Consumption [GRI 302-1] [GRI 302-4] [GRI 302-5]

As a renewable energy source, DSNG's first biogas and Bio-CNG plant generated 5,628,400 kWh of electricity from biomethane, equivalent to 20,262 GJ and 1,958,858 Nm^3 of Bio-CNG from biogas equivalent to 20,013 GJ. while the second Bio-CNG plant produced 2,347,900 kWh, or 8,452 GJ and 1,236,249 Nm^3 or 12,631 GJ. This biogas and Bio-CNG energy was used to power palm oil mill units, offices, transportation units for fresh fruit bunches (FFB), and employee housing.

Throughout 2024, DSNG consumed a total of 11,536,825 GJ of energy, covering transportation of raw materials and production processes across palm oil mill units, wood product units, and the Head Office. Energy consumption calculations are based on both renewable and non-renewable energy sources.

Total Energy Consumption Within the Company (Giga Joule) [GRI 302-1]

Total Energy Consumption	2024		2023	2022
Total Non-Renewable Energy Consumption	**4,199,551**	**36%**	4,367,206	5,643,980
Total Renewable Energy Consumption	**7,337,274**	**64%**	8,014,625	8,606,989
Total Energy Consumption	**11,536,825**	**100%**	12,381,831	14,250,969

Energy Consumption by Type (Giga Joule)

Description	2024	2023	2022
Fuel Consumption			
Total fuel consumption from non-renewable sources	**621,740**	501,877	627,316
Total fuel consumption from renewable sources	**2,376**	2,246	-
Electricity, Heating, and Steam Consumption			
Electricity consumption from non-renewable sources	**3,577,812**	3,865,330	5,016,664
Electricity consumption from renewable sources	**86,704**	76,935	60,524
Heating consumption from renewable sources	**7,248,194**	7,935,444	8,546,465

Energy Consumption Intensity in 2024 [GRI 302-3]

The company calculates energy consumption intensity as the ratio of total energy use to production volume in each business unit. The Energy Consumption Intensity is derived from the total energy consumption within the company, without distinguishing between energy sources, in relation to the total production volume.

Energy Consumption	DSNG		Panel		Floor		Palm Oil Units		Head Office	
	Total (GJ/Rupiah Billion)	%	Total (GJ/m^3)	%	Total (GJ/m^2)	%	Total (GJ/Ton CPO)	%	Total	%
Renewable Energy	7,337,274	64%	377,976	15%	101,433	7%	6,857,865	92%	0	0%
Non-Renewable Energy	4,199,551	36%	2,176,781	85%	1,395,959	93%	619,781	8%	7,031	100%
Total Energy Consumption	**11,536,825**	**100%**	**2,554,757**	**100%**	**1,497,391**	**100%**	**7,477,646**	**100%**	**7,031**	**100%**
Energy Intensity	1.14		22.01		2.08		12.43		-	-

Water Management

We are committed to maximizing water use efficiency and conserving water resources in accordance with DSNG's Sustainability Policy to ensure sustainability for both present and future generations.

Water Management Program

- **In 2022, we conducted a Water Risk Assessment** in our operational areas in collaboration with Asia Biogas and ERM. This study evaluated water stress levels at DSNG's operational sites for 2030 and 2050, revealing that six areas are classified as low water stress, while one area is projected to experience moderate water stress. The full study can be accessed via the following link.
- **Water Efficiency in Mills:** Implementing turbine cooling water recycling into the water basin, optimizing the use of condensate from sterilization as dilution water (eliminating the use of clean water from hot water tanks), and adjusting domestic water flow schedules based on usage in offices, housing, palm oil mill units, and plantations. Several water efficiency initiatives at the mills aim to reduce the production water usage ratio (<1.10 m^3/ton FFB).

Water Management Program

- **Water Source Protection:**

  Through established procedures, the company has set river buffer zone limits, prohibited the use of chemicals, monitored water quality, and installed warning signs against fish poisoning to protect aquatic ecosystems.

- **Water Conservation:**

  Preserving palm tree canopy coverage to prevent soil erosion, enhance water absorption capacity, and maintain natural biopores in the root system. Additionally, empty fruit bunches and Nephrolepis ground cover plants are used to retain soil moisture.

  A water conservation project was developed at PT BPN in 2024, part of the Palm Oil Business Unit. In this project, water is pumped from the PKS 9 reservoir to the main rorak at the highest elevation and then distributed via gravity to sub-roraks covering an area of 205 hectares.

- **Water Reuse Initiatives:**

  In the DSN WP Panel Business Unit, the installation of a water recycling machine is an effort to streamline the use of process water and anticipate water scarcity in the future (utilizing recycled waste water). The water efficiency target is 5,634 m^3/year until 2028. In 2024, the volume of water discharged at the wood panel processing facility was reduced to 5,616 m^3, marking a 28% improvement in efficiency compared to the previous year's 7,840 m^3. Meanwhile, steam boiler water usage efficiency increased from 75% to 88%, with consumption decreasing from 18,174 m^3 in 2023 to 16,524 m^3 in 2024.

  DSN's WP Floor Business Unit has set a maximum annual water usage target of 4,800 liters, aiming to improve operational efficiency and support more environmentally sustainable business practices.

Water Usage and Process Water Intensity [POJK51.F.8]

Throughout 2024, total water consumption in the palm oil and wood products business units decreased compared to 2023. As part of responsible water management, the company regularly monitors water usage in palm oil mill units (PKS) by measuring Water Intensity (WI) per ton of FFB processed. In 2024, there were no complaints, fines, or sanctions received regarding the use of water resources.

At present, the company has not yet conducted measurements of wastewater discharge based on its intended purpose, so data on wastewater disposal cannot be provided at this time.

Total Volume of Water Withdrawal by Source in 2024 (m^3) [POJK51.F.8] [GRI 303-3, 303-5]

Description	Palm Oil Units (m^3)	WP Panel (m^3)	WP Floor (m^3)	Head Office (m^3)
Surface Water	3,798,751	-	-	-
Groundwater	-	47,267	57,626	-
Seawater	-	-	-	-
Third-party Water Supply (PDAM)	-	5,374	354	37,506
Total Water Withdrawal	**3,798,751**	**52,641**	**57,980**	**37,506**

Total Water Consumption in 2024

Description	Palm Oil Units (m^3)	WP Panel (m^3)	WP Floor (m^3)	Head Office (m^3)
Total	2,465,883	51,762	57,980	37,506
Total Group Consumption	**2,613,131**			

Achievement of Targets and Actual Water Usage in Palm Oil Mill units in 2024

Item	Unit	2024 Target	2024 Achievement
Water Usage Intensity in Processing	m^3/Ton FFB Processed	1.1	0.98

Water Data in Boiler Facility, Log Pond 5ft, and Log Pond 9ft at DSN WP Panel Business Unit

Item	Unit	2024 Target	2024 Achievement
Groundwater usage volume	m^3	36,600	31,623
Discharged water volume	m^3	7,080	5,616

Water Usage Intensity [GRI 303-5]

Indicator	Unit	2024	2023	2022
Palm Oil Business Unit				
Total Process Water Usage	m^3	**2,465,883**	3,747,759	3,910,298
Process Water Usage Intensity	m^3/Ton TBS Processed	**0.98**	1.30	1.39
Wood Products Business Unit				
Total Water Usage - WP Floor	m^3	**57,980**	59,919	59,507
Water Usage Intensity - WP Floor	m^3/m^2 Floor Production	**0.08**	0.07	0.06
Total Water Usage - WP Panel	m^3	**51,762**	60,206	60,167
Water Usage Intensity - WP Panel	m^3/m^3 Panel Production	**0.45**	0.62	0.51

Wastewater Management [POJK51 F.15] [GRI 306-3][GRI 306-5]

The company ensures that wastewater generated from our operations is treated to meet the quality standards set by the government, preventing environmental pollution. These guidelines are implemented across all business units, including the Headquarters, Palm Oil Business Unit, Wood Products Business Unit, and Subsidiary Entities.

Wastewater Management Program:

- Provide training and certification for Wastewater Treatment Plant Operators (POPA) and Water Pollution Control Officers (PPPA) in compliance with applicable regulations.
- Construct wastewater treatment ponds at each Palm Oil Mill units (POMs) and wood product factory to ensure wastewater is treated before discharge.
- Ensure that discharged wastewater meets regulatory quality standards, such as BOD and COD parameters based on applicable regulations.
- Regularly report wastewater management and monitoring results to the regional Environmental Agency every semester through the RKL-RPL Semester Report.
- The Wood Products Business Unit employs wastewater recycling technology through various methods, including treating and reusing wastewater from log washing for subsequent washing processes. Additionally, treated wastewater from the WWTP is utilized to irrigate plants around the operational area. This initiative has also reduced WWTP sludge management by 57%, from an average of 1,400 kg per month to 600 kg per month.
- Treated wastewater (POME) in treatment ponds is utilized or applied as organic fertilizer. Each POME application site is equipped with a permit (Land Application) and undergoes environmental monitoring in accordance with regulations. Additionally, some palm oil mill units have installed methane capture technology to reduce CH_4 gas emissions from POME.

Wastewater Treatment Quality Measurement Results for the Palm Oil Business Unit

Parameter	Regulatory Standard	2024	2023	2022
Biological Oxygen Demand (BOD)	5,000 mg/L	**3,571**	1,580	530
Chemical Oxygen Demand (COD)	-	**10,146**	4,513	1,513
pH Level	6-9	**7.3**	7.2	7.4

Wastewater Treatment Quality Measurement Results for the Wood Panel Business Unit

Parameter	Regulatory Standard	2024	2023*	2022*
Biological Oxygen Demand (BOD)	75	**44**	762	1,117
Chemical Oxygen Demand (COD)	125	**91**	2,284	3,347
pH Level	6-9	**7.46**	9.08	6.79
Total Suspended Solids (TSS)	400	**14**	230	114

Notes:
**Data for 2022 and 2023 were obtained during the WWTP construction process.*

Wastewater Treatment Quality Measurement Results for the Wood Floor Business Unit

Parameter	Regulatory Standard	2024	2023	2022
Biological Oxygen Demand (BOD)	75	**36.75**	39.56	24.75
Chemical Oxygen Demand (COD)	125	**98.46**	126.05	80.18
pH Level	6-9	**7.5**	7.46	7.1
Total Suspended Solids (TSS)	400	**86**	106	84

Solid Waste Management

DSNG is committed to implementing Circular Economy principles by reducing natural resource consumption, recycling waste, and minimizing emissions through environmentally friendly solutions. We have established a waste management system in accordance with applicable regulations. Our team routinely monitors waste management to ensure compliance with regulatory requirements.

Efforts to Reduce Non-Hazardous Solid Waste

1 Reduction

- Limiting the use of single-use plastic bottles by adding refillable drinking water facilities.
- Restricting the use of single-use plastic shopping bags through awareness campaigns and providing reusable shopping bags.

2 Recycling

- Collaborating with local businesses in Muara Wahau to sell sorted recyclable waste from employee housing.
- Waste recycling lessons and exhibitions at Dharma Utama School.
- Metal scraps or iron pieces are utilized by third parties, with DSNG successfully recycling 62 tons in 2024.

3 Repurposing

- Biomass waste, such as palm kernel shells and fibers from the palm oil business unit, as well as wood from the timber business unit, is reused as biomass for boiler operations. In 2024, the total biomass utilized for boilers reached 967,503 m^3.
- Organic waste compost is used for employee vegetable gardens in housing areas of the palm oil business unit.
- Organic waste from the TKPI canteen is repurposed as poultry feed by the local community, with an average of 4 kg/day being utilized.
- Boiler ash from the TKPI plant is used as landfill material by the community.
- 100% of used cooking oil is repurposed as fuel for modified stoves.

4 Sorting

- Organic and non-organic waste sorting is carried out by each employee, assisted by housing staff in each residential area of palm oil business unit.
- 7 type of waste sorting (organic, paper, plastic, glass, cardboard, metal, residue) is carried out by each employee at Jakarta headquarters.

5 Landfill

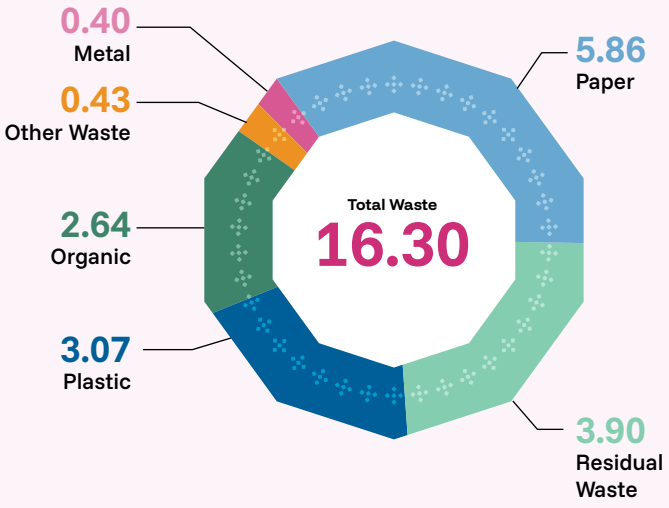
- Collection and transportation of residual waste to be safely disposed of in designated landfill areas.
- Residual waste generated at the Jakarta headquarters is processed with the carbonization method by a third party to support the target of Zero Landfill.

Waste Management at GRHA DSN

The solid waste management system at DSNG's Jakarta headquarters is designed to be environmentally friendly. Domestic waste is managed in collaboration with third-parties implementing zero waste programs through sustainable waste processing systems. Meanwhile, hazardous and toxic waste (B3 waste) is handled by third-parties registered with the Ministry of Environment and Forestry.

In 2024, GRHA DSN successfully reduced office waste sent to landfills by 98% out of the 16,300 kg of total waste generated throughout the year. This means DSNG has achieved its 2030 target of reducing office waste sent to landfills by 70%, in alignment with Jakarta Provincial Government regulations. The reduction was achieved by enhancing waste sorting culture, 3R (Reduce, Reuse, Recycle) efforts, and implementing a circular economy approach with third parties. Based on downstream waste traceability, organic waste is processed through BSF maggot cultivation, inorganic waste is recycled into new products, and residual waste undergoes carbonization.

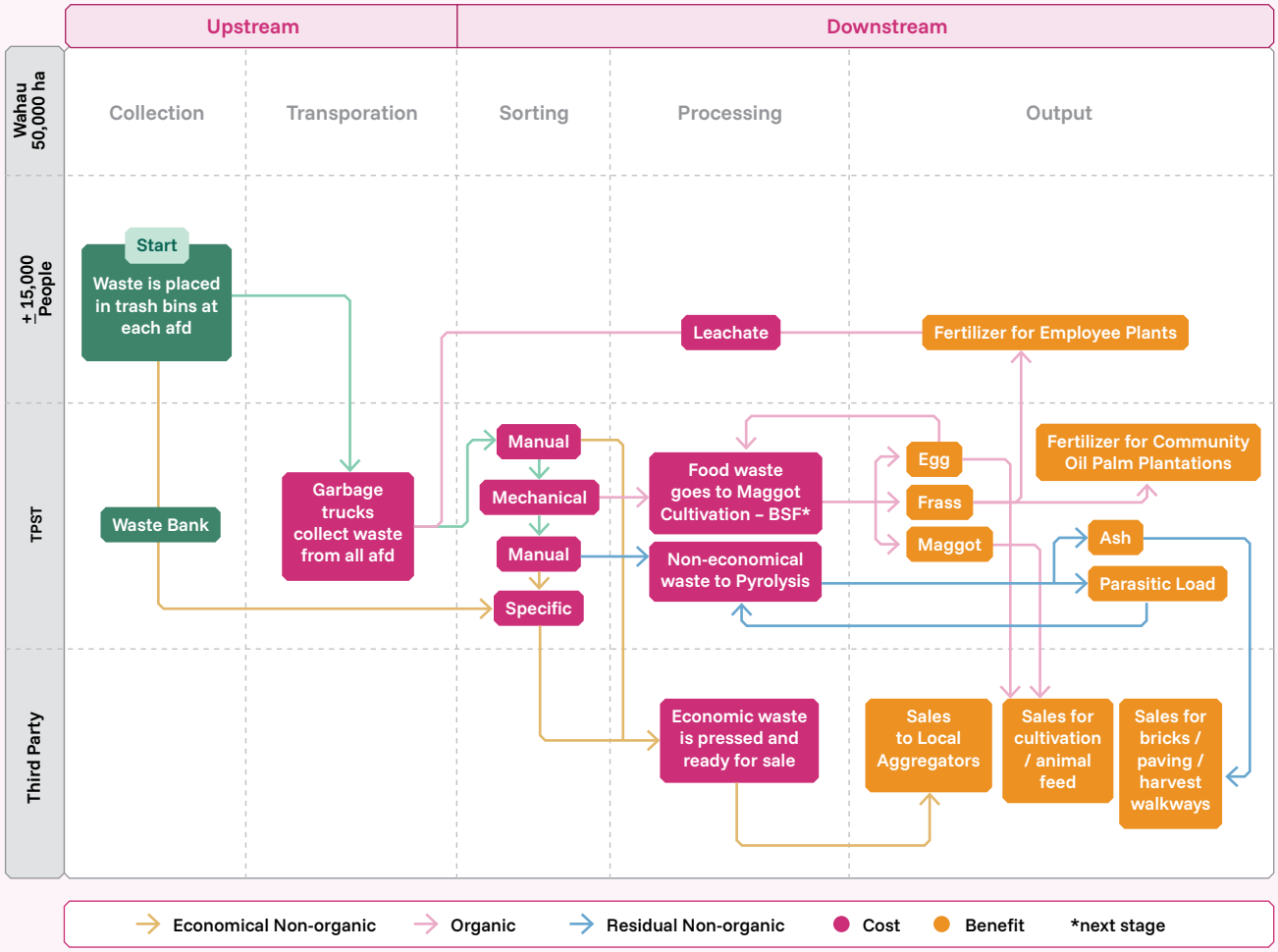
Below is the composition breakdown of GRHA DSNG's waste in metric ton (mt)



TPST Project

The Integrated Waste Processing Facility (TPST) Project aims to ensure that domestic employee waste is no longer sent to landfills. The pilot TPST project, with a processing capacity of 4 tons per day, was built in Muara Wahau, East Kalimantan, with its groundbreaking ceremony held on June 26, 2024. The commissioning ceremony followed on December 19, 2024, and the performance testing phase is currently underway.

Optimization of waste utilization will be carried out through a specialized sorting process and a waste bank program. Residual waste will be destroyed using a non-incinerator pyrolysis gasification machine, which can recover energy for its own operations, thereby reducing fuel consumption. Additionally, ash from biomass combustion will be repurposed as a construction material mixture.



Hazardous Waste Management Efforts

- One of the initiatives implemented by the WP-Panel business unit is the drying of sludge from red glue wastewater treatment. This effort has improved sludge management by 57%, reducing the average from 1,400 kg per month to 600 kg per month. This reduction also helps lower hazardous waste (WWTP sludge) transportation costs.
- DSNG responsibly manages hazardous operational waste in accordance with Indonesian regulations. Measures taken include ensuring that hazardous waste storage facilities are properly licensed, as well as recording, reporting, transporting, and processing waste through third parties in compliance with applicable regulations.

Solid Waste Generated in 2024

Solid Waste in Metric Tons (t)

Solid Waste	Panel		Floor		Palm Oil Units		Head Office	DSNG
	External	Internal	External	Internal	External	Internal		
Hazardous Waste (MT)								
Reused Waste	-	-	-	-	-	-	-	-
Other Processing Options	11.26	-	6.98	-	67.37	-	-	85.61
Total Hazardous Waste	**11.26**	**-**	**6.98**	**-**	**67.37**	**-**	**-**	**85.61**
Non-Hazardous Waste								
Recycled Waste	19.70	28,310.4	33.57	768	-	892,447.80	-	921,579.47
Other Processing Options	367.37	-	-	-	-	-	0.84	368.21
Total Non-Hazardous Waste	**387.07**	**28,310.4**	**33.57**	**768**	**-**	**892,447.80**	**0.84**	**921,947.68**

Non-Hazardous Waste based on the composition

Composition of Waste in Metric Tons (t)

Waste Type	Panel	Floor	Palm Oil Units	Head Office	Total DSNG
Biomass (Organic)	28,310.40	3,645.00	892,026.00	2.64	923,984.04
Metal	19.70	2,637.60	42.30	0.40	62.40
Paper/Cardboard	-	176.40	117.40	5.86	299.66
Plastic	-	179.55	262.10	3.07	444.72
Residual Waste	348.60	36.40	390.50	3.90	779.40
Other Waste	18.77	-	-	0.43	19.20
Total Waste	**28,697.47**	**6,674.95**	**892,838.30**	**16.30**	**928,227.02**

Environmental Costs [POJK51 F.4]

In 2024, the Company has spent Rp 12.9 billion on environmental and conservation activities in the palm oil business. The fund allocation was used for the following activities:

- Monitoring Environmental Quality Parameters
- Orangutan Conservation
- Procurement and Training of SMART Patrol Application for Biodiversity Monitoring and OHS Inspections
- Hazardous Waste Management
- Green Housing Competition
- Wildlife Conflict Management
- SHE Awareness Campaigns for the Community
- Seed Procurement for Restoration Efforts
- Environmental Management Certification Training
- Fire Prevention Certification Training
- Traffic Signage Procurement
- Integrated Waste Management (TPST)
- Nursery Houses
- Conservation Monitoring Collaboration with ZSL

Environmental Compliance

In 2024, the Company received 10 PROPER Blue ratings at the national level, 1 PROPER Blue rating at the provincial level, and 8 PROPER Green ratings at the provincial level. The Program for Environmental Performance Rating (PROPER) is an evaluation system awarded to companies to assess their environmental management performance. Companies receiving this rating demonstrate excellent environmental performance, comply with regulations, and commit to sustainable business practices.

By the end of 2024, none of the Company's Palm Oil Mill units received a PROPER Red rating, indicating that environmental management has complied with applicable regulations. The Company remains committed to adhering to environmental standards and regulations to minimize environmental impact.

In 2024, the palm oil business unit underwent an external audit for environmental and social aspects based on national and international standards, such as the IFC Performance Standards (PS) and Environmental, Health, and Safety (EHS) Guidelines. An annual assesment audit was conducted independently by Ramboll Pte Ltd on our compliance to the Environmental and Social Guidelines at this link.

Additionally, to assess environmental compliance, the company conducted annual audits for RSPO, ISPO, and SCCS certifications, covering Palm Oil Mill (PKS), Palm Kernel Processing Plant (KCP), and Bulking Units. These audits aim to ensure compliance with environmentally friendly production standards and sustainable palm oil management.

Palm Oil Mill Units

Proper Rating-National Level: 1,2,3,4,5,6,7,8,9,10,12 **BLUE**

Proper Rating-Provincial Level:

1,2,3,4,5,6,7,9,10 **GREEN** 11 **BLUE**



About GRHA DSN

DSNG's dedication to sustainability is evident in the adoption of Green Building principles at its new headquarters, GRHA DSN. As of April 1, 2024, DSNG officially relocated its headquarters to GRHA DSN. In line with the company's efforts to adopt sustainability principles and achieve Green Building certification, GRHA DSN has been designed to minimize environmental impact throughout its operational lifecycle. This green building approach reflects responsible business practices and supports environmental and social sustainability. Several concrete measures have been implemented, including:

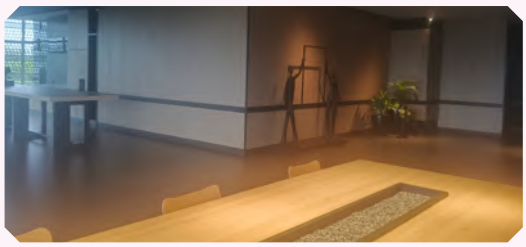
A Eco-Friendly Specifications

1. Building Materials
The building utilizes eco-friendly materials, such as certified wood for the rooftop, waiting area walls, and meeting rooms.

2. Building Design
The building is designed to maximize the use of double glazing and aluminum facades to conserve air conditioning and solar energy.

3. Water Usage System
The building features an efficient water usage system, including low-water toilets that use recycled water for flushing and plant irrigation. In total, GRHA DSN has successfully managed to recycle 195 m^3/month of water.

4. Energy System
The building incorporates renewable energy solutions, including solar panels that harness sunlight to power Power House 2 (Lighting), reducing dependence on conventional energy sources.







B Green Features

1. Rooftop Garden
The rooftop garden helps reduce air pollution, heat on the roof, and improve air quality on the rooftop of the GRHA DSN building.

2. Waste Management System
GRHA DSN applies environmentally friendly waste treatment methods. Liquid waste is processed using Sewage Treatment Plant (STP) technology with the Aeration System. Meanwhile, solid waste is divided into B3 waste, which is managed in cooperation with vendors licensed and registered with the KLHK, and household waste, which is managed in cooperation with third-parties implementing the Zero Waste Program. DSNG also processes flower leaf waste into compost, which can be reused as plant fertilizer.

3. Open Space & Landscape
71% of the total office land area (7,071 m^2 out of 9,990 m^2) is allocated for green open spaces and water absorption zones. This percentage exceeds the minimum requirement of 45%. The green area includes gardens, walkways, and parking spaces.





C Workplace Health & Comfort

5S
+ SAFETY

DSNG implements the **5S** methodology (Seiri, Seiton, Seiso, Seiketsu, Shitsuke) + Safety to create a clean, organized, and productive workspace. This approach enhances workplace safety, fosters a sense of ownership, and strengthens employee responsibility.

Community Pillar

DSNG is dedicated to empowering communities through sustainable social programs that focus on education, healthcare, local economic development, and cultural preservation. By adopting a partnership-driven approach, DSNG intends to foster a positive impacts on the well-being of communities near its operational areas.

Employement

Palm Oil | Wood Product | DSNG

Total Employees
19,399
People

Total Safe Working Hours
43,266,290

Training Hours
94,773

15.7
Hours per employee

Key Programs

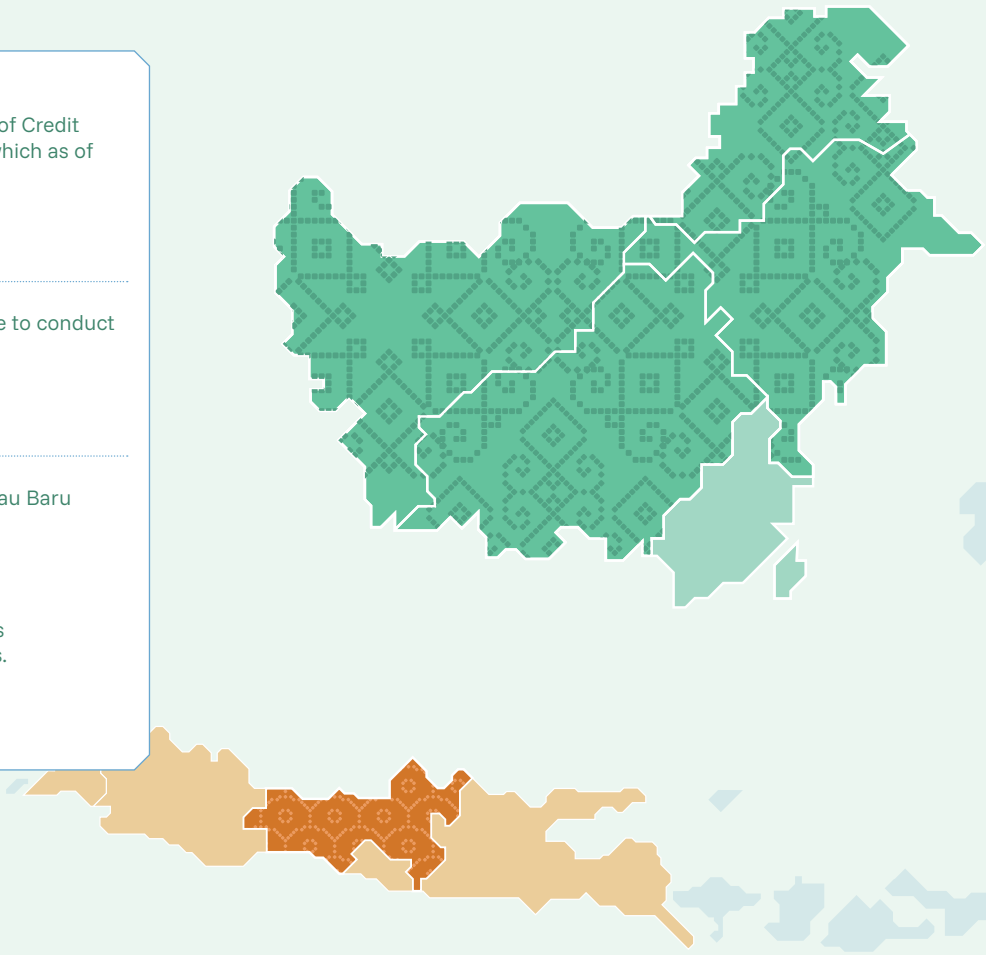
1. Establishment and Mentoring of Credit Union Mitra Mandiri in 2009, which as of 2024 serves **2,640 members.**

2. Collaboration with SRI Institute to conduct a gender assessment with **452 participants.**

3. Collaboration with Bumdes Miau Baru to supply



of the company's rice needs.



Community Engagement

Total Credit Union (CU) Asset

Total Members
4,638

Total Asset
117.6
Rp billion

CSR Expenditure
29.5
Rp billion

CSR-Assisted Cooperatives
53 Units
Palm Oil Business Unit

Independent Farmers
8,123 People
Palm Oil Business Unit

Farmers
36 People
Wood Products Business Unit

Human Rights and Labor Practices

[POJK51 F.19]

DSNG is committed to upholding human rights and fair labor practices through the implementation of the Anti-Discrimination Policy, Sustainability Policy, Women's Protection Policy, and Child Protection Policy. These policies reflect DSNG's dedication to fostering a non-discriminatory work environment that promotes fairness and equal treatment.

Through its Sustainability Policy, DSNG is dedicated to respecting and ensuring the fulfillment of workers' rights in compliance with applicable regulations and international standards such as 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). DSNG has also established policies to create a safe, fair, and child-friendly work environment, support gender equality, and promote a culture of diversity.

DSNG's zero exploitation commitment is demonstrated through employee and community is demonstrated through employee and community welfare initiatives, workplace health and safety measures, and economic empowerment programs. As part of its commitment to Women's Protection and their well being, DSNG provides lactation rooms in its operations and sepearate lavatory facilities. Additionally, our Child Protection Policy ensures children's safety, as well as enforcing a zero-tolerance policy on child labor. Our partnerships with organizations such as PAACLA reflects our commitment to further the cause industry wide.

To further uphold these commitments, DSNG has established Gender Committees across all operational areas to support and monitor policy implementation. Respect for human rights is a shared responsibility and a core priority for DSNG.

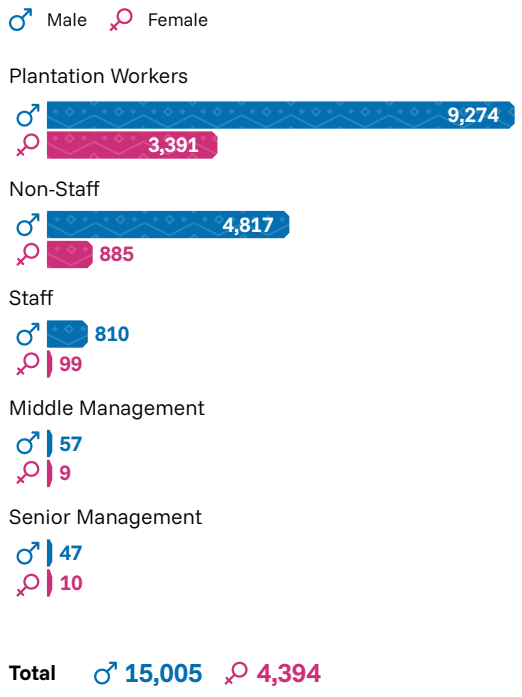


Employee Overview

Our Employee Profile

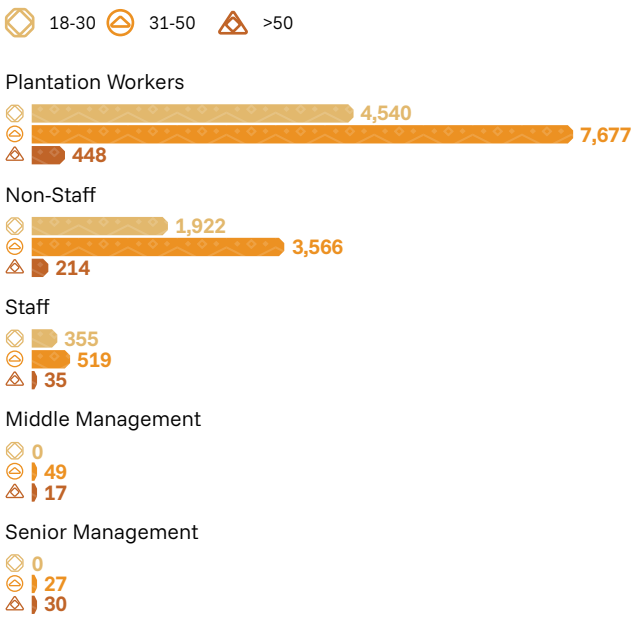
Total DSNG Employees in 2024 by Position, Gender, and Age Group [POJK51 F.19][GRI 2-7, 405-1]

Number of DSNG Employees by Gender



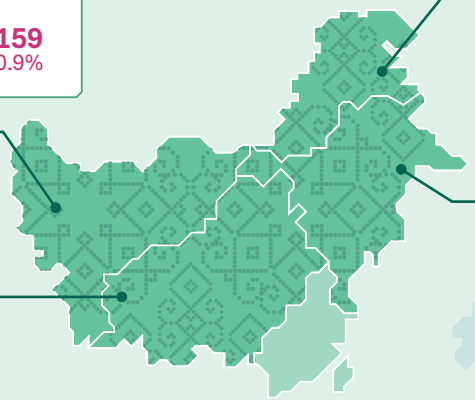
Total	Male	Female
	15,005	4,394

Number of DSNG Employees by Age Group



Total	18-30	31-50	>50
	6,817	11,388	744

Number of DSNG Employees in 2024 by Gender and Placement Region [GRI 2-7]



West Kalimantan

Sekadau		Sintang	
♂ 742	♀ 128	♂ 1,071	♀ 159
3.8%	0.7%	5.5%	0.9%

North Kalimantan

Bulungan	
♂ 405	♀ 124
2.1%	0.6%

Central Kalimantan

Lamandau	
♂ 1,606	♀ 567
8.3%	2.9%

East Kalimantan

East Kutai	
♂ 9,865	♀ 2,921
50.9%	15.1%

Jakarta

Head Office	
♂ 160	♀ 72
0.8%	0.4%

Others

-	
♂ 12	♀ 0
0.1%	0.0%

West Java

Sukabumi	
♂ 21	♀ 0
0.1%	0.0%

Central Java

Temanggung		
♂ 1,123	♀ 423	
5.8%	2.2%	

Total Numbers

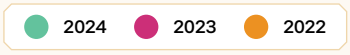
DSNG		
♂ 15,005	♀ 4,394	
77.3%	22.7%	

Number of Permanent DSNG Employees by Gender and Placement Region [GRI 2-7]

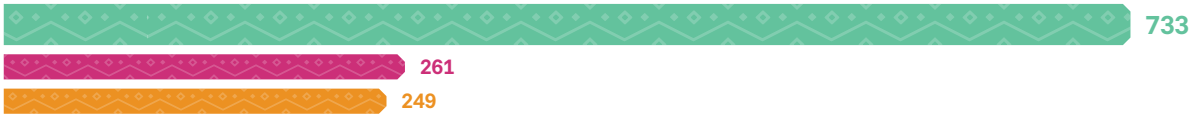
Placement Region	2024			2023			2022		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Jakarta	**145**	**64**	**209**	144	64	208	149	59	208
West Java	**7**	**0**	**7**	-	-	-	-	-	-
Central Java	**910**	**254**	**1,164**	960	264	1,224	1,033	282	1,315
East Kalimantan	**9,686**	**2,903**	**12,589**	10,295	2,957	13,252	9,777	2,851	12,628
Central Kalimantan	**1,595**	**567**	**2,162**	1,673	603	2,276	1,711	595	2,306
West Kalimantan	**1,812**	**287**	**2,099**	1,676	283	1,959	1,586	265	1,851
North Kalimantan	**405**	**124**	**529**	435	138	573	408	129	537
Others	**4**	**-**	**4**	15	2	17	7	0	7
Total	**14,564**	**4,199**	**18,763**	15,198	4,311	19,509	14,671	4,181	18,852

Non-Permanent Employees

Number of Other Workers Who Are Not DSNG Employees [GRI 2-8]



Outsourced Workers



Source: Human Capital Function, based on individuals recorded as of December 31, 2024.

Employee Recruitment and Development

Through its anti-discrimination policy, DSNG is committed to ensuring equal employment opportunities without discrimination based on ethnicity, religion, gender, race, inter-group relations, or other characteristics protected by applicable law.

In the recruitment process:

- Job advertisements must provide clear information so that applicants can assess their suitability for the position.
- The content of job advertisements must not express a preference for a specific group of applicants unless the qualification is directly related to the nature or needs of the job.

In training and career development:

- All employees are considered fairly and equally for training and career development opportunities.
- All employees are encouraged to discuss their career goals and training needs with their direct supervisors.

Number of New Employees in 2024 by Gender and Age Group [GRI 401-1a]

Male		Female		Total	
18-30	1,523/51.5%	18-30	235/7.9%	18-30	1,758/59.4%
31-50	1,008/34.1%	31-50	184/6.2%	31-50	1,192/40.3%
>50	9/0.3%	>50	1/0.0%	>50	10/0.3%
Total	2,540/85.8%	**Total**	420/14.2%	**Total**	2,960/100%

Number of New Employees in 2024 by Gender and Age Group [GRI 401-1a]

Male		Female		Total	
Head Office	27/0.9%	Head Office	6/0.2%	Head Office	33/1.1%
Palm Oil Business Unit	2,452/82.8%	Palm Oil Business Unit	375/12.7%	Palm Oil Business Unit	2,827/95.5%
Wood Product Business Unit	42/1.4%	Wood Product Business Unit	39/1.3%	Wood Product Business Unit	81/2.7%
Other Units	19/0.6%	Other Units	0/0.0%	Other Units	19/0.6%
Total	**2,540/85.8%**	**Total**	**420/14.2%**	**Total**	**2,960/100%**

Number of Employees Leaving the Company [GRI 401-1]

Category	2024			2023			2022		
	Male	Female	%	Male	Female	%	Male	Female	%
Resignation	**3,301**	**525**	**19.7**	4,724	682	26.7	4,853	891	28.4
Termination of Employment	**644**	**73**	**3.7**	1,305	168	7.3	1,673	308	9.8
Retirement	**160**	**33**	**1**	145	27	0.8	181	29	0.1
Other Reasons	**23**	**8**	**0.2**	27	2	0.1	25	2	1
Total	**4,128**	**639**	**24.6**	6,201	879	34.9	6,732	1,230	39.4

Employee Turnover by Job Level [GRI 401-1]

Category	Level	2024		2023		2022	
		Total	Turn over (%)	Total	Turn over (%)	Total	Turn over (%)
Resignation	Staff	**84**	**8.0**	83	8.2	94	10.2
	Non-Staff	**428**	**7.5**	415	7.3	675	11.6
	Plantation Workers	**3,314**	**25.3**	4,908	36.2	4,975	42.3
Termination	Staff	**49**	**4.7**	71	7.0	45	4.9
	Non-Staff	**152**	**2.7**	358	6.3	871	14.9
	Plantation Workers	**516**	**3.9**	1,004	7.7	1,065	9.1
Retirement	Staff	**11**	**1.1**	13	1.3	6	0.7
	Non-Staff	**84**	**1.5**	108	1.9	158	2.7
	Plantation Workers	**98**	**0.7**	51	0.4	46	0.4
Other Reasons	Staff	**2**	**0.2**	2	0.2	3	0.3
	Non-Staff	**8**	**0.1**	10	0.2	8	0.1
	Plantation Workers	**21**	**0.2**	17	0.1	16	0.1
Total		**4,767**		7,080		7,962	

Number of Employees Leaving Based on Operational Region and Gender [GRI 401-1]

Operational Region	2024	
	Male	Female
Head Office	31	4
Palm Oil Business Unit	3,981	586
Wood Products Business Unit	112	49
Other Units	4	0
Grand Total	4,128	639
	4,767	

Employee Turnover in 2024 by Gender and Age Group [GRI 401-1]

Male		Female		Total	
18-30	2,078/43.6%	18-30	228/4.8%	18-30	2,306/48.4%
31-50	1,880/39.4%	31-50	379/8.0%	31-50	2,259/47.4%
>50	170/3.6%	>50	32/0.7%	>50	202/4.2%
Total	4,128/86.6%	**Total**	639/13.4%	**Total**	4,767/100%

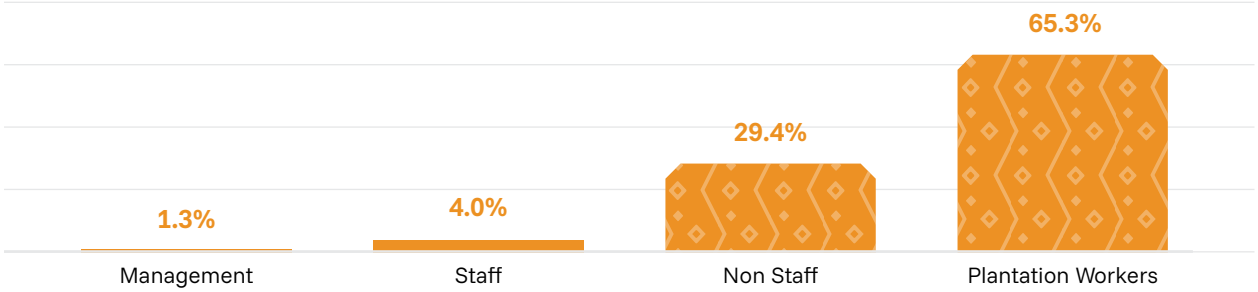
Employee Development

DSNG prioritizes human resource development to build a competent and adaptable team capable of facing future challenges. We provide continuous training, covering technical skills, leadership, and soft skills, through both internal and external programs. By facilitating lifelong learning, DSNG ensures that employees remain relevant amid industry dynamics, fostering innovation and contributing their best to the company.

People Management System



Management Level Classification

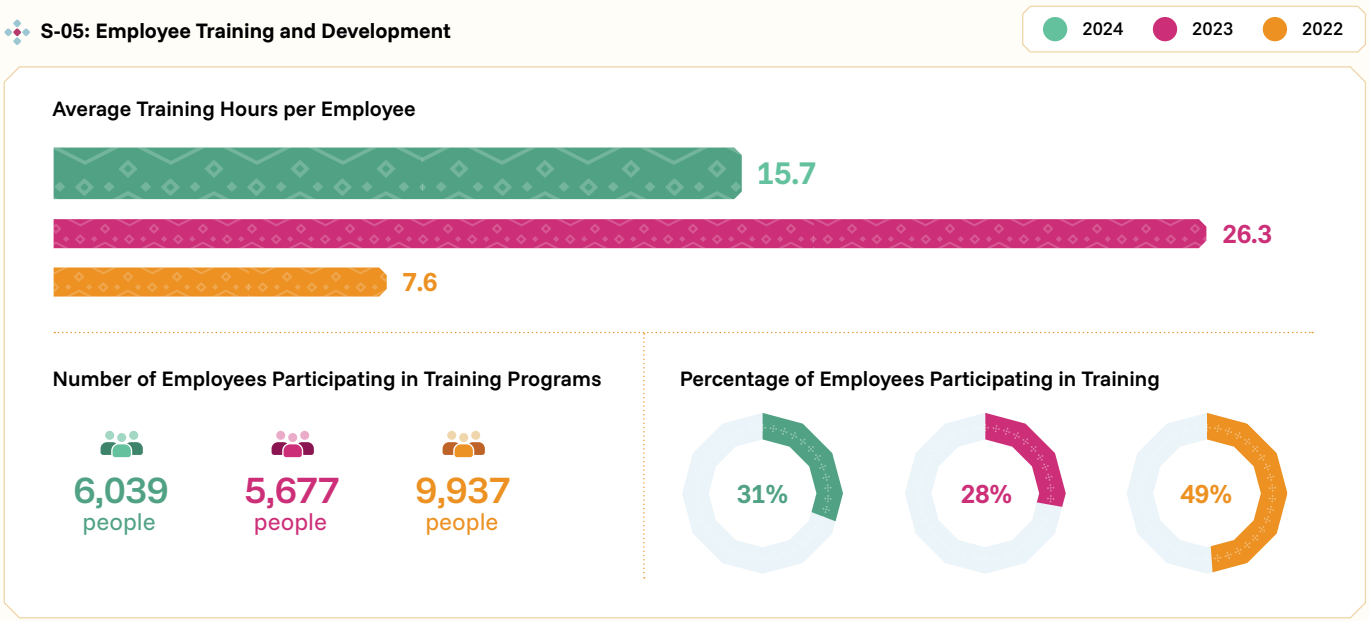


Employee development through training is the responsibility of the Human Capital Department, with a strong emphasis on workplace safety as a core competency that every employee must possess. In 2024, DSNG provided training focused on sustainability and productivity enhancement, while also conducting regular performance evaluations and career development programs for all employees. The training programs covered General Development, Managerial Development, and Technical Development.

Total Training Hours by Employee Group/Management Level [GRI 404-1]

Employee Category	Male		Female		Total	
	Participants	Hours	Participants	Hours	Participants	Hours
Board of Directors	11	765	2	167	**13**	**932**
Management	236	12,633	27	1,384	**263**	**14,017**
Staff	731	21,301	116	3,895	**847**	**25,196**
Non-Staff	1,932	31,880	506	4,264	**2,438**	**36,144**
Plantation Workers	1,617	13,711	861	4,774	**2,478**	**18,485**
Total	4,527	80,290	1,512	14,483	**6,039**	**94,773**
Average Training Hours per Participant	17.74		9.58		**15.69**	

S-05: Employee Training and Development



Note: Decrease in average training hours per employee follows increase in number of workers trained

Employee Welfare Considerations [GRI 202-1, 405-2]

1. 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 special leave for male employees to accompany their wives during childbirth.

Maternity Leave

Maternity Leave



Number of Male Employees (Paternity Leave)

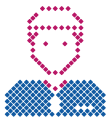
50



Number of Female Employees

14

Number of employees who returned to work after maternity leave



Number of Male Employees (Paternity Leave)

50



Number of Female Employees

13

2. Benefits Received [GRI 401-2]

Employees receive various benefits and facilities, including transportation, social security, healthcare services, holiday allowances, leave entitlements, as well as access to education, sports, housing, and childcare facilities.

Some of the available facilities include:

- **Sports:** 7 football fields and 17 futsal courts.
- **Housing:** 390 official residences and dormitories, along with 1,769 other buildings, including places of worship and living quarters.
- **Education:** 5 learning centers, 8 kindergartens, 6 elementary schools, and 1 junior high school.

3. Employee Pension Fund [1] [GRI 201-3]

The company ensures employee welfare through the Old Age Security (JHT) and Pension Security (JP) programs managed by BPJS Ketenagakerjaan. As a result, the management of these guarantees, including the fulfillment of employee rights before retirement, falls under BPJS Ketenagakerjaan's responsibility, and the company is not required to disclose further information.

In 2024, the company contributed to JHT and JP participation fees under BPJS Ketenagakerjaan. The total contribution amounted to IDR 74.56 billion for the Palm Oil Business Unit and IDR 4.92 billion for the Wood Products Business Unit.

Human Rights and Labor Standards

Human Rights Focus Areas

At DSNG, the fulfilment of human rights is an integral part of our commitment to creating a fair work environment that respects the dignity of every individual. **DSNG's key focus areas for human rights implementation include:**

1. **Respecting workers' rights**
2. Ensuring **fair and equal pay** for equal work
3. **Protecting children's rights** by enforcing strict policies against child exploitation and **ensuring their safety** around operational areas
4. Preventing **human trafficking and forced labour**
5. Recognizing **the rights of indigenous peoples and local communities**, maintaining harmonious relationships through open dialogue and respect for their cultural heritage

Respecting Workers' Rights

In line with the Anti-Discrimination Policy, Women's Protection Policy, and Child Protection Policy, DSNG upholds workers' rights as a foundation for fostering a fair and respectful work environment. We are committed to ensuring that every employee is treated with dignity, free from discrimination, and receives fair wages and benefits in accordance with their contributions. The company strives to ensure a safe and conducive working condition by providing appropriate protection for its employees physical and mental well being. Additionally, DSNG supports career development through various training programs and opportunities for growth, allowing every worker to thrive and contribute to their fullest potential.

Program

- **DSNG rewarded "Vacation Reward Program"** to 21 top harvesters and 10 best Mandor 1 supervisors from its palm oil business units in Kaltim 1, Kaltim 2, and Kaltara with a trip to the Derawan Islands, East Kalimantan. This initiative serves as a recognition for employees' outstanding performance in productivity, quality, and discipline.

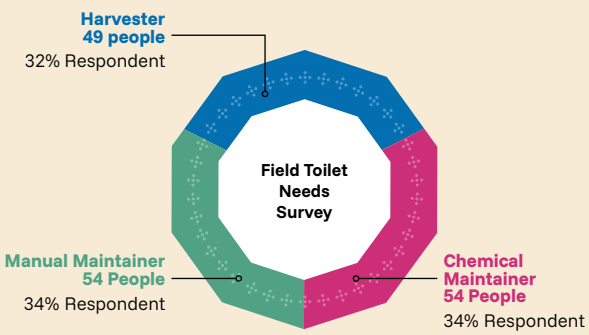
- **Provision of Field Toilets (Palm Oil Plantation Blocks)**

  1. As of 2024, 14 permanent toilets have been built in palm oil plantations. This initiative aims to create a healthier working environment, reduce health risks from open defecation, and prevent harassment or sexual violence. The toilets are separated by gender, providing a safer and more comfortable facility for female employees.
  2. A survey conducted in October 2024 among 157 employees revealed that all respondents supported the initiative, considering it essential for workplace hygiene and safety.

Provision of toilets in the Field (Palm Oil Block)

14 toilets has been built until 2024

Preventing **sexual harassment/violence**, providing **a healthy workplace, and preventing the spread of diseases** caused by defecating in any place.



Fair Wages

DSNG provides competitive and fair remuneration in accordance with Provincial Minimum Wage (UMP) / Regency Minimum Wage (UMK) in each operational area, as well as the INANI (RSPO) Living Wage standard. Our remuneration structure is highly competitive, aligned with different job levels. As a form of appreciation for employees who contribute to improving company performance, DSNG offers compensation beyond regulatory requirements, including: **Base salary, Allowances, Incentives**

Gender Pay Ratio

Senior Management	Middle Management	Staff	Non-Staff	Plantation Workers
1.01	0.99	1.05	1.15	1.00

Children's Rights and Protection

DSNG collaborates with local communities and relevant institutions to ensure that children have proper access to education, healthcare, and a safe environment. The company has initiated several programs, amongst them

- DSNG inaugurated the Dharma Utama Elementary School and Kindergarten building in early September 2024 to provide education access with a national standard curriculum for children in the PT PWP operational area, Lamandau Regency, Central Kalimantan.
- DSNG collaborated with the government and the Karangan District Education Unit (UPT Pendidikan) to establish SDN 001 Karangan, a branch school in the PT BAS operational area and surrounding areas, aimed at facilitating teacher certification and training programs to improve their competencies.
- DSNG also provided informal education assistance for Punan Kelay children in Dusun Longsep to ensure access to informal education. In 2024, the target development for participants included 15 children in the categories of color recognition, reading, and basic arithmetic.



- To fill the school holiday period, DSNG organized the Smart and Fun Holiday Week for children on June 24-29, 2024. The Smart and Fun Holiday Week featured activities targeting children aged 5 to 18 years.
- In commemoration of the 2024 National Polio Immunization Week (PIN), DSNG, through the PT SWA clinic in East Kutai, East Kalimantan, conducted polio immunization for 1,800 children aged 0 months to 7 years.
- Child Consultation Forum Training Program. The peer counselor training is an annual program designed to enhance the capabilities of child forum members as reporters and advocates. Forum members aged 12-17 years are expected to serve as peer counselors in their respective Afdelings within PT. This activity is conducted at least once a year, inviting external speakers. By 2024, the training had been held twice, with a total of approximately 30 participants.

Human Trafficking and Forced Labor

DSNG has a firm commitment to combating all forms of human trafficking and forced labor across its operations. The company upholds human rights principles, ensuring that all employees are hired voluntarily, without coercion or exploitation. In line with DSNG's Child Protection Policy, the company is dedicated to providing adequate rights and protection for children, particularly those living in its operational areas. DSNG strictly ensures that no employees under the age of 18 are hired.

Diversity and Inclusion

Diversity and Inclusion in the Workplace

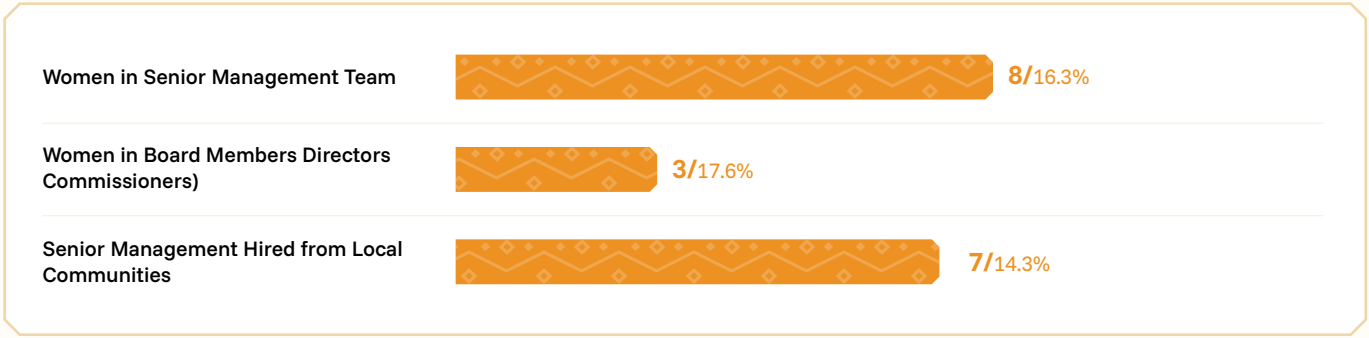
[POJK51.F.18][GRI 405-1]

DSNG highly values diversity and believes that an inclusive work environment is key to driving innovation and company success. We are committed to creating a workplace where every individual, regardless of background, gender, race, religion, or other status, is valued and given equal opportunities to grow. DSNG fosters a culture of inclusivity by developing programs that encourage active participation from all employees and providing training to enhance understanding and appreciation of differences.

DSNG respects employees' rights to join or form Workers' Unions, which serve as business partners in achieving company objectives. As of the end of 2024, 8,501 employees (44%) were members of 11 workers' unions. The company has multiple unions across both the palm oil and wood product sectors, regulated under Collective Labor Agreements (PKB) registered with the local Department of Manpower. Additionally, DSNG provides Company Regulations for employees who are not union members, ensuring open and effective two-way communication through LKS Bipartite forums.

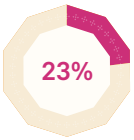
In 2024, PT DSN Temanggung, WP Panel received the Bipartite Award from the Temanggung Industry and Manpower Office as part of a recognition program for businesses actively conducting bipartite forums to create harmonious, dynamic, and fair industrial relations. In celebration of Labor Day, DSNG regularly organizes engaging activities involving employees, labor unions, and company leadership to strengthen relationships and foster teamwork among employees.

Diversity

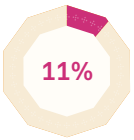


Gender Diversity in the Workplace

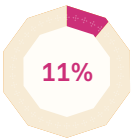
DSNG ensures that all employees receive equal opportunities and treatment, regardless of gender. In 2024, DSNG proudly recorded the following gender diversity achievements:



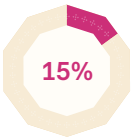
of employees are women, from a total workforce of 19,399



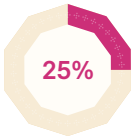
of management positions (junior, mid, and senior levels) are held by women, from a total of 1,032 managers



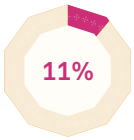
of junior management positions are held by women, from a total of 1,032 managers



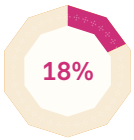
of senior management positions are held by women, from a total of 142 senior managers



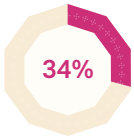
of Board of Directors members are women, from a total of 8 directors



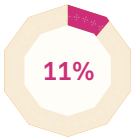
of Board of Commissioners members are women, from a total of 9 commissioners



of top management positions are held by women, from a total of 57 executives



of management roles in revenuegenerating functions are held by women, from a total of 29 managers



of positions in Science, Technology, Engineering, Mathematics, and Accounting (STEM) fields are held by women, from a total of 345 employees

Protecting Women's Rights

DSNG is committed to implementing the Women's Protection Policy by providing facilities and support that enhance the well-being of female employees and their families while ensuring the protection of women's rights in operational areas. As part of this commitment, we have implemented the following programs:

Program	Objective	Target	Achievement
Provision of Lactation Rooms	Provide a comfortable, safe, and sterile space for breastfeeding mothers at the workplace.	Ensure that lactation rooms continuously provide a comfortable and safe environment.	Lactation rooms have been built and equipped in every Childcare Center across DSNG subsidiaries.
Gender Committee	Support women's empowerment in the workplace and ensure an inclusive and equal work environment. Through this committee, the company seeks to increase female participation in various initiatives while providing protection and support facilities for their well-being.	Ensure that gender issues, particularly those affecting female employees, are raised and addressed to achieve gender equality.	The company has established approximately 352 Gender Committee members, consisting of male and female employees representing all DSNG subsidiaries in palm oil plantations in East Kalimantan, West Kalimantan, and Central Kalimantan, as well as subsidiaries in the Wood Product Business Units (Panel and Floor). Collaboration with the SRI Institute in 2024 has strengthened this effort, positioning DSNG as a pioneer of positive change for employees and the community.
Maternity Leave	DSNG grants maternity leave in accordance with Article 82 of Law No. 13 of 2003, ensuring pregnant employees receive their rights to improve maternal and infant health, strengthen the mother-baby bond, and enhance employee productivity upon return to work.	Ensure that every female employee is entitled to 1.5 months of leave before childbirth and 1.5 months after childbirth, based on medical examinations by an obstetrician or midwife.	The company ensures that maternity leave is provided in compliance with company policy (PKB). In total, 50 male employees have taken paternity leave, and 14 female employees have taken maternity leave.

Occupational Health and Safety

DSNG has a Sustainability Policy that encompasses Health, Safety, and Environment (HSE) aspects. The company is committed to preventing exploitation while ensuring the safety and well-being of all employees, including direct workers, contractors, and individuals under company supervision. This commitment ensures that workers' rights are fulfilled in compliance with applicable regulations and international standards, such as the Universal Declaration of Human Rights, ILO Core Conventions, UN Guiding Principles on Business and Human Rights, and IFC Performance Standards on Labor and Working Conditions (PS 2).

DSNG has established an HSE Department responsible for implementing measurable occupational health and safety (OHS) programs. These programs include hazard identification, risk assessment, prevention measures, control implementation (HIRADC), safety training, risk monitoring, regulatory compliance reporting, and emergency response drills. All programs are carried out in accordance with OHS regulations and continuously improved through innovation to enhance workplace safety and health standards. These efforts are further strengthened by cross-departmental collaboration.

As part of regulatory compliance, DSNG has formed an OHS Committee, officially registered with the local labor office. This committee is responsible for monitoring workplace safety and health issues, conducting monthly meetings to review and discuss safety performance, and identifying areas for improvement.

Hazard Identification and Risk Assessments

DSNG conducts regular risk assessments using the Hazard Identification, Risk Assessment, and Control (HIRAC) methodology. This approach aims to identify potential hazards, assess risk levels, and implement appropriate mitigation measures to prevent workplace accidents or health-related incidents. The risk assessments are conducted across all operational units, including plantations, mills, and offices, and involve both employees and business partners.

Process



OHS Practices

As part of its strategy to reduce workplace accidents resulting in lost workdays DSNG

Workplace Safety Program

- The Go Home Safe Program allows employees to report potential hazards or incidents related to occupational safety and health directly to their superiors. The program aims to enhance employee awareness and responsibility for Occupational Health and Safety (OHS) through habitual reinforcement, awareness-building, and regular inspections. Reports received are immediately addressed with mitigation steps, including incident investigations and removal from hazardous situations.
- DSNG utilizes the SMART application to monitor OHS aspects, including inspections at palm oil mill units (POM), housing areas, and conservation zones, ensuring consistent and procedural implementation across all company operations.
- Monthly evaluation meetings between the HSE department and operational management discuss workplace accident rates, root cause analysis, and preventive actions.





Health Program

- Disease Prevention Programs: Various initiatives include mosquito larva eradication (Jumatik), chronic disease awareness campaigns, health discussions (Healthy Talk), environmental health awareness, immunization, and more. In 2024, 562 activities were conducted under this program.
- Other routine program is regular health check-ups, whereas a total of 11,071 employees underwent periodic medical check-ups (MCU), while 11,287 employees participated in specialized medical tests such as spirometry, audiometry, and cholinesterase screenings.
- DSNG operates 33 healthcare facilities, including 5 primary clinics and 28 estate clinics, accessible to employees, contractors, their families, and the surrounding community.
- These clinics are supported by 8 doctors and 87 healthcare professionals. In 2024, they recorded a total of 83,944 patient visits, covering both employees and non-employees.
- In 2024, DSNG provided health insurance for employees in the palm oil and wood product business units through BPJS Kesehatan, with total annual contributions reaching Rp 42.98 billion. The coverage includes non-occupational diseases at BPJS-approved healthcare facilities.

OHS Certification & Training

- Occupational Health & Safety (OHS) Training was conducted in 2024 in which 2,655 participants attended 37 training sessions on topics such as Workplace Safety, OHS Signage, First Aid, Fire Extinguishers (APAR), Personal Protective Equipment (PPE), Pesticide Use, Emergency Response, OHS Compliance, ISPO, RSPO, and more.
- A total of 93 participants obtained 23 different certifications in 2024. Further details on employee participation in OHS training and awareness programs can be accessed on the company's website via this link.

OHS Program & Facilities

- DSNG provides comprehensive safety support facilities, including emergency response kits, OHS warnings, and first aid equipment such as First Aid Kits and seven ambulances.
- To ensure worker safety, field employees are equipped with PPE suited to their risk assessment. Detailed PPE standards for employees can be accessed via this link.

Occupational Health and Safety Collaborations

DSNG collaborates with the local government to conduct various health screening programs, including IVA Test screenings, Tuberculosis prevention education, implant contraception placement, contraceptive distribution, physical fitness tests, and TB awareness training.

These initiatives, carried out through government partnerships and independent company efforts, aim to safeguard the health of employees and families living near company operations. In addition to collaborating with the government, DSNG independently and regularly conducts Physical Fitness Tests (TKJI) for Mid to Senior Management levels in Kaltim 1 & 2 as part of a preventive and promotive health program. This test is designed to reduce the risk of lifestyle-related diseases, such as hypertension, diabetes, and heart disease, while also supporting employee productivity.

PT Bima Palma Nugraha, a subsidiary of DSNG, organized a road safety awareness program to enhance driver awareness and understanding of transportation safety. The event involved representatives from BUMDes Tepian Bina Bersama, Tepian Prima Sawit Cooperative, company contractors, and the Bengalon Police. This initiative aims to ensure workplace safety, maintain transport units, and enforce driver compliance with operational standards.



Health and Safety Performance [GRI 403-9]

Throughout 2024, seven DSNG subsidiaries reported zero workplace accidents. Additionally, the number of lost work hours in the palm oil business unit decreased/increased from 37,560 hours in 2023 to 36,588 hours in 2024. The calculation of Occupational Health and Safety (OHS) performance statistics for Severity Rate and Frequency Rate is conducted using a per 1,000,000 work hours approach.

Occupational Safety Management Performance Achievements for Employees in the Palm Oil and Wood Products Business Units in 2024 [GRI 403-9]

Parameter	Palm Oil	Wood Products	
		WP - Floor	WP - Panel
Severity Rate	159.78	5.28	74.42
Frequency Rate	0.63	3.96	2.51
Total Working Hours	38,164,811	758,152	4,380,291
Total Lost Work Hours	36,588	40	336
Fatal Work Accidents	0	0	0
Number of Work Accidents Resulting in Lost Workdays (LTI Cases)	24	3	9
Subsidiaries with Zero Work Accidents	7	0	0

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

Occupational Safety Performance Achievements for DSNG Employees

Parameter	2024	2023	2022
Severity Rate	**239**	287	195
Frequency Rate	**7**	7	5
Total Work hours	**43,303,254**	43,103,346	36,277,480
Total Lost Work Hours	**36,964**	37,738	36,599
Fatal Work Accidents	**0**	2	1
Number of Work Accidents Resulting in Lost Workdays (LTI Cases)	**36**	61	10
Subsidiaries with Zero Work Accidents	**7**	6	6

Note: Calculations are based on 1,000,000 working hours, following ILO standards and Minister of Manpower Regulation (Permenaker) No. 5 of 2018.

Achievement

Through its palm oil business unit, DSNG successfully received 7 Zero Accident Awards in 2024 from the Ministry of Manpower of the Republic of Indonesia, an increase from 6 awards in 2023. The seven DSNG subsidiaries that received these awards are:

- **PT Swakarsa Sinarsentosa (SWA)**
- **PT Dharma Agrotama Nusantara (DAN)**
- **PT Bima Palma Nugraha (BPN)**
- **PT Dharma Satya Nusantara – 4 POM Units (POM 2, POM 3, POM 6, POM 7)**

These awards were given in recognition of the successful implementation of Occupational Health and Safety (OHS) practices across the seven DSNG subsidiaries, with zero fatalities, serious accidents, or permanent disabilities recorded. In addition, DSNG reported zero fatalities in tis operations in 2024.



Improving Product Quality and Safety [POJK51.F.17, F.27, F.28, F.29]

Our two main business units, palm oil and wood products, supply goods to both domestic and international markets through various supply chains. Therefore, our products must comply with quality, safety, and health standards set by customers and regulatory requirements in different destination countries.

We are committed to ensuring that every product we produce meets high-quality, safety, and health standards, providing confidence to our customers. We implement thorough inspections across all production processes, supported by certifications that are regularly audited by independent parties, reinforcing trust in DSNG products.

Quality monitoring is carried out by dedicated personnel who ensure product quality using laboratories and specialized testing facilities. They report to the Head of Operations to ensure that products meet the required specifications.

Since the majority of our palm oil is used in the food industry, we place great emphasis on food safety at every stage of production. The management of Free Fatty Acid (FFA), moisture, and impurities is a key focus in maintaining product quality. In the palm oil business unit, daily internal product quality testing is conducted, in addition to collaborative testing with customers at the shipping stage in our facilities. These tests are carried out by leading independent surveyors such as Carsurin, Insurindo, IBS, and Tribhakti. The test results confirm that our products comply with established quality standards, ensuring product reliability for our customers.

Our palm oil products have received certifications such as RSPO, ISPO, and ISCC, with regular audits to verify compliance with high standards across various aspects of production, including:

- Separation of oil from contaminants in production facilities.
- Responsible management of chemicals and pesticides.
- Use of natural predators to reduce the need for insecticides.
- Utilization of organic fertilizers from palm biomass waste.

Similarly, our wood products have obtained international certifications, including FloorScore for indoor air quality standards, CARB for emission control and JAS certification for quality and safety compliance with Japanese regulations. We regularly conduct training for our teams to ensure they stay up-to-date with the latest product quality, safety, and health standards.

All products are routinely tested to ensure consistency and compliance with specifications. If non-compliance is detected, an immediate evaluation is conducted, including investigations, corrective actions, and updates to SOP when necessary. Regular employee training ensures our team remains updated with the latest requirements, maintaining high product quality standards.

As of the end of 2024, no products have been recalled or sanctioned due to safety concerns. Each product follows a specific production process according to its business unit and is marketed both domestically and internationally. DSNG provides a customer grievance platform via this link. During the reporting period, no complaints were received regarding product quality or service issues.

DSNG also regularly conducts customer satisfaction surveys to evaluate service quality and product performance. These surveys help us understand customer perceptions and enhance our operational performance. The results indicate that the majority of customers are satisfied with our service and product quality.

Customer Satisfaction Survey Results by Parameter [POJK51 F.30]

2024 2023 2022

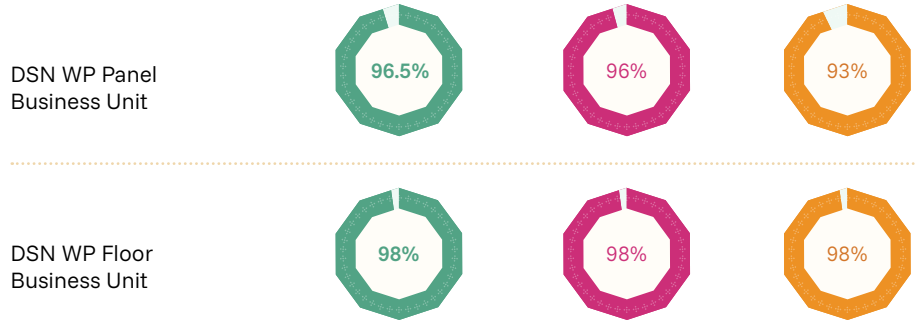
Palm Oil Business Unit*

4.50/5.00

4.60/5.00

4.53/5.00

Wood Products Business Unit





Community Development

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

Since the beginning of our operations, DSNG has engaged local communities in participatory social and environmental impact assessments. These assessments are an integral part of the Environmental Impact Analysis (AMDAL) documents prepared by our subsidiaries. As of the end of the reporting period, 100% of our subsidiaries have obtained Environmental Permits.

The company's CSR function actively involves local communities in managing negative impacts through participatory and consultative approaches, as well as empowerment programs aimed at improving health and economic opportunities, especially for youth, vulnerable groups, and underprivileged families. In 2024, DSNG's CSR function also focused on conducting Social Impact Assessments (SIA) annually to evaluate our impact on local communities and identify their needs around our operational areas.

Managing Negative Impact Risks in 2024 [GRI 406-1, 408-1, 413-1]

Identified Risk	Impact	Mitigation Plan
High demand for palm oil-based business opportunities.	Limited alternative business opportunities outside the palm oil sector.	Develop alternative livelihood opportunities beyond palm oil. DSNG actively facilitates new business opportunities for local entrepreneurs and provides business training for local youth to meet community needs and support operational activities. The company collaborates with Village-Owned Enterprises (BUMDES) in Muara Wahau and Miau Baru to develop businesses in food supply, essential goods, AC servicing, and community-based ecotourism.
Lack of awareness and employee capacity regarding children's rights	Violations of children's rights.	Conduct child protection campaigns through awareness programs for all employees and establish a Children's Forum as a platform for advocacy and reporting on child protection initiatives.
Lack of public awareness of gender equality.	Gender discrimination.	❖ Establish a Gender Committee. ❖ Conduct women's protection campaigns. ❖ Build separate toilet facilities in workplaces, including palm oil plantations.

We are committed to continuously managing social impacts through Corporate Social and Environmental Responsibility (TJSL) activities in compliance with Law No. 40 of 2007 on Limited Liability Companies and Government Regulation No. 47 of 2012 on Corporate Social and Environmental Responsibility.

Corporate Social and Environmental Responsibility (CSR) [POJK51 F.23, F.24, F.25]

DSNG is committed to implementing sustainable CSR by integrating best practices into its operations, creating positive impacts through a balanced approach to business growth, community welfare, and environmental preservation. DSNG prioritizes participatory community engagement, upholds the PADIATAPA principle, and incorporates social and environmental assessments into its AMDAL documents to ensure that the voices of the community are respected.

In 2024, DSNG allocated Rp 29.5 billion for CSR programs, marking a 16% increase from the previous year. This funding supports community empowerment through health programs, business opportunities, and strengthening vulnerable groups, as well as environmental preservation through NDPE policies, renewable energy initiatives, and waste management. By supporting government initiatives and maintaining continuous communication with the community, DSNG contributes to the SDG and fosters harmonious relationships with both society and the environment.

Key Focus Areas of DSNG's CSR Program

Education

DSNG is committed to improving access and the quality of education for communities around its operational areas. In 2024, initiatives included the provision of educational facilities such as elementary schools, kindergartens, satellite schools, support for informal education for Dayak Punan Kelay children, and holiday activities for children to help empower the younger generation for a better future.



Child Protection and Women's Empowerment
DSNG supports women's empowerment by providing skills training, access to economic opportunities, and creating an inclusive environment for women.

Gender Committee

Gender Committee DSNG has established Gender Committees in the palm oil and wood products business units to promote gender equality and prevent and report violence. To strengthen their role, committee members undergo intensive training on gender equality and violence prevention strategies in the workplace. For child protection, DSNG has implemented initiatives such as adequate daycare facilities, assistance with birth certificate applications to reduce school dropouts, and the establishment of a Children's Forum to advocate for the prevention of sexual violence.

This year, DSNG collaborated with SRI Institute to conduct a gender assessment in operational areas with 452 participants. This collaboration reflects the company's commitment to understanding gender issues, identifying opportunities for improvement, and implementing more equitable policies.

Progress Training Komite Gender



Women's Empowerment

In 2024, DSNG launched women's empowerment programs in Nehas Liah Bing Village and Miau Baru Village, offering handicraft and traditional craft training to preserve cultural heritage while providing economic opportunities.



Healthcare

Healthcare: DSNG is committed to improving the quality of life through medical services, health promotion, and proper sanitation facilities. We remain focused to improve community's health around our operational areas. We also conducted reproductive health programs, organized balanced nutrition workshops, and launched vitamin A campaigns for families in East Kutai, along with administering polio immunizations for children in Muara Wahau. Additionally, the CSR Department supported the Lazis Nahdlatul Ulama Muara Wahau Mass Circumcision event, which was attended by 50 children aged 7 to 12 years.





Social and Cultural Preservation
DSNG is committed to preserving and respecting local cultural diversity and traditions. In 2024, DSNG supported activities that strengthened cultural heritage and helped communities preserve traditions through social initiatives, such as traditional rituals for house and office relocations, preservation of traditional crafts, and documentation of traditional and local culture knowledge.

Housing and Infrastructure Development
DSNG prioritizes the development of basic infrastructure and livable housing, including clean water access, safe housing, road improvements, educational facilities, healthcare centers, and public amenities. The company strives to create a sustainable environment that enhances community welfare.



Forest Conservation
In commemoration of World Environment Day on June 5, 2024, DSNG launched a tree-planting program with local communities. This initiative took place in Wehea Protected Forest, Nehas Liah Bing Village, East Kutai, and was attended by various stakeholders. DSNG and local communities planted 500 trees, including Bengkirai, Ara, Pulai, Ulin, Meranti, Durian, Jackfruit, Matoa, and Rambutan.

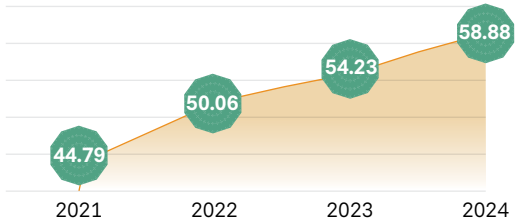




Economic Independence
DSNG's economic independence program aims to improve livelihoods by offering entrepreneurship training, access to capital, and support for small businesses. In 2024, DSNG provided technical management guidance for cooperative partners, conducted public outreach programs for land certification (PTSL program), and organized field schools for independent oil palm farmers. The goal is to help communities achieve financial independence and reduce economic dependency.

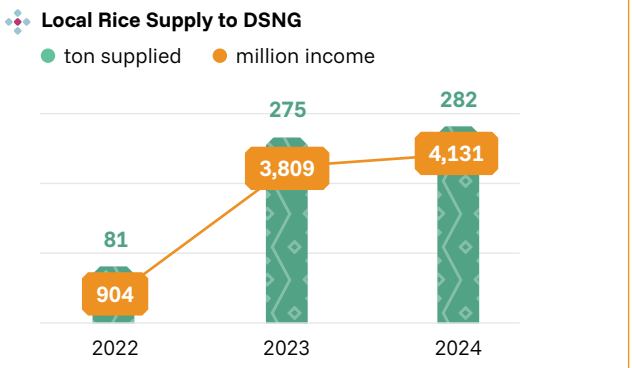
- **Establishment and Support for Credit Unions**
  DSNG established Credit Union Mitra Mandiri in Muara Wahau on October 9, 2009, aiming to enhance financial literacy, provide credit cooperative training, and support MSMEs. By 2024, the cooperative served 2,640 members with 24 employees, including 7 women, and has become a model for other cooperatives such as CU Satu Hati, which now has 359 members.

Growth of CU Mitra Mandiri's Assets 2021 - 2024 (billion)



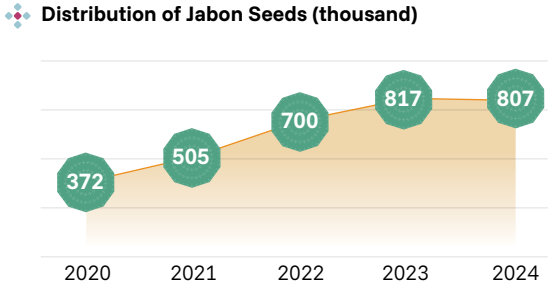
Food Security

Rice Supply for Workers:
DSNG partners with Bumdes Miau Baru to develop a local rice supply chain, reducing transportation costs and emissions. As of 2024, 13% of the company's rice demand is supplied by 267 local farmers, benefiting 3,218 individuals and creating jobs in agriculture, milling, and transportation.



Supporting a Sustainable Supply Chain

From 2020 to 2024, DSN WP Panel distributed 3,241,000 jabon seedlings in Central Java to support a sustainable supply chain, environmental conservation, and climate change mitigation. This initiative engages local farmers, raises ecosystem awareness, and provides long-term economic and ecological benefits to communities.



Food Waste Utilization

DSNG, through DSN WP Floor, provides food waste to feed the community's livestock and socializes the making of eco enzymes which are used as natural fertilizers and cleaning fluids. This program is useful for reducing organic waste, reducing livestock costs, improving community skills, and creating shared value between environmental preservation and economic empowerment.



Indigenous Rights

We respect the rights of indigenous communities and local populations in accordance with our NDPE Policy and actively monitor conservation areas to protect ecosystems. As an RSPO member, we uphold the No Deforestation commitment in line with the 2018 P&C Standards.

DSNG is committed to honoring indigenous rights, including land ownership and the preservation of traditional culture, ensuring that our operations do not infringe upon these rights. In 2021, through our Palm Oil Business Unit in East Kutai, we supported sustainable development based on IFC Performance Standard (IFC-PS) 7 on indigenous peoples and IFC-PS 8 on cultural heritage preservation. This initiative aligns with our commitment to &Green, where we have developed guidelines to support the economic, cultural, and institutional development of indigenous communities.

DSNG actively collaborates with local communities to implement empowerment programs, uphold the Free, Prior, and Informed Consent (FPIC) principle, and identify and preserve cultural heritage sites within our operational areas. Through this approach, we are committed to fostering harmonious and sustainable relationships with indigenous communities.

- In 2024, DSNG, through PT MNS, organized a traditional house-moving ritual at the Estate PE 2 office in Tapang Nibung Hamlet. This ritual, held to mark the completion of new housing and office buildings, reflects our respect for local customs and traditions. The event reinforced our commitment to preserving local culture and strengthening ties with indigenous communities as part of our cultural heritage conservation efforts.
- DSNG organized the preservation of Wehea Dayak cultural heritage through handicraft training to make Tepa or a typical Wehea Dayak hat. This empowerment activity was conducted twice, on April 2-4, 2024 in Nehas Liah Bing village, Wahau regency, where 20 women participated, and on June 18-20, 2024 in Miau Baru village, Kongbeng regency, where 12 women participated. This program enhances creative economic skills, supports local culture, and creates new economic opportunities for the community.



Sustainability Governance

DSNG's sustainability governance focuses on implementing ESG (Environmental, Social, Governance) principles across all operational areas to achieve the company's long-term goals while aligning with international standards and stakeholder expectations.

Sustainability Governance Structure

[POJK E.1] [GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-15, 2-19, 2-20, 2-21]

DSNG implements a governance structure in accordance with Law No. 40 of 2007 on Limited Liability Companies, which consists of three main pillars: General Meeting of Shareholders (GMS): The highest authority in strategic decision-making.
Board of Commissioners: Responsible for oversight and advisory functions.Board of Directors: Accountable for the company's strategic management and operations. A conflict of interest management policy is also enforced to maintain independence, and the responsibilities of each governance body are detailed in the 2024 Annual Report.

To ensure that sustainability is integrated into all business activities, the Board of Directors has appointed a Chief Sustainability Officer (CSO) who collaborates with the Sustainability Department and the ESG Committee. The CSO reports to the President Director, oversees the implementation of ESG across operations, and coordinates sustainability initiatives. Additionally, DSNG is supported by the Sustainability Advisory Board (SAB), which provides strategic guidance on ESG matters. More information on DSNG's sustainability governance structure can be found at this link.

Membership of the Sustainability Advisory Board effective December 31, 2024



Datuk Darrel Webber
Head



Michael Schlup
Member



Timotheus Arifin C.
Member



Denys Collin Munang
Member



Gita Syahrani
Member

In 2024, the Sustainability Advisory Board (SAB) conducted its annual field visit from June 9-13 at PT BPN. The activities conducted during the visit included:

- Aerial observation to assess the entire HGU (Hak Guna Usaha) area of PT BPN and the surrounding landscape.
- Inspection of wildlife corridor bridges, especially those connecting orangutan habitats in the High Conservation Value (HCV) areas of PT BPN, along with visits to patrol stations and orangutan monitoring posts.
- Assessment of social and environmental facilities, such as housing for employees.
- Visit to childcare facilities (TPA) to evaluate infrastructure and services.
- Open discussion with local communities to address environmental and social issues while reviewing the CSR program developments.

The Company consistently monitors and manages environmental and social impacts through various programs aimed at mitigating these effects.

In preparing the Sustainability Report, the Board of Directors and Board of Commissioners play a vital role by approving the reporting standards utilized, identifying relevant material topics, and endorsing the report. The Chief Sustainability Officer (CSO) appoints the Management System & Sustainability Engagement Division Head, who is directly responsible for compiling and coordinating the Sustainability Report.



Sustainability-Related Competency Development [POJK E.2] [GRI 2-17]

The Company encourages members of the Board of Commissioners, the Board of Directors, the Sustainability Advisory Board (SAB), the ESG Committee, and Business Unit Directors to participate in training and/or seminars to enhance their knowledge of sustainability practices. This includes benchmarking studies to gain broader insights into implementing sustainability performance.

Sustainability Capacity Building Category	Total Hours
Benchmarking Study	96
Seminar & Training	431
Workshop	414

Total Training
941 Hours

Average Training
72.38 Hours

Total Training
39 Days

Information on ongoing competency development training can be found at this link.

Performance Evaluation [GRI 2-18]

The Board of Commissioners undergoes an annual performance assessment through self-evaluation, both individually and as a group. The outcomes of this evaluation are presented to shareholders at the GMS. Their performance is measured based on how well they fulfill their duties and responsibilities, as outlined by laws and regulations, the Company's Articles of Association, and directives from shareholders.

Meanwhile, the Board of Directors undergoes an annual performance evaluation conducted by the Board of Commissioners, which assesses both collective and individual performance. This review is based on the execution of duties in accordance with applicable regulations and the Company's Articles of Association. The evaluation results serve as the basis for structuring compensation schemes and incentives for the Board members.

Sustainable Financing

In 2020, DSNG became the first palm oil company to secure a USD 30 million loan from Stichting andgreen.fund (&Green) with a 10-year tenure. In 2023, the company secured an additional USD 15 million sustainability-linked loan and a USD 500,000 technical grant from the Asian Development Bank (ADB), along with sustainable financing from Bank BCA and Bank Mandiri. Of the total loan facilities, 30.2% is sustainability-linked loans.

As part of the loan requirements, DSNG adheres to various sustainability standards, including the IFC Performance Standards, the World Bank Group's Environmental, Health, and Safety (EHS) Guidelines, the NDPE, and the ESMS Policy. The company's sustainability performance undergoes an annual audit, and the 2024 audit highlighted strong achievements in LPP and ESAP, along with some recommendations for improvement. The audit report is accessible on the &Green Fund and DSNG link.



Additionally, the ADB grant supports educational programs for 4,000 farmers, including 1,200 women, to adopt climate-resilient agricultural practices through the cultivation of Sengon and Jabon trees. These initiatives promote sustainability and help prevent deforestation. By the end of 2024, DSNG has conducted training and outreach for 334 farmers, 104 of whom are women.

Stakeholder Engagement

[POJK E.4] [GRI 2-29]

DSNG is dedicated to maintaining transparent and proactive communication and engagement with key stakeholders in accordance with IFC Performance Standards. Our Stakeholder Engagement Plan aims to identify, understand, and delineate engagement strategies relevant to individuals and groups affected directly or indirectly by the Company's activities. Our commitment includes efforts to listen, respond, and collaborate with various stakeholders to ensure that every decision and action minimizes negative impacts and maximizes benefits for all stakeholders.

Below are the key stakeholders and engagement methods adopted by the Company:

Consumers and End Consumers
We communicate through regular meetings, field visits, direct feedback, and transparent product information across various channels.

Employees
Engagement is conducted through regular meetings, communication platforms, training sessions, discussion forums, and career development and well-being programs.

Media
We maintain active media relations through press releases, interviews, and corporate communication channels..

Local Communities
Engagement occurs through community empowerment programs, consultation forums, and direct dialogues regarding the social impact of our operations.

Vulnerable Groups
We organize specialized empowerment programs, such as skills training, and provide access to resources for vulnerable groups, including women, children, persons with disabilities, and indigenous communities.

Industry and Business Associations
We actively engage in seminars, conferences, and association meetings to exchange best practices and sustainability policies.

Government and Regulators
Engagement involves transparent dialogue, regulatory compliance, and collaboration on sustainability initiatives.

Financial Institutions
We hold regular meetings with financial institutions to report on the company's financial and sustainability performance.

Civil Society Organizations
We collaborate with NGOs on social and environmental programs while hosting open dialogue forums.

Suppliers and Smallholder Farmers
Engagement encompasses technical training programs, capacity-building initiatives, and sustainability audits throughout our supply chain.

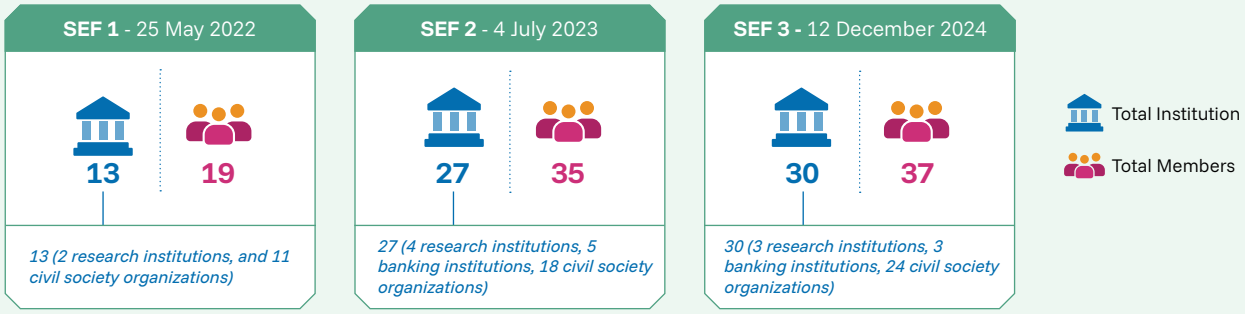
Certification Bodies
We undergo audits and evaluations from certification bodies to ensure that our products meet international sustainability standards.

Shareholders and Investors
We ensure open communication through annual reports, shareholder meetings, and Q&A sessions focused on sustainability performance.

Strategic Stakeholders
Through dialogues with the Sustainability Advisory Board and strategic partners such as &Green , we develop and refine the Company's sustainability policies and initiatives.

Stakeholder Engagement Forum

PT Dharma Satya Nusantara Tbk (DSN Group/DSNG) once again hosted its third annual **Stakeholder Engagement Forum (SEF)** at Hotel Borobudur in Jakarta. This event, held on December 12, 2024, centered around the theme **"Roots in Sustainability, Fruits Transformation"** and welcomed 37 participants, including 24 civil society organizations, 3 research institutions, and 3 banking and financial institutions. From 2022 to 2024, participant numbers increased by 50%, demonstrating DSNG's commitment to gathering broader input from various stakeholders who have collaborated with DSNG.



Adopting the Human Library concept, DSNG featured six speakers who shared their experiences as "Books" across three main themes: **climate**, **forests**, and **communities**. Their stories highlighted the company's sustainability initiatives, including the use of Bio-CNG, orangutan conservation, the implementation of the NDPE (No Deforestation, No Peat, No Exploitation) policy, and the protection of women and children.

The Storytelling Library session was divided into two segments. The first segment focused on climate, with speakers discussing Bio-CNG production and utilization, biomass energy development, and DSNG's initiatives to integrate natural approaches into climate adaptation and mitigation strategies. The second segment centered on forests and communities, covering discussions on orangutan conservation and critical habitat protection, advancements in traceability and NDPE implementation in DSNG's palm oil supply chain, and efforts to safeguard women and children in the company's operational areas.

Interactive Discussion and Impact Evaluation

Through the online platform Slido, participants posed questions about program transparency, environmental impact, and community engagement. In the comprehensive discussion session, attendees examined DSNG's sustainability initiatives from three key perspectives:

Insight: Identifying key challenges including the implementation of renewable energy and community involvement in food security

Impact: Evaluating the advantages of sustainability programs, such as carbon emission reduction, biodiversity conservation, and empowerment of local communities

Innovation: Generating creative ideas, such as using AI technology for forest monitoring and creating circular economy models to address climate change.



To surmise the overall discussion, the intersection of forest conservation, climate resilience, and community well-being underscored the need for an integrated landscape approach, multi-stakeholder collaboration, and technology-driven innovation. Inclusive solutions such as local community empowerment and gender equality emerged as crucial factors in achieving comprehensive sustainability impacts.

Other Stakeholder Engagement Activities

Stakeholders Engagement Forum Europe
DSNG hosted an international Stakeholder Engagement Forum (SEF) in Utrecht, the Netherlands, on February 6, 2024. This event was organized in collaboration with Solidaridad Netherlands and MVO (the Netherlands Oils and Fats Industry Association). It attracted 16 participants from 7 organizations, representing industry, NGOs, and the Ministry of Foreign Affairs of the Netherlands. The DSNG delegation featured Andrianto Oetomo (CEO) and Denys Munang (CSO), for ecosystems, communities, and business growth. The three members separately met with MVO and Wageningen University representative to explore collaboration opportunities and gain insights into external stakeholder perspectives in Europe.



Sustainability Palm Oil Dialogue 2024

The **Sustainable Palm Oil Dialogue (SPOD)** 2024 conference took place on May 22, 2024, at the DoubleTree by Hilton Brussels City in Belgium. With the theme "Inclusive Pathways for Climate-Smart Solutions," the event emphasized:

- **Emission Reduction Initiatives:** Discuss innovative, voluntary, and mandatory methods for reducing emissions in the palm oil supply chain.
- **The Role of Smallholders:** Highlight the significance of smallholder farmers in sustainable agricultural practices, ensuring they are not overlooked in this transition.

SPOD 2024 served as a crucial platform for stakeholders to collaborate on enhancing the sustainability of the palm oil supply chain and tackling climate change challenges together.



DSNG proudly participated in the event, with Chief Sustainability Officer Denys Collin Munang sharing insights on the Company's commitment to emission reduction, sustainable systems, and stakeholder collaboration during the session titled "Reducing Emissions from Agriculture: From Theory to Practice "at the SPOD 2024 conference."

Laos-ASEAN

On August 30, 2024, PT Dharma Satya Nusantara Tbk had the honor of being invited as a panel speaker at the ASEAN Outlook on the Indo-Pacific Forum in Laos. The discussion, themed "Green Production and Consumption," focused on ASEAN's collective efforts to achieve the UN's Sustainable Development Goals (SDGs) related to sustainability. DSNG was also inspired by guest speakers who shared insights on national initiatives for Climate Resilience and Transition to realize Green ASEAN 2045.



DSNG Goes to the Netherlands

On September 10, 2024, representatives from DSNG management attended the third Sustainable Vegetable Oils Conference (SVOC) at the Rotterdam Ahoy Convention Centre in the Netherlands. Organized by the Council of Palm Oil Producing Countries (CPOPC) and the Netherlands Oils and Fats Industry (MVO), in collaboration with the Indonesian Palm Oil Association (IPOA), this year's theme, "Sustainability Transformation Beyond Borders," emphasized the implementation of the EU Deforestation Regulation (EUDR), food and energy security, and the role of vegetable oils in meeting the needs of the growing global population.



Additionally, DSNG engaged in discussions with WWF Netherlands, which is testing the AI Forest Foresight application to identify deforestation risks before they arise. DSNG has the opportunity to become a pilot partner, enhancing its existing deforestation monitoring systems such as GFW Pro, Nusantara Atlas, and Satelligence.

Collaboration was also established with Wageningen University & Research (WUR) to implement Good Agricultural Practices, including optimizing nutrient balance, improving oil content, mitigating climate change effects on pests and diseases, and utilizing biochar for sustainable agriculture.

RSPO Roundtable Conference – Thailand

PT Dharma Satya Nusantara Tbk (DSNG) reaffirms its strong commitment to sustainability in the palm oil industry. As an active member of the RSPO, DSNG participates annually in Roundtable Conferences held in various locations. These conferences provide a platform for stakeholders to discuss and promote sustainable palm oil practices. In 2024, DSNG participated in the Innovation Awards by submitting two themes:

- Food Security: Providing rice for employees while achieving low emissions through a circular supply chain model that significantly impacts livelihoods.
- Facilitator and Economic Diversification: Establishing the first credit cooperative in Muara Wahau, East Kalimantan.



These initiatives demonstrate DSNG's continued commitment to collaboration and contributing to social, economic, and environmental development in its operational areas, in line with sustainability principles.

PAACLA

DSNG actively participated in the 2024 National Seminar and Annual Meeting of PAACLA (Partnership for Action Against Child Labour in Agriculture) in Indonesia. This event aimed to strengthen strategic partnerships to achieve sustainable agriculture free from child labor, in line with Indonesia's Vision 2045.

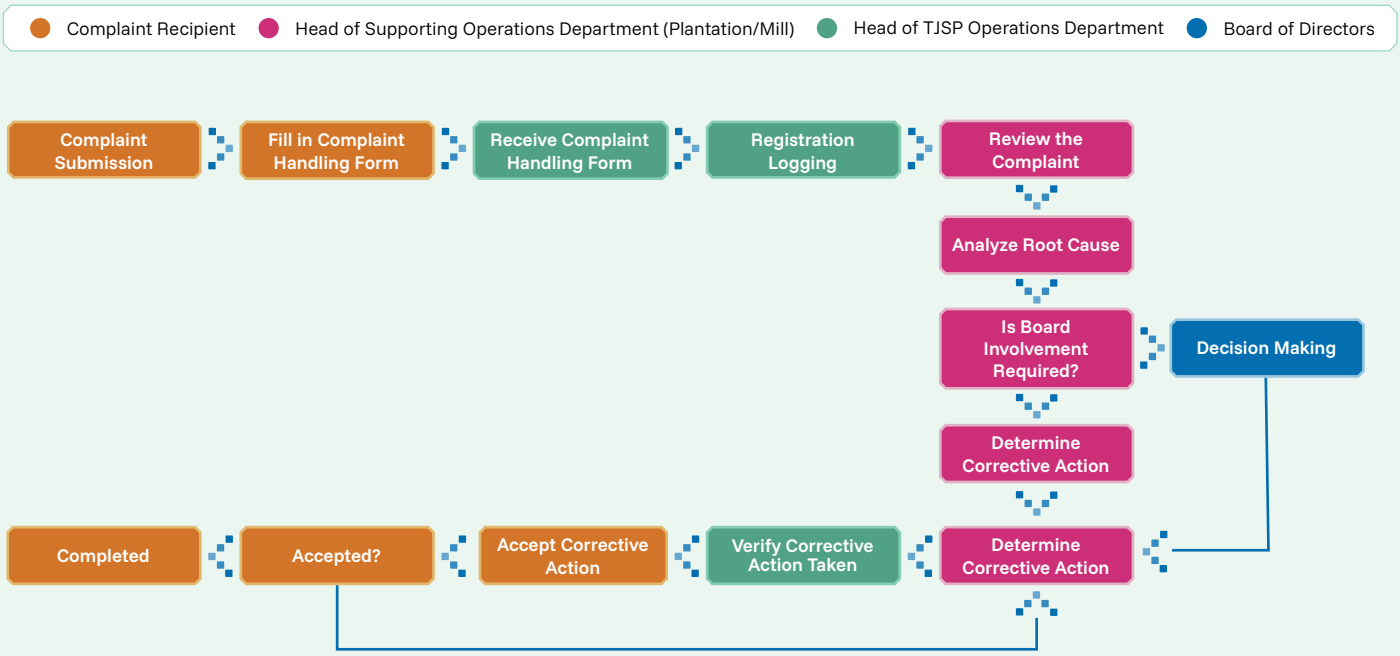
Through this engagement, the DSNG demonstrated its commitment to supporting national and global initiatives for a more inclusive, environmentally friendly, and child-labor-free agricultural system. DSNG contributed by sharing its corporate initiatives and best practices, while also engaging in cross-sectoral dialogues with various stakeholders, including government agencies, academics, civil society organizations, and industry players.



Grievance Reporting System [GRI 2-16] [GRI 413-1]

DSNG is committed to addressing complaints through a grievance mechanism. This mechanism provides a systematic process for receiving, investigating, and responding to grievances from stakeholders. The company has implemented the Grievance Reporting System Policy (SPP) No. 042/DSN/CHC/III/2021 to identify and prevent violations that may harm stakeholders. This policy protects the privacy of whistleblowers and ensures that complaints are effectively resolved with the involvement of relevant parties.

Grievance Mechanism Flow [POJK51 F.24]



Grievance Mechanism Flowchart

The reporting procedure accepts complaints from both internal and external sources, which can be submitted through:

Email
pengaduan@dsngroup.co.id
https://grievance.dsn.co.id/id/

Official Letter
addressed to the grievance reporting unit at the head office, operational office, or CSR department at the site/plant location.

Company Website
www.dsn.co.id

Call Center
Call Center of each business unit

For more information click This Link

Number of Internal and External (Community) Complaints in 2024

In 2024, a total of 204 internal complaints were submitted through the Grievance Reporting System (SPP), of which 203 complaints were resolved, leaving 1 complaint still in the resolution process by the Human Capital Function.

Through the CSR Department, the Company has established communication with the community and provided multiple channels for submitting complaints. As of 2024, a total of 379 complaints have been received, primarily concerning infrastructure, employment opportunities, and partnerships. Of these, 378 complaints have been resolved, while 1 complaint remains in the resolution process, with the following details:

Complaint Type	2024			
	Total	%	Status	
			Resolved	Unresolved
Deforestation	1	0.26%	1	-
Infrastructure	88	23.22%	88	-
Environment	8	2.11%	8	-
Social*	159	41.95%	158	1
Operational*	123	32.45%	123	-
Total	**379**	**100%**	**378**	**1**

Note:
** = Social grievances consist of complaints regarding health, education, boundaries, land claims/GRTT, cooperative partnerships, contractors, and CSR empowerment programs.*
** = Operational grievances consist of complaints about the operational process of the plantation & mill, labor, and fruit theft.*

Status, Type, and Number of Complaints from Suppliers, Buyers, and Other Stakeholders in 2024

Supply Chain Name	Company Name	Type of Grievance	Grievance Location	Area (Ha)	Status
Consumer	PT DWT	Deforestation	PT DWT, ME4 (Long Belteq Block XI)	49.14	Resolved
	PT BPN		PT KAN (supplier of PT BPN)	40.98	
	PT PWP		Conservation area Bukit Lajah Manah Block I-22 Afd 9 BP3	3.7	
	PT KPS		PT Berau Karetindo	226	
	PT PWP		BP-3, KL-1, KL-5, KL-9, and CV RP	16.9	
Total				**336.72**	

In 2024, out of a total of five complaints from suppliers, the majority were related to deforestation, which has been verified and resolved. Detailed information on these grievances can be accessed through the the following links.

Communication of Critical Issues and Reporting Mechanisms [POJK E.3] [GRI 3-3]

The Company implements the Stakeholder Engagement Plan (SEP) as part of its Environmental and Social Management System (ESMS). Through the Stakeholder Engagement Forum (SEF), stakeholders can regularly raise their concerns. The discussions from the SEF are reported by the Chief Sustainability Officer (CSO) to the President Director. Throughout 2024, the Company received 19 key issues from stakeholders through the SEF.

Business Ethics and Compliance

[GRI 2-23, 2-24, 2-25]

Corporate Governance

DSNG upholds transparent, accountable, and integrity-driven corporate governance, complying with all applicable regulations and laws. The corporate governance structure comprises three main bodies: the General Meeting of Shareholders (GMS), the Board of Commissioners, and the Board of Directors, all of which collaborate to ensure the Company is managed effectively and efficiently. The Board of Commissioners supervises and advises the Board of Directors, which is responsible for strategic and operational management.

Our commitment to good governance is demonstrated through risk management, transparency, and policy implementation that promotes corporate sustainability. To ensure the consistent application of these principles, DSNG has established several policies that govern business ethics, compliance, and sustainability.

More information on corporate governance, including organizational structure, internal policies, and governance enhancements are disclosed in our Annual Report.

Policies and Guidelines

DSNG is committed to public policies that align with long-term business objectives, social interests, and environmental sustainability. We actively engage with government bodies, legislators, and stakeholders to shape policies that promote sustainability, transparency, and social responsibility. We ensure that all policy decisions reflect the Company's commitment to ethics, integrity, and responsible resource management.

DSNG has established the following policies and guidelines to ensure business ethics and regulatory compliance:

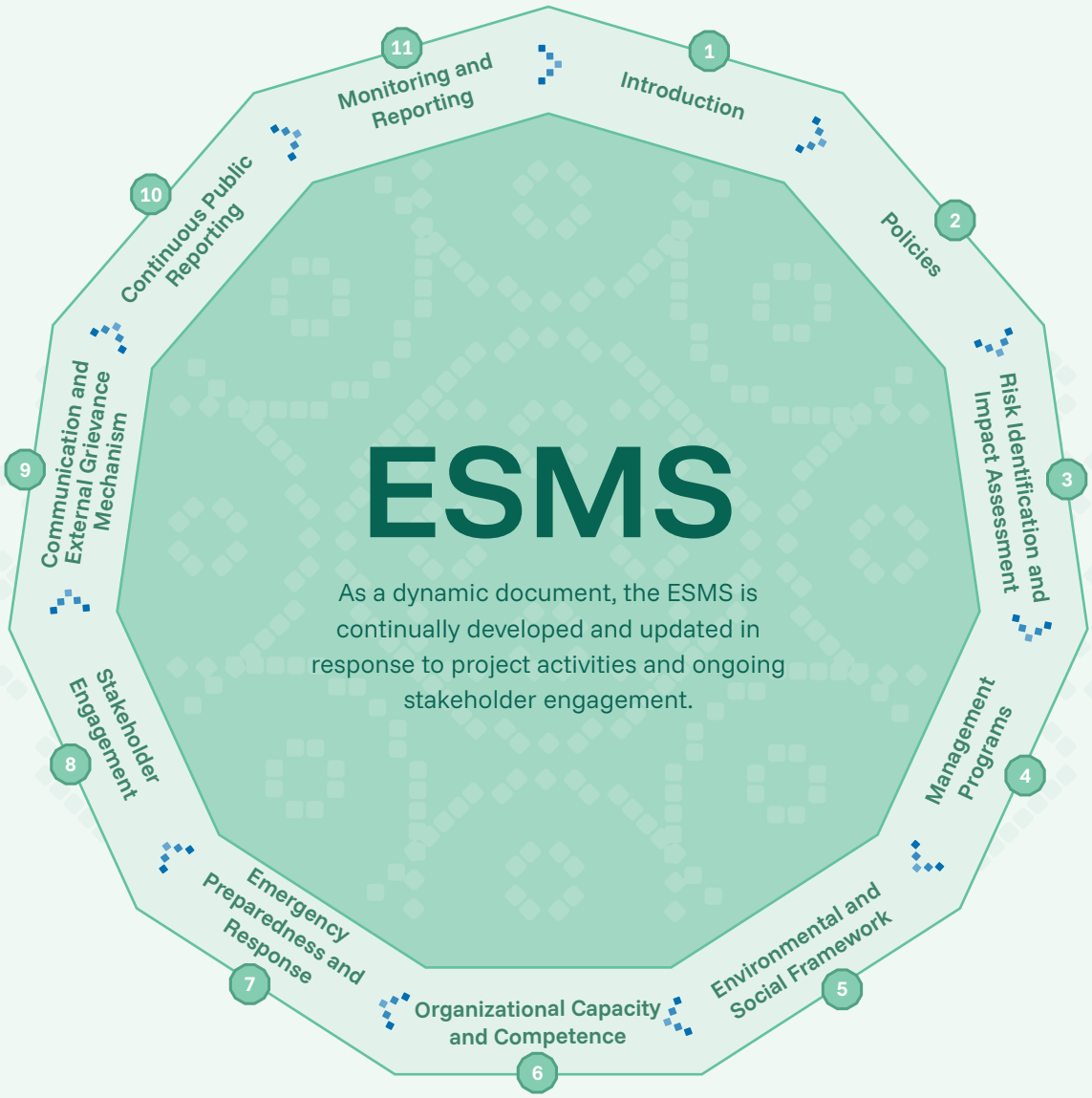
- Anti-Bribery and Anti-Corruption Policy [link]
- Political Involvement Policy [link]
- Anti-Discrimination Policy [link]
- Creditor Rights Compliance [link]
- Supplier and Vendor Selection & Capacity Development Policy [link]
- Corporate Policy on Insider Trading [link]
- Affiliate and Conflict of Interest Transactions Policy [link]
- Tax Strategy Policy [link]
- Public Policy [link]
- Women Protection Policy [link]
- Child Protection Policy [link]
- Dividend Policy [link]
- Green Procurement Policy [link]

Risk Management in Sustainability Implementation

The Audit Committee oversees corporate risk management, while the Board of Commissioners monitors the implementation of the Risk Management strategy by the Board of Directors. The Audit Committee is responsible for evaluating risk management policies, ensuring the accountability of the Board of Directors, and approving transactions that require approval from the Board of Commissioners. DSNG regularly identifies risks affecting performance using the Enterprise Risk Management (ERM) methodology. Further details are available in the 2024 Annual Report.

To support sustainability, DSNG also identifies Environmental, Social, and Governance (ESG) risks that could impact operations. These are documented within the Environmental and Social Management System (ESMS), initially developed in 2021 and updated in 2023. The ESMS framework aligns with IFC PS, ADB SPS, and DSNG's sustainability policies, covering:

The ESMS document covers:



Cross Reference POJK 51/ POJK.03/2017

[POJK G.4]

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GRI Content Index

Statement of Use

PT Dharma Satya Nusantara Tbk has reported in accordance with the GRI Standards for the period 1 January 2024 to 31 December 2024.

GRI 1 used:
GRI 1: Foundation 2021

Applicable GRI Sector Standard(s):
GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No
			Requirement(s) Omitted	Reason	Explanation	
General Disclosure						
GRI 2: General Disclosures 2021	**2-1** Organizational details	15				
	2-2 Entities included in the organization's sustainability reporting	1				
	2-3 Reporting period, frequency and contact point	1				
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Acronyms and Abbreviations

Acronyms and Abbreviations

AMDAL	Environmental Impact Analysis (EIA)
APD	Personal Protective Equipment (PPE)
APL	Other Land Use (OLU)
B3	Hazardous and Toxic Materials
Bio-CNG	Compressed Natural Biogas
BKSDA	Natural Resources Conservation Agency
BPJS	Social Security Administration Agency
CAP	Climate Action Plan
CPO	Crude Palm Oil
CRT	Cultivation Rights Titles
CSR	Corporate Social Responsibility
CSPO	Certified Sustainable Palm Oil
ESG	Environment, Social, and Governance
ESMS	Environmental and Social Management System
EUDR	European Union Deforestation Regulation
FLAG	Term for emissions from land use (forests, land, and agriculture)
GRK	Greenhouse Gas (GHG)
GJ	Gigajoule
Ha	Hectare
HAM	Human Rights
HCS	High Carbon Stock Areas
HCV	High Conservation Value Areas
HGU	Land Utilization Rights
IFC PS	International Finance Corporation Performance Standards on environmental and social sustainability
ISCC	International Sustainability and Carbon Certification
ISPO	Indonesian Sustainable Palm Oil
ISO	International Organization for Standardization
IUCN	International Union for Conservation of Nature
	CR: Critically Endangered
	EN: Endangered
	VU: Vulnerable
	NT: Near Threatened
	LC: Least Concern
JAS	Japan Agriculture Standard
K3	Occupational Health and Safety (OHS)
K3L	Occupational Health, Safety, and Environment (HSE)
KLHK	Ministry of Environment and Forestry
LB3	Hazardous and Toxic Waste
LCC	Legume Cover Crop
LPHD	Village Forest Management Agency
LPP	Landscape Protection Plan
LUCA	Land Use Change Analysis
LSM	Non-Governmental Organization (NGO)
MCU	Medical Check-Up
NDPE	No Deforestation, No Peat, No Exploitation Policy
NPP	New Planting Procedure
NKT	High Conservation Value
PADIATAPA	Free, Prior, and Informed Consent (FPIC)
PBB	United Nations (UN)
PEFC	Programme for the Endorsement of Forest Certification
PKO	Palm Kernel Oil
PKS	Palm Oil Mill
POME	Palm Oil Mill Effluent
PROPER	Corporate Performance Rating Program
RaCP	Remediation and Compensation Procedure
RTE	Rare, Threatened, or Endangered
SAB	Sustainability Advisory Board
SEF	Stakeholder Engagement Forum
SMK3	Occupational Health and Safety Management System (OHSMS)
SOP	Standard Operating Procedure
SPOTT	Sustainability Policy Transparency Toolkit
SRI-KEHATI	Sustainable and Responsible Investment-KEHATI
SVLK	Timber Legality Verification System
t	Metric ton
Tbk	Public Company
TBS	Fresh Fruit Bunches (FFB)
tCO2e	Tons of Carbon Dioxide Equivalent
TKTD	Emergency Preparedness and Response Team
USD	United States Dollar

Feedback Sheet

Feedback Sheet

[POJK G.2]

Thank you for reading our sustainability report. To enhance its quality and meet future expectations, we invite your feedback. Your insights are invaluable to us, so allow us to ask you a few questions about this report.

No.	Questions	Answer	
		Yes	No
1.	This report offers valuable insights.	[ ]	[ ]
2.	This report is easy to understand.	[ ]	[ ]
3.	This report has inspired you to engage in sustainability.	[ ]	[ ]
		Scale 1-10	
4.	Economic Performance	○ ○ ○ ○ ○ ○ ○ ○ ○ ○	
5.	Social Performance	○ ○ ○ ○ ○ ○ ○ ○ ○ ○	
6.	Environmental Performance	○ ○ ○ ○ ○ ○ ○ ○ ○ ○	
		Freetext	
7.	What materials do you think should be added?		
8.	What contributions do you believe the Company needs to enhance?		
9.	Any other suggestions or input:		

Stakeholder Profile	
Department	Answer
Shareholder/Investor	[ ]
Employee	[ ]
Consumer	[ ]
Public	[ ]
Goverment	[ ]
Business Partner	[ ]
Media	[ ]
NGO	[ ]
Others	[ ]
Personal Data	
Gender	
Age	
Job	
Latest Education Level	

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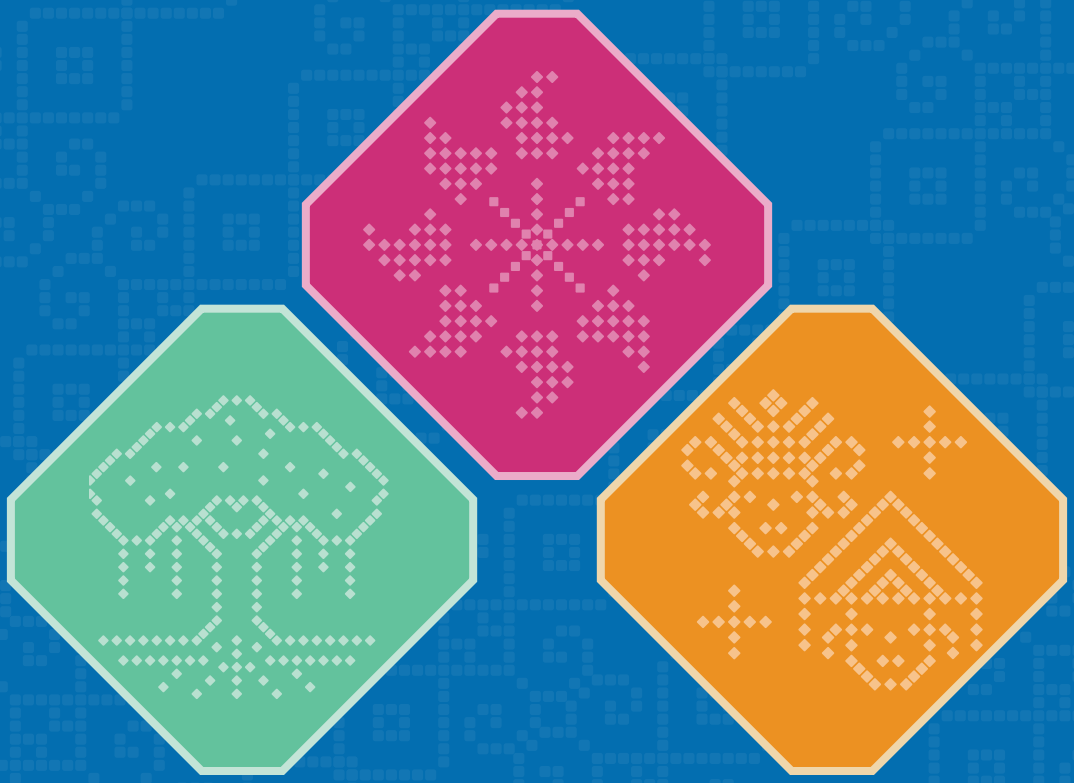

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